

## PLAN FOR THE MERGER BY ABSORPTION OF "BANCA CARIGE S.P.A - CASSA DI RISPARMIO DI GENOVA E IMPERIA" AND "BANCA DEL MONTE DI LUCCA S.P.A INTO "BPER BANCA S.P.A."

The Boards of Directors of BPER Banca S.p.A. (hereinafter referred to as ' **BPER**' or "**Surviving Company**"), of Banca Carige S.p.A. - Cassa di Risparmio di Genova e Imperia (hereinafter referred to as "**Carige**") and Banca del Monte di Lucca S.p.A. (hereinafter referred to as "**BML**" and, jointly with Carige, the "**Merging Companies**") have drawn up and approved, each within their own competence, the following merger plan (the "**Merger Plan**") pursuant to Article 2501-ter of the Italian Civil Code.

### RECITALS

- on June 3, 2022, following the issuance of the required authorisations by the relevant Authorities, BPER purchased, from the Interbank Deposit Protection Fund (*Fondo Interbancario di Tutela dei Depositi*) and from the Voluntary Intervention Scheme (*Schema Volontario di Intervento*), No. 604,154,459 ordinary shares of Carige, representing 79.418% of Carige share capital (the "**Majority Shareholding**"). Upon completion of the acquisition of the Majority Shareholding (the "**Acquisition**"), BPER exercises control over Carige pursuant to Article 2359 of the Italian Civil Code and Article 93 of the Consolidated Law on Finance.

- also on June 3, 2022, BPER announced to the market and to Consob:

- (i) that it had an obligation to launch a mandatory tender offer (the "**Mandatory Tender Offer**"), pursuant to Articles 102, 106, paragraph 1 of Legislative Decree no. 58 of 24 February 1998, as amended and supplemented (the "**CLF**"), and the applicable implementing provisions contained in the regulation approved by Consob resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented (the "**Issuers' Regulation**"), for all the ordinary shares of Carige for a price of Euro 0.80 for each ordinary share of Carige tendered to the Mandatory Tender Offer, and
- (ii) the decision to promote a voluntary tender offer (the "**Voluntary Tender Offer**" and, jointly with the Mandatory Tender Offer, the "**Offers**"), pursuant to Art. 102 CLF, for the 20 savings shares of Carige, for a price of Euro 25,000.00 for each savings share of Carige tendered to the Voluntary Tender Offer;

- on July 18, 2022, BPER and Carige jointly announced – in compliance with future plans envisaged by BPER in the relevant offer document, approved by Consob with resolution no. 22390 on July 6, 2022 and published on July 8, 2022 (the "**Offer Document**") – the start of the merger procedure of Carige into BPER through the engagement of the respective advisors, as well as the simultaneous merger by absorption of BML - in which Carige holds 69.97% - into BPER (the mergers by absorption of Carige and BML into BPER, jointly, the "**Merger**")

- the Merger is aimed at fully achieving the objectives in terms of industrial synergies and value creation related to the Acquisition and fully described in the offer document published for the purpose of the Offers;

- on July 29, 2022, the Offers acceptance period, which had commenced on July 11, 2022 ended on July 29, 2022 and, as a result, on August 5, 2022, BPER came to hold, as specified in the final results announcement published on August 3, 2022, No. 714,315,304 ordinary shares of Carige, representing 93.9% of Carige's ordinary share capital, and 1 savings share of Carige;
  - subsequent to the end of the Offers acceptance period and until the date of August 18, 2022, BPER purchased Carige ordinary shares outside the Offers, in the amount of No. 3,556,943 Carige ordinary shares (the “**Additional Ordinary Shares**”), bringing the total number of Carige ordinary shares held by BPER as at the date of this Merger Plan to No. 717,872,028 Carige ordinary shares, representing 94.4% of Carige ordinary share capital;
  - on the basis of the final results of the above Offers, BPER will fulfil the Sell-Out procedure under Article 108, paragraph 2, of the CLF (the “**Sell-Out Procedure**”), which will commence on August 22, 2022 and will end on September 9, 2022, inclusive, unless extended, with payment date due on 16 September 2022, by extending the terms of the Sell-Out procedure to the Voluntary Tender Offer (the “**Reopened Voluntary Tender Offer**”);
  - BPER, Carige and BML will file a joint petition with the Court of Bologna for the appointment of an expert, exercising the option under Article 2501-sexies, paragraph 4 of the Italian Civil Code, to request the Court of the place where the surviving company has its registered office to appoint one or more joint experts to draft a report on the fairness of the share exchange ratio;
  - for Carige, the Merger is a “greater importance” related-party transaction on the basis of the procedure approved by Carige Board of Directors pursuant to Bank of Italy Circular No. 285/2013, Title III, Chapter 11, as subsequently amended and supplemented and pursuant to CONSOB Regulation adopted with resolution No. 17221 of 12 March 2010 as subsequently amended and supplemented (the “**RPT and Associated Persons Procedure**”);
  - for BML, the Merger is a “greater importance” transaction with an associated person of the banking group on the basis of the RPT and Associated Persons Procedure with which BML complied by resolution of the Board of Directors;
- Carige Related-Party Transactions Committee and BML Independent Director, Mr. Marco Marchi, respectively issued, each to the extent of their competence, a reasoned favourable opinion on Carige's and BML's interest in completing the Merger, and a reasoned opinion on the procedural and substantial fairness of the terms and conditions of this Merger Plan;
- the Merger Project is drafted as a single document, having regard to (i) the objective of implementing the Merger at the same time, with legal effect on the same date, and (ii) the need to explain its objectives and effects for the purpose of the unified Supervisory administrative procedure;
  - each merger transaction remains in principle an autonomous transaction which is represented in a specific and distinct manner except for the common elements; however, the implementation of the merger of BML (directly controlled by Carige and, indirectly, by BPER), is subject to the merger of Carige into BPER as part of the same context;

- the Merger Plan contains provisions for the case in which the procedure relating to the merger of Carige is carried out in simplified form if, upon completion of the Offers and the related following fulfilments, BPER holds all the ordinary shares and the savings shares such as to permit the application of the procedure under Article 2505 of the Italian Civil Code (**‘Simplified Procedure 100% Carige Shareholding’**);
- on the date hereof, the Boards of Directors of BPER, Carige and BML, after the issuance, respectively, of the favourable opinions by Carige Related-Party Transactions Committee and BML Independent Director, in approving this Merger Plan, additionally resolved to grant the necessary powers to call the respective extraordinary shareholders’ meetings in order to approve the Merger Plan;
- the Merger is subject to the issuance of the provided authorisations, included (i) the authorisation pursuant to Articles 4 and 9 of Regulation (EU) No. 1024/2013 and Article 57 of Legislative Decree No. 385/93 (Consolidated Law on Banking **“CLB”**) and the relevant implementing provisions, considering that the Merger Plan may not be registered with the competent Companies’ Registers without this authorisation, (ii) the authorisation pursuant to Article 56 of the CLB and its implementing provisions in relation to the statutory amendments arising from the Merger, as well as (iii) the authorisation pursuant to Articles 26, paragraph 3, and 28 of Regulation (EU) No. 575/2013 (**“CRR”**) and its implementing provisions, for classification of the newly issued ordinary shares arising from the capital increase as CET1 instruments;
- at the shareholders’ meeting called to approve the Merger Plan, BPER - as surviving company in the Merger – shall also submit further amendments to its Articles of Association which are also subject to prior review and approval pursuant to Article 56 CLB;
- in relation to legal and regulatory disclosure requirements to the holders of financial instruments of the companies participating in the Merger and to the public, the information necessary for the exercise of rights will be disclosed in accordance with the applicable provisions.

## **1. TYPE, NAME AND REGISTERED OFFICE OF THE COMPANIES PARTICIPATING IN THE MERGER**

### **1.1 Surviving Company**

BPER Banca S.p.A., a company with ordinary shares listed on Euronext Milan, registered office in Modena, Via San Carlo, 8/20, fully paid-up share capital of Euro 2,100,435,182.40, divided into 1,413,263,512 ordinary shares, with no indication of par value, tax code and registration number in the Modena Companies’ Register: 01153230360, belonging to the "BPER Banca S.p.A. VAT Group", VAT no. 03830780361, registered in the Register of Banks under no. 4932 and Parent Company of the BPER Banca S.p.A. Banking Group, registered in the Register of Banking Groups under no. 5387.6, member of the Interbank Deposit Protection Fund and the National Guarantee Fund .

### **1.2 Merging Companies**

- Banca Carige S.p.A. - Cassa di Risparmio di Genova e Imperia, with registered office in Genoa, Via Cassa di Risparmio, 15, fully paid-up share capital of Euro 1,345,608,389.81, divided into 760,723,387 ordinary shares and 20 savings shares, with no par value, VAT number, tax code and Genoa Companies' Register no. 03285880104, enrolled in the Bank Register under no. 5074, subject to management and coordination by BPER Banca S.p.A. and part of the Banking Group bearing the same name, member of the Interbank Deposit Protection Fund and the National Guarantee Fund.

The ordinary shares are listed on Euronext Milan, while the savings shares were suspended from trading indefinitely by order of Borsa Italiana on 11 December 2020.

- Banca del Monte di Lucca S.p.A. with registered office in Lucca, Piazza S. Martino, 4, fully paid-up share capital of Euro 44,140,000.00, divided into 181,487,981 ordinary shares with no indication of par value, VAT number, tax code and number of registration with the Lucca Companies' Register 01459540462, enrolled in the Register of Banks under no. 6915, subject to management and coordination by BPER Banca S.p.A. and part of the banking group bearing the same name, member of the Interbank Deposit Protection Fund and the National Guarantee Fund.

## **2. ARTICLES OF ASSOCIATION OF THE SURVIVING COMPANY AND AMENDMENTS (IF ANY) RESULTING FROM THE MERGER**

Following the Merger, the Surviving Company shall increase its share capital by a maximum of Euro 27,125,286.00, by issuing up to 17,878,609 ordinary shares, with no par value, and up to 204,915 privileged shares, with no par value, in application of the Exchange Ratios (as defined below) and the share allocation procedures set forth in Paragraphs 3 and 4 below of the Merger Plan. However, in the event that all the holders of Carige savings shares opt for the allocation of BPER ordinary shares in application of the Carige Savings Shares to BPER Ordinary Shares Exchange Ratio (as defined below), the Surviving Company shall increase its capital by a maximum of Euro 27,138,082.50, by issuing exclusively up to 18,092,055 ordinary shares, with no par value.

Therefore, the Articles of Association of the Surviving Company that will come into force on the effective date of the Merger will contain a series of amendments to BPER's current Articles of Association, including, inter alia:

- (i) amendment to art. 5 ("*Capital, shareholders and shares*") of the Articles of Association, to reflect the increase in BPER's share capital to service the Exchange Ratios (as defined below), as well as the new share capital structure following the issue of BPER privileged shares to service the Exchange Ratio to Privileged Shares (as defined below), if the holders of Carige savings shares exercise the option under Paragraph 3 hereinafter;
- (ii) for the sole event in which the holders of Carige savings shares exercise the option referred to in Paragraph 3 below, the insertion of a new clause in Article 5 ("*Capital, Shareholders and Shares*") of the Articles of Association containing the rights due to the holders of BPER privileged shares that may be assigned to the holders of these savings shareholders.

However, if, following the fulfilment of the purchase obligation pursuant to Art. 108, paragraph 1 of the Consolidated Law on Finance and the simultaneous exercise of the purchase right pursuant to Art. 111 of the Consolidated Law on Finance and the Reopened Voluntary Tender Offer, BPER came to purchase additional ordinary and/or savings shares, the capital increase will be for a lower amount than specified above. If, moreover, BPER came to hold the entire (ordinary and savings) share capital of Carige, no BPER ordinary and privileged shares will be issued to service the Carige Exchange Ratios and the Surviving Company may only increase the share capital to service the BML Exchange Ratio for a maximum of Euro 3,678,297.00, by issuing up to 2,452,198 ordinary shares.

The complete text of the Articles of Association of the Surviving Company that will become effective as of the effective date of the Merger is attached to the Merger Plan as Annex "A", with the warning that the numerical expressions contained in Article 5, paragraph 1 of BPER's articles of association may be specified in their final amount in the merger deed, in application of the principles and criteria described below.

### 3. SHARE EXCHANGE RATIOS AND CASH ADJUSTMENT (IF ANY)

The relevant balance sheets are reflected: (i) for BPER, in the half-year financial report as at June 30, 2022 approved by the Board of Directors on August 4, 2022; (ii) for Carige, in the half-year financial report as at June 30, 2022 approved by the Board of Directors on August 19, 2022; (iii) for BML, in the accounting schedules as at June 30, 2022, which include the balance sheet as at June 30, 2022 approved by the Board of Directors on August 1, 2022, pursuant to and for the effects of Article 2501-*quater* of the Italian Civil Code.

The exchange ratios were determined as follows:

- No. 0.360 BPER ordinary shares, with regular dividend entitlement, for each Carige ordinary share, equal to No. 9 BPER ordinary shares for each No. 25 Carige ordinary shares (the “**Carige Ordinary Shares to BPER Ordinary Shares Exchange Ratio**”);
- No. 11,234 BPER ordinary shares, with regular dividend entitlement, for each Carige savings share (the “**Carige Savings Shares to BPER Ordinary Shares Exchange Ratio**”) or, alternatively and at the discretion of the holders of Carige savings shares, No. 10,785 BPER privileged shares, with regular dividend entitlement, for each savings share of Carige (the “**Carige Savings Shares to BPER Privileged Shares Exchange Ratio**”) and, together with the Carige Ordinary Shares to BPER Ordinary Shares Exchange Ratio and the Carige Savings Shares to BPER Ordinary Shares Exchange Ratio, the “**Carige Exchange Ratios**”);
- No. 0.045 BPER ordinary shares, with regular dividend entitlement, for each BML ordinary share, equal to No. 9 BPER ordinary shares for each No. 200 BML ordinary shares (the “**BML Ordinary Shares to BPER Ordinary Shares Exchange Ratio**”) and, together with the Carige Exchange Ratios, the “**Exchange Ratios**”).

For the purposes of determining the Exchange Ratios, the Boards of Directors of the companies participating in the Merger availed themselves of the support of financial advisors with proven professional expertise.

The reasons justifying the respective Exchange Ratios will be explained in the reports drawn up by the Boards of Directors of the companies participating in the Merger pursuant to Article 2501-*quinquies* of the Italian Civil Code, which will be made available to the public in the manner and within the time limits set forth by laws and regulations.

No cash adjustments are envisaged.

Should the conditions for the adoption of the Simplified Procedure 100% Carige Shareholding be met, there will be no issue of new shares to service the Carige Exchange Ratios as the shareholdings held by BPER in Carige will be cancelled without exchange.

#### **4. PROCEDURES FOR THE ASSIGNMENT OF SHARES IN THE SURVIVING COMPANY**

Without prejudice to the adoption of the Simplified Procedure 100% Carige Shareholding, all the shares of the Merging Companies will be cancelled and exchanged, as the case may be, for BPER ordinary and/or privileged shares in accordance with the applicable Exchange Ratios.

Accordingly, the Surviving Company shall increase its share capital by a maximum of Euro 27,125,286.00, by issuing up to 17,878,609 ordinary shares, with no par value, and (assuming that all Carige savings shareholders opt for the assignment of BPER privileged shares in application of the Carige Savings Shares to BPER Privileged Shares Exchange Ratio) up to 204,915 privileged shares, with no par value. Conversely, in the event that all the holders of Carige savings shares opt for the allocation of BPER ordinary shares in application of the Carige Savings Shares to BPER Ordinary Shares Exchange Ratio, the Surviving Company shall increase its capital by a maximum of Euro 27,138,082.50, by issuing exclusively up to 18,092,055 ordinary shares, with no par value. The exact amount of BPER's capital increase and its structure between ordinary shares and newly issued privileged shares will therefore be defined according to the exercise of the alternative options granted to the holders of Carige savings shares for the purpose of the relevant exchange ratio.

The maximum amount of the capital increase has been determined, inter alia, by taking into account the final results of the Offers as announced to the market on August 3, 2022 and any Additional Ordinary Shares purchased until August 18, 2022 (the trading day before the date of the approval of this Merger Plan). However, if also following the fulfilment of the purchase obligation pursuant to Art. 108, paragraph 1 of the Consolidated Law on Finance and the simultaneous exercise of the purchase right pursuant to Art. 111 of the Consolidated Law on Finance and the Reopened Voluntary Tender Offer, BPER came to hold additional ordinary and/or savings shares, the capital increase will be for a lower amount than specified above. If, moreover, BPER came to hold the entire (ordinary and savings) share capital of Carige, no BPER ordinary and privileged shares will be issued to service the Carige Exchange Ratios and the Surviving Company may only increase the share capital to service the BML Exchange Ratio for a maximum of Euro 3,678,297.00, by issuing up to 2,452,198 ordinary shares.

The newly issued shares of the Surviving Company allocated under the share exchange will be listed on Euronext Milan, organised and managed by Borsa Italiana S.p.A.,

ranking equal with BPER ordinary shares already outstanding, as uncertificated securities under centralised depository administration at Monte Titoli S.p.A., pursuant to Articles 83-*bis et seq.* of the CLF.

The newly issued privileged shares of the Surviving Company granted in exchange to the Carige savings shares holders that will exercise the relevant right as described above will not be traded on any regulated market or other multilateral trading facility.

A service will be made available to the shareholders of the Merging Companies to enable them to round down or up to the next lower or higher unit the number of shares to which they are entitled in application of the Exchange Ratios, without incurring any expenses, stamp duties or commissions. Alternatively, other systems may be activated to ensure the overall rounding off of the transaction.

The exchange of the shares will be carried out through authorised intermediaries, without any charges, expenses or commissions for Carige and BML shareholders.

BPER (ordinary and privileged) shares intended for the exchange will be made available to those entitled in accordance with the procedures of Monte Titoli S.p.A. centralised depository administration as uncertificated shares, on the trading day immediately following the day on which the merger becomes effective for statutory purposes.

The holders of Carige savings shares who intend to receive in exchange newly issued BPER privileged shares based on the Carige Savings Shares to BPER Privileged Shares Exchange Ratio may exercise this right by registered letter with return receipt to be sent to the following address Carige S.p.A.- Affari Societari e di Gruppo - Via Cassa di Risparmio, 15 – 16123, Genova, or by certified email to the following address pec@pec.carige.it (c/c: affari.societari@carige.it), by the deadline set for exercising the withdrawal right according to Paragraph 10 below, stating the shareholder's personal details, address for service for notices regarding the transaction, the number and class of shares for which the right is being exercised. Holders of Carige savings shares who have not exercised this right by the aforementioned deadline will be assigned newly issued BPER ordinary shares according to the Carige Savings Shares to BPER Ordinary Shares Exchange Ratio.

## **5. DATE FROM WHICH SHARES ASSIGNED IN EXCHANGE WILL PARTICIPATE IN THE PROFITS**

BPER ordinary and privileged shares issued to service the Merger will have regular dividend entitlement. Therefore, BPER newly issued ordinary shares will grant their holders the same rights as BPER ordinary shares already outstanding on the effective date of the Merger.

## **6. MERGER EFFECTIVE DATE**

Each merger transaction shall take legal effect, pursuant to Article 2504-*bis* of the Italian Civil Code, as of the last recording of the merger deed in the Companies Register, or on any later date specified in the merger deed.

The transactions of the Merging Companies will be recognised in the Surviving Company's financial statements, including for tax purposes, as of 1 July, if the merger

becomes legally effective by 31 December 2022, or as of 1 January 2023 if the merger becomes legally effective in the course of 2023.

## **7. TREATMENT, IF ANY, RESERVED FOR SPECIAL CATEGORIES OF SHAREHOLDERS AND HOLDERS OF SECURITIES OTHER THAN SHARES**

Holders of Carige savings shares who have opted for the assignment of BPER privileged shares according to the Carige Savings Shares to BPER Privileged Shares Exchange Ratio will be assigned privileged shares having the same preferred treatment pursuant to the Articles of Association as applies to Carige savings shares. In particular, BPER newly issued privileged shares will have the following preferred treatment pursuant to the Articles of Association:

- right to an increase in the dividend payable on ordinary shares equal to 25% of the dividend payable on ordinary shares; in the event of distribution of reserves, privileged shares would have the same rights as other shares;
- subordination in the event of reduction of the share capital due to losses, in the sense that the reduction would have no effect on the privileged shares except to the extent of the loss that is not covered by the portion of capital represented by the ordinary shares.

Notwithstanding the above, there is no treatment reserved for particular categories of shareholders or holders of securities other than shares.

## **8. SPECIAL ADVANTAGES THAT MAY BE PROPOSED IN FAVOUR OF PERSONS ENTRUSTED WITH THE ADMINISTRATION OF THE COMPANIES PARTICIPATING IN THE MERGER**

There are no special advantages for the directors of the companies participating in the Merger.

## **9. SELL-OUT RIGHT**

Although the companies participating in the Merger do not apply the simplified procedure provided for in Article 2505-*bis*, paragraph 1 of the Italian Civil Code and subject to the completion of the Merger, the holders of Carige ordinary and privileged shares other than BPER will be granted, pursuant to abovementioned Article, the right to require the Surviving Company to purchase all or part of the Carige shares they hold for a price determined in accordance with the criteria for withdrawal (the "**Sell-Out Right**"). Therefore, the Sell-Out Right amount will be determined according to the criteria provided for by Article 2437-*ter* of the Italian Civil Code and made public according to the conditions and terms of the law and the regulations, without prejudice to the fact that, on the basis of the valuation activities carried out to the date hereof, it is reasonable to expect that this amount will be aligned with the consideration offered under the Offers.

The Sell-Out Right may be exercised by registered letter with return receipt, to be sent to the following address Carige S.p.A.- Affari Societari e di Gruppo - Via Cassa di Risparmio, 15 – 16123, Genova, or by certified email to the following address pec@pec.carige.it (c/c: affari.societari@carige.it), within 15 calendar days after



registration of the resolution of Carige Extraordinary Shareholders' Meeting approving the Merger Plan in the Genoa Companies' Register, stating the shareholder's personal details, the address for service for notices regarding the transaction, the number and class of shares for which the sell-out right is being exercised.

If, by the aforementioned deadline, the ordinary and/or savings shareholders have not exercised their Sell-Out Right, or have exercised it only in part:

- the Carige ordinary shareholders will receive BPER ordinary shares in exchange for the Carige ordinary shares, and
- the Carige savings shareholders will receive BPER ordinary shares in exchange for Carige savings shares, or BPER privileged shares if, by the same deadline, they have opted for the assignment of privileged shares on the basis of the Carige Savings Shares to BPER Privileged Shares Exchange Ratio.

Finally, it should be noted that the Sell-Out Right will not be granted to holders of Carige ordinary shares if, as a result of the Sell-Out Procedure, BPER comes to hold, including as a result of any purchases made on the market, a stake of at least 95% of Carige's ordinary share capital. In this case, the prerequisites will in fact be met for BPER to exercise its right to purchase pursuant to Article 111 of the CLF ("squeeze-out") for the same consideration as was paid under the mandatory offer, namely Euro 0.80 for each Carige ordinary share.

## 10. WITHDRAWAL RIGHT

The holders of Carige savings shares will have the right to withdraw (i) pursuant to the provisions of art. 2437, paragraph 1, letter g) of the Italian Civil Code on the basis of the different rights inherent in BPER ordinary shares as compared to the rights inherent in Carige savings shares, or (ii) pursuant to the provisions of art. 2437-*quinquies* of the Italian Civil Code, given that BPER privileged shares will not be traded on any regulated market.

The unit value for the purpose of liquidation of each Carige savings share withdrawn will be determined according to the criteria provided for by Article 2437-ter of the Italian Civil Code and made public according to the conditions and terms of the law and the regulation, without prejudice to the fact that, on the basis of the valuation activities carried out to the date hereof, it is reasonable to expect that this amount will be aligned with the consideration offered under the Offers.

The right to withdraw may be exercised by registered letter with return receipt, to be sent to the following address Carige S.p.A.- Affari Societari e di Gruppo - Via Cassa di Risparmio, 15 – 16123, Genova, or by certified email to the following address pec@pec.carige.it (c/c: affari.societari@carige.it), within 15 calendar days after registration of the resolution of Carige Extraordinary Shareholders' Meeting approving the Merger Plan in the Genoa Companies' Register, stating the shareholder's personal details, the address for service for notices regarding the transaction, the number and class of savings shares for which the right to withdraw is being exercised.

The effectiveness of any withdrawal exercised by holders of Carige savings shares, as well as the payment of the liquidation value of savings shares for which withdrawal has been exercised, are subject to the effectiveness of the Merger; accordingly, the

liquidation value will be paid to the withdrawing shareholders after the Merger becomes effective for statutory purposes, in any case within the time limits established by Article 2437-*quater* of Italian Civil Code.

If, by the aforementioned deadline, the savings shareholders have not exercised their withdrawal right, or have exercised it only in part, they will receive BPER ordinary shares in exchange for Carige savings shares, or BPER privileged shares if, by the same deadline, they have opted for the assignment of privileged shares on the basis of the Carige Savings Shares to BPER Privileged Shares Exchange Ratio.

Carige ordinary shareholders will not be entitled to the right to withdraw since, as already indicated in Paragraph 4 above, the newly issued BPER ordinary shares that will be granted in exchange to Carige ordinary shareholders will be listed on Euronext Milan and will grant the same equity and administrative rights as Carige currently outstanding ordinary shares.

BML shareholders will not be entitled to any right of withdrawal, as none of the cases provided for under Article 2437 et seq. of the Italian Civil Code apply.

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The documentation required by Article 2501-*septies* of the Italian Civil Code shall be filed within the time limits and in the manner provided for by applicable laws and regulations, subject to waiver by the entitled parties.

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The foregoing is subject to the changes, supplements and/or updates (including numerical changes) to the Merger Plan and the Surviving Company's Articles of Association attached hereto as *Annex "A"*, as required or allowed by the legal framework and/or by public authorities, or for registration with the relevant Companies Register or as adopted by the shareholders' meetings resolving upon the Merger in compliance with Article 2502 of the Italian Civil Code.

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Modena, Genova, Lucca

August 19, 2022

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"Annex A": *Post-merger* Articles of Association of the Surviving Company

Annex to the Merger Plan of Carige and Banca del Monte di Lucca



# ARTICLES OF ASSOCIATION

Articles of Association updated with the amendments decided by the Extraordinary Shareholders' Meeting of 29 January 2021

**ESTABLISHMENT, OBJECTS,  
DURATION AND  
REGISTERED OFFICES**

**Article 1**

1. The Company is called BPER Banca S.p.A., which can be abbreviated to "BPER Banca", and is the result of the transformation of Banca popolare dell'Emilia Romagna Società cooperativa, following the resolution of the Extraordinary Shareholders' Meeting on 26 November 2016, passed pursuant to arts. 29, paragraphs 2-bis and 2-ter, and 31 of Legislative Decree 385 of 1 September 1993. When using brands and logos, the words that make up the name can be combined with each other, even in different ways. The Company can use, as brands and logos, names and/or trademarks used from time to time by itself and/or by companies that have been absorbed by it.

2. The Company is governed by the applicable legislation and the regulations contained in these Articles of Association.

**Article 2**

1. The Company's corporate objects include the taking of deposits and the provision of loans in their various forms, both directly and through subsidiary companies.

2. The Company pays particular attention to the enhancement of local resources in the areas where it is present through its own distribution network and that of the Group.

3. As the Parent Company of the "BPER Banca S.p.A." Banking Group, which can be abbreviated to "BPER Banca Group", as defined in art. 61 of Legislative Decree 385 of 1 September 1993, the Company carries out management and coordination activities and issues directives to the members of the Group for implementation of the instructions received from the Bank of Italy and other Supervisory Authorities in the interests of the Group's stability.

**Article 3**

1. The duration of the Company is fixed until 1 December 2100, and may be extended.

**Article 4**

1. The registered offices of the Company are in Modena. Subject to receipt of the required authorisations, the Company may open or close branches and representative offices in Italy and abroad.

**SHARE CAPITAL, SHAREHOLDERS AND SHARES**

**Article 5**

1. Share capital, fully subscribed and paid in, amounts to Euro [●] and is represented by [●] shares, with no par value, divided into [●] registered ordinary shares and [●] privileged shares.

2. If a share becomes the property of several persons, the joint ownership rights must be exercised by a common representative.

3. Within the limits established by current regulations, the Company, by resolution of the Extraordinary Shareholders' Meeting can issue categories of shares carrying different rights with respect to the ordinary shares, and may determine such rights, as well as financial instruments with equity or administrative rights.

4. All the shares belonging to the same category carry the same rights.

5. The Board of Directors at the meeting held on 11 July 2019, by virtue of the delegation attributed to it by the Extraordinary Shareholders' Meeting held on 4 July 2019, pursuant to Article 2420-ter of the Italian Civil Code, to be exercised by 31 December 2019, has resolved to issue an Additional Tier 1 convertible bond, for a total nominal amount equal to Euro 150,000,000.00, to be entirely offered in subscription to Fondazione di Sardegna, with the exclusion of option rights pursuant to Article 2441, paragraph 5, of the Italian Civil Code, at a subscription price higher than par value equal to Euro 180,000,000.00, and, consequently, to resolve a paid capital increase, in one or more tranches and in divisible form, for a maximum total amount equal to Euro 150,000,000.00, including a share premium equal to Euro 42,857,142, to service exclusively and irrevocably the conversion of the abovementioned Additional Tier 1 bond through the issue of a maximum of

no. 35,714,286 ordinary shares of the Company, without explicit par value, with regular dividend rights and the same features as the ordinary shares of the Company outstanding at the issue date.

6. The Extraordinary Shareholders' Meeting held on 4 July 2019 granted the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power, for a period of five years from the date of the shareholders' meeting resolution, to resolve a paid capital increase, one or more time and in one or more tranches, with the exclusion of option rights pursuant to Article 2441, paragraph 4, and/or Article 2441, paragraph 5, of the Italian Civil Code, for a maximum total amount equal to Euro 13,000,000.00, including any share premium to be determined pursuant to Article 2441, paragraph 6, of the Italian Civil Code, by issue of a maximum number of 2,500,000 ordinary shares of the Company, without express par value, whose issue value may also be lower than the accounting par value existing at the relevant issue date, with regular dividend rights and the same characteristics as the ordinary shares of the Company outstanding at the issue date.

7. The Extraordinary Shareholders Meeting held on 22 April 2020 granted to the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the authorization, to be exercised by 31 March 2021, to increase the share capital in one or more tranches, in a divisible form, against payment, for a total maximum amount of Euro 1,000,000,000.00, inclusive of any share premium, through the issuance of ordinary shares of the Company, with no par value, whose issuance price may be lower than the accounting par value of pre-existing shares, to be offered in option to the existing shareholders pursuant to Article 2441, paragraph 1 of the Italian Civil Code, having regular entitlement and the same features of the ordinary shares outstanding at the issue date. The Board of Directors, partially exercising this right, at the board meeting of 29 September 2020 resolved to increase the share capital for payment, in one or more tranches, limited to a total maximum amount of Euro 534,838,838.40 (five hundred and thirty-four million eight hundred and thirty eight thousand eight hundred and thirty eight point forty), as well as a share premium of a maximum of Euro 267,419,419.20 (two hundred and sixty-seven million, four hundred and nineteen thousand, four hundred nineteen point twenty), by issuing a maximum of 891,398,064 (eight hundred and ninety-one million three hundred and ninety-eight thousand and sixty-four) ordinary shares, with no par value, with regular rights of enjoyment and the same characteristics as the ordinary shares in circulation on the issue date, to be offered under option to those entitled to them, pursuant to article 2441, paragraph 1, of the Italian Civil Code. The deadline for subscription of the newly issued shares is 31 December 2020, with the clarification that if the approved increase in capital is not fully subscribed by that date, the capital will in any case be deemed to have increased by an amount equal to the subscriptions received.

8. Privileged shares are registered shares and give the right to attend and vote in the Special Meeting only to the holders of privileged shares. Privileged shares are entitled to a 25% increase in the dividend payable on ordinary shares. In case of distribution of reserves, privileged shares have the same rights as the other shares. Holders of privileged shares may convert them into ordinary shares for an equal amount upon prior request to the Company, submitted on any business day of any month. The conversion date, understood as the day on which the conversion will take effect, will be the tenth day the stock exchange is open during the month following that of the conversion requests. Conversion requests may not be submitted during the periods comprised between the day after a Shareholders' Meeting has been called and the day (inclusive) on which the Shareholders' Meeting has been held, hereby including a call subsequent to the first call, and in any case until the day prior to the payout of dividends which may be resolved upon by the Shareholders' Meetings. The reduction of the share capital due to losses will not result in a reduction of the portion of capital represented by the privileged shares except to the extent of the loss that exceeds the portion of capital represented by the other classes of shares issued by the Company.

#### **Article 6**

1. The Company can ask, at any time and at its own expense, to the authorised intermediaries, through a centralised management company, the identification data of shareholders who have not expressly prohibited communication of the same, together with the number of shares registered on their accounts.

2. If the same request is made by shareholders, the provisions of current legislation apply, also with reference to the minimum shareholding for the submission of the application, with costs equally shared between the Company and its applicant shareholders, where not otherwise determined by law.

#### **Article 7**

1. Withdrawal is only allowed in the cases envisaged by law, except in cases of extension of the duration of the Company and the introduction or removal of restrictions on the circulation of shares.
2. The provisions currently in force apply to the redemption of the shares held by the withdrawing shareholder.

### **OPERATIONS OF THE COMPANY**

#### **Article 8**

1. In order to achieve its corporate objects, the Company, directly or through its subsidiaries, may in compliance with current regulations carry out all permitted banking and financial operations and services, as well as all other operations that are useful or in any case related to the achievement of its objects.
2. The Company may issue bonds, including those convertible into shares, in compliance with the applicable legislation.

### **CORPORATE BODIES OF THE COMPANY**

#### **Article 9**

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

### **SHAREHOLDERS' MEETING**

#### **Article 10**

1. The shareholders meet in ordinary or extraordinary session.
2. Meetings are held at the location specified in the notice of calling, on condition that this is in Italy.
3. The Meeting is held at a single calling. However, the Board of Directors can decide to call a Meeting at first, second or - for Extraordinary Shareholders' Meetings only - also at third calling. This decision has to be disclosed in the notice of calling.
4. The meetings are valid if held using remote communication systems, if this is provided for in the notice of calling, on condition that the identity of the persons entitled to attend is assured and that all participants are able to intervene in real time in discussions about the matters on the agenda, as well as to vote on the resolutions. In any case, the Chairman and the Secretary must be present at the place indicated in the notice of calling, and the meeting is deemed to be held in that place.
5. The Shareholders' Meeting is called by the Board of Directors, through a notice of calling, within the time-scale and manner established by current regulations. The Meeting may also be called by the Board of Statutory Auditors, or by at least 2 (two) Statutory Auditors, in the circumstances established by law.
6. The Board of Directors must call a Shareholders' Meeting, without delay, on receipt of written application by sufficient shareholders that on the date of the request represent, individually or jointly, the minimum amount of capital for this purpose required by law. The application must be accompanied by the deposit of the certificates of participation in the centralised share management system, confirming the applicants' right to make such a request.
7. On the basis, with the timing and within the limits established by law, members representing, individually or jointly, the minimum capital required for this purpose by current regulations may, by written request, ask to

integrate the list of matters to be discussed at the Shareholders' Meeting, specified in the notice of calling, or to submit proposed resolutions on matters already on the agenda. The application must be accompanied by the deposit of a copy of the communications of the authorised intermediaries, confirming the applicants' right to make such a request. Adding to the list of matters to be discussed pursuant to this paragraph cannot include matters for which, by law, the Meeting adopts resolutions based on a proposal from the directors, or based on a draft or a report prepared by them.

#### **Article 11**

1. The Ordinary Shareholders' Meeting must be called at least once each year, within 120 (one hundred and twenty) days of the end of the financial year.
2. The Ordinary Shareholders' Meeting:
  - on the reasoned proposal of the Board of Statutory Auditors, appoints the Independent Auditors from among the registered auditing firms, determines their fees and any criteria for fee adjustments during their period of office; can, under certain circumstances, revoke their appointment, having consulted with the Statutory Auditors;
  - determines, in accordance with applicable legal and regulatory requirements, the remuneration payable to the directors. The remuneration of directors that perform special duties pursuant to the Articles of Association is established by the Board of Directors, having heard the opinion of the Board of Statutory Auditors;
  - determines the fees payable to the Statutory Auditors;
  - approval of the remuneration policies in favour of the bodies with supervisory, management and control functions and the staff;
  - approves any remuneration plans based on the use of financial instruments;
  - approves the criteria for calculating any special remuneration to be awarded in the event of early termination of employment or stepping down ahead of schedule, including the limits set on such remuneration in terms of the number of years of the fixed portion of remuneration and the maximum amount that derives from applying these criteria;
  - has the power to resolve, with qualified majorities required by current supervisory regulations, a ratio between the variable and fixed element of individual staff remuneration higher than 1:1, but not exceeding the maximum established in such regulations;
  - resolves on all other matters reserved for it by law.
3. The Extraordinary Shareholders' Meeting resolves on all matters reserved for it by law.
4. Persons who have the right to vote are entitled to attend the Meeting if the Company has received, by the legal deadline, communication from the authorised intermediary certifying this right.
5. Each ordinary share carries the right to one vote.
6. Those who have the right to vote may be represented at the Meeting in compliance with the applicable regulations. The proxy can be notified electronically through the use of the appropriate section of the Company's website or by e-mail, as indicated in the notice of calling.
7. Postal voting is not allowed.
8. In accordance with current regulations, the Board of Directors can allow votes to be cast before and/or during the Shareholders' Meeting, without requiring the physical presence of the person or their proxy, through the use of electronic devices in ways to be communicated in the notice of calling of the Shareholders' Meeting, such as to ensure the identification of those who have the right to vote and security of communications.
9. Members of the Board of Directors may not vote on resolutions regarding their responsibility for actions.

#### **Article 12**

1. As regards the quorum needed to constitute a General Meeting, current regulations apply.

#### **Article 13**



1. The Meeting is chaired by the Chairman of the Board of Directors or by his alternate pursuant to the Articles of Association or, failing this, by the person elected by those present. The Chairman of the Meeting checks that the Meeting is quorate, verifies the identity and rights of those present, moderates the business conducted and determines the results of voting.
2. Except when the minutes of the Meeting are drawn up by a notary pursuant to art. 16 paragraph 2, the Secretary of the Ordinary Meeting is the Secretary of the Board of Directors or, if absent, another shareholder appointed by the Meeting.
3. The Chairman selects 2 (two) or more scrutineers from among those present.

#### **Article 14**

1. For shareholders' resolutions to be valid, current legal regulations shall apply, without prejudice to arts. 18, 19, 20, 31, 32 and 33.

#### **Article 15**

1. If discussion of the agenda is not completed in one session, the Chairman may adjourn the Meeting for not more than eight days by making a declaration to those present, without any need for further notice to be given.
2. In the second session, the Meeting is quorate and adopts resolutions with the same majorities that were applied to establish the quorum and the validity of the resolutions for the Meeting that is being continued.

#### **Article 16**

1. The resolutions adopted at the Meeting must be recorded in the minutes, prepared by the Secretary, that are signed by the Chairman, the Secretary and the scrutineers, if appointed.
2. In the circumstances required by law and when considered appropriate by the Chairman, the minutes are taken by a notary appointed by the Chairman, who acts as Secretary to the Meeting.
3. The Minute Book of the Meetings and extracts from it, the conformity of which is certified by the Chairman or authenticated by a notary, represent evidence of the business and the resolutions adopted at the Meetings.

### **BOARD OF DIRECTORS**

#### **Article 17**

1. The Board of Directors comprises 15 (fifteen) directors elected at the Meeting.
2. The members of the Board of Directors remain in office for three years and their mandate expires on the date of the Meeting called to approve the financial statements for the last year of their appointment. They can be re-elected.
3. The composition of the Board of Directors has to ensure gender balance and the minimum number of independent members in accordance with current regulations.
4. Directors who meet the independence requirements established by article 148, paragraph 3, of Legislative Decree 58 of 24 February 1998, as well as by the regulations in force implementing article 26 of Legislative Decree 385 of 1 September 1993, are regarded as independent (hereinafter, the "*Independence Requirements*"). The independent members of the Board of Directors must also meet the independence requirements defined by the current Corporate Governance Code for Listed Companies issued by Borsa Italiana SpA. It is up to the Board of Directors to define the parameters based on which it is assessed whether the relationships maintained by directors have compromised their independence.
5. The members of the Board of Directors must meet the requirements and eligibility criteria, as well as comply with the limits on the number of positions held, as provided for by current legislation on offices held by a member of the management body of a bank issuing shares listed on regulated markets; subsequent failure to meet these requirements and criteria shall lead to ineligibility or loss of office.
6. During their term of office, the Directors shall immediately inform the Board of Directors of any situation that may affect the assessment of their eligibility to hold office.

7. Without prejudice to the other reasons for ineligibility, incompatibility and loss of office established by current regulations:

a) the following persons cannot be members of the Board of Directors: (i) Company employees, unless they are members of General Management; (ii) the directors, employees or members of supervisory committees, commissions or bodies of competing banks or companies, unless the Company holds investments in such banks or companies, whether directly or via companies that are members of the Banking Group;

b) the existence of a reason of incompatibility under letter a) shall not prevent the candidate from standing for the office of Company director, it being understood that by accepting the candidature, the candidate undertakes the obligation to immediately terminate said reason if he/she is appointed;

c) in the event that a reason of incompatibility under letter a) occurs after the appointment, the interested person shall immediately notify the Board of Directors and, if said reason is not removed within 30 (thirty) days from the notification or within any shorter time laid down by current regulations, he/she shall cease to hold office.

8. If a Director no longer meets the Independence Requirements or other requirements foreseen under current law or under the Articles of Association, providing they do not envisage ineligibility or loss of office, this does not automatically lead to his/her loss of office, if there is still the required minimum number of Directors who meet them.

### Article 18

1. The members of the Board of Directors are elected from lists presented by the members in which the candidates are listed with a progressive number.

2. The presentation of lists has to satisfy the following requirements:

a) the list has to be presented by members who separately or together hold BPER shares representing not less than 1% of the share capital represented by ordinary shares, or any other lower percentage established by current regulations. Ownership of the minimum shareholding is calculated with regard to the shares registered on the day when the list is filed at the Company;

b) the list must contain a number of candidates not higher than the number of directors to be elected,

c) the list that contains a number of candidates equal to 3 (three), must submit at least 1 (one) candidate belonging to the less represented gender; the list that contains a number of candidates higher than 3 (three) must submit a number of candidates belonging to the less represented gender to ensure that the list complies with the gender balance at least to the minimum extent required by law, rounding up to the next unit in the event of a fractional number;

d) the list must submit at least a third of candidates, who meet the Independence Requirements, rounding up to the next unit in the event of a fractional number;

e) the list must be filed at the Company's registered offices within the terms and methods established by current regulations;

f) together with the list, the presenting members must file at the Company's registered offices all of the documents and declarations required by law, and in any case: (i) the declarations from each candidate accepting their candidature and confirming, under their own responsibility, the absence of reasons for which they cannot be elected or other incompatibilities, and that they meet the requirements for appointment established by these Articles of Association and by current regulations and whether they meet the Independence Requirements; (ii) a full description of the personal and professional characteristics of each candidate, with an indication of the directorships and audit appointments held in other companies; (iii) information on the identity of the members presenting the lists, indicating their percentage shareholding, to be confirmed according to the terms and methods established by current regulations.

3. The status of candidate belonging to the less represented gender and that of candidate that satisfies the Independence Requirements can be combined in the same person.

4. The lists submitted without complying with the above terms and conditions will be considered as not submitted and will not be admitted to the vote.

5. Any irregularities on the list that relate to individual candidates only entail the exclusion of the candidate(s) concerned.
6. Each member may not present or contribute to the presentation of more than a list of candidates, even if through a third party or through a trust company; a similar requirement applies for members belonging to the same group - meaning the parent company, its subsidiaries and the companies subject to joint control - or who are parties to a shareholders' agreement regarding the shares of the Company. In the event of non-compliance, signature is ignored in relation to all lists.
7. Each candidate may only appear on one list or, otherwise, will be ineligible for election.
8. Persons entitled to vote cannot vote more than one list of candidates, even if through an intermediary or through trust companies.
9. None of this prejudices any other, different requirements under current regulations concerning the basis and timing for the presentation and publication of lists.

### Article 19

1. The members of the Board of Directors will be elected by applying the following procedures.
2. If more than one list is validly presented, the provisions in paragraphs 2.1 to 2.8 apply.
  - 2.1. Without prejudice to the provisions of art. 18, paragraph 6, the following is taken into considerations: (i) the list that has received the highest number of votes; (ii) the list that is second for the number of votes received, provided that it is not connected - not even indirectly - with the shareholders that presented or voted the list that received the highest number of votes, or, in the event that it is connected, the list that has received the highest number of votes among those that are not connected; and (iii) the other lists that individually obtained votes equal to at least 5% of the share capital with voting rights, provided that they are not connected - not even indirectly aa) with the shareholders who presented or voted the list which came first by number of votes or (bb) with the shareholders who presented or voted any of the other minority lists, including the one which came second by number of votes, if, in the hypothesis described in letter (bb), the total number of candidates assigned to these lists on the basis of the mechanism referred to in paragraph 2.2 is equal to or higher than the majority of the directors to be elected.
  - 2.2. The votes obtained from each of the lists are subsequently divided by one, two, three, four and so on until reaching the number of Directors to be elected. The quotients thus obtained are assigned to the candidates on each list, according to the progressive order of the list. On the basis of the quotients thus assigned, the candidates are arranged in a single decreasing ranking and the first 15 (fifteen) candidates are considered elected.
  - 2.3. If the first list, provided that it contains a number of candidates equal to or higher than the majority of the directors to be appointed, has obtained a number of votes representing more than half of the share capital with voting rights, the Board seats will be allocated as follows:
    - a) if the ratio between the total number of votes received by the second list by number of votes, which is not connected in any way, not even indirectly, with the first list by number of votes, and the total number of votes received by the first list by number of votes, is less than or equal to 15%, 14 (fourteen) Directors are taken from the first list by number of votes and 1 (one) Director is taken from the second list by number of votes;
    - b) if the ratio between the total number of votes received by the second list by number of votes, which is not connected in any way, not even indirectly, with the first list by number of votes, and the total number of votes received by the first list by number of votes, is above 15% and less than or equal to 25%, 13 (thirteen) Directors are taken from the first list by number of votes and 2 (two) Directors are taken from the second list by number of votes;
    - c) if the ratio between the total number of votes received by the second list by number of votes, which is not connected in any way, not even indirectly, with the first list by number of votes, and the total number of votes received by the first list by number of votes, is above 25%, 12 (twelve) Directors are taken from the first list by number of votes and 3 (three) Directors are taken from the second list by number of votes.

If the first list by number of votes received presents fewer candidates than those assigned to it based on the application of the mechanism referred to in this paragraph, provided that they are equal to or greater than the majority of the directors to be appointed, the following are elected: (i) all of the candidates on the first list by number of votes; (ii) the candidates on the second list by number of votes needed to complete the Board of Directors, according to the progressive order of the list. Where it is not possible to complete the Board of Directors in the manner described above, due to the fact that the first list and the second list by number of votes present fewer candidates than the number required, the following procedure applies: if the other lists, other than the first and second list by number of votes, have obtained a total of at least 5% of the share capital having voting rights, the Directors required to complete the Board of Directors are drawn from these other lists, starting with the list with the highest number of votes and moving down to the subsequent lists when the candidates on the preceding lists by number of votes run out. In all cases where it is not possible to complete the Board of Directors by following the above instructions, the Shareholders' Meeting shall provide for its completion, as laid down in subsequent paragraph 2.5.

2.4. In any case, the first ranking candidate in the list that has obtained the highest number of votes among those that are not connected - not even indirectly - with the shareholders who have submitted or voted for the list that obtained the highest number of votes shall always be appointed Director.

2.5. If, as a result of the provisions of paragraphs 2.1 to 2.4, it is not possible to complete the Board of Directors, the remaining Directors are elected by the Shareholders' Meeting on the basis of candidates who are put to the vote individually: the candidates who receive the highest number of votes will be elected, up to the total number of directors still to be elected.

2.6. If, once the ranking has been completed at the end of the procedure as per previous paragraphs 2.1 to 2.5, the correct composition of the Board of Directors is not ensured with regard to gender balance and Independence Requirements, as many elected candidates as necessary will be excluded, replacing them with candidates meeting the requirements that are missing and drawn from the same list as the candidate to be excluded, according to the order in which they are listed. Substitutions take place first for the less represented gender and then those who satisfy the Independence Requirements. This substitution mechanism is applied firstly, in sequence, to the lists that have not contributed a Director who meets the missing requirement, starting with the one that received the most votes. If this is not sufficient or if all lists have contributed at least one Director who meets the requirement that is missing, the substitution is to be applied, in sequence, to all lists, starting with one that received the most votes. Within the lists, the substitution of candidates to be excluded is applied starting from the candidates with the highest progressive number. The substitution mechanisms do not apply to candidates drawn from lists that presented less than three candidates.

2.7. In the event that, even if the substitution mechanisms under paragraph 2.6 are applied, the correct composition of the Board of Directors is not ensured, as many candidates as necessary will be excluded from the candidates elected on the basis of individual candidatures pursuant to paragraph 2.5, replacing the less voted candidates with the first unelected candidates who meet the missing requirements. Substitutions take place first for the less represented gender and then those who satisfy the Independence Requirements.

2.8. In the event that, even if the substitution mechanisms under paragraphs 2.6 and 2.7 are applied, the correct composition of the Board of Directors is not ensured, as many candidates as necessary will be excluded - starting from the last place of the ranking -, replacing them with candidates meeting the missing requirements, who are elected by the Shareholders' Meeting on the basis of candidates put to the vote individually: the candidates who obtain the highest number of votes are elected, up to the total number of Directors still to be elected. Substitutions take place first for the less represented gender and then those who satisfy the Independence Requirements.

3. If only one list is presented, all Directors are drawn from this list, according to the progressive order of the list; where it is not possible to complete the Board of Directors in this way, the missing Directors are elected

at the Shareholders' Meeting, on the basis of candidates put to the vote individually: the candidates who obtain the highest number of votes are elected, up to the number of Directors required.

4. If no list is validly presented, the missing Directors are elected by the Shareholders' Meeting on the basis of candidates who are put to the vote individually: the candidates who receive the highest number of votes will be elected, up to the total number of directors still to be elected.

5. If, in the cases as per paragraphs 3 and 4, at the end of voting, an overall number of Directors meeting the requirements necessary to ensure the correct composition of the Board of Directors, with regard to gender balance and Independence Requirements, has not been elected, as many elected candidates as necessary have to be excluded by replacing the less voted candidates meeting the missing requirements with candidates meeting the missing requirements, who are elected by the Shareholders' Meeting on the basis of candidates put to the vote individually: the candidates who obtain the highest number of votes are elected, up to the total number of Directors still to be elected. Substitutions take place first for the less represented gender and then those who satisfy the Independence Requirements.

6. All of the candidates proposed directly at the Meeting in accordance with the preceding paragraphs have to submit the documentation laid down in art. 18 paragraph 2 letter f).

7. In the event of a tie between lists or candidates, the Meeting holds a ballot in order to establish a ranking for the candidates on these lists.

8. Significant relationships are those identified by the current provisions of Legislative Decree 58 of 24 February 1998 and of the Regulations implementing Consob Resolution 11971 of 14 May 1999.

#### **Article 20**

1. If, during the year, one or more directors are no longer available, they are to be replaced according to the following provisions.

2. A Director who is no longer available is replaced by the first unelected candidate, according to the progressive numbering on the list of origin of the terminated director, who complies with the provisions of paragraph 2.1 and belongs to the less represented gender and/or meets the Independence Requirements if the required minimum number of directors has to be made up.

2.1. Within the period fixed by the Board of Directors, the candidate must file at the Company's registered offices a declaration in which he renews his acceptance of the office, confirming the absence of grounds for ineligibility or incompatibility and that the requirements prescribed for the office by legislation and by the Articles of Association are met, and provides information on the administration and control positions currently held in other companies. If the candidate concerned fails to do so, the next unelected candidate takes over, according to the progressive numbering of the list, and so on.

2.2. If, for any reason, replacement is not possible according to the mechanism referred to in paragraphs 2 and 2.1, the Meeting votes on the replacement, on the basis of candidates who are submitted to them.

2.3. Each candidature has to be filed at the Company's registered offices by the deadline provided by law for the presentation of lists of candidates for the election of the Board of Directors, together with any documentation and declaration required by law, and in any case: (i) the declarations from each candidate accepting their candidature and confirming, under their own responsibility, the absence of reasons for which they cannot be elected or other incompatibilities, and that they meet the requirements for appointment established by these Articles of Association and by current regulations and whether they meet the Independence Requirements; (ii) a full description of the personal and professional characteristics of each candidate, with an indication of the directorships and audit appointments held in other companies. Candidatures submitted without complying with the above terms and conditions will be considered as not submitted and will not be admitted to the vote.

2.4. If no candidature is presented within the term under paragraph 2.3, the Shareholders' Meeting shall decide on the substitution on the basis of candidatures presented directly at the Shareholders' Meeting, each accompanied by the documentation and declaration specified in the paragraph above. Candidatures

submitted without complying with the above procedure will be considered as not submitted and will not be admitted to the vote.

2.5. The Shareholders' Meeting votes on the replacement by expressing a vote on the individual candidatures: the candidate who receives the highest number of votes gets elected, making sure that the person chosen belongs to the less represented gender and/or meets the Independence Requirements if the required minimum number of directors has to be made up.

2.6. In the event of a tie between various candidates, the Meeting holds a second ballot to establish how they are to be ranked.

3. The directors taking over - each - assume the residual period of office of the person they replaced.

4. If, due to resignations or other causes, more than half of the directors are no longer available prior to the end of their term of office, the entire Board of Directors has to resign and a Shareholders' Meeting called to make the new appointments. The Board will remain in office until the Shareholders' Meeting has passed a resolution to reconstitute it. The new Directors so appointed shall hold office for the remaining term of office of their predecessors.

#### **Article 21**

1. The Board of Directors elects from among its number the Chairman and 1 (one) or 2 (two) Deputy Chairmen who remain in office until the end of their mandate as directors.

2. The Board of Directors appoints a Secretary who meets the requirements of experience and professionalism, chosen from among its members, the managers of the Company or among third parties.

#### **Article 22**

1. Board meetings are called by the Chairman. Meetings are usually called once every month; exceptionally, a Board meeting can be called every time considered necessary by the Chairman, as well as when and in writing at least one third of the directors, or by the Chief Executive Officer. The Board of Directors may be convened also by the Board of Statutory Auditors, or, following written communication to the Chairman of the Board of Directors, individually by each Serving Statutory auditor.

2. The Board of Directors meets in Modena at the registered offices or, exceptionally, elsewhere in Italy.

3. Meetings of the Board of Directors can be held using remote communication systems, on condition that the identity of the persons entitled to attend is assured and all participants are able to intervene in real time in discussions about the matters on the agenda, as well as being able to see, receive and transmit documents. At least the Chairman and the Secretary shall be present at the place where the Board of Directors was called, unless the meeting is held using remote communication systems.

4. Meetings are called by a notice sent to the domicile of each director at least three days prior to the date set for the meeting. This notice period may be waived in urgent cases.

5. Notice of the meeting must also be sent to the Serving Statutory Auditors on the same basis and timing.

6. Meetings are chaired by the Chairman. They are quorate if attended by an absolute majority of the Serving members. The General Manager takes part in them.

#### **Article 23**

1. Votes are cast by members of the Board of Directors on a public basis.

2. Resolutions are adopted by a majority of the votes cast by those present.

3. In the event of a tie, the chairman of the meeting has a casting vote.

#### **Article 24**

1. The business and the resolutions adopted by the Board are documented in minutes that are recorded in a Minute Book and signed by the Chairman and the Secretary.

2. This Minute Book and extracts from it, certified as authentic by the Chairman and the Secretary, provide evidence of the business and the resolutions adopted by the Board.

#### **Article 25**

1. The Board exercises the widest powers of ordinary and extraordinary administration of the Company, except for those that must be exercised at the Shareholders' Meeting.

2. Pursuant to art. 2365, paragraph 2, of the Italian Civil Code, the Board of Directors is authorised to approve mergers in the situations envisaged by arts. 2505 and 2505-bis of the Italian Civil Code, as well as any changes needed to align the Articles of Association with regulatory requirements.

3. Without prejudice to the responsibilities that under current legislation cannot be delegated, the following decisions are the sole prerogative of the Board of Directors:

- determining general operating guidelines and criteria for the coordination and management of Group Companies, as well as for the implementation of instructions received from the Bank of Italy and other Supervisory Authorities in the interests of the Group's stability;
- definition of general guidelines, strategies, policies, processes, models, plans and programmes that the provisions of the Bank of Italy and the other Supervisory Authorities assign to the body that has the function of strategic supervision;
- the strategic direction, strategic transactions and financial and business plans;
- the purchase and disposal of equity investments that represent a controlling and/or significant interest;
- the approval and amendment of internal regulations governing the functioning of the Board of Directors;
- the approval and amendment of the deed governing the process of adopting and distributing internal regulations and other internal regulatory documents that this deed qualifies as particularly important;
- the appointment and dismissal of the Chairman and Deputy Chairman/Chairmen;
- the appointment from among its number of an Executive Committee and of other Committees referred to in art. 28, determining the members, their duties and how they will operate;
- the appointment of the Chief Executive Officer, granting, modifying and/or revoking the powers granted to him;
- the appointment and dismissal of the General Manager and of the Deputy General Manager(s);
- the appointment and dismissal of the heads of the functions that the provisions of the Bank of Italy and the other Supervisory Authorities assign to the body that has the function of strategic supervision, and the appointment and dismissal of the Manager responsible for preparing the Company's financial reports;
- mergers in the situations envisaged by arts. 2505 and 2505-bis of the Italian Civil Code;
- any alignment of the Articles of Association with regulatory requirements.

4. Without prejudice to the obligations laid down in art. 2391 of the Italian Civil Code, the directors, at meetings of the Board of Directors and, in any case, at least every three months, report to the Board of Statutory Auditors on the activities performed and on the principal economic, financial and capital transactions carried out by the Company and its subsidiaries.

5. Such reports by the Board of Directors to the Board of Statutory Auditors outside of Board meetings are made in writing by the Chairman of the Company to the Chairman of the Board of Statutory Auditors.

### **CHAIRMAN OF THE BOARD OF DIRECTORS**

#### **Article 26**

1. The Chairman of the Board of Directors performs the functions required by current regulations, facilitating the governance of the Bank and promoting the effective and balanced functioning of the powers allocated to the various corporate bodies, as well as acting as point of reference for the Board of Statutory Auditors, for the managers of internal control functions and for internal committees.

2. The Deputy Chairman, or in the event of appointment of two Deputy Chairmen, the most senior, will replace the Chairman in all his functions, if absent or unavailable. If seniority of appointment is the same, replacement is based on order of age.

3. If the Chairman and the Deputy Chairman/Chairmen are all absent or unavailable, the related functions are performed by the Chief Executive Officer or otherwise by the eldest director.

### **EXECUTIVE COMMITTEE AND OTHER BOARD COMMITTEES**

#### **Article 27**

1. The Board of Directors may appoint an Executive Committee ranging from a minimum of 3 (three) to a maximum of 5 (five) directors. The Committee is chaired by a member designated by the Board of Directors; the CEO forms part of it by right. The General Manager takes part in meetings of the Executive Committee.
2. The Chairman of the Board of Directors takes part in meetings of the Executive Committee, without any right to vote and without being able to make proposals.
3. The Executive Committee is vested with management of the Company, with attribution to it, through delegation by the Board of Directors, of all powers that are not reserved by law or the Articles of Association to the exclusive collective competence of the Board, except for those that the latter has delegated to the CEO or to members of General Management.
4. The Executive Committee is called by the Chairman, generally at least once a month. The provisions applicable to the Board of Directors, as contained in article 22, paragraphs 2 (meeting place), 3 (methods of conducting meetings), 4 and 5 (calling), 6 (quorum), as well as articles 23 (resolutions) and 24 (minutes and extracts), also apply to the Executive Committee.
5. The Chairman of the Executive Committee normally provides information on its activities at the next meeting the Board of Directors.
6. The functions of Secretary of the Executive Committee are performed by the Secretary of the Board of Directors.

#### **Article 28**

1. The Board of Directors shall set up from among its members Committees specialising in the matters and with the functions provided for by current regulations and by the provisions of the Bank of Italy and other Supervisory Authorities, determining the members, their duties and how they will operate.
2. Within the limits of applicable regulations, the Board of Directors may merge the functions of one or more Committees and assign additional powers to them, as well as set up among its members, even for a limited period of time, any other Committees deemed useful.

#### **CHIEF EXECUTIVE OFFICER**

##### **Article 29**

1. The Board appoints a CEO from among its members.
2. The CEO supervises the Company's management, in accordance with the general strategic guidelines established by the Board of Directors; implements the resolutions of the Board of Directors and Executive Committee; makes sure that the organisational, administrative and accounting structure and internal control system are appropriate to the size and nature of the Company and suitable to provide a true and fair view of its operating performance; is entitled to propose, as part of the powers assigned to the CEO, resolutions to be decided by the Board of Directors and the Executive Committee; exercises the other powers delegated to the CEO by the Board of Directors.
3. In urgent cases, the Chief Executive Officer can decide on any matter normally decided by the Board of Directors, after hearing the opinion of the Chairman of the Board of Directors, except for those that by law or the Articles of Association have to be decided by the Board of Directors on a collegiate basis. The decisions taken under these circumstances have to be reported to the Board of Directors at the next meeting. In the event that the CEO is absent or unavailable, this power may be exercised by the Chairman of the Board of Directors, on the binding proposal of the General Manager.
4. The CEO reports to the Board of Directors, normally on a monthly basis, on the company's performance and, on a quarterly basis, on how he has exercised the powers attributed to him.

#### **BOARD OF STATUTORY AUDITORS**

##### **Article 30**

1. The Meeting appoints 5 (five) Statutory Auditors, comprising 3 (three) Serving members, including the Chairman, and 2 (two) Alternate members.



2. The Statutory Auditors must meet the requirements, also of independence, established by current law to perform their duties, otherwise they cannot be elected or, if they subsequently fail to meet the requirements, they will fall from office.
3. The limits on the accumulation of directorships and audit appointments laid down by current regulations apply to the Statutory Auditors. In any case, the Statutory Auditors may not hold positions in bodies other than control bodies in other companies of the Group or in which the Company holds, directly or indirectly, a strategic investment, as defined by the Supervisory Authority.
4. 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 last year of their appointment; they are re-eligible.
5. The Chairman and the Serving members of the Board of Statutory Auditors are entitled to receive the annual remuneration approved at the Shareholders' Meeting throughout their entire period in office.
6. The composition of the Board of Statutory Auditors has to ensure gender balance in accordance with current regulations.

### Article 31

1. The election of the members of the Board of Statutory Auditors is made on the basis of the lists presented by the shareholders.
2. The list of candidates, which is split into two sections, one for the candidates for the position of Serving Statutory Auditor and one for the candidates for the position of Alternate Statutory Auditor, has to have a number of candidates not exceeding the number of Statutory Auditors that to be elected. In each section, the candidates are listed with a progressive number. At least one candidate for the position of Serving Statutory Auditor and one candidate for the position of Alternate Statutory Auditor contained in the respective sections of the list have to be enrolled in the register of auditors and have practised the profession of auditing for not less than three years;
3. Each section of the list must have a number of candidates of the less represented gender to ensure, within the same section, that the list complies with the gender balance at least to the minimum extent required by law.
4. The list must be presented by shareholders who, individually or collectively, hold at least 0.50% of the share capital represented by ordinary shares, or a lower percentage established by current regulations. Ownership of the minimum shareholding is calculated with regard to the shares registered on the day when the list is filed at the Company. Each shareholder cannot present or contribute to the presentation of more than one list; a similar requirement applies for members belonging to the same group - meaning the parent company, its subsidiaries and the companies subject to joint control - or who are parties to a shareholders' agreement regarding the shares of the Company. In the event of non-compliance, signature is ignored in relation to all lists.
5. The lists of candidates, signed by the members presenting them, must be filed at the Company's registered offices within the terms and methods laid down in current regulations. They must be accompanied by all documents and statements required by law and in any case: (i) declarations from each candidate accepting their candidature and confirming, under their own responsibility, that there are no reasons for which they cannot be elected or other incompatibilities, and that they meet the requirements for appointment established by law or in these Articles of Association; (ii) a full description of the personal and professional characteristics of each candidate, with an indication of the directorships and audit appointments held in other companies; and (iii) information relating to the identity of the presenting members with an indication of the percentage of shares held, to be certified as required by law.
6. If only one list is filed by the deadline or only lists presented by shareholders who are associated with each other, the Company promptly publishes this information with the methods laid down in current regulations; in this case, it is possible to present lists up to the third day subsequent to the deadline mentioned in paragraph 5, and the required number for presentation specified in the paragraph 4 is halved. None of this prejudices

any other, different requirements under current regulations concerning the basis and timing for the presentation and publication of lists.

7. The lists submitted without complying with the above terms and conditions will be considered as not submitted and will not be admitted to the vote.

8. Any irregularities on the list that relate to individual candidates only entail the exclusion of the candidate(s) concerned.

9. Each candidate may only be included on one list or, otherwise, will be ineligible for election.

10. Candidates not meeting the requirements established by law and the Articles of Association cannot be elected or, if elected, their appointment will lapse.

11. All persons entitled to vote cannot vote more than one list of candidates, even if through an intermediary or through trust companies.

### Article 32

1. The procedure for the election of the Board of Statutory Auditors is described below.

2. If more than one list is validly presented, the following provisions apply.

2.1. Two Serving Statutory Auditors and one Alternate Statutory Auditor are taken from the list that obtained the highest number of votes, in the order that they are listed in each section.

2.2. The Chairman of the Board of Statutory Auditors and one Alternate Statutory Auditor are taken from the list that obtained the second highest number of votes, providing this list is not related, directly or indirectly, with the members who presented or voted the list with the highest number of votes, in the order that they are listed in each section. Significant relationships are those identified by the applicable provisions of Legislative Decree 58 of 24 February 1998 and the Regulations implementing Consob Resolution 11971 of 14 May 1999.

2.3. In case the second list by numbers of votes is related, according to paragraph 2.2, with the members that have presented or voted the first list by number of votes, the Chairman of the Board of Statutory Auditors and one Alternate Statutory Auditor are taken, in the order that they are listed in each section, from the list that obtained the third highest number of votes providing this list is not related, according to paragraph 2.2, with the members who presented or voted the list with the highest number of votes.

2.4. In the event of a tie between lists, the Meeting holds a second ballot at the outcome of which two Serving Statutory Auditors and one Alternate Statutory Auditor are taken from the list that obtained the highest number of votes, in the order that they are listed in each section; The Chairman of the Board of Statutory Auditors and one Alternate Statutory Auditor are taken from the list that obtained the second highest number of votes, providing this list is not related, directly or indirectly, with the members who presented or voted the list with the highest number of votes, in the order that they are listed in each section.

2.5 If, after voting has taken place, no one of the appointed Auditors is enrolled in the register of auditors and have practised the profession of auditing for not less than three years, the Meeting has to exclude the elected candidate, that do not have the requirements, who has the highest number on the list that obtained the highest number of votes, replacing that person with the non-elected candidate of the same list that meets the requirements.

2.6. If, after voting has taken place, the minimum number of Statutory Auditors belonging to the less represented gender has not been elected, the Meeting has to exclude the elected candidate belonging to the overrepresented gender, who has the highest number on the list that obtained the highest number of votes, replacing that person with the non-elected candidate belonging to the less represented gender on the same list.

2.7. If, even by applying this replacement mechanism, it is not possible to complete the minimum number of Statutory Auditors belonging to the less represented gender, the Meeting provides for the election of the missing Statutory Auditors on the basis of candidates proposed by members at the Meeting. To this end, the candidates are put to the vote individually and the candidates who receive the highest number of votes are

elected, up to the total number of Statutory Auditors to be elected. Substitutions are made from the most voted list, and within the sections of the lists, from the candidates with the highest progressive number.

3. If only one list is presented, all Auditors are taken from that list. In this case, the first candidate for the office of Serving Statutory Auditor listed in the relevant section of the list shall be elected Chairman of the Board of Statutory Auditors.

4. If no valid list is presented, or the number of Statutory Auditors to be elected has not been reached, the missing Statutory Auditors are elected on the basis of candidates proposed by the members at the General Meeting. To this end, the candidates are put to the vote individually and the candidates who receive the highest number of votes are elected, up to the total number of Statutory Auditors to be elected.

4.1. In the event of a tie between various candidates, the Meeting holds a second ballot among the candidates.

4.2. If the Shareholders' Meeting has elected the Statutory Auditors because there are no lists, it shall appoint the Chairman of the Board of Statutory Auditors from among the Serving Statutory Auditors elected pursuant to paragraphs 4 and 4.1 above.

4.3 If the Shareholders' Meeting has supplemented the number of Statutory Auditors drawn from the lists, by electing the missing Statutory Auditors, it shall appoint the Chairman of the Board of Statutory Auditors, if not elected pursuant to paragraph 2.2 or paragraph 3, from among all the Serving Statutory Auditors elected.

5. The Meeting must take care to express the minimum number of Serving and Alternate Statutory Auditors belonging to the less represented gender also in the cases provided for in paragraphs 3 and 4.

6. Without prejudice to the provisions of paragraph 3 and 4, application of the above provisions must in all cases result in at least one Serving Statutory Auditor and one Alternate Statutory Auditor being elected by minority shareholders who are not associated, directly or indirectly, with the shareholders that presented or voted for the list that obtained the highest number of votes.

7. The candidates submitted by members at the General Meeting pursuant to paragraphs 2.7 and 4 must be accompanied by the documentation mentioned in art. 31 paragraph 5.

### **Article 33**

1. If the Chairman of the Board of Statutory Auditors ceases to serve, the Alternate Statutory Auditor taken from the same list as the former Chairman takes office until the number of auditors on the Board has been replenished pursuant to art. 2401 of the Italian Civil Code.

2. If a Serving Statutory Auditor is no longer available, the Alternate Statutory Auditor from the same list takes over. The new Serving Statutory Auditor remains in office until the next Shareholders' Meeting, which has to replenish the number of members of the Board of Statutory Auditors.

3. If the Meeting has to appoint replacement Serving and/or Alternate Statutory Auditors to the Board of Statutory Auditors, pursuant to paragraph 2 or legal requirements, the procedure is as follows.

4. If Auditors taken from the list that came first by number of votes must be replaced, the Shareholders' Meeting votes without any list restriction, based on candidates who are put to the vote individually: the candidate who receives the most votes gets elected.

4.1. Candidates may be submitted by members who are entitled to submit a list for the election of the Board of Statutory Auditors, in accordance with current regulations. Ownership of the minimum shareholding for participation is calculated with regard to the shares registered on the day when the application is filed with the Company.

4.2. Each member may not present or contribute to presenting more than one candidate for each substitution; a similar requirement applies for members belonging to the same group - meaning the parent company, its subsidiaries and the companies subject to joint control - or who are parties to a shareholders' agreement regarding the shares of the Company. In the event of non-compliance, signature is ignored in relation to all candidatures.

4.3. The candidature, signed by the person or persons presenting the candidate, must indicate the name of the candidate and has to be filed at the Company's registered offices by the deadline provided by law for the

submission of lists of candidates for the election of the Board of Directors, together with any documentation and declaration required by law, and in any case: (i) the declarations from each candidate accepting the candidature and confirming, under their own responsibility, the non-existence of reasons for which they cannot be elected or other incompatibilities, and that they meet the requirements for appointment established by law and by these Articles of Association; (ii) a full description of the personal and professional characteristics of each candidate, with an indication of the directorships and audit appointments held in other companies; and (iii) information on the identity of the members presenting the candidate, indicating their overall percentage shareholding, to be confirmed according to the terms and methods established by current regulations.

4.4. Belonging to the less represented gender is a condition of eligibility for candidature if the Board no longer has the related minimum number of Statutory Auditors as a result of the termination.

4.5. Candidatures submitted without complying with the above terms and conditions will be considered as not submitted and will not be admitted to the vote.

4.6. If no valid candidate is submitted, the Meeting votes on the substitution on the basis of candidates proposed by the members directly at the Meeting, who are put to the vote individually: the candidate who receives the highest number of votes gets elected, making sure that the person chosen belongs to the less represented gender if the required minimum number of Statutory Auditors has to be made up. The candidatures have to be accompanied by the documentation indicated in paragraph 4.3.

5. If it is necessary to replace an Auditor taken from the list other than the one that came first by number of votes, and that is not associated, not even indirectly, with the shareholders that presented or voted for the list that came first, the Meeting does so, choosing, where possible, from those unelected candidates indicated in both sections of the same list as the Auditor to be replaced, who confirm their candidature and file declarations at the Company's registered offices confirming that there are no reasons for which they cannot be elected or other incompatibilities, and that they meet the established requirements for appointment, as well as an up-to-date indication of the directorships and audit appointments held in other companies, within the terms prescribed by current regulations for the presentation of lists for the election of the Board of Statutory Auditors.

5.1. Where it is not possible to proceed in the manner indicated in paragraph 5, the Meeting decides on the substitution on the basis of candidates proposed by the members directly at the Meeting, who are put to the vote individually: the candidate who receives the highest number of votes gets elected, making sure that the person chosen belongs to the less represented gender if the required minimum number of Statutory Auditors has to be made up.

5.2. The candidatures have to be accompanied by the documentation indicated in paragraph 4.3.

6. In any case, the Meeting has to guarantee the presence in the Board of Statutory Auditors of at least one member enrolled in the register of auditors and that have practiced the profession of auditing for not less than three years by nominating a substitute that have those requisites, if necessary. The Meeting has also to guarantee the respect of the gender balance principle by appointing a replacement member of the less represented gender, where this is needed to restore the minimum number of Statutory Auditors belonging to this gender.

#### **Article 34**

1. The Statutory Auditors monitor compliance with the law, regulations and the Articles of Association, respect for the principles of correct administration of the Company, the adequacy of the organisational and accounting structures, and the functionality of the overall system of internal control; they verify that the personnel involved in the control system operate effectively and are coordinated properly, reporting any weaknesses or irregularities and requesting suitable corrective action; they monitor the adequacy of the risk management and control system; they exercise such other functions and powers provided by law as well as the duties and functions that the provisions of the Bank of Italy and the other Supervisory Authorities assign to the body that has the control function. The Board of Statutory Auditors has to inform the Supervisory

Authorities, in accordance with current legislation, of all facts or deeds that it becomes aware of and which could constitute management irregularities or a violation of the rules that govern banking.

2. In performing the necessary verification work and checks, the Board of Statutory Auditors makes use of the Company's internal control personnel and functions. The Board of Statutory Auditors can carry out audits or inspections at any time, also individually; they can also ask the directors for information on the Company and its subsidiaries regarding the results of operations or of specific transactions; such information can also be requested directly from the subsidiaries' directors and Statutory Auditors.

3. The Board of Statutory Auditors can also exchange information on the administration and control systems and on business trends in general with the corresponding boards at subsidiary companies.

4. Meetings of the Board of Statutory Auditors can be held using remote communication systems, on condition that the identity of the participants is assured and all of them are able to take part in the discussion in real time, as well as being able to see, receive and transmit documents. The meeting is deemed to be held in the place where the Chairman is located.

5. The minutes and deeds of the Board of Statutory Auditors must be signed by all of the members who attended the meeting.

## **GENERAL MANAGEMENT**

### **Article 35**

1. General Management comprises the General Manager and one or more Deputy General Managers. All of the members have to meet the requirements foreseen in current regulations.

2. Without prejudice to the powers assigned to the General Manager by these Articles of Association, the Board of Directors decides on the responsibilities and the powers granted to each member of General Management.

3. The members of General Management report to the Board of Directors on how they have exercised their powers, with a frequency established by the Board.

### **Article 36**

1. The General Manager:

- a) is the head of the operating structure;
- b) is the head of personnel;
- c) manages day-to-day business and performs all operations and all ordinary administration activities not reserved for the Board of Directors and not delegated by the latter to the Executive Committee, the Chief Executive Officer or other members of General Management;
- d) is responsible for the operational coordination of the companies belonging to the Group;
- e) if not already a member of the Board of Directors, attends Board meetings.

2. If absent or unavailable, the General Manager is replaced in the exercise of all attributed powers and functions by one or more members of General Management designated by the Board of Directors

## **AUDIT OF THE ACCOUNTING RECORDS AND PREPARATION OF THE COMPANY'S FINANCIAL REPORTS**

### **Article 37**

1. Pursuant to current regulations, the accounting records are audited for legal purposes by a registered auditing firm appointed in accordance with the law.

### **Article 38**

1. Having received the opinion required from the Board of Statutory Auditors, the Board of Directors appoints a Manager responsible for preparing the Company's financial reports, granting him appropriate powers and resources to perform the tasks allocated in accordance with the law. Having received the opinion required from the Board of Statutory Auditors, the Board of Directors is also entitled to revoke the appointment of the Manager responsible.

2. The Manager responsible for preparing the Company's financial reports is appointed from among the Company's managers who have held management responsibility for accounting and administrative matters for at least three years.

## **REPRESENTATION AND SIGNATURE ON BEHALF OF THE COMPANY**

### **Article 39**

1. The Chairman represents the Company in dealings with third parties and in judgement, for both jurisdiction and administrative purposes, including judgements handed down by the Courts of Cassation and Appeal, and signs on behalf of the Company as sole signatory. If absent or unavailable, temporarily or otherwise, the Chairman of the Board of Directors is replaced, separately, by the Deputy Chairmen and the Chief Executive Officer and if these are also absent or unavailable, temporarily or otherwise, by the eldest director.

2. In dealings with third parties, the signature of the person replacing the Chairman is evidence that the latter was absent or unavailable.

3. The Chief Executive Officer represents and signs on behalf of the Company within the limits of the powers granted to him by the Board of Directors.

4. The General Manager represents and signs on behalf of the Company for all deeds within his sphere of competence under the Articles of Association and within the limits of any additional powers granted to him by the Board of Directors. In his absence, this is performed by the Deputy General Managers, also singly. In dealings with third parties, the signature of the person replacing the General Manager is evidence that the latter was absent or unavailable.

5. The Chairman of the Board of Directors and, within the limits of its respective powers of representation, the Chief Executive Officer and the General Manager have the power to appoint Company employees and third parties as special nominees for the completion of specific deeds or certain categories of deeds.

6. Signatory powers may also be granted by the Board of Directors, for the completion of specific deeds or certain categories of deeds, to individual directors, the General Manager, Deputy General Managers, Company employees and third parties.

## **FINANCIAL STATEMENTS, PROFITS AND RESERVES**

### **Article 40**

1. The accounting reference date is 31 December each year.

2. Following the end of each financial year, the Board of Directors arranges for the preparation and presentation of financial statements in accordance with the law and these Articles of Association.

### **Article 41**

1. The net profit reported in the approved financial statements after deducting the part for the legal reserve and the portions approved by the Meeting for the establishment and increase in reserves, including extraordinary reserves, on the proposal of the Board of Directors, the Meeting may allocate a portion of up to 1.5% for the establishment or increase of a special fund available to the Company for charitable, social, cultural and scientific initiatives. The remainder is distributed as a dividend to be attributed to the shares, as decided by the Meeting.

2. When preparing the financial statements, the Board of Directors may allocate profits to new or existing reserves prior to determining the net profit referred to in the paragraph 1, requesting the Shareholders' Meeting to ratify such allocations.

### **Article 42**

1. The dividends that are not collected and fall into prescription are devolved to the Company and allocated to the extraordinary reserve.

### **Article 43**

1. In all cases of winding up of the Company, the Shareholders' Meeting appoints the liquidators, establishes their powers, determines how the liquidation will be performed, and the allocation of the surplus reported in the final liquidation balance sheet.

2. The available amounts are allocated to the shareholders in proportion to their respective equity interests.

**TRANSITIONAL IMPLEMENTATION RULES****Article 44**

1. The provision contained in art. 30, paragraph 1, which sets the number of members of the Board of Statutory Auditors at 3 (three) Serving members and 2 (two) Alternate members, as introduced by the Extraordinary Shareholders' Meeting of 29 January 2021, will come into force only from the date of the Shareholders' Meeting convened for the first subsequent renewal of the Board of Statutory Auditors.
2. Pending the entry into force of the provision mentioned in paragraph 1, the Board of Statutory Auditors will continue to be composed of 7 (seven) Statutory Auditors, of which 5 (five) Serving members, including the Chairman, and 2 (two) Alternate members.