

**ILLIMITY BANK S.P.A.**

**ILLUSTRATIVE REPORT OF THE BOARD OF DIRECTORS OF ILLIMITY BANK S.P.A.  
ON ITEM 6 ON THE AGENDA  
OF THE ANNUAL GENERAL MEETING OF THE  
SHAREHOLDERS OF ILLIMITY BANK S.P.A. OF 28 APRIL 2022, 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 and 28 March 2022*

*This report may also be consulted on the Bank's website [www.illimity.com](http://www.illimity.com)*

Shareholders,

You are called to attend the Annual General Meeting at 1:00 p.m. CET on 28 April 2022 in single call, to discuss and adopt resolutions on the following agenda:

1. [OMISSIS]
2. [OMISSIS]
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6. **Revision of the Rules and Procedures for Shareholders' Meetings. Resolutions pertaining thereto and resulting therefrom.**

This illustrative report has accordingly 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 item 6 on the agenda of the Ordinary Shareholders' Meeting, as well as the relative draft resolutions that you are called to adopt.

Shareholders,

You are called to attend an Ordinary General Shareholders' Meeting held to approve, among other things, the revised version of the rules and procedures of the shareholders' meetings of illimity Bank S.p.A. ("**illimity**" or the "**Bank**"), given the approval by the Extraordinary General Meeting of Shareholders on 21 February 2022 of the new version of the Corporate Bylaws which will be effective in their entirety (in accordance with article 33 therein) on the renewal of the corporate bodies by this present Shareholders' Meeting.

In this respect our proposal is to revise the Rules and Procedures to take the following into account:

1. the approval of the "one-tier" model of corporate governance, by introducing references to the Audit and Internal Control Committee (instead of to the Board of Statutory Auditors); and
2. the possibility for the Shareholders' Meeting to be held exclusively by means of telecommunication without indication of the venue, if contemplated in the notice of call and by the means stated therein for the purposes of attendance and participation, in compliance with applicable *pro tempore* primary and regulatory legislation.

In this latter regard – as explained in the Report to the Shareholders' Meeting made available to the public in view of the above-mentioned Shareholders' Meeting of 21 February 2022, as well as in the press release issued on 31 January 2022 – it is the Bank's intention, if the conditions and the situation so permit, to hold Shareholders' Meetings as a rule with the personal attendance of its shareholders or, if possible, also by "hybrid" means. In addition, consistent with its DNA as a high-tech bank, the Bank will only consider the possibility of holding virtual-only meetings in the future if technological developments enable this to be done and if specific conditions hold (including those of an extraordinary or emergency nature), in any case continuing to safeguard the possibility for all shareholders to participate, fully and actively and in real time, in the proceedings of meetings, in full compliance with laws and regulations and in accordance with whatever may be best market practice at the time.

\* \* \*

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

#### **PROPOSAL**

*"The Shareholders' Meeting of illimity Bank S.p.A. ("**illimity**" or the "**Bank**")*,

- *given the approval of the new version of the Corporate Bylaws by the Extraordinary General Meeting of the Bank's Shareholders on 21 February 2022;*
- *having examined the Illustrative Report of the Board of Directors;*
- *having examined the new version of the Rules and Procedures for Shareholders' Meetings whose adoption is proposed,*

#### **RESOLVES**

- *to approve the new version of the Rules and Procedures for Shareholders' Meetings in the text*

*proposed by the Board of Directors;*

- *to grant to the Board of Directors, and on its behalf the Chair of the Board of Directors and the Chief Executive Officer, also severally, within the limits of law, the power to make any formal and not substantial changes to the above which may become necessary or which may be required by the competent authorities, including supervisory authorities, and, in general, the broadest possible powers to implement this resolution, considering their actions henceforth fully ratified and approved.”*

Milan, 10/28 March 2022

*On behalf of the Board of Directors*

*The Chair*

Annex: Rules and Procedures for Shareholders' Meetings

# **Rules and Procedures for Shareholders' Meetings**

**Contents**

1. PURPOSE AND SCOPE OF APPLICATION .....3

2. PROVISIONS .....3

    Article 1 ..... 3

    Article 2 ..... 3

    Article 3 ..... 3

    Article 4 ..... 4

    Article 5 ..... 5

    Article 6 ..... 5

    Article 7 ..... 5

    Article 8 ..... 5

    Article 9 ..... 6

    Article 10 ..... 6

    Article 11 ..... 6

    Article 12 ..... 6

## 1. PURPOSE AND SCOPE OF APPLICATION

These Rules and Procedures govern the proceedings at the Ordinary and Extraordinary General Shareholders' Meetings of illimity Bank S.p.A. (hereinafter the "**Bank**" or the "**Company**").

The Chair of the Meeting (hereinafter the "**Chair**") shall provide in case of matters not explicitly regulated by the law, by the Bylaws or by these Rules and Procedures, in order to ensure the smooth running of proceedings, exercising his or her powers to adopt the solutions considered most appropriate.

The Shareholders' Meeting is competent to resolve by the means and on the matters set forth in applicable laws and regulations, in the Bylaws and in these Rules and Procedures.

## 2. PROVISIONS

### Article 1

Shareholders' Meetings 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 the manner indicated therein for attendance and participation, the Shareholders' Meeting may also be held exclusively by telecommunication means with no indication of a specific venue (a "virtual-only meeting"), pursuant to and in compliance with any applicable *pro tempore* laws and regulations.

It is the Bank's intention, if the conditions and the situation so permit, to hold Shareholders' Meetings as a rule with the personal attendance of its shareholders or, if possible, also by "hybrid" means. In addition, consistent with its DNA as a high-tech bank, the Bank will only consider the possibility of holding virtual-only meetings in the future if technological developments enable this to be done and if specific conditions hold (including those of an extraordinary or emergency nature), in any case continuing to safeguard the possibility for all shareholders to participate, fully and actively and in real time, in the proceedings of meetings, in full compliance with laws and regulations and in accordance with whatever may be best market practice at the time.

### Article 2

1. Shareholders' Meetings may be attended by holders of voting rights, also by way of proxies, for whom the Company has received certification attesting their entitlement to participate/vote pursuant to applicable *pro tempore* laws and regulations and the Company's Bylaws.
2. Corporate officers and the staff of the Bank and/or Group companies may attend Shareholders' Meetings as well as representatives of the company engaged to perform the legal audit, if their presence is believed useful with respect to the matters to be discussed or for the conduct of the proceedings.
3. The Chair may also allow consultants, experts, financial analysts and accredited journalists to attend the meeting.

### Article 3

1. The persons permitted to attend/participate in Shareholders' Meetings pursuant to article 2 shall identify themselves to the Company's representatives at the entrance to the premises where the meeting is being held, so that they may be issued with a badge to be worn visibly throughout the proceedings of the meeting and returned at the end of such proceedings.
2. If the Shareholders' Meeting is held solely by telecommunication means, the notice of call shall state the way in which those permitted to attend/participate in the meeting pursuant to article 2 may take part therein.
3. Participants who, after accreditation, wish to leave the meeting shall inform the support staff of this.
4. Unless otherwise indicated by the Chair, proceedings of Shareholders' Meetings may be recorded by audio-visual means for broadcasting/projection in premises linked by closed circuit systems or by using technical and computer-based solutions available from time to time (including by way of example but not limited to: streamed broadcasts or broadcasts using audio-visual telecommunication platforms or mechanisms), in compliance with applicable laws and regulations. The relative recordings may be used by the notary or Secretary to draft the minutes of the meetings.

5. In case of hybrid Shareholders' Meetings or Shareholders' Meetings held solely by telecommunication means, i.e. virtual-only meetings, or if the Board of Directors avails itself of the possibility of arranging for, in accordance with applicable *pro tempore* laws and regulations, the activation of one or more remote links with the venue at which the meeting is being held (or by way of audio-visual telecommunication platforms or mechanisms) to enable shareholders who do not intend to attend such venue to participate in the proceedings of the meeting and cast their vote, it must be ensured that:
  - the shareholders attending the meeting can be identified;
  - each of the participants can intervene in real time, express their opinion and examine, receive and transmit all the documentation;
  - the proposals and the resolutions of the Shareholders' Meeting can be examined at the same time.
6. Any initial defects in the linking process, any subsequent interruptions to the link (temporary or permanent) or any other malfunctioning of the audio-visual links or streaming service arranged by the Company for the purpose of participation at the Shareholders' Meeting and set up or provided by third parties (e.g. Software, platforms, links, etc.) may not be attributed to the Company, in particular in the case of hybrid meetings where the Company has in any case made a physical venue available for the meeting or in case of the possibility of participating at the meeting or casting a vote by proxy or through a designated representative (also made available by the Company in the form of a conditional proxy), or also in case of Shareholders' Meetings held solely by telecommunication means (virtual-only meetings), without in any case prejudice to the clarifications which may, from time to time, also in relation to best market practice and the available technological solutions, be provided by the Company in the notice of call.
7. In case of hybrid Shareholders' Meetings, and also those held solely by telecommunication means (virtual-only meetings):
  - a. if the interruption continues and it is not possible to remedy the fault in the link in a reasonable period of time, the Chair, within his or her powers, may terminate the meeting for the impossibility to proceed, with the resulting need to reconvene the meeting, without prejudice to the part of the proceedings conducted and the resolutions already adopted, or may postpone the meeting to another date for continuation;
  - b. if the interruption occurs during the voting procedure and it has not been possible to ascertain and announce the result of such process, the Chair may require the voting procedure to be repeated;
  - c. in order to safeguard the conduct of the proceedings of the Shareholders' Meeting and the positive outcome of the discussion of the decision-taking procedure, in case of technical problems in casting the votes, it is also within the Chair's powers to in any case permit voting to be conducted by means alternative to those initially selected and stated in the notice of call, provided these are practicable and do not harm the rights of the shareholders in attendance. In particular, in case of interruption to the audio-visual link, the Chair, also depending on the number of shareholders attending (in person or by proxy), may authorise shareholders to cast their votes by way of exclusively audio instruments (i.e. by telephonic link) or by way of other means of communication (e.g. e-mail, chat, etc.).
8. The use of systems for recording, photographing or broadcasting Shareholders' Meetings is not permitted at the venue of the meeting (also understood as the virtual audio-visual telecommunication platform) without the Chair's specific authorisation. In case of non-compliance, the Chair will adopt the measures he or she considers most appropriate, including expulsion from the room or the virtual meeting.
9. For stewarding purposes, the Chair will avail himself or herself of support staff or staff engaged for the purpose, who shall display specific means of recognition where applicable.

#### **Article 4**

1. The Chair of the Shareholders' Meeting shall, also availing himself or herself of specifically allocated staff:
  - ascertain the identity and the eligibility of those present to participate and vote at the meeting as well as the validity of the proxies;
  - verify the valid composition of the meeting and ensure that there is a quorum for adopting resolutions;



- direct and govern the proceedings at the meeting;
  - 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.
2. The Chair is assisted by a Secretary designated by the majority of those entitled to vote and, if applicable, by scrutineers, who need not be a shareholders, chosen from those present. The assistance of the Secretary is not necessary when the minutes of the Shareholders' Meeting are taken by a Notary appointed by the Chair.
  3. Having ascertained that the meeting is duly constituted, the Chair declares the proceedings open.

#### **Article 5**

1. The Chair shall:
  - read out the items on the agenda;
  - initiate the discussion on these items, also following an order different from that stated in the notice of call and/or proposing a joint discussion on more than one item (unless the meeting does not agree), in any case ensuring a separate vote for each item.

#### **Article 6**

1. The items on the agenda are presented by the Chair and, at his or her invitation, by the directors, by the members of the Audit and Internal Control Committee or by the staff of the Bank and/or Group companies.
2. Shareholders may submit proposals for discussion and adoption on the items on the agenda, provided that they are pertinent and do not amend or supplement the matters for discussion and provided that they comply with applicable *pro tempore* law. It is the Chair's responsibility to assess their compatibility and, if it be the case, accept them. In any event, if the Board of Directors has formulated its own proposal, this will as a rule be given priority in the voting procedure over any others on the same subject, which will only be put to the vote if the management body's proposal is not approved.

#### **Article 7**

1. Participants at the Shareholders' Meeting pursuant to article 2, paragraph 1 above are entitled to take the floor on all the matters under discussion.
2. The Chair governs the way in which the discussion is held:
  - by giving the floor to persons with voting rights who have made such a request;
  - by setting a time limit on interventions.The Chair intervenes to avoid infringements.
3. The directors, members of the Audit and Internal Control Committee, staff of the Bank and/or Group companies and representatives of the company engaged to perform the legal audit take the floor when the Chair considers this useful with regard to the matters under discussion.
4. Requests to take the floor by those entitled are submitted to the Chair (through the staff in charge) by way of a written question stating the subject or subjects involved until discussion on the matter or matters is declared closed.
5. The Chair may authorise requests to intervene made by the raising of hands.
6. The Company shall provide a reply to any questions raised by shareholders before the Shareholders' Meeting is held within the time period and by the means set forth in applicable *pro tempore* law.

#### **Article 8**

1. The Chair shall establish the maximum time available – which in any case may not exceed 10 (ten) minutes – for each intervention.

2. Persons who have already intervened in the discussion may ask to take the floor a second time for an explanation of vote.

#### **Article 9**

1. The Chair shall keep order in the Shareholders' Meeting and quell any disturbance to ensure the proper conduct of the proceedings so as to prevent any evident excesses, also by removing the right to speak and in the most serious cases by expelling the person involved from the room (also virtual) for the entire period of the discussion or by ordering the suspension of the proceedings, stating the reasons therefor and the duration.
2. The Chair is in any case entitled to adopt the measures and solutions considered the most appropriate for the proper performance of proceedings at Shareholders' Meetings, as far as those matters not expressly envisaged by these Rules and Procedures are concerned.
3. The Chair may suspend the meeting, stating the reasons therefor and the relative duration.
4. The Chair, or at his or her request the directors, the members of the Audit and Internal Control Committee and the staff of the Company and/or the Group, shall as a rule reply after all the interventions have been made on each individual item of the agenda.
5. On completion of all the interventions the Chair shall declare the discussion closed.

#### **Article 10**

1. The Chair shall adopt the appropriate measures designed to ensure an orderly voting procedure.
2. The voting procedure shall begin after the Chair has let those persons excluded pursuant to articles 3 and 9 above back into the meeting.
3. For each Shareholders' Meeting (or for each proposed resolution) and having regard to and referring to the matters indicated in article 3 above, the Chair shall establish the voting procedure, also permitting the use of computerised systems to record the casting of votes. All resolutions, including those for the election to corporate office, are adopted by way of an open vote.
4. The Chair may require that voting on each individual subject take place at the end of the relative discussion or at the end of the debate on all the subjects discussed.

#### **Article 11**

1. Following completion of the voting procedure and after the votes have been counted, the Chair establishes and announces the results. The outcome of this procedure shall be recorded in the minutes of the meeting.
2. On completion of the agenda the Chair of the Shareholders' Meeting shall declare the meeting closed.

#### **Article 12**

1. The applicable *pro tempore* provisions of law and the Bylaws shall apply for any matters not contemplated in these Rules and Procedures.
2. Any amendments to these Rules and Procedures shall be resolved, pursuant to applicable laws and regulations, by an Ordinary Shareholders' Meeting on the basis of the quorums required for convening and adopting resolutions and the formal and procedural requirements of applicable *pro tempore* laws and regulations.