

illimity Bank S.p.A.

BYLAWS

BYLAWS

TITLE I

NAME, REGISTERED OFFICE, DURATION AND PURPOSE OF THE COMPANY

- Article 1 -

Name

1. A joint-stock company is incorporated with the name “**illimity Bank S.p.A.**” and, in abbreviated form, “**illimity S.p.A.**” (the “**Bank**” or the “**Company**” or “**illimity**”). This name can be used in any graphic form.
2. The Company is a bank pursuant to Legislative Decree no. 385 of 1 September 1993 as subsequently amended (the “**TUB**” - the Consolidated Banking Law).
3. The Company is part of the Banca Ifis Banking Group (the “**Banking Group**”). As such, it is required to comply with the provisions issued by the Parent Company, Banca Ifis S.p.A. (the “**Parent Company**”), in the exercise of its direction and coordination activities, aimed at ensuring compliance with supervisory regulations, including the implementation of general and specific measures issued by the Bank of Italy in the interest of the stability of the Banking Group.
4. The Company’s Directors provide the Parent Company with all data and information necessary for the issuance of such provisions and for verifying compliance therewith.

- Article 2 -

Registered office

1. The Company’s registered office is in Milan.
2. The Company may, in compliance with the applicable legislation, open, close and transfer secondary offices, administrative offices, branches, agencies, sub-branches, business addresses and representative offices in Italy and abroad.

- Article 3 -

Duration

The Company shall have duration until 31 December 2100 (the thirty first of December two thousand one hundred).

- Article 4 -

Purpose

1. The Company’s purpose is the collection of savings and provision of credit in its various forms, in Italy and abroad. It may, in compliance with relevant applicable regulations, carry out all permitted banking and financial transactions and services, including the provision of investment service and related ancillary services, as well as all other activities or operations that are useful or anyway related to the achievement of the corporate purpose.

2. In accordance and within the limits of applicable *pro tempore* laws and regulations, the Company may acquire holdings in, and the financial instruments of, other companies and enterprises, whether Italian or foreign, both directly and through subsidiaries.

TITLE II

SHARE CAPITAL, SHARES, SHAREHOLDERS AND WITHDRAWAL

- Article 5 -

Share capital

1. Share capital amounts to EUR 54,789,379.31 (fifty-four million seven hundred eighty-nine thousand three hundred and seventy-nine/31) fully paid-in and consists of 84,067,808 (eighty-four million sixty seven thousand eight hundred and eight) ordinary shares with no par value (such ordinary shares and all additional ordinary shares existing from time to time shall be known as the “**Ordinary Shares**”).
2. The Company may resolve the allocation of profits to employees of the Company or companies it directly and/or indirectly controls by issuing shares or other financial instruments, to be assigned to employees in compliance with applicable *pro tempore* laws and regulations.
3. On 22 December 2020 the extraordinary Shareholders’ Meeting resolved, *inter alia*, on a share capital increase – executed – for a total amount of EUR 44,670,596.42 (forty four million six hundred and seventy thousand five hundred and ninety six/42) through the issue of 5,358,114 (five million three hundred and fifty eight thousand one hundred and fourteen) new ordinary shares having regular dividend rights and the same features as those outstanding at the date of issue, settled by the contribution in kind of the holdings representing 37.66% of the share capital of Hype S.p.A. (with the contribution deed executed with effect as of 1 January 2021), also entailing the contingent issue(s) of a further (i) 1,034,170 (one million thirty four thousand one hundred and seventy) ordinary shares relating to the same contribution, and/or (ii) 1,063,717 (one million sixty three thousand seven hundred and seventeen) ordinary shares relating to the same contribution, subject to the achievement by Hype S.p.A. of the long-term objectives approved by the Shareholders’ Meeting of the Bank of 22 December 2020 by way of an earn-out. The Chief Executive Officer, in his capacity as the Bank’s legal representative, is delegated to make the resulting changes to this present article 5 of the bylaws, with the amendment of paragraph 1 and the amendment or cancellation of this transitional clause relating to the contingent issue(s) of further ordinary shares as per the previous period under (i) and (ii), relating to the same contribution, by way of an earn-out.
4. The Extraordinary Shareholders’ Meeting of 15 December 2021 resolved to delegate the Board of Directors, pursuant to article 2443 of the Italian civil code, for a period of up to five years from the effective date of the shareholders’ resolution, to increase share capital, free of charge and in separate issues, in one or more tranches, by a maximum nominal value of EUR 1,323,663.96 (one million, three hundred and twenty-three thousand, six hundred and sixty-three/96), but residual EUR 1,244,976.40 (one million, two hundred and forty-four thousand, nine hundred and seventy-six/40), through the issue of up to 2,031,094 (two million thirty one thousand and ninety four) new ordinary shares of illimity Bank S.p.A., but residual 1,910,352 (one million nine hundred and ten thousand, three hundred and fifty two), without nominal value having the same features as the ordinary illimity shares outstanding at the date of issue of such new ordinary shares and regular dividend rights, at an issue price equal to the implicit nominal value of the illimity Bank S.p.A. shares at the date of execution of these delegated powers, through the allocation of an equivalent amount of profits and/or retained earnings or available reserves, pursuant to article 2349 of the Italian civil code, to be awarded free of charge to the beneficiaries of the 2021-2025 Long-Term Incentive Plan approved by the Ordinary Shareholders’ Meeting of 15 December 2021, on the basis of the remuneration policy approved by the same Shareholders’ Meeting, reserved

to selected key members of staff of illimity Bank S.p.A. and its direct and/or indirect subsidiaries, to be implemented through the free of charge issue of newly-issued ordinary shares of illimity Bank S.p.A. and/or the Bank's treasury shares.

- Article 6 -

Shares

1. The Ordinary Shares are indivisible and are issued in voluntary dematerialised form pursuant to the applicable regulations governing the centralised management system of financial instruments. In the event of joint ownership, the rights of the joint owners must be exercised by a common representative, in compliance with applicable *pro tempore* laws and regulations. If a common representative has not been appointed or if the Bank has not been informed of the appointment, any communications and declarations made by the Bank to any one of the joint owners are valid for all of them.
2. The Ordinary Shares are registered and freely transferable. Each Ordinary Share entitles the holder to one vote. The issuance and circulation of Ordinary Shares are subject to applicable laws and regulations.

- Article 7 -

Bonds - Capital increases - Contributions

1. The Company may issue bonds, also convertible, bearer or registered bonds, also including hybrid and/or subordinated instruments, in accordance with applicable *pro tempore* laws and regulations.
2. An extraordinary Shareholders' Meeting may resolve the issuance of new shares, subject to the quorums, to convene and adopt resolutions, provided by applicable *pro tempore* laws and regulations, with the option to grant the Board of Directors the power, pursuant to articles 2443 and 2420-ter of the Italian civil code, to increase the share capital or issue convertible bonds, even with exclusion and/or limitation of the option right pursuant to the fourth and fifth paragraphs of article 2441 of the Italian civil code.
3. Contributions may be also made in receivables or in kind.

- Article 8 -

Withdrawal of Shareholders

1. The right of withdrawal is allowed only in the cases expressly provided for by law.
2. The terms and procedures for exercising this right, the criteria used to determine share values and the share redemption procedure are regulated by law.

TITLE III

CORPORATE BODIES

SECTION ONE – SHAREHOLDERS' MEETINGS

- Article 9 -

Shareholders' Meetings

1. The Shareholders' Meeting may be ordinary or extraordinary pursuant to the law and may be convened at the Company's registered office or at any other venue stated in the notice of call, in Italy or abroad. If provided for in the notice of call and in such manners therein indicated for attendance and participation, the Shareholders' Meeting may be held even exclusively by

telecommunication means with no indication of a specific venue, pursuant to and in compliance with any laws and regulations in force from time to time.

2. The ordinary Shareholders' Meeting:

- (a)** resolves on matters attributed to it by applicable *pro tempore* laws and regulations or by provisions of the Bylaws;
- (b)** resolves on the approval: **(i)** of the remuneration policies and incentive policies, where these latter are applicable, in favour of the Directors and personnel, including any proposal of the Board of Directors to set a limit to the ratio between the variable and the fixed components of the individual remuneration of key personnel at more than 1:1, but in any case not exceeding the limit set by existing *pro tempore* laws and regulations; **(ii)** of remuneration and/or incentive plans based on financial instruments; and **(iii)** of the criteria for determining the compensation to be agreed in case of early termination of the employment contract or of early forfeiture from office, including the limits set to said compensation in terms of annuities of fixed remuneration and the maximum amount resulting from their application. Without prejudice to the provisions of the Bylaws, the resolutions of Shareholders' Meetings concerning any proposal to set a limit to the ratio between the variable and the fixed components of the individual remuneration of key personnel at more than 1:1, in accordance with the provisions of applicable *pro tempore* laws and regulations, shall be approved by an ordinary Shareholders' Meeting when: (a) the Shareholders' Meeting is constituted with at least half the share capital and the resolution is passed with the favourable vote of at least 2/3 (two thirds) of the share capital represented in the Meeting and having voting rights; or (b) the resolution is passed with the favourable vote of at least 3/4 (three quarters) of the share capital represented in the Meeting and having voting rights, irrespective of the capital with which the Shareholders' Meeting is constituted;
- (c)** may approve a Regulation for the proceedings of Shareholders' Meetings and, if approved, it is responsible for resolving on amendments to said Regulation.

3. The extraordinary Shareholders' Meeting resolves on amendments to the Bylaws (save for the powers attributed to the Board of Directors pursuant to article 19, paragraphs 2 and 3, below), on the appointment, removal, replacement and powers of liquidators and on any issue attributed to it by law and not derogated by the Bylaws.

**- Article 10 -
Calling Shareholders' Meetings**

- 1.** The Shareholders' Meeting is called, in ordinary session or extraordinary session, by the Board of Directors whenever it deems it appropriate, or, as established by article 2367 of the Italian civil code, upon request of shareholders representing at least 20% (twenty percent) of the share capital, or other percentage provided for by applicable *pro tempore* laws and regulations.
- 2.** In any case, an ordinary Shareholders' Meeting shall be called at least once a year within 120 (one hundred and twenty) days from the end of the financial year, or within 180 (one hundred and eighty) days from the end of the financial year in the cases envisaged by law.
- 3.** Without prejudice to the powers to call meetings established by other legal provisions, a Shareholders' Meeting may also be called, subject to notification to the Chair of the Board of Directors, by the Board of Statutory Auditors in cases set forth under applicable law.
- 4.** The Shareholders' Meeting is called by notice of call having contents established by law; such notice is published (i) in the Official Gazette of the Italian Republic, or, alternatively, (ii) in at least one of the following newspapers: Milano Finanza, Il Sole 24 ORE, and Italia Oggi, at least fifteen (15) days prior to the date set for the Shareholders' Meeting, or, where the conditions set forth in

Article 2366, paragraph 3, of the Italian Civil Code are met, sent to the shareholders at their respective domicile or to the email address provided by them, using means that ensure proof of receipt at least eight (8) days prior to the date set for the Shareholders' Meeting.

5. Shareholders cannot call meetings or add items to the agenda for issues on which the Shareholders' Meeting is called to resolve, by law, on proposals of the Board of Directors or on the basis of a project or report prepared by the Board.
6. The Shareholders' Meeting, in ordinary and extraordinary session, may be held in one or more calls, as provided in the notice of call.

- Article 11 -

Attendance at Shareholders' Meetings

1. Shareholders entitled to vote may attend the Shareholders' Meeting if the Company has received, by the end of the trading day preceding the date set for the Meeting on first call, the communication from the authorised intermediary certifying their entitlement. Such communication is made based on the records at the end of the accounting day of the third trading day preceding the date set for the Meeting on first call.
2. Anyone entitled to vote may be represented by a proxy in the Shareholders' Meeting in compliance with applicable *pro tempore* laws and regulations. The proxy form shall be granted in writing or by certified electronic mail, as stated in the notice of call, or by any other means provided for by applicable *pro tempore* laws and regulations. The Chair of the Shareholders' Meeting is responsible for verifying the propriety of single proxies and, in general, the entitlement to attend the Meeting.
3. Pursuant to article 2370, paragraph 4, of the Italian civil code, if required by the notice of call of the meeting, anyone entitled to vote may exercise said right by post or electronic means, in accordance with the terms and conditions set forth in the notice of call.
4. The Board of Directors may arrange for one or more remote connections to be made to the venue where the meeting is held, to enable shareholders who do not wish to participate in the discussion at this venue to follow the proceedings of the meeting in any case, and upon voting to cast their vote, provided that shareholders can be identified and that the possibility to exercise such right is stated in the notice of call of the Shareholders' Meeting.
5. The members of the Board of Directors cannot vote in resolutions concerning their respective responsibilities.

- Article 12 -

Chairship of Shareholders' Meetings

1. The Shareholders' Meeting is chaired by the Chair of the Board of Directors or, in case of absence or impediment, by the Deputy Chair acting in a deputy capacity (where appointed) or, in case of absence or impediment of both parties, by a person appointed by the Shareholders' Meeting pursuant to article 2371 of the Italian civil code.
2. It is the responsibility of the Chair of the Shareholders' Meeting to:
 - (a) verify the valid composition of the meeting and to ensure there is a quorum for adopting resolutions;
 - (b) ascertain - also by parties appointed by the Chair - the identity and the eligibility of those present to participate and vote at the meeting as well as the validity of the proxies;
 - (c) direct and govern the proceedings at the meeting; and

- (d) establish the voting procedures (which in any case must allow for identification in relation to each vote cast) and ascertain and announce the results of such;

all in compliance with the Regulation for the proceedings of Shareholders' Meetings where adopted pursuant to article 9, paragraph 2, point (c) herein.

- 3. The Chair is assisted by a Secretary, who need not be a shareholder, appointed by the Shareholders' Meeting on proposal of the Chair, where the presence of a Notary is not required by law and, as the case may be, by scrutineers, who need not be shareholders, chosen by the Chair from amongst those attending.

- Article 13 -

Quorum to convene and adopt resolutions

- 1. The Shareholders' Meeting, in ordinary and extraordinary session, resolves on the items assigned to it by these Bylaws, by the law and by regulations. Without prejudice to this article and to other provisions included in these Bylaws, resolutions of ordinary and extraordinary Shareholders' Meetings are adopted with the majorities required by law.
- 2. Without prejudice to the provisions of these Bylaws, amendments (i) to article 13 and (ii) to articles 5.1 (with regard to the absence of a nominal value), 6.3, 6.4 and 32 of these Bylaws, are approved by an extraordinary Shareholders' Meeting on the favourable vote of shareholders representing, on whatever call, at least 2/3 (two thirds) of share capital having voting rights.

- Article 14 -

Voting procedure at Shareholders' Meetings and appointment the Board of Directors

1. Voting procedure

All resolutions, including those electing company officers, are adopted by open vote.

The Shareholders' Meeting resolves on the dismissal of members of the Board of Directors by the means established by law.

- Article 15 -

Minutes of Shareholders' Meetings

- 1. The minutes of Shareholders' Meetings are drafted, approved and signed by the Chair of the Meeting, by the Secretary and by the Scrutineers, if appointed.
- 2. In the cases provided by law and when deemed necessary by the Chair of the Shareholders' Meeting and/or by the Secretary, the minutes shall be drawn up by a notary. The minutes of Shareholders' Meetings are recorded in a special minute book.
- 3. The minute book and copies and extracts of the minutes, when they are not drawn up by a notary, certified as true by the Chair of the Board of Directors or by his/her representative, shall constitute conclusive evidence of Shareholders' Meetings and resolutions.

SECTION TWO – BOARD OF DIRECTORS

- Article 16 -

Board of Directors

- 1. The Company is accordingly managed by a Board of Directors consisting of a number of members that is not less than 5 (five) and not greater than 15 (fifteen). The Shareholders' Meeting shall determine the number within such limits. Directors may be non-shareholders.

2. Directors must meet fit and proper requirements and, in particular, the integrity and professionalism requirements provided for by applicable pro tempore laws and regulations and the Bylaws. The Board of Directors shall include a number of Directors in possess of independence requirements set forth by applicable laws and by the Bylaws. Directors must also fulfil the criteria of competence, propriety and time commitment, and the specific limits on the total number of directorships allowed by applicable pro tempore supervisory and regulatory requirements, as well as any limits previously indicated by the Company.
4. Directors shall remain in office for the period established at the time of their appointment and in any case for no more than 3 (three) years, and their term of office expires at the date of the Shareholders' Meeting called to approve the financial statements for the last year of that term; they may be re-elected and removed by the Shareholders' Meeting at any time, in accordance with the provisions of law.
5. The Board of Directors may approve its own Regulation governing procedures at meetings.
6. The provisions of law shall apply to the replacement of members of the Board of Directors, except in the event that all Directors cease to hold office.

If, due to resignation or other causes – even at different times – half or more of the Directors appointed by the Shareholders' Meeting cease to hold office, the entire Board shall be deemed to have resigned. In such case, the most senior remaining Director shall convene the Shareholders' Meeting to appoint a new Board in accordance with the law.

If no Directors remain in office, the Board of Statutory Auditors shall convene the Shareholders' Meeting pursuant to the law.

- Article 17 -

Chair and Deputy Chair

1. If not appointed or designated by the Shareholders' Meeting, the Board of Directors elects a Chair from among its members and may elect one or more Deputy Chairs, one of which with deputy functions.
2. In case of absence or impediment of the Chair, his/her functions shall be performed by the Deputy Chair with deputy functions (if appointed) or the Deputy Chair without deputy functions, or the most senior non-executive Director in office, or, failing that, by the person elected by a majority vote of the Board of Directors.
3. The Board of Directors elects a Secretary, who need not to be a Board member, who deals with the drafting, transcription in the specific book and preservation of the minutes of each meeting. In case of absence or impediment of the Secretary, the Board resolves who should act as a replacement.

- Article 18 -

Convening meetings of the Board of Directors

1. The Board of Directors is convened at the Registered Office or elsewhere, in Italy or abroad, by the Chair or by his/her representative, as a rule once a month and, in any case, whenever the Chair deems it necessary or whenever at least 2 (two) Directors request a meeting in writing. The Chair shall draw up the agenda.
2. Meetings are called by notice sent to each Director by any means of communication that ensures certainty of receipt, specifying the date, time and place of the meeting and the items to be discussed, at least 3 (three) days before the date scheduled for the meeting, or at least 24 (twenty-four) hours in case of urgency.

3. Meetings shall be valid even if they are not called as above, provided that all take part in the meeting.
4. The Board of Directors is chaired by the Chair or his/her representative pursuant to the second paragraph of article 17 of these Bylaws.
5. The General Manager, if appointed, acts as a consultant at Board meetings; the Chair may invite employees and/or consultants to Board meetings, without voting rights, and attend the discussion on all or part of the items on the agenda.
6. Participants at meetings of the Board of Directors may attend remotely via audio or video conference systems on condition it can be ensured that:
 - (a) the Chair is able to confirm the identity of all the participants;
 - (b) each participant is able to take part in the discussion in real time, verbally express their opinion and examine, receive and transmit all the documentation;
 - (c) the Board's proposals and resolutions can be examined at the same time.

- Article 19 -

Powers of the Board of Directors

1. The Board of Directors is vested with the all the powers for the ordinary and extraordinary management of the Company, with the exception of the matters expressly reserved by law and the Bylaws to the Shareholders' Meeting.
2. Pursuant to article 2365, paragraph 2, of the Italian civil code, the Board of Directors may by resolution approve mergers in the cases envisaged by articles 2505 and 2505-bis of the Italian civil code, the opening and closing of secondary offices, amendments to the Bylaws to align them to laws and regulations and transfers of the Company's registered office within Italy.
3. In addition to the duties and powers that cannot be delegated under applicable *pro tempore* laws and regulations, including those of a supervisory nature, the Board of Directors shall have exclusive authority for adopting resolutions concerning:
 - (a) the determination of strategic guidelines and operations, general guidelines and risk governance and management policies, and their periodic review, as well as the adoption and amendment of the business and financial plans of the Company;
 - (b) the assessment of overall business performance, pursuant to article 2381 of the Italian civil code;
 - (c) an assessment, at least on an annual basis, of the adequacy of the organisational, administrative and accounting structure of the Company and, in particular, of the functionality, efficiency and effectiveness of the internal control system;
 - (d) the establishment of criteria to ensure that the Company carries out the instructions of the Supervisory Authority;
 - (e) the drafting and approval of the draft annual financial statements (and consolidated statements where envisaged) and interim reports;
 - (f) the purchase and sale of treasury shares and the purchase and sale of equity investments that are strategic, as well as the purchase and disposal of businesses;
 - (g) delegated increases in share capital pursuant to article 2443 of the Italian civil code and delegated issues of convertible bonds pursuant to article 2420-ter of the Italian civil code, including the faculty to adopt resolutions with the exclusion or limitation of the option right as per the fourth and fifth paragraphs of article 2441 of the Italian civil code;

- (h) the possible appointment and dismissal of members of the General Management, as applicable, the possible suspension, removal and termination of the appointment and the establishment or modification of the powers, functions and duties of members of the General Management as well as the determination of his/her remuneration. The appointment of one or more Deputy General Managers pursuant to paragraph 5 of article 21 below;
 - (i) on the proposal of the risk management committee, the appointment and dismissal of the Internal Audit Manager, the Chief Risk Officer (CRO), the Compliance Manager and the Anti-Money Laundering Manager (AML Manager) after consulting with the Board of Statutory Auditors, ensuring an open and effective discussion with the heads of the control functions;
 - (j) subject to the mandatory but non-binding opinion of the Board of Statutory Auditors, the appointment and dismissal of the Financial Reporting Officer pursuant to article 154-bis of the TUF and the provisions laid down below in article 27 of these Bylaws;
 - (k) the approval and amendment of internal regulations, which are not deemed by these Bylaws or by law to be the competence of another corporate body;
 - (l) the establishment of the internal committees envisaged by applicable *pro tempore* laws and regulations, including those of a supervisory nature and any other committees, determining, also by adopting specific regulations, the composition, powers and the functioning of these committees and any remuneration due to their members;
 - (m) the opening, transfer and closing of branches, agencies, sub-branches, business addresses and representative offices in Italy and abroad;
 - (n) the appointment and dismissal of the person responsible for the health and safety function, who assumes the position of Employer pursuant to Legislative Decree no. 81 of 9 April 2008 and is vested with the broadest decision-making, organisational and disposition powers to fully and comprehensively manage all the obligations concerning the protection of health and safety in the workplace, establishing the relative budget for the purpose of carrying out the duties assigned to him/her;
 - (o) an assessment, periodically and at least once a year, of the performance of the Board itself and its internal committees as well as their size and composition;
 - (p) the adoption of regulations and policies of the Banking Group, prepared by the Parent Company in the interest of the Group;
 - (q) amendments to the By-laws to comply with mandatory legal provisions.
4. In compliance with the provisions in these Bylaws and the law the Board may delegate part of its responsibilities to one or more of its members, determining the powers and related remuneration, within the limits and in execution of the resolutions adopted by the Shareholders' Meeting.
 5. The delegated bodies are required to report to the Board of Directors within the terms and under the procedures established by the Board of Directors, in compliance with these Bylaws and the law.
 6. More specifically, the delegated bodies report to the Board of Directors on the activities it has performed and on the major transactions of an economic, financial and capital nature carried out by the Company, also through its delegated bodies, and by its subsidiaries; in particular, they report on the transactions in which its members have an interest, either personally or on the behalf of third parties. This report is made, at least on a quarterly basis, either verbally at Board meetings or in writing. Besides compliance with provisions under article 136 of the TUB, each Director is also required to report any personal interest or interest on behalf of third parties in a particular transaction of the Company by specifying the nature, terms, origin and size, and to refrain from decisions on issues where he/she may a conflict of interest, either directly or on behalf of third

parties, within the meaning of applicable laws and regulations. In the case of a Managing Director, he/she shall refrain from carrying out the transaction and assign this to the Board of Directors.

7. The Board may also, within the limits provided by these Bylaws and the law, delegate powers to the General Manager, where appointed, to executives and to other Company's employees, establishing the means by which these should be exercised, including the possibility of sub-delegation. In particular, the Board may delegate decision-making powers regarding the disbursement of loans to the General Manager, where appointed, and to employees vested with specific powers, up to a pre-set limit proportionate to the duties and position held.

- Article 20 - Executive Committee

1. The Board of Directors may appoint an Executive Committee, establishing the related operating procedures, the frequency of meetings and the duration which, in any case, shall not be greater than the remaining term of office of the Board.
2. If appointed, the Executive Committee comprises 3 (three) or 5 (five) Directors, without prejudice to the fact that the Managing Director, if appointed, is an ex officio member of the body. The Chair of the Board of Directors participates, without voting rights, at the meetings of the Executive Committee in order to facilitate an effective flow of information. The Executive Committee elects from among its members, with a simple majority of those present, the person appointed to chair, coordinate and convene meetings, establishing the relative agenda, as well as representing the body. In case of absence or impediment of the person appointed, the aforementioned functions shall be carried out by the eldest member in terms of age.

The Committee may always replace the person appointed to chair it.

The Secretary appointed by the Board of Directors acts as Secretary to the Executive Committee or, failing this, another person designated by the Executive Committee; these persons need not be members of the body.

3. A majority of the members of the Executive Committee must be present for resolutions to be valid. Resolutions are adopted by a majority of those voting, with the exclusion of those who abstained; in case of a tied vote, the Chair shall have the casting vote.
4. The Executive Committee meets at the Company's registered office or at another venue, including abroad.

Executive Committee meetings may be held via teleconferencing or videoconferencing and, more generally, by any means of telecommunication, provided all participants can be identified and are able to follow discussions and take part in real time in the discussion of the items on the agenda, and can examine, receive and discuss the related documentation.

5. The Executive Committee is vested with the powers delegated to it by the Board of Directors.
In cases of urgency, the Executive Committee may adopt resolutions on any business or transaction, except for those matters which cannot be delegated by law or the Bylaws, and shall inform the Board of Directors of this at the next meeting.
6. The Executive Committee shall inform the Board of Directors as to the decisions taken at each meeting within 20 (twenty) days after the meeting was held.

- Article 21 - Managing Director

1. The Board of Directors may delegate its powers to a Managing Director within the limits laid down in these Bylaws and the law.

2. The Managing Director is in charge of ensuring that the organisational, administrative and accounting structure, as well as the internal control and risk management system, is commensurate with the size and nature of the Company. The Managing Director reports to the Board of Directors in accordance with the requirements of article 19, paragraph 6 above. Any Director may request the Managing Director to provide the Board with information about the management of the Company.
3. The Managing Director ensures the implementation of the resolutions of the Board of Directors and has the power to make proposals to the Board of Directors concerning the matters referred to in article 19, paragraph 3, points (a), (d), (e), (f), (g), (k), (m), (n), (p) and (q) above. With a view to preserving a proper and constructive dialogue within the Board of Directors, each Director is entitled to make proposals to the Board of Directors on the same matters.

- Article 22 -

Board of Directors' resolutions

1. For resolutions of the Board of Directors to be valid, a majority of the members currently in office must be in attendance.
2. Resolutions are approved by a majority of those voting excluding abstentions. In case of a tied vote, the Chair shall have the casting vote.
3. Votes shall be cast openly.

- Article 23 -

Minutes of Board of Directors' meetings

1. Resolutions adopted by the Board of Directors shall be recorded in a specific minutes book, signed by the Chair and/or by the Secretary of the meeting and the Secretary.
2. Copies or extracts of the minutes, where not drafted by a Notary, are certified as true copies by the Chair of the Board of Directors or his/her representative; the minutes book and extracts constitute conclusive evidence of the meetings and resolutions of the Board of Directors.

- Article 24 -

Directors' remuneration

1. Board members are entitled to reimbursement of the expenses they may incur in the performance of their duties and a fee determined by the Shareholders' Meeting on appointment.
2. The remuneration of the Directors vested with special duties is determined by the Board of Directors, on the proposal of the committee in charge of remuneration and after obtaining the opinion of the Board of Statutory Auditors.

- Article 25 -

Representation of the Company

1. The powers of corporate signature and representation, also during court proceedings, lie with the Chair of the Board of Directors and/or the Managing Director (where appointed), as determined by the resolution adopted by the relevant Shareholders' Meeting.
2. For single acts or categories of acts, the Board of Directors may also assign corporate signature and representation to individual Directors, to the General Manager, where appointed, to executives, officers and employees of the Company as well as to other attorneys, determining the related powers, limits and ways by which these must be exercised.

SECTION THREE- CORPORATE DEPARTMENT

- Article 26 -

General Management

1. The Board of Directors may appoint a General Manager and, if applicable, one or more Deputy General Managers, defining their responsibilities and the duration of their appointment. The General Management shall exercise its responsibilities within the scope of the powers granted by the Board of Directors, ensure the implementation of the management directives issued by the Managing Director, and assist the latter in executing strategic guidelines and corporate management.
2. The General Manager reports to the Board of Directors according to the procedures established by the Board of Directors and in compliance with the provisions of these Bylaws and the law.
3. In the event of absence or incapacity, the General Manager shall be replaced, as determined by the Board of Directors, by one of the Deputy General Managers, if appointed.
4. Towards third parties, the signature of the Deputy General Manager acting in place of the General Manager shall constitute evidence of the latter's absence or incapacity.
5. As an alternative to appointing a General Manager and Deputy General Managers, the Board of Directors may appoint one or more Co-General Managers, defining the duration of their appointment and their responsibilities, to be exercised in accordance with the guidelines issued by the Board of Directors and the Managing Director, within their respective areas of competence.
6. The Co-General Manager, or where more than one is appointed, the Co-General Managers, shall ensure the implementation of the management directives issued by the Managing Director, assist in the execution of strategic guidelines and corporate management, and participate, upon invitation, in meetings of the Board of Directors, each with an advisory role in accordance with their respective areas of competence.

SECTION FOUR – FINANCIAL REPORTING OFFICER

- Article 27 -

Financial Reporting Officer

1. Subject to the mandatory but non-binding opinion of the Board of Statutory Auditors, the Board of Directors appoints and dismisses the Financial Reporting Officer who, in compliance with the law, performs functions governed by article 154-bis of the TUF and by any other *pro tempore* laws and regulations applicable to the Company; the Board of Directors also determines his/her powers, resources and remuneration in accordance with the above-mentioned laws and regulations and the provisions contained in paragraph 2 of this article.
2. The Financial Reporting Officer is granted suitable powers and resources to carry out the duties assigned to him/her by law and other applicable provisions, as well as any powers and functions established by the Board of Directors at the time of his/her appointment or by subsequent resolution.
3. The Financial Reporting Officer must meet the requirements prescribed by applicable *pro tempore* laws and regulations for individuals performing administrative or management functions. In particular, he/she must have specific expertise in administrative, accounting, credit, financial and securities matters. The Board of Directors is responsible for verifying that the aforementioned requirements are met.
4. The Board of Directors shall ensure that the Financial Reporting Officer meets the above requirements in order to perform his/her duties.

AUDIT AND INTERNAL CONTROL COMMITTEE AND INDEPENDENT AUDIT

- Article 28 -

Duties, functions, powers and organisation of the Board of Statutory Auditors

1. The Board of Statutory Auditors shall be composed of three standing members and two alternate members. The requirements, functions, responsibilities, and remuneration of the Board of Statutory Auditors are governed by the laws and regulations in force from time to time.
 - 1.1 The Board of Statutory Auditors performs the duty of supervising compliance with laws, regulations and the Bylaws. Having been granted the powers, it also carries out the duties and exercises the control functions provided for by applicable *pro tempore* laws and regulations, including those of a supervisory nature, reporting any shortcomings and irregularities encountered, requesting suitable corrective measures to be adopted and verifying their effectiveness over time.
 - 1.2 The Board of Statutory Auditors and its members, also on an individual basis, may avail themselves of the Company's structures and internal control functions in order to carry out and direct their checks and the necessary investigations, as set forth by Article 2403 of the Italian Civil Code. For this purpose they receive from such structures and functions suitable information flows both periodical and related to specific situations or business trends.
2. The operating regulations of the Board of Statutory Auditors are approved by the Board of Statutory Auditors itself.
3. The Board of Statutory Auditors, which meets on a periodic basis pursuant to Article 2404 of the Italian Civil Code, is convened by its Chair by sending notice by any means of communication that ensures certainty of receipt, specifying the date, time and place of the meeting and the items to be discussed, at least 3 (three) days before the date scheduled for the meeting, or at least 24 (twenty-four) hours in case of urgency. All participants must sign the minutes and records of the Board of Statutory Auditors.
4. The Board of Statutory Auditors is duly constituted with the presence of the majority of its members and adopts resolutions with the majority of those in attendance.
5. Participants at meetings of the Board of Statutory Auditors may attend remotely via audio or video conference systems, on condition it can be ensured that:
 - (a) the Chair is able to confirm the identity of all participants;
 - (b) each participant is able to take part in the discussion in real time, verbally express their opinion and examine, receive and transmit all documentation;
 - (c) the proposals and resolutions of the Board of Statutory Auditors can be examined at the same time.

- Article 29 -

Independent audit of the accounts

1. The independent audit of the Company's accounts is performed by an auditing firm possessing the legal requirements established by applicable *pro tempore* laws and regulations.
2. The appointment, removal, requirements, responsibilities, powers, duties, and remuneration of the parties entrusted with the statutory audit of the accounts shall be governed by the laws and regulations in force from time to time.

TITLE IV

FINANCIAL STATEMENTS AND PROFITS

- Article 30 -

Financial statements

1. The company's financial year ends on 31 December.
2. The appointment, removal, requirements, responsibilities, powers, duties, and remuneration of the parties entrusted with the statutory audit of the accounts shall be governed by the laws and regulations in force from time to time.

**- Article 31 -
Profits, reserves**

1. Profits resulting from the financial statements, net of the amount to be allocated to the legal reserve, will be allocated in accordance with resolutions of the Shareholders' Meeting.
2. Dividends are distributed in accordance with the terms and conditions set by the resolution of the Shareholders' Meeting providing for the distribution of profits to shareholders. The Board of Directors may resolve to distribute interim dividends in the cases, manner, and within the limits provided by the laws and regulations in force from time to time. Any dividends unclaimed within 5 (five) years from the date on which they become payable are forfeited and revert to the Company, and are allocated to reserves.
3. On proposal of the Board of Directors, the Shareholders' Meeting may allocate an overall annual amount – not exceeding 5% (five percent) of the net profit for the year – to social, welfare and cultural initiatives.

**TITLE V
DISSOLUTION, LIQUIDATION AND GENERAL PROVISIONS**

**- Article 32 -
Dissolution, Liquidation**

1. In all cases of dissolution, the Shareholders' Meeting shall appoint the Liquidators and establish their powers, the liquidation procedures and the allocation of the assets resulting from the final balance sheet.
2. The provisions of law shall apply for the liquidation of the Company and for anything not expressly provided for in these Bylaws.