

ILLIMITY BANK S.P.A.

**ILLUSTRATIVE REPORT OF THE BOARD OF DIRECTORS
ON ITEMS 6.1, 6.2 AND 6.3 ON THE AGENDA OF THE ORDINARY GENERAL MEETING OF THE
SHAREHOLDERS OF ILLIMITY BANK S.P.A. OF 22 APRIL 2021, IN SINGLE CALL**

Prepared pursuant to article 125-ter of Legislative Decree no. 58 of 24 February 1998 as amended and article 84-ter of CONSOB Regulation no. 11071/1999 as amended

Approved by the Board of Directors on 10 March 2021

This report can also be consulted on the Bank's website www.illimity.com

To our Shareholders,

You have been called to attend an Ordinary General Meeting at 10:00 a.m. on 22 April 2021, in single call, to discuss and adopt resolutions on the following agenda:

1. [omissis].
2. [omissis].
3. [omissis].
4. [omissis].
5. [omissis].
6. **Appointment of the Board of Directors:**
 - 6.1. **Determination of the number of members of the Board of Directors for the three-year period 2021-2023. Resolutions pertaining thereto and resulting therefrom.**
 - 6.2. **Appointment of the members of the Board of Directors. Resolutions pertaining thereto and resulting therefrom.**
 - 6.3. **Determination of the compensation payable to the members of the Board of Directors. Resolutions pertaining thereto and resulting therefrom.**
7. [omissis].

This illustrative report has been prepared pursuant to article 125-*ter* of Legislative Decree no. 58 of 24 February 1998 as amended (the “**TUF**”) and article 84-*ter* of CONSOB Regulation no. 11071/1999 as amended (the “**Issuers’ Regulation**”) and provides a description of items 6.1, 6.2 and 6.3 on the agenda of the Ordinary Shareholders’ Meeting, as well as the relative proposed resolutions that you are called to adopt.

To our Shareholders,

The term of the Board of Directors of illimity Bank S.p.A. (“illimity”, the “Bank” or the “Company”), appointed by the Ordinary Shareholders’ Meeting of 4 September 2018 and currently in office, is coming to an end with the approval of the financial statements for the year ended 31 December 2020.

In accordance with *pro tempore* laws and regulations, as well as the provisions of the Company’s Bylaws, you have been called to attend the Ordinary Shareholders’ Meeting of illimity, among other things, to appoint the Company’s Board of Directors for fiscal years 2021, 2022 and 2023, hence until the Shareholders’ Meeting approving the financial statements for the year ending 31 December 2023. This procedure will be carried out under the terms and conditions of article 14 of the Bylaws, which envisages a list voting mechanism which, as set forth in applicable law, ensures that at least two Directors are elected by the minority, as well as in consideration of CONSOB Determination no. 44 of 29 January 2021 which establishes the minimum percentage holding required to submit a list.

In this respect we remind you that article 16 of the Bylaws establishes that the Board of Directors shall consist of an odd number of members in a range between 7 (seven) and 11 (eleven).

The members of the Board of Directors are elected on the basis of lists submitted by shareholders who, on filing these lists, are entitled to vote on the relative shareholders’ resolutions. The candidates on each list are assigned a sequential number.

We note – referring you to the notice of call and the Bylaws for matters not specified herein – that:

- lists must be filed by persons entitled thereto at the Company’s registered office – also through the remote means of communication established by the Board of Directors in accordance with the methods stated in the notice of call, so as to enable the persons submitting the lists to be identified – at least 25 (twenty five) days before the date set for the Shareholders’ Meeting, and shall be made available to the public in accordance with the terms and conditions provided by applicable *pro tempore* laws and regulations at least 21 (twenty one) days before the date set for the Shareholders’ Meeting;
- in accordance with CONSOB Determination no. 44 of 29 January 2021, only shareholders representing at least 2.5% of the share capital, on their own or jointly with other shareholders, are entitled to file lists; ownership of the shareholding required to file lists is determined on the basis of the shares recorded in the name of the shareholder(s) filing the list(s) on the day on which such list(s) is (are) filed with the Company;
- shareholders, shareholders who are parties to a relevant shareholders’ agreement pursuant to article 122 of the TUF, the controlling party, subsidiaries and subsidiaries subject to common control pursuant to article 93 of the TUF may not file, individually or jointly, more than one list, including through third parties or trust companies, nor may they vote, including through third parties or trust companies, for lists other than those they have filed or for which they were party to a joint filing. Adherences to lists and votes cast for lists which violate such requirement will not be assigned to any list;

- candidates may only be included in one list, under penalty of illegibility.

Pursuant to the combined requirements of the above-mentioned article 14 of the Company's Bylaws and applicable law, shareholders intending to file a list must submit the following together with the list on filing:

- 1) information on the identity of the shareholders submitting the list, stating the total percentage holding having voting rights at ordinary Shareholders' Meetings;
- 2) declarations of shareholders who submit, or jointly submit, a list, other than those that hold, also jointly, a controlling or relative majority holding, attesting the absence of connections with the latter qualified as relevant by *pro tempore* laws and regulations applicable to the Company;
- 3) a comprehensive description of the personal and professional characteristics of each candidate, including information on offices held as director or statutory auditor in other companies, and a statement in which individual candidates accept their nomination and represent, under their own responsibility, that there are no causes for ineligibility or incompatibility, and that they meet the directorship requirements established by laws, regulations and the Bylaws and those of the Independence Requirements (as defined below) as applicable;
- 4) any further documentation and declaration required by applicable *pro tempore* laws and regulations, including those of a supervisory or regulatory nature, or such that may be useful for an overall assessment of suitability for the office, also in accordance with the recommendations for the composition of the Board included in the Orientations (as defined below);
- 5) the additional information required by laws and regulations as stated in the notice of call for the Shareholders' Meeting.

The certification issued by the qualified intermediary attesting ownership of the number of shares, which is required for filing the list, must be produced on filing such list or later, provided this is done no later than 21 days before the date set for the Shareholders' Meeting.

Lists failing to comply with the above requirements shall be considered not to have been filed.

Shareholders submitting a "minority list" are additionally addressed by the recommendations formulated by CONSOB in Communication no. DEM/9017893 of 26 February 2009. In particular, together with the list, shareholders intending to file a "minority list" must also submit a statement attesting the absence of any direct or indirect relationships, pursuant to article 147-ter, paragraph 3, of the TUF and article 144-quinquies of CONSOB Regulation no. 11971 of 14 May 1999 as amended (the "Issuers' Regulation"), where these can be identified on the basis of the communications of material holdings pursuant to article 120 of the TUF or the publication of shareholders' agreements pursuant to article 122 of the TUF, with the majority shareholder or with the shareholders party to relevant shareholders' agreements.

The renewal of the Board of Directors must be carried out in compliance with gender balance provisions (article 147-ter of Legislative Decree no. 58 of 24 February 1998 (the “TUF”) as amended by Law no. 160/2019). More specifically, as far as this renewal is concerned, at least 2/5 (two fifths) of the members of the Board of Directors, rounded up in the case of a fractional number, must belong to the less represented gender; accordingly, lists having a number of candidates equal to or greater than 3 (three) must ensure the presence of both genders, on penalty of invalidation, so that the number of candidates of the less represented gender is at least equal to the above-mentioned minimum.

It is further recalled that pursuant to article 16, paragraph 2, of the Bylaws, at least 4 (four) Directors must hold the independence requirements set forth in article 26 of Legislative Decree no. 385 of 1 September 1993 (the Consolidated Banking Law or “TUB”) and in Decree no. 169 of the Ministry for the Economy and Finance of 23 November 2020 (“DM 169/2020”) (the “Independence Requirements”). In order to comply with this minimum, each list:

- if it contains either 2 (two) or 3 (three) candidates shall identify a minimum number of candidates from within the list, expressly indicated, meeting the Independence Requirements, which must be equal to at least 1 (one);
- if it contains either 4 (four) or 5 (five) candidates shall identify a minimum number of candidates from within the list, expressly indicated, meeting the Independence Requirements, which must be equal to at least 3 (three);
- if it contains a number candidates equal to or greater than 6 (six) shall identify a minimum number of candidates from within the list, expressly indicated, meeting the Independence Requirements, which must be equal to at least 4 (four).

In any case the minimum number of Independent Directors required for the above purposes for the submission of the lists may not be indicated as one of the final sequential numbers of the above lists.

It is noted that in accordance with the Bank of Italy’s supervisory requirements on corporate governance and the provisions of the *Corporate Governance Code*, taking into account the results of the annual assessment of the size, composition and functioning of the Board and its Committees, the Bank’s Board of Directors, assisted by the Nominating Committee, has determined the optimum qualitative and quantitative profile of the new Board of Directors in its report “*Orientation of the Board of Directors of illimity Bank S.p.A. on the optimum qualitative and quantitative composition of the Board*” approved by the Company’s Board of Directors on 25 February 2021 and published on the website www.illimity.com, Section “*Investor Relations/Corporate Governance*” (the “**Orientations for the Composition of the Board**”), to which reference should be made for the details not specified in this Illustrative Report.

The Bank announced these Orientations on the composition of the Board to the market – and in particular to Shareholders – on 25 February 2021.

LEGISLATIVE AND REGULATORY REQUIREMENTS

In terms of legislative and regulatory requirements, in addition to the matters discussed above, consideration should also be given, *inter alia*, to the provisions set forth in DM 169/2020 on the

governance of the suitability requirements and criteria for holding a position as corporate representative for banks, financial intermediaries, guarantee consortia (*confidi*), electronic money institutions, payment institutions and deposit guarantee systems. DM 169/2020 entered into force on 30 December 2020.

In particular, as far as the present renewal is concerned, the requirements of **professionalism and competence** set forth in articles 7 and 10 of DM 169/2020 are applicable, to which reference should be made. A person failing to hold the requirements set forth in article 7 may not take the position, or if they already hold office they shall automatically forfeit office. The Board of Directors assesses whether the expertise criteria required by article 10 are satisfied, with reference to a person's theoretical knowledge, acquired through studies and training, and practical experience, gained through previous or current work experience.

In accordance with the requirements of paragraph 2d-*bis* of article 123-*bis* of the Consolidated Finance Law (TUF) and article 2, Principle VII and Recommendation 8, of the Corporate Governance Code, the Company applies **diversity criteria** for the composition of the administration, management and control bodies, these regarding aspects such as age, gender balance and a person's formative and professional career.

The provisions of article 3 of DM 169/2020 are applicable as far as **integrity** requirements are concerned, and reference should be made to such legislation in this case. Persons not having these requirements cannot take office, while those that have already done so fall from office.

The **reasons for the suspension** of a Director from office set forth in article 6 of DM 169/2020 are also noted.

In addition to the integrity requirements, members must also have met **propriety criteria** in their past personal and professional conduct. A comprehensive list of the circumstances that are taken into consideration for assessing whether the propriety criteria have been met can be found in articles 4 and 5 of DM 169/2020, as well as a description of the ways of performing this assessment.

As far as **independence** requirements are concerned, in addition to the provisions on the minimum number of Independent Directors set forth in article 16, paragraph 2, of the Company's Bylaws, article 148, paragraph 3, as referred to by article 147-*ter* of the TUF, and article 2, Recommendation 7, of the Corporate Governance Code, also apply.

In this latter respect, it is noted that Recommendation 7, to which reference should be made, lists a series of circumstances that jeopardise, or seem to jeopardise, the independence of a Director. As required by the Corporate Governance Code, the Board has established the criteria and the related quantification as far as the following are concerned: (i) the materiality level to be used when assessing commercial relationships as per paragraph c) of Recommendation 7 of the Corporate Governance Code, and (ii) the materiality level to be used when assessing additional remuneration as per paragraph d) of Recommendation 7 of the Corporate Governance Code.

The Board accordingly believes that Directors for whom the following materiality parameters are exceeded may not be considered independent within the meaning of the of the Corporate Governance Code:

(i) for commercial relationships as per paragraph c) of Recommendation 7 of the Corporate

Governance Code: (a) in case of consultancy or personal and direct commercial relationships with the Director in question, fees exceeding EUR 50 thousand per annum in the three years preceding that of the appointment as independent Director or in the current year, or (b) in the case of commercial relationships with the professional firm and/or the consulting, financial, strategic or commercial firm (of which the Director in question is a partner or has been in such years), fees per annum in favour of said firm exceeding 5% (five per cent) of the total annual turnover or revenue of such firm (as declared by the Director himself) and in any case exceeding EUR 250 thousand per annum; and

- (ii) for additional remuneration as per paragraph d) of Recommendation 7 of the Corporate Governance Code: additional remuneration for the person concerned of at least EUR 50 thousand per annum in addition to the remuneration due for the position as Director of the Bank.

The provisions of article 15 of DM 169/2020, to which reference should be made, apply as far as concerns the requirement for an **independence of judgement** (which all Directors must hold). More specifically, it is recalled that all members must act with a full independence of judgement and with the awareness of the duties and rights inherent in the position, in the interest of the sound and prudent management of the Bank and in accordance with the law and any other applicable regulations.

In light of applicable provisions of laws and regulations, the **amount of time** to be dedicated to the position, given its nature, quality and complexity, is a fundamental requirement that candidates for the position as Director must be able to guarantee, also in relation to the work required for participation at the meetings of the Board Committees, in case they are members. Consideration should also be given to the commitment required for participation at induction meetings.

In the Orientations for its composition, having also regard to the obligations for 2020 and the total number and duration of corporate events (29 meetings of the Board of Directors with an average duration of 3 hours 20 minutes in 2020), based on the results of the self-assessment exercise, the Board estimates that, on average, 45/75 working days per year (on the basis of 250 working days) and 360/600 working hours per year may be considered an adequate time for the position, depending on participation at Board Committee meetings.

The limits on the number of positions set forth in articles 17 and 18 of DM 169/2020, to which reference should be made, are also applicable.

Lastly, article 36 of Decree Law no. 201/2011 (the “interlocking prohibition”), converted as amended into Law no. 214/2011, on provisions concerning “interlocking personal participation in the credit and financial markets” and the prescribed requirement that “*holders of positions in management, supervisory and control bodies and senior officers of companies or groups of companies operating in the credit, insurance or financial market shall not assume or exercise similar positions in competing companies or groups of companies*”, is also applicable.

COMPENSATION PAYABLE TO THE MEMBERS OF THE BOARD OF DIRECTORS

Pursuant to article 2389 of the Italian Civil Code, the Shareholders’ Meeting shall also determine the compensation payable to the members of the Board of Directors.

ITEM 6.1 DETERMINATION OF THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS FOR THE THREE-YEAR PERIOD 2021-2023. RESOLUTIONS PERTAINING THERETO AND RESULTING THEREFROM.

As stated above, article 16, paragraph 1, of the Company's bylaws establishes that the Board of Directors shall consist of an odd number of members in a range between 7 (seven) and 11 (eleven).

Furthermore, article 16, paragraph 3, of the Bylaws provides that the Board of Directors shall remain in office for the period established on appointment, and in any case not longer than 3 (three) years, and that the term of office shall expire on the date of the Shareholders' Meeting called to approve the financial statements relating to their last year of office.

It is recalled that, as resolved by the Shareholders' Meeting of 4 September 2018, the Board of Directors currently in office consists of 9 (nine) members.

It is further recalled that in its report on Orientations on the Board's composition, the Board of Directors expressed its belief that the current number of 9 (nine) Directors is appropriate, as it is suitable for ensuring that the Board works efficiently.

The Board believes that such orientation ensures an appropriate balancing of the skills and experience called for by the complexity of the Bank's business, considering in addition that such size enables each of the Directors to have sufficient involvement in, and obtain a high level of detail on any subject matter, also in the Committees, thereby increasing the effectiveness of the Bank's governance.

This recommendation also appears consistent with the need for a numerical composition of the Committees that is appropriate for taking into account the extent and importance of their operations and ensuring an efficient balancing of skills in such Committees, in line with the requirements of the Supervisory provisions and the Corporate Governance Code.

Shareholders are accordingly invited to adopt the most appropriate resolutions in this respect.

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The Board of Directors therefore submits the following proposed resolution to the Shareholders' Meeting.

PROPOSAL

"The Ordinary General Meeting of the Shareholders of illimity Bank S.p.A.,

- *given the need to adopt a resolution on the appointment of the Board of Directors;*
- *given the provisions of article 16 of the Company's Bylaws;*
- *having examined the Orientation of the Board of Directors of illimity Bank S.p.A. on the optimum qualitative and quantitative composition of the Board";*
- *having examined the Report of the Board of Directors,*

resolves

- *to set at 9 (nine) the number of members of the Board of Directors;*
- *that the Board of Directors should have a term of three years, hence until the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2023”.*

Milan, 10 March 2021

On behalf of the Board of Directors

The Chair

ITEM 6.2 APPOINTMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS. RESOLUTIONS PERTAINING THERETO AND RESULTING THEREFROM.

The appointment process follows applicable legislative and regulatory provisions. As stated, the new Board of Directors is appointed on the basis of the lists submitted by the Shareholders in accordance with the procedures and means set forth in article 14 of the Company's Bylaws.

We remind you that the Board has approved and announced its Orientations on its composition to the market, identifying and justifying the theoretical profile of the candidates considered suitable for these purposes, so that the selection of the candidates to be submitted may take into account the necessary professionalism.

This enables Shareholders to select the candidates for submission in good time by taking into consideration the results of the prior identification process conducted by the Board on what it considers to be its optimum qualitative and quantitative composition for discharging its duties and responsibilities in an effective manner, then justifying any differences from the outcome of the analyses performed by the Board.

Lists containing a number of candidates equal to or greater than 5 provide adequate information, in the documentation submitted for filing the list, that the list corresponds to the recommendations of the Orientations for the composition of the Board and indicate their candidate for the position as Chair of the Board of Directors, appointed by the Board itself as set forth by the Company's Bylaws.

Reference should therefore be made to the matters discussed above and the Orientations for the composition of the Board for details of the applicable laws and regulations.

As regards the procedure for appointment by the Shareholders' meeting with the list vote, it is noted that the Board of Directors will be elected in the following way:

- all the members of the Board of Directors except 2 (two) shall be drawn from the list that obtains the majority of votes cast, in the sequential order in which they are listed (the **"Majority List for the Board of Directors"**);
- the remaining 2 (two) Directors shall be drawn, being the first 2 in the sequential order in which they are listed, from the minority list (the **"Minority List for the Board of Directors"**) which obtained the second highest number of votes and is not in any way linked, even indirectly, through connections qualified as relevant by *pro tempore* applicable laws and regulations, with persons who submitted or voted in favour of the list under point (i);
- if the Minority List for the Board of Directors fails to obtain a percentage of votes equal to at least half that required, in accordance with the above, for the purposes of submitting such list (meaning that it hasn't obtained 1.25%), then all the Directors to be elected will be taken from the Majority List for the Board of Directors;
- if the Minority List for the Board of Directors contains only one candidate, the missing candidate for election shall be taken from the list that arrived third in terms of the number of

votes received or, in the absence of other lists for which votes were cast, shall be taken from the Majority List for the Board of Directors, in the person of the first candidate excluded;

- if several lists obtain the same number of votes, the Majority List for the Board of Directors is, for all purposes, the list submitted by Shareholders holding the largest shares or, in second instance, the list voted by the highest number of Shareholders (one vote per person). This also applies to the case whereby several minority lists obtain the same number of votes.

If only one list is submitted, or if the minority lists submitted do not obtain a percentage of votes equal to at least half the minimum required for the submission of lists (meaning that it hasn't obtained 1.25%), the Shareholders' Meeting shall express its opinion on such list by legal majority, without following the above procedure.

Shareholders, you are accordingly invited to proceed with the appointment of the members of the Board of Directors in accordance with the above-mentioned provisions of law and the Bylaws.

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The Board of Directors therefore submits the following proposed resolution to the Shareholders' Meeting.

PROPOSAL

"The Ordinary General Meeting of the Shareholders of illimity Bank S.p.A.,

- *given the need to adopt a resolution on the appointment of the Board of Directors;*
- *given the provisions of articles 14, 16, 21 and 25 of the Company's Bylaws;*
- *having examined the Orientation of the Board of Directors of illimity Bank S.p.A. on the optimum qualitative and quantitative composition of the Board;*
- *having examined the Report of the Board of Directors,*

resolves

- *to appoint as Directors of illimity Bank S.p.A. the candidates elected by the Shareholders' Meeting under the voting process set forth in article 14 of the Bylaws, confirming that the candidate who will take the position as Chief Executive Officer will be the legal representative in accordance with article 25 of the Bylaws".*

Milan, 10 March 2021

On behalf of the Board of Directors

The Chair

ITEM 6.3 DETERMINATION OF THE COMPENSATION PAYABLE TO THE MEMBERS OF THE BOARD OF DIRECTORS. RESOLUTIONS PERTAINING THERETO AND RESULTING THEREFROM.

The appointment of the new Board of Directors leads to the need to determine the compensation payable to its members for the years of office. Pursuant to article 2389 of the Italian Civil Code, the Shareholders' Meeting must establish the compensation payable to the members of the Board of Directors.

In this respect it is recalled that on 18 January 2019 the Ordinary Shareholders' Meeting resolved to grant the Board of Directors the following compensation for 2019 and 2020 *pro rata temporis* in addition to reimbursing Directors for the expenses incurred in the performance of duties connected to the office:

- Chair of the Board of Directors: EUR 120,000/annum gross;
- Chief Executive Officer: EUR 530,000/annum gross;
- Director: EUR 40,000/annum gross;
- Chair of a Board Committee: EUR 15,000/annum gross;
- Member of a Board Committee: EUR 10,000/annum gross.

Given the number and composition of the Board Committees, total compensation amounted to EUR 1,115,000 in 2020, plus the expenses incurred by members in carrying out their duties.

In addition, the outgoing Directors received the benefit of insurance cover against the risks arising from civil responsibility to third parties deriving from the legal and contractual obligations inherent in the position as director and the related judicial protection (D&O liability insurance), with the associated cost borne by the Company.

In this respect, we inform you that in the Orientations for the composition of the Board, the outgoing management body also proposes to today's Shareholders' Meeting that the total annual compensation payable to the members of the new Board and the relative Committees should be at least EUR 1,350,000 (one million three hundred fifty thousand).

Furthermore, in consideration of the following:

- the commitment required for the positions as Chair, Chief Executive Officer, Director, Chair of the Board Committees and member of the various Board Committees;
- the different commitment required in relation to the work performed in the various Committees in terms of time (number and average duration of meetings) and the sphere of activity for which each is responsible;
- the benchmarks – provided by Willis Towers Watson, a leading independent consultant – for the remuneration of members of the management bodies and board committees of the market peer group, from which it emerges, among other things, that the positioning of the compensation proposed for the members of the Board, consistent with the Report on the 2021 remuneration policy, which will be published in relation to item 3 on the agenda of today's

Ordinary General Shareholders' Meeting, is in line with the market median, the Board additionally recommends Shareholders to provide for the above compensation to be subdivided in the following way:

- Chair of the Board of Directors: EUR 180,000/annum gross;
- Chief Executive Officer: EUR 680,000/annum gross;
- Director: EUR 40,000/annum gross;
- Chair of the Risks Committee: EUR 25,000/annum gross;
- Chair of another Board Committee: EUR 15,000/annum gross;
- Member of the Risks Committee: EUR 15,000/annum gross;
- Member of another Board Committee: EUR 10,000/annum gross.

Shareholders, you are accordingly invited to determine the compensation payable, for each year of office, to the Directors for the activities they perform as members of the Board of Directors and the Board Committees.

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The Board of Directors therefore submits the following proposed resolution to the Shareholders' Meeting.

PROPOSAL

"The Ordinary General Meeting of the Shareholders of illimity Bank S.p.A.,

- *given the need to adopt a resolution on the compensation payable to the members of the Board of Directors and the Board Committees;*
- *given the provisions of articles 14, 16, 19, 21, 24 and 25 of the Company's Bylaws;*
- *having examined the Orientation of the Board of Directors of illimity Bank S.p.A. on the optimum qualitative and quantitative composition of the Board;*
- *having examined the Report of the Board of Directors,*

resolves

- *to grant the members of the Board of Directors, pro rata temporis, for the duration of their term of office, the following compensation, plus the expenses incurred in carrying out their duties:*
 - *Chair of the Board of Directors: EUR 180,000/annum gross;*
 - *Chief Executive Officer: EUR 680,000/annum gross;*
 - *Director: EUR 40,000/annum gross;*
 - *Chair of the Risks Committee: EUR 25,000/annum gross;*

- *Chair of another Board Committee: EUR 15,000/annum gross;*
- *Member of the Risks Committee: EUR 15,000/annum gross;*
- *Member of another Board Committee: EUR 10,000/annum gross;*
- *to authorise insurance cover against the risks arising from civil responsibility to third parties deriving from the legal and contractual obligations inherent in the position as Director and the related judicial protection (D&O liability insurance), with the cost to be borne by the Company, granting the Board of Directors, and the Chair on its behalf, powers to the fullest extent to implement this resolution, including the power to add any changes to the current insurance policy that may be appropriate in relation to terms and conditions, provided these are line with those of the market;*
- *to grant to the Board of Directors, and on its behalf to the Chair of the Board of Directors and the Chief Executive Officer, severally, the broadest possible powers, with no exclusion, to implement the resolutions at the preceding points, taking all the necessary and/or suitable steps for this to be done;*
- *to authorise the members of the Board of Directors, within the limitations set forth by the law, to perform any competing activity, pursuant to article 2390 of the Italian Civil Code”.*

Milan, 10 March 2021

On behalf of the Board of Directors

The Chair