



BANCA IFIS S.p.A.'S ARTICLES OF INCORPORATION

CORPORATE NAME

Art.1) The company is a public limited company having the name "BANCA IFIS S.p.A.".

HEADQUARTERS

Art.2) The company has its registered office in Mestre – Venice.

It is permitted to set up branches, subsidiaries, offices, agencies, representative offices and the like, in Italy and abroad. The company Headquarters is located at the company's registered office.

TERM OF EXISTENCE

Art.3) The terms of existence of the company will expire on 31 (thirty-first) of December 2050 (two thousand and fifty) but can be extended with a resolution by the Shareholders' Meeting. In cases of such a resolution to extend the company's duration, those shareholders who have not taken part in the approval of resolution do not have the right to recede.

NATURE OF BUSINESS

Art.4) The company's purpose is to collect public savings and to grant credit in its various forms, in Italy and abroad, operating in compliance with the regulations and laws in force. Observing the legal provisions in force, Banca IFIS can carry out all banking, financial and investment operations and services, create and manage open pension funds and, in general, effect any other operations that are instrumental or connected to the achievement of its business purpose.

In carrying out its management and coordination activity and in its capacity of parent company to the Banca IFIS Group as per article 61, paragraph 4 of the Lgs. Decree 385/1993, the company guides the members of the group in the execution of Bank of Italy's instructions, in the interest of Group stability.

The company can issue bonds in accordance with the laws and regulations in force.

CAPITAL

Art. 5) The share capital is 53,811,095.00 (fifty-three million, eight hundred and eleven thousand, and ninety-five point zero zero) Euro, represented by 53,811,095.00 (fifty-three million, eight hundred and eleven thousand, and ninety-five) ordinary shares of a nominal value of 1 (one) Euro each.

SHAREHOLDERS' MEETINGS

Art.6) Shareholders' Meetings' resolutions, taken in conformity with the law and the Articles of Incorporation, obligate all shareholders, whether absent or dissenting. Shareholders who have not participated in the approval of resolutions concerning the introduction or removal of restrictions to the circulation of the bank's shares do not have the right to recede.

Shareholders' Meetings can be ordinary and extraordinary, as per the law.

The Meetings can be held under convening beyond the second in adherence with the provisions of the law.

The Shareholders' Meetings can be held away from the registered office, provided that they take place in Italy.

Art.7) Every share gives the right to vote.

Art. 8) The Ordinary Shareholders' Meeting is convened at least once a year, within 120 (one hundred twenty) days from the end of the fiscal year, to deliberate on the subjects attributed to it by Italian Law and the Articles of Association.

The Shareholders' Meeting is normally presided over by the Chairman of the Board of Directors, who is also vested, among other things, with the power to appoint the person, either inside or outside of the Company, who is required to preside over a single Shareholders' Meeting. If the Chairman is absent or unavailable, the Deputy Chairman of the Board of Directors has the appointment power.

The Chairman of the Shareholders' Meeting appoints the Secretary for the Meeting and, in any case, may be assisted during the Meeting by the Secretary of the Board of Directors, appointed pursuant to Article 12, and by external consultants identified and appointed by him for that purpose.

The provisions of Article 2371(2) of the Italian Civil Code apply where the presence of a notary is required by law.

Art.9) The Shareholders' Meeting may be attended by holders of voting rights for whom the Company has received the notification issued by the intermediary at the end of the third day of open trading preceding the date set for the Shareholders' Meeting on first call. The communication is made based on the evidence at the end of the seventh accounting day of the seventh day of open trading set for the Shareholders' Meeting on first call. However, without prejudice to legitimate attendance and the exercise of the right to vote should such communication be received by the Company beyond the aforementioned term, provided that this is before the start of the Shareholders' Meeting the call notice refers to.

The voting right holders may have themselves represented in the Shareholders' Meeting, pursuant to the law, by means of written proxy or proxy granted by electronic means.

The electronic notification of the proxy may be made using a special form available on the Company's website.

The Company designates for each Shareholders' Meeting, indicating it accordingly in the notice to convene, one or more individuals to whom the holders of voting rights can grant, following the methods established by applicable normative provisions, a proxy with voting instructions on all or some of the proposals on the agenda. The proxy has effect with regard to the proposals for which voting instructions have been provided.

With regards the majorities for the validity of resolutions and the drafting of the minutes, reference is made to the provisions of the law, to applicable regulations, to the Articles of Incorporation and to the Shareholders' Meeting Regulations.

Art.10)The ordinary Shareholders' Meeting approves the remuneration and incentive policies. In particular, the ordinary Shareholders' Meeting, in addition to establishing the remuneration due to the bodies it has appointed, approves:

- the remuneration and incentive policies for the Board of Directors, the Chief Executive Officer, the Board of Statutory Auditors, the General Manager, the Joint General Manager (s)

and the remaining personnel;

- any remuneration plans based on financial instruments (e.g. stock options);
- criteria to determine the remuneration to be paid in the case of an early termination of an employment relationship or early termination of an office, including the maximum limits set for this remuneration in terms of annual fixed amount and the maximum amount deriving from their application.

In addition, the ordinary Shareholders' Meeting has the power to decide, when approving the remuneration policies, the ratio between the variable and the fixed component of individual remuneration of personnel that exceeds 100%, (1:1 ratio), but which, in any way, may not exceed the limit set forth by the applicable legal and regulatory provisions pro tempore (currently equal to 200%, a ratio of 2:1); The proposal may be deemed to have been approved validly with the majority envisaged by the regulatory framework that applies at any given time, i.e. currently:

- with the favourable vote of at least 2/3 of the share capital represented at the Shareholders' Meeting, if the Shareholders' Meeting consists of at least half of the share capital;
- with the favourable vote of at least 3/4 of the share capital represented at the Shareholders' Meeting, whatever the share capital the Shareholders' Meeting consists in.

The fees payable to the members of the Board of Directors are established at the time of their appointment or by the Shareholders' Meeting, pursuant to art. 2389 of the Italian Civil Code. The remuneration of directors invested in particular positions in accordance with the Articles of Association can be established by the Board of Directors, having received the favourable opinion of the Board of Statutory Auditors. The Shareholders' Meeting can determine a total amount of remuneration for all Directors, including those assigned specific tasks.

Art. 10-bis) The Shareholders' Meeting may appoint an Honorary President, even from outside the members of the Board of Directors, chosen from among the people who have significantly contributed to the prestige and development of the Company. If appointed, the Honorary President, who is not a director, may attend Shareholders' Meetings and meetings of the Board of Directors, in an advisory capacity and without voting rights. The Honorary President may be appointed by the Board of Directors to represent the Company, among other things.

MANAGEMENT

Art.11) The Company is managed by a Board of Directors made up of five to fifteen members, elected by the Shareholders' Meeting. They must possess professionalism and authority so as to ensure a high level of internal dialogue within the body to which they belong, and to make a significant contribution to shaping the will of the same; and at least a quarter of the members must possess the independence requirements provided for by applicable legislation and regulation in force at the time.

The composition of the bodies must reflect an adequate degree of diversification in terms, among other things, of skills, experience, age, gender, international scope.

For the purposes of appointing or co-opting the directors, the board of directors identifies in advance the qualitative and quantitative composition it deems optimal by identifying and justifying the theoretical profile (including professionalism and any independence characteristics) of the candidates.

The results of the analyses carried out by the Board of Directors must be brought to the attention of the shareholders in due time so that the choice of candidates to be presented can take the professional skills required into account. Of course, the possibility remains for the shareholders to carry out their own assessments on the optimal composition of the body and

to present candidacies consistent with these, giving reasons for any differences with respect to the analyses carried out by the board.

The Directors remain in office for the period, not exceeding three financial years, established at the time of their appointment, and expire on the date of the Shareholders' Meeting called to approve the financial statements related to the last year of their office.

The appointment of the members of the Board of Directors is based on lists presented by the shareholders; candidates are listed in sequential order and their number must not exceed the maximum number of Members established by the Articles of Association.

The right to present a list is only granted to shareholders who, at the time of the presentation of the list, own, alone or jointly, a stake of at least 1% (one percent) of ordinary shares or other minimum ownership threshold that - pursuant to the applicable regulatory framework - will be indicated in the notice of convocation of the Shareholders' Meeting which is called upon to deliberate on the appointment of the members of the Board of Directors.

A shareholder may not present or vote on more than one list, even through a third party or a trust company. Shareholders belonging to the same group and shareholders who have stipulated a shareholder agreement related to shares of the Company may not present or vote on more than one list, even through a third party or a trust company. A candidate may only be present on one list, on pain of ineligibility.

The lists are deposited at the registered office of the Company by the twenty-fifth day before the date of the first-call Shareholders' Meeting and are made available to the public at the registered office of the company, on the Company's website and by the other means set forth by the applicable regulatory framework, at least twenty days before the date of the first-call Shareholders' Meeting.

Ownership of the minimum number of shares needed to submit a list is determined by taking into account the shares recorded in the name of the individual shareholder or multiple joint-shareholders on the day lists are submitted to the Company. In order to prove the ownership of the number of shares necessary to present the lists, the shareholders may produce the related certificate even after the deposit, on the condition that this is done within the deadline foreseen for the publication of the lists by the Company.

The lists must be accompanied:

- by information relating to the identity of shareholders who submitted lists, stating the overall percentage of shares held;

a declaration of the shareholders other than those who hold, including jointly, a controlling or relative majority shareholding, certifying the absence of relationships as indicated in Article 147-ter of Legislative Decree no. 58/1998 and art. 144-quinquies of the "Implementing Regulation of Legislative Decree no. 58/1998 concerning the discipline of issuers" with the latter;

- exhaustive information on the candidates' personal and professional characteristics, as well as a declaration by the candidates themselves certifying the possession of the requirements and criteria provided for by the applicable legislation and regulation in force at the time, and their acceptance of the candidacy.

Candidates who do not meet the and criteria established by Article 26 of Legislative Decree no. 385/1993 and the relative implementation regulations, also of a regulatory nature, in force at the time. Each list must also indicate:

- at least a quarter of the members (if this ratio is not an integer, round it down to the next lowest whole number if the first decimal is less than or equal to 5; otherwise round it up to the next highest whole number) that meet the independence obligations provided for both by the Corporate Governance Code for Listed Companies required by Borsa Italiana S.p.A. and Article 148, paragraph 3 of Legislative Decree no. 58/1998. These candidates must be the first four names on the list in sequential order;

- at least a third of the list must be made up of candidates representing the least represented gender, except for lists containing fewer than three candidates.

Any list where the above provisions are not observed is considered as not having been presented.

Members of the Board of Directors are elected as follows:

1) all Directors except one are elected from the list obtaining the highest number of votes at the Shareholders' Meeting, according to the sequential order with which they are indicated on the list;

2) from the list that obtained the highest number of votes at the Shareholders' Meeting and which, pursuant to art. 147-ter, paragraph 3 of Legislative Decree no. 58/1998, is not connected in any way, not even indirectly, with the shareholders who presented or voted on the list with the highest number of votes, then a director is declared.

Should this selection criteria fail to ensure proper gender balance to the extent established on a case by case basis by Italian Law's applicable legislation and regulation in force at the time, a sliding mechanism is applied to the selection from the list which obtained, during the Shareholders' Meeting, the highest number of votes based on the sequential order in which the candidates are indicated. This mechanism excludes the candidate or candidates of the most represented gender and draws the candidate or candidates of the unrepresented gender. If just one list of candidates is submitted, the names indicated on that list will be elected as Members of the Board of Directors, up to the number of Directors to be elected less one, who shall be elected by the Shareholders' Meeting there and then, based on a simple majority but excluding from the vote the shareholders who submitted the single list, and based on the proposal of the shareholders entitled to the right to vote pursuant to this paragraph.

In any case, at least one quarter of the members of the Board of Directors must possess the independence requirements established both by the Code for Listed Companies prepared by Borsa Italiana S.p.A. and by art. 148, paragraph 3 of Legislative Decree no. 58/1998.

If during the year less than a quarter of the directors are in possession of these requirements, the Board will resolve to terminate the role of one or two of its Members who have ceased to meet such requirements, based on a criterion of shorter tenure, or, in the case of equal tenure, lower age, and will co-opt one or two independent members.

The laws in force, without the involvement of list voting, shall govern any replacement of Directors, except in the event that all Directors cease their roles.

Moreover, in the event of the resignation of the director declared from the list that obtained the highest number of votes at the Shareholders' Meeting and who, pursuant to art. 147-ter, paragraph 3 of Legislative Decree no. 58/1998, is not connected in any way, even indirectly, with the members who have submitted or voted on the list that appeared first by number of votes, the Board will first check the continued availability of the candidates included on the list, according to the its sequential order, and will co-opt members based on this criterion of preference.

If a Director belonging to the least represented gender ceases, the co-opted Director shall be of the same gender.

CHAIRMAN

Art.12) The Board elects a Chairman from among its members and may elect a Deputy Chairman. In the event of the Chairman's absence or unavailability, the Deputy Chairman presides. In the event of absence or unavailability the Deputy Chairman the most senior Director presides.

The Chairman promotes the effective functioning of the corporate governance system, guaranteeing a balance of powers with respect to the Chief Executive Officer and the other executive directors. He/she acts as an interlocutor with the controlling body and the internal committees. To this end, in

addition to possessing the characteristics required of directors, he/she must have the specific skills necessary to carry out the tasks assigned to him/her. In order to carry out his/her function effectively, the Chairman must have a non-executive role and not carry out, even de facto, management functions. The Chairman guarantees the effectiveness of the Board's discussion and ensures that the resolutions it reaches are the result of adequate dialogue and the conscious and reasoned contribution of all its members. For these purposes, the Chairman shall ensure that:

- the directors are provided in reasonable advance with the documentation supporting the board's resolutions or, at least, with general information on the matters to be discussed;
- the documentation supporting the resolutions, particularly when provided to non-executive members, is adequate in both quality and quantity with respect to the items on the agenda.

The Board, after hearing the Chairman, appoints the Secretary, who may also be chosen from outside the members of the administrative body, and his/her alternate. The Secretary is responsible for drawing up and keeping the minutes of each meeting, which must be signed by the person presiding over the meeting and by the Secretary himself.

To carry out the Board's work, the Chairman may be assisted by a person of his/her choice, even chosen from outside the members of the Board of Directors.

Art.12-bis) Art. 12-bis) In compliance with the legislative provisions in force, the Board of Directors shall set up an Appointments Committee, a Control and Risk Committee, a Remuneration Committee, and any internal board committees it deems appropriate, within its sphere of authority. The members of the committees are appointed, revoked, and supplemented, as necessary, by the Board of Directors.

The committees are vested with the functions and powers assigned to them by current legislation and regulations and by the Board of Directors.

Art.13) The convocation of the Board of Directors is explicitly by the Chairman by letter, fax, e-mail or other suitable form at the domicile of each director at least three days before the meeting's scheduled date. In case of urgency, the convocation can be sent even just one day before the meeting's scheduled date.

In preparing the agenda and managing the board's discussion, the ensures that matters of strategic importance are treated with priority, ensuring that all the necessary time is dedicated to them.

Board meetings will be validly established even when held through means of telecommunication, as long as all the participants can be identified by the Chairman and all other attendees, are allowed to follow the discussion and intervene in real time in the discussion of the topics, are allowed to receive, transmit and view documents relating to these topics, and all of the above is acknowledged in the relative minutes. Once these conditions are met, the meeting of the Board of Directors is considered held in the place where the Chairman is located and where the Secretary of the meeting must also be, in order to allow the drafting of the relative minutes.

The resolutions of the Board are valid if the majority of the directors in office are present, and are taken by an absolute majority of those present. In the event of a tie, the vote of the Chairman of the Board of Directors prevails.

The Board of Directors meets at time intervals usually not exceeding three months, whenever the Chairman deems it necessary, or when it is requested by the Chief Executive Officer or at least three directors. The Board may also be convened by at least two statutory auditors upon notice given to the Chairman of the Board of Directors.

Art.14) The Board of Directors is responsible for all the powers of ordinary and extraordinary administration, excluding those that, by law, lie within the competence of the Shareholders' Meeting.

Besides duties that cannot be delegated by law, the Board of Directors is exclusively responsible for resolutions regarding:

- the business model, the strategic guidelines and operations and the business and financial plans;
- the guidelines of the internal check system and the verification that the same is consistent with the set strategic guidelines and the risk appetite and that the same is able to capture the evolution of the corporate risks and their interactions;
- the criteria to identify the more significant operations to submit to the prior examination of the risk control function;
- the amendments of the Articles of Incorporation according to legal provisions;
- mergers by incorporation with other companies, in the cases provided for by articles 2505 and 2505-bis of the Italian Civil Code;
- the reduction of capital in case of withdrawal;
- the indication of which Directors, in addition to those stated in these Articles of Incorporation, can represent the company;
- the setting up of committees within the Board of Directors;
- the *Risk Appetite Framework* and the risk management policies as well as, having heard the opinion of the Board of Statutory Auditors, the evaluation of the completeness, adequacy, functionality, and reliability of the internal control and risk management systems and of the adequacy of the organisational, administrative and accounting structure;
- the determination of the general organisation of the bank's structure and of the consequent internal regulations;
- the setting up and regulations, also for the structure of the signatory powers, of branches, subsidiaries, agencies, counters, representative offices and addresses, both in Italy and abroad, as well as their closing;
- the transfer of the registered office within the national territory;
- the buying and selling of equity investments, companies and/or companies divisions bringing about changes in the group, or investments and/or disinvestments that exceed 1% (one percent) of the bank's net equity as shown in the last approved financial statements of the Company;
- the determination of criteria for carrying out Bank of Italy's instructions;
- the nomination, dismissal and remuneration of General Management members;
- the remuneration and incentive policies to submit to the shareholders' meeting, the review, at least on a yearly basis, of such policies and the responsibility for their correct implementation, with the purpose of also ensuring that the remuneration policy is adequately documented and accessible within the corporate structure;
- the setting up of the corporate audit functions, the related tasks and responsibilities, the coordination and collaboration methods, the information flows between such functions and between them and the corporate bodies;
- the appointment, after having heard the opinion of the Board of Statutory Auditors, of subjects responsible for the internal auditing functions;
- the risk management process and the assessment of its compatibility with the strategic directions and with the risk management policies;
- the policies and the processes for the assessment of the corporate activities, and, in

particular, of the financial instruments, verifying their continuous adequacy and setting also the top limits of the bank's exposure to financial instruments or products of an uncertain or difficult evaluation;

- the process for the development and the validation of the internal systems for the risk assessment not employed for regulatory purposes and the periodical assessment of their correct working;
- the process for the approval of new products and services, the start of new activities, the entry into new markets;
- the corporate policy in the matter of outsourcing of corporate functions;
- the Code of Ethics which the members of the corporate bodies and the employees shall have to comply with in order to mitigate the operational and reputational risks of the bank and to favour the spread of a culture of the internal controls.

The directors report promptly, but at least on a quarterly basis, to the Board of Statutory Auditors during Board of Directors' Meetings, or even directly, in writing, about the activities performed, the most significant operations carried out by the company or its controlled companies and situations that could result in conflict of interest.

Art.15) The Board appoints a Chief Executive Officer from among its members who is in charge of conducting company operations aimed at achieving corporate strategic direction and objectives. The Board also confer special tasks onto individual directors, all in accordance with and within the limits established by art. 2381 of the Italian Civil Code. The Board can also appoint attorneys for specific acts or categories of acts and special attorneys. The Chief Executive Officer is responsible for implementing strategic directions and company management, and makes use of the General Management.

The Chief Executive Officer reports to the Board of Directors on his/her activities on a quarterly basis.

The Chief Executive Officer:

- defines and oversees the implementation of the risk management process;
- defines and is responsible for implementing the process (heads of unit, procedures, conditions) to approve investments in new products, the distribution of new products or services and the start of new activities or entry into new markets.
- he/she defines and supervises the implementation of the company policy regarding the outsourcing of company functions;
- defines and is responsible for implementing the processes and methodologies used to assess company activities, and, particularly, financial instruments; and is responsible for keeping them constantly updated;
- defines the internal information flows aimed at ensuring full knowledge and governability of risk factors and verification of compliance with the Risk Appetite Framework for corporate bodies and control departments;
- within the scope of the Group's Risk Appetite Framework, if a tolerance threshold has been defined, authorises the exceeding of the risk appetite within the limit represented by the tolerance threshold, and promptly informs the Board of Directors, identifying the managerial actions needed to restore the assumed risk within the pre-set objective;
- he/she implements the initiatives and interventions required to ensure the continuous completeness, adequacy, functionality and reliability of the internal control system and informs the Board of Directors of the results of the checks carried out to;
- he/she prepares and implements the necessary corrective or adjustment measures in case of deficiencies or anomalies, or following the introduction of new relevant products, activities, services or processes;

- implements the ICAAP process;
- with specific reference to the credit and counterparty risks, in line with the strategic lines, approves specific guidelines aimed at ensuring the efficacy of the system used to manage risk mitigation techniques and at guaranteeing compliance with the general and specific requisites of said techniques.
- in case of emergencies, the Chief Executive Officer may adopt decisions regarding any business or transaction that does not fall under the exclusive purview of the Board of Directors, immediately notifying the President of such decisions and announcing them to the Board at the first subsequent meeting.

Art.16) The Board of Directors may also delegate, setting in advance the limits thereof, powers of credit-granting and day-to-day management to personnel of the Company on the basis of their functions and/or level of seniority, singularly and/or as member of a Committee chaired by a person appointed by the Board itself.

The decisions thus taken must be made known to the Board itself, according to the formalities and frequency fixed by the Board of Directors.

GENERAL MANAGEMENT

Art.17) The Board of Directors may appoint a General Manager and, where appropriate, one or more Deputy General Managers, determining their duties and the duration of their office. The General Manager exercises his/her duties within the framework of the powers conferred by the Board of Directors and oversees the implementation of the management directives of the Chief Executive Officer and assists in the implementation of strategic directions and company management.

The General Manager participates in the meetings of the Board of Directors with advisory functions.

In the event of absence or impediment, as determined by the Board of Directors, the General Manager is replaced by one of the Deputy General Managers, if appointed.

Before third parties, the signature of the Deputy General Manager, who replaces the General Manager, constitutes proof of the absence or impediment of the latter.

As an alternative to the appointment of the General Manager and the Deputy General Managers, the Board of Directors may appoint one or more Joint General Managers, determining the duration of the related office and its duties, which are to be exercised in compliance with the guidelines issued by the Board of Directors and by the Chief Executive Officer, according to their respective competences.

The Joint General Manager or, when more than one is appointed, the Joint General Managers, supervise the implementation of the management directives of the Chief Executive Officer, assist the Chief Executive Officer in the implementation of strategic directions and company management and participate, upon invitation, in the meetings of the Board of Directors, each with advisory functions in accordance with their respective competences.

Art.18) The General Management is alternatively made up by the General Manager and, if appointed, by one or more Deputy General Managers, i.e. by one or more Joint General Managers. As part of the provisions of the main internal regulations approved by the Board of Directors, they manage ongoing business by directing the personnel designated for this purpose.

Art.19) As per article 154-bis of the Lgs. Decree 58/1998 and if the necessary, compulsory approval has been given by the Board of Statutory Auditors, the Board of Directors names a

manager who is to be responsible for drawing up the company's financial documents.

This manager must comply with the regulations regarding both the requisite of honourability necessary for election to the position of Statutory Auditor, as per article 2 of Italian D.M. 162 of 30 March 2000, and the requisites of professionalism for election to the position of Director of a public bank, as per article 1, paragraph 1 of the Italian D.M. 161 of 18 March 1998.

The Financial Reporting Officer puts in place suitable administrative and accounting procedures for the drawing up of statutory and consolidated financial reports for the accounting year, together with every other communication of a financial nature, also carrying out any other assignment provided for by the law.

The Board of Directors is responsible for ensuring the Financial Reporting Officer has the necessary powers and means to accomplish the assignments attributed to him/her and to ensure that administrative and bookkeeping procedures are effectively respected.

Under article 154-bis of Lgs. Decree 58/1998, the Board of Directors gives this manager the necessary powers and means to accomplish the assignments attributed to him/her at nomination.

The Financial Reporting Officer is governed by the provisions governing the Directors of the company for their area of responsibility, excepting the activities that fall under the normal working relationship with the company.

CORPORATE SIGNATURE AND REPRESENTATION

Art.20) Legal representation of the Company, before third parties and in court, and the corporate signature are the responsibility of the Chairman of the Board of Directors and, in the event of his/her absence or impediment, to the Deputy Chairman, to the Chief Executive Officer.

Legal representation includes, by way of example, the right to promote any act and initiative for the protection of the rights and interests of the Company, also through the request of precautionary or emergency measures and the exercising of executive actions; the exercise, withdrawal and renunciation of the right of complaint, as well as the establishment of a civil party and its revocation in any judicial, administrative and arbitration and conciliatory proceeding before any authority in every state and level, with all the powers to the necessary purpose, including that of granting the relative powers of attorney for disputes, including general ones, of carrying out questioning provided for by the law and with every legal right also to reconcile, settle and compromise with arbitrators and to renounce acts and actions.

The Board of Directors may, for certain categories of acts and business, grant power of attorney, with the relative power to sign for the Company, also to persons outside the Company. The Chief Executive Officer can appoint attorneys for specific acts or categories of acts, within the powers granted by the Board.

To facilitate the performance of the Company's work, the Board may authorize managers and other employees to sign, individually or jointly, for those categories of transactions determined by the Board of Directors itself.

THE BOARD OF STATUTORY AUDITORS

Art.21) The Board of Statutory Auditors is made up of three standing and two alternate auditors.

The Board of Statutory Auditors are appointed based on lists presented by the shareholders, in which the candidates are listed in sequential order; their number may not exceed that of the members of the body to be elected. Each list consists of two sections: one for candidates for the office of Standing Auditor, and the other for candidates for the office of Alternate Auditor.

A list can be presented by the shareholder or shareholders who, at the time of submission, own an equity interest equal to at least 1% (one percent) of ordinary shares, or to another

lower ownership threshold that – pursuant to current legislation and regulatory provisions – will be indicated in the notice convoking the Shareholders’ Meeting called to pass a resolution to appoint the members of the Statutory Auditors.

A shareholder may not present or vote on more than one list, even through a third party or a trust company. Shareholders belonging to the same group and shareholders who have stipulated a shareholder agreement related to shares of the Company may not present or vote on more than one list, even through a third party or a trust company. A candidate may only be present on one list, on pain of ineligibility.

Lists must be submitted to the Company’s registered office at least twenty-five days prior to the date set for the first-call Shareholders’ Meeting, and are made available to the public at the registered office, on the Company’s website and through the other methods provided for by current legislation and regulatory provisions at least twenty-one days prior to the date of the first-call Shareholders’ Meeting.

Ownership of the minimum number of shares needed to submit a list is determined by taking into account the shares recorded in the name of the individual shareholder or multiple joint-shareholders on the day lists are submitted to the Company. In order to prove the ownership of the number of shares necessary to present the lists, the shareholders may produce the related certificate even after the deposit, on the condition that this is done within the deadline foreseen for the publication of the lists by the Company.

The lists must be accompanied:

- by information relating to the identity of shareholders who submitted the lists, stating the overall percentage of shares held;
- a declaration of the shareholders other than those who hold, including jointly, a controlling or relative majority shareholding, certifying the absence of relationships as provided for by Article 144-quinquies of the “Implementing Regulation of Legislative Decree no. 58/1998 concerning the discipline of issuers” with the latter as well as other significant relationships;
- exhaustive information on candidates’ personal and professional characteristics, as well as a declaration by the candidates themselves confirming possession of the requirements established by law and their acceptance of candidacy.

Candidates who already hold the post of auditor in five other listed companies or who do not possess and criteria provided for by Article 26 of Legislative Decree no. 385/1993 and the relative implementation regulations, also of a regulatory nature, in force at the time or that fall within the cases referred to in art. 148, paragraph 3 of Legislative Decree no. 58/1998 may not be included in the candidate list.

Each list must contain at least one candidate for the post of Standing Auditor and at least one candidate for the post of Alternate Auditor belonging to the least represented gender. This requirement does not apply to lists that present fewer than three candidates.

Outgoing auditors are eligible for re-election.

The election of the auditors proceeds as follows:

- 1) two standing auditors and one alternate are elected from the list obtaining the highest number of votes, according to the sequential order with which they are indicated on the list;
- 2) from the list that obtained the highest number of votes among the lists presented and voted on by shareholders who are not connected to the reference shareholders pursuant to art. 148, paragraph 2 of Legislative Decree no. 58/1998, the candidate indicated in first place in the relevant section of the list is elected standing auditor; the candidate indicated in first place in the relevant section of the same list is elected alternate auditor.

In the case of a tie between two or more lists, the oldest candidates will be elected as Statutory Auditors.

If the selection criteria do not ensure election of at least one Standing Auditor and one Alternate Auditor belonging to the least represented gender, a sliding mechanism is applied to

the selection from the list obtaining, during the Shareholders' Meeting, the highest number of votes based on the sequential order in which the candidates are indicated. This mechanism excludes the candidate or candidates of the most represented gender and selects the candidate or candidates of the missing gender.

The standing auditor elected from the minority list shall be declared President of the Board of Statutory Auditors.

If only lists with fewer than three candidates have been submitted and there is no candidate of the less represented gender, the presence of an alternate auditor of the less represented gender will not be mandatory, while the standing members of the Board will be appointed as follows:

- 1) the Chairman by drawing from the list that has obtained the highest number of minority votes;
- 2) a standing auditor by drawing from the majority list;
- 3) a standing auditor with majority vote at the Shareholders' Meeting who, without any list constraint, will be required to appoint a member belonging to the less represented gender.

The statutory auditor forfeits the office in the cases provided for by law as well as if the requirements required by the bylaws are no longer fulfilled.

In the event of the replacement of a standing auditor, the alternate belonging to the same list as the one who left takes over, provided that the presence of at least one standing auditor belonging to the less represented gender is guaranteed. Otherwise the other alternate auditor will take over.

If, despite the provisions of the Articles of Association and what is set out in the present article, only one list is presented or only one list receives votes, three Standing and two Alternate Auditors will be elected – on condition that the list in question receives the majority of the votes represented at the Shareholders' Meeting – in the order in which they are indicated on that list for the respective post. The Standing Auditor candidate indicated in first place on the list will be appointed President of the Board of Statutory Auditors.

If it is necessary to appoint Standing and/or Alternate Auditors to supplement the Board of Statutory Auditors following early termination of the auditors in office, the Shareholders' Meeting will act as follows: if auditors elected from the majority list must be replaced, the auditor(s) are appointed by majority vote, without list constraints. If, however, it is necessary to replace a Statutory Auditor designated from the minority list, the Shareholders' Meeting will replace them by relative majority vote, choosing the candidate from among the candidates on the list from which the auditor to be replaced was elected. These candidates will have confirmed their candidacy at least 25 days before the date set for the first-call Shareholders' Meeting, together with statements confirming that no reasons for ineligibility or incompatibility exist, and that they possess the requirements needed to hold the post.

If this latter mechanism does not guarantee the presence of at least one statutory auditor belonging to the less represented gender, the appointment will take place by majority vote, without any list restrictions.

Art.22) The Board of Statutory Auditors supervises:

- a) the observance of the Law, the Articles of Association and the regulations;
- b) compliance with the principles of correct administration;
- c) the adequacy of the organizational, administrative and accounting structure adopted by the Company and its concrete operation;
- d) the completeness, adequacy, functionality and reliability of the risk management and internal control system;
- e) the operations of management and coordination by the Bank;
- f) other acts and facts specified by the Law;

fulfilling all the functions entrusted to it in compliance with the relative regulations provided for by the law.

The Board of Statutory Auditors ascertains, in particular, the suitable coordination of all the departments and structures involved in the internal control system, including the auditing company entrusted with accounting management, promoting any corrective actions if necessary.

To this end, the Board of Statutory Auditors and the Independent Auditors exchange data and information relevant to the performance of the related duties.

In carrying out the necessary checks and inspections, the statutory auditors may make use of the structures and functions responsible for internal control and, at any time, even individually carry out inspections and controls.

The Board of Statutory Auditors may ask the directors, the General Manager or the Joint General Manager (s), executives and other employees for any information, even with reference to subsidiaries, on the progress of corporate operations or on specific business. They can exchange information with the corresponding bodies of the subsidiaries regarding the administration and control systems and the general performance of the corporate business.

Notwithstanding the obligation to report to the Supervisory Authorities any acts or facts that may constitute management irregularity or violation of rules provided for by current legislation, the Board of Statutory Auditors reports any deficiencies and irregularities to the Board of Directors and requests the adoption of suitable corrective measures, verifying their effectiveness over time.

THE ANNUAL FINANCIAL STATEMENTS AND PROFIT

Art.23) The accounting year closes on 31 (thirty-first) of December every year.

The Board of Directors draws up the annual financial statements in observance with the Law.

Art.24) The net profit resulting from the balance sheet, less the amount necessary for the compulsory legal reserve, is divided among the shareholders in proportion to the shares held; unless the Shareholders' Meeting specifically deliberates that such profit should be entirely or partially allocated to extraordinary reserves, the Board of Directors or put aside for following accounting years.

The dividends not collected are transferred to the Company.

LIQUIDATION

Art.25) Should the company fold in any way and for any reason, the Shareholders' Meeting will establish how the company is to be liquidated and will nominate one or more liquidators, determining the powers of such liquidators.

APPLICABLE LAWS

Art.26) All that is not specifically stated herein is governed by the applicable laws in force.