



Shareholders' Meeting
29 October 2012

Report of the Management Board

Item 1 on the agenda

Amendments to Articles 5 (Share capital), 7 (Shareholders' Meeting), 9 (Right to attend and vote in the Shareholders' Meeting), 10 (Chair and conduct of the Meeting. Secretary), 13 (Management Board), 15 (Remuneration of members of the Management Board who are appointed to particular positions), 16 (Meetings and resolutions of the Management Board), 17 (Powers of the Management Board), 18 (Chairman of the Management Board), 22 (Supervisory Board), 23 (Election of the Supervisory Board), 24 (Meetings and resolutions of the Supervisory Board), 25 (Competence of the Supervisory Board), 27 (General Managers), 29 (Savings shares); insertion of the new Article 36 (Provisions on gender balance in the structure of the administrative and control bodies. Additional amendments to the Articles of Association introduced by the Shareholders' Meeting on 29 October 2012).

Distinguished Shareholders,

We convened this extraordinary meeting to submit to our Shareholders the proposed changes to the Articles of Association, as explained in detail below.

Over five years from the introduction of the "dual" model of administration and control as the Bank's corporate governance system, our opinion on its application remains absolutely positive, and has been gradually confirmed in a decisive manner in terms of its concrete operation and consistency with the Bank's overall structure.

As an adequate amount of time has passed since its initial, positive testing, the governance model adopted by the Bank is at a point where it may be fine-tuned and updated, to reinforce its specific characteristics and increase its potential.

In this view, taking account of the need - which is particularly strong in this general economic scenario – to ensure the highest level of operation and reactivity of the Bank's management body, it seemed suitable to devise and specifically expand on several changes to the structure of the Management Board. These changes ensure that the Board better matches the executive features (in terms of active participation in the process of managing the company) which are typical and intrinsic to the management body in the dual system (in general, and to a particular extent where, as in the case of our Bank, the Supervisory Board is assigned strategic supervisory duties).

This goal is primarily pursued by creating the conditions, through focused amendments to the Articles of Association, for a quicker connection between the management board and company functions. The focal point of this new structure is the proposed amendment to article 13.1 of the Articles of Association on the composition of the Management Board, providing for a certain number of its members – set by specific provision of the Articles of Association, and variable based on the total number of members of the board - to be chosen from managers of companies belonging to the Intesa Sanpaolo Banking Group.

In relation to this amendment, as a direct consequence thereof, it is necessary to amend the provisions of the Articles of Association on integration (Art. 13.4) and substitution (Art. 13.5) of management board members. At the same time, in the event that the management board member-manager ceases to perform as a manager during his/her term of office (thereby losing the status considered significant for the purposes of appointment as a management board member), it is proposed to establish in article 13.6 that this circumstance, as a rule, constitute just cause for revocation, unless the Supervisory Board deems

that there are exceptional circumstances that rule out such revocation.

While contemplating (in the top management noted above) a substantial presence of persons directly taken from within the company, the new structure maintains the presence of a majority of members holding no executive positions within the Bank and the Group: within said majority of the Board, including the independent member(s), several members and, first of all, the two Deputy Chairpersons, shall be intended for executive roles – through stable participation in Group managerial committees or other forms to be defined.

Other members (the reference primarily refers to independent members due to their specific features) shall be in charge of the ongoing supervision and monitoring of the Board's activities. In any event, it is specified that the Chairman and Deputy Chairpersons of the Management Board - the Deputy Chairpersons in the new structure are proposed as a mandatory two (Art. 13.9 of the proposed text) – shall be selected from the members of the board who are not managers of the Bank or the Group (see, again, Art. 13.9 of the proposed text).

The new structure of the Management Board moves past the organisational structure focused on internal Commissions within the Board, which has been used to date in order to ensure suitable involvement of all the executive members of the Board (classified as such specifically due to their participation in the Commissions) in the preliminary drafting of the contents of board decisions, with consequent amendments to articles 15, 17.2 and 25.1.1 of the Articles of Association). The proposed new structure of the Management Board is more suitable to ensuring, through a different, more direct manner, correct and balanced dialogue within the Board, with a stronger connection to the Board's actual decision making.

Lastly, while implementing the above proposed amendments, the entire text of the Articles of Association – with reference to the whole set of provisions concerned – has been updated to the provisions introduced by Law no. 120 of 12 July 2011 (Law 120/2011, setting forth “Amendments to the Consolidated Law on Finance, Legislative Decree no. 58 of 24 February 1998, concerning gender balance in the structure of the management and control bodies of companies listed on regulated markets”) and, by virtue of the mandate envisaged by said Law, by the Consob Issuers Regulation (as a result of Consob resolution no. 18079 dated 20 January 2012). An additional set of amendments has been proposed, focused on a limited number of provisions in the Articles of Association, which take into consideration recently introduced legal measures (Legislative Decree no. 39/2010, on legal auditing; article 36 of Law Decree 201/2011, converted into Law 214/2011, on the legal prohibition of interlocking directorates) or intervened situations (which make it superfluous to keep the text as it is currently formulated: this is the specific case for article 5.2 of the Articles of Association).

All the proposed amendments to the Articles of Association shall be applied (see article 36) following their approval by the Shareholders' Meeting, starting from the first renewal of the corporate bodies to which these amendments apply and refer.

The content of the amendments proposed for the purpose of achieving the goals indicated above is illustrated below, article by article In particular:

- **Share capital**

Art. 5.2

This provision of the Articles of Association has been eliminated, as a result of the completion of the share capital increase reserved for employees of SanPaolo Imi S.p.a. and its subsidiaries, in implementation of the stock option plans approved by SanPaolo Imi S.p.a. prior to the merger.

– **Shareholders' Meeting**

Art. 7.3

The provision concerning the assignment and revocation of the engagement for the statutory audit of accounts has been reformulated, making it clearer, and aligning it with the wording envisaged by Legislative Decree no. 39/2010. Mere adjustment to wording has been made to no. 6).

Art. 9.4

Spelling correction of the word company, now in initial capital (Company), as in the remainder of the Articles of Association.

Art. 10.1

The provision has been amended in view of the necessary appointment of two Deputy Chairpersons of the Management Board (see the Comment on Article 13.9 below).

– **Management Board**

Art. 13.1 (Composition)

The rule on the composition of the Management Board reflects the intention to raise the executive level of the board through the participation of internal managers in the Board, while ensuring that the majority of members are, in any event, represented by persons who do not hold a position or role in the company.

In consideration of the need to ensure a certain flexibility in terms of the number of members of the Management Board, the proposed amendment specifies the number of Management Board members which must be chosen among Managers, depending on the total number of Management Board members. Specifically, 2 member-managers must be included when the board is composed of 7 or 8 members; 3 members-managers when the Board has 9 or 10 members, and 4 members-managers when the total number of members equals 11. Only for the purpose of calculating the number of members holding management positions or functions who must be appointed to the Management Board, the Managing Director is not included, due to the specific position he covers within the framework of legal and regulatory provisions.

This provision of the Articles of Association was also aligned to prescriptions concerning the balance of genders in listed companies contained in Law 120/2011, expressly referring to the related regulations.

Art 13.2. (Requirements and incompatibilities)

The proposed new version no longer refers to the incompatibility deriving from holding positions in competitor companies due to the entry into force of the legal measures set forth in article 36 of Law Decree 201/2011, converted into Law 214/2011, which inserted a prohibition against interlocking directorates for banking, insurance, or financial intermediation companies into Italian law.

Art. 13.4 (Integration)

The proposed amendment only specifies that the Supervisory Board's right to integrate the number of members in the Management Board must be exercised in compliance with the provisions on the matter of composition, with specific regard to the necessary appointment of a certain number of members-managers based on the total number of members of the board.

Art. 13.5 (Substitution)

Similarly to that set forth with regard to integration of the Management Board, it is specified that in the event of substitution, the presence of the same number of managers required at the time of appointment must be guaranteed. It has also been specified that the composition of the Management Board following substitution must comply with the prescriptions in terms of requirements and incompatibilities of the members of the board.

Art. 13.6 (Revocation)

In the provisions governing revocation, it has been specified that should a Management Board member appointed from Group Managers lose management functions or positions, this shall generally constitute just cause for revocation. In the presence of exceptional circumstances, the Supervisory Board, at its discretion, may decide not to proceed with the revocation.

Art. 13.9. (Appointment of the Chairman and Deputy Chairpersons of the Management Board. Secretary)

In addition to making it mandatory to appoint two executive Deputy Chairpersons, the new formulation specifies that this office may not be assigned to the Management Board members selected from Managers of the Company, in order to avoid excessive centralisation of functions in a single person.

Art. 15 (Remuneration of members of the Management Board who are appointed to particular positions)

The proposed amendments with respect to the composition of the Management Board moves past the operating model based on Commissions, making the establishment of such Commissions superfluous:

thus, all references to the Committees have been removed from the Articles of Association and, specifically, references to the special remuneration for board members asked to participate.

Art. 16.5 (Resolutions with qualified majorities) and Art. 27 (General Managers)

With reference to resolutions on the appointment to the office of General Manager (and, as well, the revocation thereof, as part of the determination of functions, competences and remuneration), the Management Board quorum required for passing resolutions was highlighted under a new paragraph, simultaneously specifying, for greater clarity, the mandatory nature of the Supervisory Board's opinion.

Art. 17.2 (Competences which must not be delegated)

In line with the decision to move past the *modus operandi* based on Commissions within the Management Board (see the Comments on article 15), the proposed amendment eliminates the provision of the Articles of Association concerning the attribution to the Board of the power to establish such Commissions.

Art. 18.2

The second paragraph, also following the amendments to article 17.2 of the Articles of Association, specifies that the members of the subsidiaries' boards are designated in accordance with the provisions of letter s) of said provision.

Art. 18.3

The provision was amended taking into account the necessary appointment of two Deputy Chairpersons of the Management Board.

- Supervisory Board

Art. 22.1 (Composition)

The proposed rule simply adjusts the previous wording to the provisions of Legislative Decree no. 39/2010 on statutory auditing, and points out the necessary compliance with regulations on the balance of genders set forth in Law 120/2011, with the resulting automatic application of the minimum percentages set forth by said Law. The concrete methods for implementing the provisions on the balance of genders are set out in a series of specific provisions of the Articles of Association (see articles 22.2, 23.1, 23.4, 23.5 and 23.7).

Art. 22.2 (Integration)

In application of the regulations on the balance of genders (see the Comments on article 22.1), it has been specified that the composition of the Supervisory Board following any integration must comply with regulations and, to this end, use of the supplementary mechanism pursuant to article 23.4 of the Articles of Association has been envisaged.

Art. 23.1 (List of candidates)

The proposed amendment simply specifies the minimum and maximum number of candidates which may be included on the lists presented for election of the Supervisory Board, while requiring compliance with the regulations on the balance of genders for lists with at least 3 candidates, in compliance with the prescriptions set forth in the Consob Issuers Resolution (see Comments to article 22.1). The consequences deriving from the breach of rules of the Articles of Association are also specified.

The replacement of the term "certification" with "communication" results from the need for coordinated wording with that envisaged to date by Legislative Decree no. 27/2010.

Art. 23.4 (Supplementary mechanism)

The supplementary mechanism envisaged by the Articles of Association has been aligned with the need to ensure that the Supervisory Board not only contains independent members and auditors in the amount required by the provisions of the Articles of Association, but also that the composition of the Supervisory Board complies with the rules on the balance of genders (see Comments on article 22.1). Specifically, it is specified that the candidate of the majority gender with the lowest election ratio shall be substituted by the candidate of the minority gender of the same list. The same method is followed, in compliance with the rules on the balance of genders, to ensure the presence of the minimum number of independent board members meeting the requirements.

Art. 23.5 (Supervisory Board Member appointed by minorities)

The proposed amendment derives from the need to align the provisions of the Articles of Association to the regulations on the balance of genders (see Comments on article 22.1), setting out a specific procedure to ensure compliance with such regulations.

Art. 23.7 (No lists)

This is a simple alignment to the rules on the balance of genders (see Comments on article 22.1)

Art. 23.9 (Substitution)

The regulations concerning the substitution of Supervisory Board members leaving service during their term of office has been suitably supplemented, in order to ensure, in any event, compliance with the regulations on the balance of genders (see Comments on article 22.1).

It has also been specified, to avoid misunderstandings, that the term of office of the substituted members expires simultaneously with the term of the members in office at the time of their appointment.

Art. 24.8 (Resolutions with qualified majority)

The provision has been amended in view of the necessary appointment of two Deputy Chairpersons of the Management Board.

Art. 25.1.1

(see Comments on article 15)

Art. 25.4 (Control Committee)

The purpose is simply to ensure compliance with the rules on statutory audits of accounts (see the Comment on Art. 22.1).

Art. 27 (General Managers)

(see Comments on article 16.5)

- Financial Statements, Net Income, Shares

Art. 29.6

In compliance with the regulatory provisions on the matter, the amendment specifies that the resolution concerning the remuneration of the Common Representative of savings shareholders is the responsibility of the Special Meeting of savings shareholders.

Moreover, acknowledging that professional tariffs have been repealed, a limit is set for the remuneration of the Common Representative, which shall be borne by the Company.

- Transitory rules and final provisions

Art. 36 (Transitory rules)

It was deemed suitable to specify that all the amendments introduced shall take effect from the first renewal of the corporate bodies to which they apply following approval of the new text of the Articles of Association by the Shareholders' Meeting.

Based on the above considerations, please find below a comparative table between current articles and the proposed changes.

ARTICLES OF ASSOCIATION

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INTESA SANPAOLO S.p.A.

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Parent company of Banking Group Intesa Sanpaolo included in the national register of banking groups – Registered office Torino, Piazza San Carlo 156 – share capital 8,545,561,614.72 euro – registration number on the Torino company register and fiscal code 00799960158, vat number 10810700152 – member of the national interbank deposit guarantee fund and of the national guarantee fund, included in the national register of banks no. 5361

Parent company of Banking Group Intesa Sanpaolo included in the national register of banking groups – Registered office Torino, Piazza San Carlo 156 – share capital 8,545,561,614.72 euro – registration number on the Torino company register and fiscal code 00799960158, vat number 10810700152 – member of the national interbank deposit guarantee fund and of the national guarantee fund, included in the national register of banks no. 5361

**Included in the Registered Office in Torino
on 28th June 2011**

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ARTICLES OF ASSOCIATION

TITLE I

CONSTITUTION, NAME, REGISTERED OFFICE AND DURATION OF THE COMPANY

Article 1. Name.

1.1 - The Company is incorporated under the name “Intesa Sanpaolo S.p.A.” without any restriction in the form of graphic presentation. In the use of brands and logos of the Company and the Group, the words that compose the name of the Company may be combined in a different manner. The Company can use, as brands and logos, names and/or brands used by itself and/or by the companies it has incorporated.

1.2 - The Company is a Bank according to the terms of Legislative Decree No. 385 dated 1st September 1993.

Article 2. Registered office.

2.1 - The Company has its registered office in Turin and a secondary registered office in Milan. Central operations are divided between Milan and Turin, provided, however, that in any case “Administration, Financial statements, Tax”, “Internal Audit” and “General Secretariat” shall be in Turin.

2.2 - Subject to the obtainment of authorisations provided for by laws and regulations applicable from time to time, the Company may both establish and wind up secondary registered offices, branches and representative offices in Italy and abroad.

Article 3. Duration.

The duration of the Company shall be until 31st December 2100 and may be extended.

**TITLE II
CORPORATE PURPOSE**

ARTICLES OF ASSOCIATION

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The duration of the Company shall be until 31st December 2100 and may be extended.

**TITLE II
CORPORATE PURPOSE**

Article 4. Corporate purpose.

4.1 - The purpose of the Company is the deposit-taking and the carrying out of all forms of lending activities, both directly and through its subsidiaries. The Company may, in compliance with laws and regulations applicable from time to time and subject to the obtaining of the required authorisations, directly and also through its subsidiaries, provide all banking and financial services, including the establishment and management of open-end and closed-end pension schemes as well as carry out any other transactions that are instrumental for, or related to, the achievement of its corporate purpose.

4.2 - As Parent Company of “Intesa Sanpaolo” banking group, pursuant to Art. 61 of Legislative Decree No. 385 dated 1st September 1993, the Company issues, in connection with its management and coordination capacity, instructions to the companies of the Group, including with respect to the implementation of the instructions of the Supervisory Authorities in the interest of the Group’s stability.

4.3 - The Company exercises the functions of Parent Company of the financial conglomerate, pursuant to Art. 3 of Legislative Decree No. 142 dated 30th May 2005.

**TITLE III
CAPITAL AND SHARES**

Article 5. Share capital.

5.1 - The Company’s subscribed and paid-in share capital amounts to 8,545,561,614.72 euro, represented by 16,433,772,336 shares with a nominal value of 0.52 euro each, comprising 15,501,281,775 ordinary shares and 932,490,561 nonconvertible savings shares.

5.2 - The Extraordinary Shareholders’ Meeting held on 1st December 2006 resolved to increase the share capital by up to a maximum amount of 15,835,003.08 euro by issuing up to a maximum of 30,451,929 ordinary shares reserved to the

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employees of the merged company Sanpaolo IMI S.p.A. and its subsidiaries included in the stock option plans approved by the Board of Directors of Sanpaolo IMI S.p.A. on 17th December 2002 and on 14th November 2005.

Article 6. Shareholder domicile.

The domicile of each Shareholder, for the purposes of their relations with the Company, is the address recorded in the Shareholders' Register.

**TITLE IV
SHAREHOLDERS' MEETING**

Article 7. Shareholders' Meeting.

7.1 - The Shareholders' Meeting, called and established in accordance with the Articles of Association, is deemed to represent all Shareholders. Resolutions passed in accordance with the law and the Articles of Association, are binding on all Shareholders, irrespective of their attendance or agreement.

7.2 - The ordinary or extraordinary Shareholders' Meeting shall be governed by law.

7.3 - The Ordinary Shareholders' Meeting shall:

- 1) appoint, determine the number of, and revoke the members of the Supervisory Board, determine their remuneration as per article 23.13 and elect the Chairman and two Deputy Chairpersons, according to provisions of article 23 below;
- 2) resolve upon the responsibilities of the members of the Supervisory Board and, pursuant to articles 2393 and 2409-decies of the Italian Civil Code, also upon the responsibilities of the members of the Management Board, without prejudice to the concurrent competence of the Supervisory Board pursuant to article 25.1.1, letter c);
- 3) resolve upon the distribution of net income;
- 4) assign and revoke the engagement for the independent audit of accounts on motivated

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- 4) assign ~~and revoke~~ the engagement for the ~~statutory independent~~ audit of accounts on

<p>proposal of the Supervisory Board; 5) approve the financial statements in case they are not approved by the Supervisory Board; 6) approve the remuneration policies for Management Board Members and share-based plans, in keeping with the provisions of law and regulations in force; 7) resolve upon the other matters assigned to it by the regulations in force or by the Articles of Association.</p> <p>7.4 - The Extraordinary Shareholders' Meeting shall resolve upon the amendments of the Articles of Association, on the appointment, revocation, substitution and powers of liquidators and on any other matter assigned to it by law.</p> <p>Article 8. Convocation. 8.1 - The Shareholders' Meeting is called by the Management Board whenever it is deemed appropriate or, according to the provisions of article 2367 of the Italian Civil Code, upon request by Shareholders representing at least one twentieth of share capital. The Ordinary Shareholders' Meeting must be called at least once a year, no later than a hundred and twenty days after the end of the financial year. Whenever a shareholders' meeting is required by law, the Shareholders' Meeting may be called no later than a hundred and eighty days after the end of the financial year. In this case the Management Board shall describe the reasons of such postponement in the report required by article 2428 of the Italian Civil Code.</p> <p>8.2 - Without prejudice to other provisions of law setting forth the powers to convene, a Shareholders' Meeting can also be called by the Supervisory Board or by at least two of its members, pursuant to article 151-<i>bis</i> of Legislative Decree No. 58 dated 24th February 1998.</p> <p>8.3.- The Shareholders' Meeting is called at the</p>	<p>motivated proposal of the Supervisory Board <u>and, once the opinion of the Supervisory Board has been required, revoke the engagement granted, where necessary;</u> 5) approve the financial statements in case they are not approved by the Supervisory Board; 6) approve the remuneration policies for Management Board Members and share-based plans, <u>in keeping with in accordance with the</u> provisions of law and regulations in force; 7) resolve upon the other matters assigned to it by the regulations in force or by the Articles of Association.</p> <p>7.4 - The Extraordinary Shareholders' Meeting shall resolve upon the amendments of the Articles of Association, on the appointment, revocation, substitution and powers of liquidators and on any other matter assigned to it by law.</p> <p>Article 8. Convocation. 8.1 - The Shareholders' Meeting is called by the Management Board whenever it is deemed appropriate or, according to the provisions of article 2367 of the Italian Civil Code, upon request by Shareholders representing at least one twentieth of share capital. The Ordinary Shareholders' Meeting must be called at least once a year, no later than a hundred and twenty days after the end of the financial year. Whenever a shareholders' meeting is required by law, the Shareholders' Meeting may be called no later than a hundred and eighty days after the end of the financial year. In this case the Management Board shall describe the reasons of such postponement in the report required by article 2428 of the Italian Civil Code.</p> <p>8.2 - Without prejudice to other provisions of law setting forth the powers to convene, a Shareholders' Meeting can also be called by the Supervisory Board or by at least two of its members, pursuant to article 151-<i>bis</i> of Legislative Decree No. 58 dated 24th February 1998.</p> <p>8.3.- The Shareholders' Meeting is called at the</p>
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registered office of the Company or in another location in the municipality where the Company has its registered office by notice stating the information required by the law.

Such notice shall be published within the terms provided for by the law on the Company's website, in line with the other terms provided by the regulatory provisions.

8.4 - The convocation notice may also provide for Shareholders' Meetings to be convened on second call and, limited to Extraordinary Shareholders' Meetings, also on third call.

The Management Board may decide that the Ordinary or Extraordinary Shareholders' Meetings be held in a single meeting, thereby excluding further calls and applying the majorities required by applicable legislation. This decision is disclosed in the convocation notice.

8.5 - Shareholders who, separately or jointly, represent at least one fortieth of the share capital may request, within the terms and scope and in the manner provided for by law, additions to the agenda of the meeting, specifying in their request the additional items they propose. Notices with respect to the additions to the agenda as a result of such requests shall be given in the forms required for the publication of the convocation notice.

Article 9. Right to attend and vote in the Shareholders' Meeting.

9.1 - Persons with the right to vote may attend the Shareholders' Meeting provided a notice by the authorised intermediary certifying their voting right is given to the Company within the time limits provided by law.

9.2 - Each ordinary share confers the right to cast one vote.

9.3 - Persons having voting rights may be represented by proxy subject to restrictions established by law. The proxy may be notified electronically, using the designated section of the Company's website, or by e-mail, following the instructions provided in the meeting notice.

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9.3 - Persons having voting rights may be represented by proxy subject to restrictions established by law. The proxy may be notified electronically, using the designated section of the Company's website, or by e-mail, following the instructions provided in the meeting notice.

9.4. – For each Meeting, the Company appoints, disclosing it in the convocation notice, one or more parties on whom holders of voting rights can confer a proxy with instructions to vote on all or some of the items on the agenda, in accordance with the terms of applicable regulatory provisions. The proxy is valid only to the extent of the proposals on which instructions to vote have been conferred.

Article 10. Chair and conduct of the Meeting. Secretary.

10.1 - The Shareholders' Meeting is chaired by the Chairman of the Supervisory Board or, in case of his/her absence or impediment, by the longest-serving Deputy Chairperson of the Supervisory Board, intended as the Deputy Chairperson with the longest uninterrupted service or, in the case of equal term of service by the eldest Deputy Chairperson, or in the case of his/her absence or impediment, by the other Deputy Chairperson. If all of the above are absent or impeded, the Shareholders' Meeting is chaired by the Chairman of the Management Board or, in case of his/her absence or impediment, by the longest-serving Deputy Chairperson of the Management Board as described above or, in case of his/her absence or impediment, by the other Deputy Chairperson, if appointed; if also the latter is absent or impeded, the Shareholders' Meeting shall be chaired by another person designated by the Shareholders attending the meeting.

10.2 - The Chairman of the Shareholders' Meeting shall verify that the meeting has been validly convened and shall ascertain the entitled persons' right to attend the meeting and vote. The Chairman of the Shareholders' Meeting shall further verify the validity of the proxy, shall preside over the discussions, and shall determine the voting procedures and announce the relevant results.

10.3 - The Chairman shall be assisted by a Secretary, being the Secretary of the Management Board or, in case of his/her absence or impediment, the person appointed by the Shareholders attending the Meeting if the

9.4. – For each Meeting, the Company appoints, disclosing it in the convocation notice, one or more parties on whom holders of voting rights can confer a proxy with instructions to vote on all or some of the items on the agenda, in accordance with the terms of applicable regulatory provisions. The proxy is valid only to the extent of the proposals on which instructions to vote have been conferred.

Article 10. Chair and conduct of the Meeting. Secretary.

10.1 - The Shareholders' Meeting is chaired by the Chairman of the Supervisory Board or, in case of his/her absence or impediment, by the longest-serving Deputy Chairperson of the Supervisory Board, intended as the Deputy Chairperson with the longest uninterrupted service or, in the case of equal term of service by the eldest Deputy Chairperson, or in the case of his/her absence or impediment, by the other Deputy Chairperson. If all of the above are absent or impeded, the Shareholders' Meeting is chaired by the Chairman of the Management Board or, in case of his/her absence or impediment, by the longest-serving Deputy Chairperson of the Management Board as described above or, in case of his/her absence or impediment, by the other Deputy Chairperson, ~~if appointed~~; if also the latter is absent or impeded, the Shareholders' Meeting shall be chaired by another person designated by the Shareholders attending the meeting.

10.2 - The Chairman of the Shareholders' Meeting shall verify that the meeting has been validly convened and shall ascertain the entitled persons' right to attend the meeting and vote. The Chairman of the Shareholders' Meeting shall further verify the validity of the proxy, shall preside over the discussions, and shall determine the voting procedures and announce the relevant results.

10.3 - The Chairman shall be assisted by a Secretary, being the Secretary of the Management Board or, in case of his/her absence or impediment, the person appointed by the Shareholders attending the Meeting if the

<p>minutes do not have to be drafted by a notary public. The Chairman may also appoint, as the case may be, specific individuals chosen among the persons attending the Meeting.</p> <p>10.4 - If the debate concerning matters on the agenda of the meeting is not terminated on the day of the meeting, the Shareholders' Meeting may continue on the following business day.</p> <p>Article 11. Validity of resolutions. The validity of the Shareholders' Meeting and the validity of the resolutions taken shall be governed by the law and regulations, except as otherwise provided in article 23 for the appointment of the Supervisory Board. For the sole purposes of implementing resolutions, that stated by the current regulations governing transactions with related parties, as defined in the Company's procedures, remains valid, in line with regulatory provisions.</p> <p style="text-align: center;">TITLE V CORPORATE GOVERNANCE SYSTEM</p> <p>Article 12. Corporate governance system. The Company adopts the dual management and control system pursuant to articles 2409-<i>octies</i> and following of the Italian Civil Code.</p> <p>SECTION ONE — MANAGEMENT BOARD</p> <p>Article 13. Management Board. 13.1 - Composition. The management of the Company is exercised by the Management Board, composed of a minimum of 7 (seven) and a maximum of 11 (eleven) members, including non shareholders, appointed by the Supervisory Board, which determines their number at the time of appointment.</p>	<p>minutes do not have to be drafted by a notary public. The Chairman may also appoint, as the case may be, specific individuals chosen among the persons attending the Meeting.</p> <p>10.4 - If the debate concerning matters on the agenda of the meeting is not terminated on the day of the meeting, the Shareholders' Meeting may continue on the following business day.</p> <p>Article 11. Validity of resolutions. The validity of the Shareholders' Meeting and the validity of the resolutions taken shall be governed by the law and regulations, except as otherwise provided in article 23 for the appointment of the Supervisory Board. For the sole purposes of implementing resolutions, that stated by the current regulations governing transactions with related parties, as defined in the Company's procedures, remains valid, in line with regulatory provisions.</p> <p style="text-align: center;">TITLE V CORPORATE GOVERNANCE SYSTEM</p> <p>Article 12. Corporate governance system. The Company adopts the dual management and control system pursuant to articles 2409-<i>octies</i> and following of the Italian Civil Code.</p> <p>SECTION ONE — MANAGEMENT BOARD</p> <p>Article 13. Management Board. 13.1 - Composition. The management of the Company is exercised by the Management Board, composed of a minimum of 7 (seven) and a maximum of 11 (eleven) members, including non shareholders, appointed by the Supervisory Board, which determines their number at the time of appointment. <u>Without prejudice to regulatory restrictions, a number of Management Board Members shall be chosen from amongst Managers of companies belonging to the Intesa Sanpaolo Banking Group according to the following formula: 2 (two) for a Management Board made up of 7 (seven) or 8 (eight) members; 3 (three)</u></p>
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<p>13.2 - Requirements and incompatibilities. Individuals who are either ineligible or disqualified from office pursuant to article 2382 of the Italian Civil Code may not be appointed as members of the Management Board. The same limitations apply to individuals who do not meet the integrity, professional and independence requirements required by applicable law and regulations. At least one of the members of the Management Board must meet the independence requirements provided for by article 148, paragraph 3, of Legislative Decree No. 58 dated 24th February 1998. Save for a specific approval <i>ad personam</i> by the Supervisory Board with the favourable vote of the majority plus two of its members and after the favourable and unanimous opinion of the Nomination Committee, individuals may not be appointed as members of the Management Board and, if they are appointed, they shall be disqualified from office, who are or become members of management, direction or control bodies or employees of competitor groups, or other banks or parent companies or subsidiaries of banks, except for industry associations or companies belonging to the Group or in which the Company owns shares. Individuals who have exceeded the limit of four offices in the management, direction or control of other listed companies or parent companies or subsidiaries of listed companies (up to a</p>	<p>for a Management Board made up of 9 (nine) or 10 (ten) members; 4 (four) for a Management Board made up of 11 (eleven) members. <u>The number of Managers determined above shall not include the Member indicated as Managing Director pursuant to Article 25.1.1, letter d), of the Articles of Association, if he/she is a Manager, at the time of appointment, or is subsequently appointed Manager, of a company belonging to the Intesa Sanpaolo Banking Group.</u> <u>To the gender with numerically lower representation shall be reserved, at a minimum, the number of members established by the current law with regard to gender balance in the structure of the administrative and control bodies of listed companies in regulated markets.</u></p> <p>13.2 - Requirements and incompatibilities. Individuals who are either ineligible or disqualified from office pursuant to article 2382 of the Italian Civil Code may not be appointed as members of the Management Board. The same limitations apply to individuals who do not meet the integrity, professional and independence requirements required by applicable law and regulations. At least one of the members of the Management Board must meet the independence requirements provided for by article 148, paragraph 3, of Legislative Decree No. 58 dated 24th February 1998. Save for a specific approval <i>ad personam</i> by the Supervisory Board with the favourable vote of the majority plus two of its members and after the favourable and unanimous opinion of the Nomination Committee, individuals may not be appointed as members of the Management Board and, if they are appointed, they shall be disqualified from office, who are or become members of management, direction or control bodies or employees of competitor groups, or other banks or parent companies or subsidiaries of banks, except for industry associations or companies belonging to the Group or in which the Company owns shares. Individuals who have exceeded the limit of four offices in the management, direction or control of other listed companies or parent companies or subsidiaries of listed companies (up to a</p>
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<p>maximum of four offices within one group shall be considered as one office; if such limit is exceeded, they shall be considered as two offices) may not be appointed as members of the Management Board and, if they are appointed, they shall be disqualified from office. The foregoing shall be without prejudice to the provisions of applicable laws and regulations relating to ineligibility and disqualification from office, as well as the limits to the number of offices held, where more restrictive.</p> <p>Members of the Supervisory Board may not be appointed as members of the Management Board for the entire term of their office.</p> <p>13.3 - Duration. The Management Board members shall remain in office for a maximum period of three financial years determined by the Supervisory Board and may be re-appointed. Their term of office shall expire, without prejudice to the provisions of article 13.8, on the date of the meeting of the Supervisory Board called to approve the financial statements relating to the last year of their office.</p> <p>13.4 - Integration. In the event that the number of members of the Management Board is lower than the maximum number, the Supervisory Board may at any time increase such number. The term of office of the newly appointed members expires together with the term of the members on office at the time of their appointment.</p> <p>13.5 - Substitutions. If one or more members of the Management Board leaves service, the Supervisory Board shall substitute them without delay. The term of office of the newly appointed members expires simultaneously with the term of the members in office at the time of their appointment.</p> <p>13.6 - Revocation. The members of the Management Board may be revoked by the Supervisory Board at any time,</p>	<p>maximum of four offices within one group shall be considered as one office; if such limit is exceeded, they shall be considered as two offices) may not be appointed as members of the Management Board and, if they are appointed, they shall be disqualified from office. The foregoing shall be without prejudice to the provisions of applicable laws and regulations relating to ineligibility and <u>to</u> disqualification from office, as well as the limits to the number of offices held, where more restrictive.</p> <p>Members of the Supervisory Board may not be appointed as members of the Management Board for the entire term of their office.</p> <p>13.3 - Duration. The Management Board members shall remain in office for a maximum period of three financial years determined by the Supervisory Board and may be re-appointed. Their term of office shall expire, without prejudice to the provisions of article 13.8, on the date of the meeting of the Supervisory Board called to approve the financial statements relating to the last year of their office.</p> <p>13.4 - Integration. In the event that the number of members of the Management Board is lower than the maximum number, the Supervisory Board may at any time increase such number, <u>in compliance with the provisions of article 13.1</u>. The term of office of the newly appointed members expires together with the term of the members on office at the time of their appointment.</p> <p>13.5 - Substitutions. If one or more members of the Management Board leaves service, the Supervisory Board shall substitute them without delay, <u>in compliance with the provisions of articles 13.1 and 13.2</u>. The term of office of the newly appointed members expires simultaneously with the term of the members in office at the time of their appointment.</p> <p>13.6 - Revocation. The members of the Management Board may be revoked by the Supervisory Board at any time,</p>
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<p>without prejudice to their right to be indemnified if the revocation occurs without just cause.</p> <p>13.7 - Simul stabunt simul cadent. If, for whatever reason, the majority of the members originally appointed by the Supervisory Board leave service, the entire Management Board must be considered replaced from the date on which the newly appointed members take service. The term of office of the newly appointed members shall expire on the date on which the office of the replaced Management Board would have expired.</p> <p>13.8 - Termination. The termination of the Management Board due to the expiry of the term of office shall become effective starting from the date of its appointment by the Supervisory Board. In the event of the resignation of part of the members of the Management Board, the provisions of article 2385 of the Italian Civil Code shall apply.</p> <p>13.9 - Appointment of the Chairman and Deputy Chairpersons of the Management Board. Secretary. The Supervisory Board, on the basis of the proposal submitted by the Nomination Committee provided for by article 25.5 below, shall appoint the Chairman and one or two Deputy Chairpersons of the Management Board.</p> <p>The Management Board may appoint a Secretary who must not necessarily be a</p>	<p>without prejudice to their right to be indemnified if the revocation occurs without just cause.</p> <p><u>With regard to the members of the Management Board chosen from Managers of the Intesa Sanpaolo Banking Group, loss of management positions or functions held at the time of the appointment, for any reason, shall constitute just cause for revocation, unless the Supervisory Board deems that there are exceptional circumstances due to which the position should be maintained.</u></p> <p>13.7 - Simul stabunt simul cadent. If, for whatever reason, the majority of the members originally appointed by the Supervisory Board leave service, the entire Management Board must be considered replaced from the date on which the newly appointed members take service. The term of office of the newly appointed members shall expire on the date on which the office of the replaced Management Board would have expired.</p> <p>13.8 - Termination. The termination of the Management Board due to the expiry of the term of office shall become effective starting from the date of its appointment by the Supervisory Board. In the event of the resignation of part of the members of the Management Board, the provisions of article 2385 of the Italian Civil Code shall apply.</p> <p>13.9 - Appointment of the Chairman and Deputy Chairpersons of the Management Board. Secretary. The Supervisory Board, on the basis of the proposal submitted by the Nomination Committee provided for by article 25.5 below, shall appoint the Chairman <u>of the Management Board</u> and one or two <u>executive</u> Deputy Chairpersons of the Management Board, <u>selecting them from amongst members other than the Managers pursuant to article 13.1, paragraph 2.</u></p> <p>The Management Board may appoint a Secretary who must not necessarily be a</p>
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<p>member of such Board.</p> <p>Article 14. Remuneration of the Management Board. Members of the Management Board are entitled, in addition to reimbursement of expenses incurred in connection with the office held by them, to a remuneration which shall be determined by the Supervisory Board, after consultation with the Remuneration Committee provided for by article 25.5 below.</p> <p>Article 15. Remuneration of members of the Management Board who are appointed to particular positions. The remuneration of the members of the Management Board who are vested with particular offices, tasks or powers of attorney, or are appointed members of Commissions as provided for by the Company's Articles of Association, shall be determined pursuant to Article 25.1.1, letter a) of the Company's Articles of Association.</p> <p>Article 16. Meetings and resolutions of the Management Board 16.1 - Place and convocation. The Management Board generally meets alternatively in Turin at the registered office and in Milan at the secondary office of the Company. In exceptional circumstances, it may meet in another location on Italian territory. Meetings must take place at least once a month and whenever the Chairman of the Management Board deems it necessary or when a written request is made by the Managing Director or by at least two members of the Management Board; the Management Board may be summoned in other cases required by law. After notification to the Chairman, the Management Board may also be summoned by the Supervisory Board or by its individual members, pursuant to article 151-<i>bis</i> of Legislative Decree No. 58 dated 24th February 1998.</p> <p>16.2 - Convocation notice.</p>	<p>member of such Board.</p> <p>Article 14. Remuneration of the Management Board. Members of the Management Board are entitled, in addition to reimbursement of expenses incurred in connection with the office held by them, to a remuneration which shall be determined by the Supervisory Board, after consultation with the Remuneration Committee provided for by article 25.5 below.</p> <p>Article 15. Remuneration of members of the Management Board who are appointed to particular positions. The remuneration of the members of the Management Board who are vested with particular offices, tasks or powers of attorney, or are appointed members of Commissions as provided for by the Company's Articles of Association, shall be determined pursuant to Article 25.1.1, letter a) of the Company's Articles of Association.</p> <p>Article 16. Meetings and resolutions of the Management Board 16.1 - Place and convocation. The Management Board generally meets alternatively in Turin at the registered office and in Milan at the secondary office of the Company. In exceptional circumstances, it may meet in another location on Italian territory. Meetings must take place at least once a month and whenever the Chairman of the Management Board deems it necessary or when a written request is made by the Managing Director or by at least two members of the Management Board; the Management Board may be summoned in other cases required by law. After notification to the Chairman, the Management Board may also be summoned by the Supervisory Board or by its individual members, pursuant to article 151-<i>bis</i> of Legislative Decree No. 58 dated 24th February 1998.</p> <p>16.2 - Convocation notice.</p>
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The Management Board is summoned by notice which shall include the agenda of the meeting. The notice shall be sent by any means appropriate to provide evidence of receipt to each member of the Management Board and the Supervisory Board at least four days before the date of the meeting or, in case of urgency, at least twenty-four hours in advance by any appropriate means. The notice may also state the places from which members may participate by means of remote connection systems as provided for by article 16.3 below.

16.3 - Meetings.

Meetings of the Management Board may be validly held through remote connection systems, provided that the identity of those present can be verified and that those attending the meeting are allowed to follow the discussion and intervene in real time with regard to the matters on the agenda as well as view, receive and transmit documents. However, at least the Chairman and the Secretary must be present in the location where the Management Board meeting has been called and the meeting of the Board shall be considered held in such place.

16.4 - Validity and majority.

The resolutions of the Management Board are validly adopted when the majority of its members in office attends the meeting. Without prejudice to provisions contained in article 16.5 below, resolutions are adopted with the favourable vote of the absolute majority of the attending members; in case of dead-lock, the Chairman of the meeting shall have the casting vote.

16.5 - Resolutions with qualified majorities.

Resolutions concerning the following matters shall be validly adopted with the favourable vote of the majority of Management Board members in office:

- the appointment, revocation as well as the grant, amendment or revocation of powers of the Managing Director;
- the appointment, revocation and determination of the functions, competences and remunerations of General Managers as set forth in article 27 of the Articles of

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<p>Association;</p> <ul style="list-style-type: none"> - the appointment and revocation, further to the mandatory opinion of the Supervisory Board, of the Manager in charge of drafting the Company' s financial reports provided for by article 154-<i>bis</i> of Legislative Decree No. 58 dated 24th February 1998, and determination of the relevant means, powers and remuneration. - the appointment to particular offices or grant specific powers of attorney to one or more Board members and determination of the relevant powers. 	<p><u>Association;</u></p> <ul style="list-style-type: none"> - the appointment and revocation, further to the mandatory opinion of the Supervisory Board, of the Manager in charge of drafting the Company' s financial reports provided for by article 154-<i>bis</i> of Legislative Decree No. 58 dated 24th February 1998, and determination of the relevant means, powers and remuneration. - the appointment to particular offices or grant specific powers of attorney to one or more Board members and determination of the relevant powers. <p><u>Resolutions concerning the appointment, revocation and determination of the functions, competences and remuneration of General Managers as set forth in article 27 of the Articles of Association shall be validly adopted with the favourable vote of the majority of Management Board members in office, further to the mandatory opinion of the Supervisory Board.</u></p>
<p>16.6 - Minutes and copies. The minutes of the resolutions of the Management Board are prepared and recorded in the register of the minutes under the care of the Secretary and must be signed by the Chairman of the meeting and the Secretary. A copy of the minutes of the meetings of the Management Board is transmitted without delay to the Chairman of the Supervisory Board. Copies and extracts of the minutes, when not taken by a notary public, are certified by the declaration of conformity signed by the Chairman and the Secretary.</p> <p>Article 17. Powers of the Management Board. 17.1 - Management of the Company. The Management Board is in charge of the management of the company in compliance with the general strategic guidelines approved by the Supervisory Board. For this purpose, it takes all required actions, which it deems useful or appropriate to achieve the corporate purpose, relating to both the ordinary and extraordinary administration, including the ability to release or</p>	<p>16.6 - Minutes and copies. The minutes of the resolutions of the Management Board are prepared and recorded in the register of the minutes under the care of the Secretary and must be signed by the Chairman of the meeting and the Secretary. A copy of the minutes of the meetings of the Management Board is transmitted without delay to the Chairman of the Supervisory Board. Copies and extracts of the minutes, when not taken by a notary public, are certified by the declaration of conformity signed by the Chairman and the Secretary.</p> <p>Article 17. Powers of the Management Board. 17.1 - Management of the Company. The Management Board is in charge of the management of the company in compliance with the general strategic guidelines approved by the Supervisory Board. For this purpose, it takes all required actions, which it deems useful or appropriate to achieve the corporate purpose, relating to both the ordinary and extraordinary administration, including the ability to release or</p>

<p>reduce mortgages also against partial payment of the relevant secured obligations.</p> <p>17.2 - Competences which must not be delegated.</p> <p>Save for powers and attributes of the Supervisory Board provided for by article 25.1 below, in addition to the responsibilities that cannot be delegated according to the law, the Management Board shall have the exclusive responsibility for the following decisions:</p> <p>a) the determination of proposals concerning the general strategic guidelines of the Company and the Group to be submitted to the Supervisory Board, as well as the preparation of business and/or financial plans as well as the budgets of the Company and the Group to be submitted to the approval of the Supervisory Board pursuant to article 2409-terdecies and Article 25.1.2., lett. a) of the Articles of Association;</p> <p>b) the definition of guidelines and policies related to risk management (including the policy relative to the risk of non-compliance) and to internal audit, to be submitted to the Supervisory Board's approval.</p> <p>c) the appointment and revocation of the Managing Director, and the delegation, modification or revocation of the relevant powers;</p> <p>d) the appointment to particular offices or the grant of particular powers of attorney to one or more members of the Management Board and the determination of the relevant powers;</p> <p>e) the appointment and revocation of one or more General Managers, as provided for by Article 27 of the Articles of Association, and determination of the relevant powers and compensation;</p> <p>f) purchase and sale of equity investments which lead to changes in the Banking Group;</p> <p>g) the assessment of the adequacy of the Company's organisational, administrative and accounting structure;</p> <p>h) the determination of criteria for the coordination and direction of the companies belonging to the Group and for the implementation of the instructions issued by the Bank of Italy;</p> <p>i) the appointment and revocation, further to the</p>	<p>reduce mortgages also against partial payment of the relevant secured obligations.</p> <p>17.2 - Competences which must not be delegated.</p> <p>Save for powers and attributes of the Supervisory Board provided for by article 25.1 below, in addition to the responsibilities that cannot be delegated according to the law, the Management Board shall have the exclusive responsibility for the following decisions:</p> <p>a) the determination of proposals concerning the general strategic guidelines of the Company and the Group to be submitted to the Supervisory Board, as well as the preparation of business and/or financial plans as well as the budgets of the Company and the Group to be submitted to the approval of the Supervisory Board pursuant to article 2409-terdecies and Article 25.1.2., lett. a) of the Articles of Association;</p> <p>b) the definition of guidelines and policies related to risk management (including the policy relative to the risk of non-compliance) and to internal audit, to be submitted to the Supervisory Board's approval.</p> <p>c) the appointment and revocation of the Managing Director, and the delegation, modification or revocation of the relevant powers;</p> <p>d) the appointment to particular offices or the grant of particular powers of attorney to one or more members of the Management Board and the determination of the relevant powers;</p> <p>e) the appointment and revocation of one or more General Managers, as provided for by Article 27 of the Articles of Association, and determination of the relevant powers and compensation;</p> <p>f) purchase and sale of equity investments which lead to changes in the Banking Group;</p> <p>g) the assessment of the adequacy of the Company's organisational, administrative and accounting structure;</p> <p>h) the determination of criteria for the coordination and direction of the companies belonging to the Group and for the implementation of the instructions issued by the Bank of Italy;</p> <p>i) the appointment and revocation, further to the</p>
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<p>mandatory opinion of the Supervisory Board, of the Manager in charge of drafting the Company's financial reports provided for by article 154-bis of Legislative Decree no. 58 of 24 February 1998, and determination of the relevant means, powers and remuneration; the supervision provided for by the same art. 154-bis.</p> <p>l) the appointment and revocation, further to the favourable opinion of the Supervisory Board, of the Managers of internal control functions (including internal audit, compliance to regulations and risk management), pursuant to applicable laws or regulations;</p> <p>m) the preparation of the draft of the Parent Company's financial statements and consolidated financial statements;</p> <p>n) the share capital increases which may be delegated pursuant to article 2443 of the Italian Civil Code, with the exclusion of the faculty to adopt the resolutions provided for in paragraphs 4 and 5 of article 2441 of the Italian Civil Code; the issue of convertible bonds pursuant to article 2420-ter of the Italian Civil Code;</p> <p>o) the Management Board's duties provided for under articles 2446 and 2447 of the Italian Civil Code;</p> <p>p) the preparation of merger and demerger projects;</p> <p>q) the arrangement of transactions to be submitted to the authorisation of the Supervisory Board pursuant to article 25.1.2 letter a) or approval pursuant to article 25.1.2 letter c), as well as the approval of transactions having a single value exceeding 3% of the consolidated regulatory capital;</p> <p>r) determination of criteria to identify the related parties transactions reserved to the Management Board's competence;</p> <p>s) the appointment of specialised Commissions with preparatory and advisory duties, made up of executive board members pursuant to article 25.1.1 letter d);</p> <p>t) the designation of members of corporate bodies of subsidiaries, including executive board members;</p> <p>u) the approval of major internal regulations and the amendment thereof;</p> <p>v) the determination, after consultation with the Supervisory Board, of incentive and</p>	<p>mandatory opinion of the Supervisory Board, of the Manager in charge of drafting the Company's financial reports provided for by article 154-bis of Legislative Decree no. 58 of 24 February 1998, and determination of the relevant means, powers and remuneration; the supervision provided for by the same art. 154-bis.</p> <p>l) the appointment and revocation, further to the favourable opinion of the Supervisory Board, of the Managers of internal control functions (including internal audit, compliance to regulations and risk management), pursuant to applicable laws or regulations;</p> <p>m) the preparation of the draft of the Parent Company's financial statements and consolidated financial statements;</p> <p>n) the share capital increases which may be delegated pursuant to article 2443 of the Italian Civil Code, with the exclusion of the faculty to adopt the resolutions provided for in paragraphs 4 and 5 of article 2441 of the Italian Civil Code; the issue of convertible bonds pursuant to article 2420-ter of the Italian Civil Code;</p> <p>o) the Management Board's duties provided for under articles 2446 and 2447 of the Italian Civil Code;</p> <p>p) the preparation of merger and demerger projects;</p> <p>q) the arrangement of transactions to be submitted to the authorisation of the Supervisory Board pursuant to article 25.1.2 letter a) or approval pursuant to article 25.1.2 letter c), as well as the approval of transactions having a single value exceeding 3% of the consolidated regulatory capital;</p> <p>r) determination of criteria to identify the related parties transactions reserved to the Management Board's competence;</p> <p>s) the appointment of specialised Commissions with preparatory and advisory duties, made up of executive board members pursuant to article 25.1.1 letter d);</p> <p>ts) the designation of members of corporate bodies of subsidiaries, including executive board members;</p> <p>ut) the approval of major internal regulations and the amendment thereof;</p> <p>vu) the determination, after consultation with the Supervisory Board, of incentive and</p>
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<p>remuneration schemes for top managers working within the Company’s organisational and operational structure, as well as of remunerations paid to managers of internal control functions appointed pursuant to letter l) of this Article.</p> <p>As provided for under article 2436 of the Italian Civil Code and without prejudice to article 25.1.2 letter a) of the Company’s Articles of Association, the Management Board is further exclusively responsible for the adoption of resolutions concerning mergers and demergers in the cases provided for under articles 2505 and 2505-<i>bis</i> of the Italian Civil Code.</p> <p>Resolutions provided for by letters c), d), n), o), r) herein are taken on the basis of the proposal made by the Chairman of the Management Board. Resolutions provided for under the remaining letters above are taken on the basis of the proposal made by the Managing Director. Resolutions under letter s) above are taken on the basis of the proposal made by the Chairman of the Management Board in agreement with the Managing Director. The foregoing is without prejudice to the power to submit proposals of each member of the Management Board.</p> <p>17.3 - Delegated powers.</p> <p>For certain categories of legal acts and businesses, specific powers may be delegated to Managers, heads of single branches and other personnel, by determining the limits and means for the exercise of such delegated powers; the delegated parties shall act separately or jointly or through a committee.</p> <p>17.4 - Subsidised and special lending.</p> <p>With respect to activities concerning subsidised and special lending provided for by specific laws and regulations, decision-making and granting powers may be delegated to banks belonging to the Group, according to the limits and criteria which shall be subject to agreement between the counterparties involved.</p> <p>17.5 - Exercise of delegated powers.</p> <p>The Management Board determines the means through which the Board shall be informed of the decisions taken by the delegated bodies.</p>	<p>remuneration schemes for top managers working within the Company’s organisational and operational structure, as well as of remunerations paid to managers of internal control functions appointed pursuant to letter l) of this Article.</p> <p>As provided for under article 2436 of the Italian Civil Code and without prejudice to article 25.1.2 letter a) of the Company’s Articles of Association, the Management Board is further exclusively responsible for the adoption of resolutions concerning mergers and demergers in the cases provided for under articles 2505 and 2505-<i>bis</i> of the Italian Civil Code.</p> <p><u>Resolutions provided for by letters c), d), n), o), r) herein are taken on the basis of the proposal made by the Chairman of the Management Board. Resolutions provided for under the remaining letters above are taken on the initiative and the proposal made by the Managing Director.</u>Resolutions under letter s) above are taken on the basis of the proposal made by the Chairman of the Management Board in agreement with the Managing Director.The foregoing is without prejudice to the power to submit proposals of each member of the Management Board.</p> <p>17.3 - Delegated powers.</p> <p>For certain categories of legal acts and businesses, specific powers may be delegated to Managers, heads of single branches and other personnel, by determining the limits and means for the exercise of such delegated powers; the delegated parties shall act separately or jointly or through a committee.</p> <p>17.4 - Subsidised and special lending.</p> <p>With respect to activities concerning subsidised and special lending provided for by specific laws and regulations, decision-making and granting powers may be delegated to banks belonging to the Group, according to the limits and criteria which shall be subject to agreement between the counterparties involved.</p> <p>17.5 - Exercise of delegated powers.</p> <p>The Management Board determines the means through which the Board shall be informed of the decisions taken by the delegated bodies.</p>
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17.6 - Information.

The Management Board is informed by the Managing Director of matters provided for under article 19.3 on a monthly basis.

17.7 - Information to the Supervisory Board.

The Management Board shall promptly provide the information set forth in article 150 of Legislative Decree No. 58 dated 24th February 1998 to the Supervisory Board, and in any case at least every three months. The Management Board shall provide the Supervisory Board on a monthly basis with information on the main figures regarding operations development in the relevant period together with a benchmark comparison vis-à-vis the system.

Article 18. Chairman of the Management Board.

18.1 - The Chairman of the Management Board shall:

- a) summon the Management Board, set the agenda for the meeting considering also the proposed resolutions formulated by the Managing Director and coordinate the meeting, ensuring that adequate information on matters in the agenda of the meeting are provided to all members;
- b) have the power to take action vis-à-vis any judicial or administrative authority, including the power to commence court actions, as well as to grant mandates, even of a general nature, in court proceedings, with the obligation of informing the Management Board on decisions taken;
- c) manage relations with the Supervisory Authorities, in agreement with the Managing Director;
- d) manage relations with the Supervisory Board and its Chairman;
- e) ensure that the Supervisory Board receives the information provided for by article 17.7. of the Company's Articles of Association in a timely manner;
- f) manage, together with the Chairman of the Supervisory Board, external communication of information regarding the Company;
- g) exercise all other functional powers in the

17.6 - Information.

The Management Board is informed by the Managing Director of matters provided for under article 19.3 on a monthly basis.

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The Management Board shall promptly provide the information set forth in article 150 of Legislative Decree No. 58 dated 24th February 1998 to the Supervisory Board, and in any case at least every three months. The Management Board shall provide the Supervisory Board on a monthly basis with information on the main figures regarding operations development in the relevant period together with a benchmark comparison vis-à-vis the system.

Article 18. Chairman of the Management Board.

18.1 - The Chairman of the Management Board shall:

- a) summon the Management Board, set the agenda for the meeting considering also the proposed resolutions formulated by the Managing Director and coordinate the meeting, ensuring that adequate information on matters in the agenda of the meeting are provided to all members;
- b) have the power to take action vis-à-vis any judicial or administrative authority, including the power to commence court actions, as well as to grant mandates, even of a general nature, in court proceedings, with the obligation of informing the Management Board on decisions taken;
- c) manage relations with the Supervisory Authorities, in agreement with the Managing Director;
- d) manage relations with the Supervisory Board and its Chairman;
- e) ensure that the Supervisory Board receives the information provided for by article 17.7. of the Company's Articles of Association in a timely manner;
- f) manage, together with the Chairman of the Supervisory Board, external communication of information regarding the Company;
- g) exercise all other functional powers in the

<p>exercise of his/her office.</p> <p>18.2 - In urgent cases, (i) the Chairman of the Management Board or, in the case of his/her absence or impediment, (ii) the Deputy Chairperson, and should there be two Deputy Chairpersons, the eldest as provided for by article 18.3 - in both cases in agreement with the Managing Director - may take resolutions on any matters within the powers of the Management Board, with the exception of the matters which may not be delegated and are solely within the powers of the same Board. The same rules apply to the approval of urgent resolutions that may not be delegated as per Article 17.2 of the Articles of Association, concerning:</p> <ul style="list-style-type: none"> - transactions having a unit value exceeding 3% of the consolidated regulatory capital, and equal to or lower than 6% of said capital, pursuant to letter q) in the second part of article 17.2 of the Articles of Association, provided that such transactions are unrelated to matters for which a resolution, approval or authorization by the Supervisory Board is required under article 25.1 of the Articles of Association; - the designation of members of corporate bodies of subsidiaries, set forth by letter t) of the same article. <p>In case of urgency, the Managing Director has the sole lending power. The Management Board must be informed of such decisions at the next meeting.</p> <p>18.3 - Subject to Article 18.2, in the case of absence or impediment of the Chairperson of the Management Board, Chairman functions are exercised by the Deputy Chairperson of the Management Board or, in case of two Deputy Chairpersons, by the longest-serving Deputy Chairperson, intended as the Deputy Chairperson with the longest uninterrupted service or, in the case of equal terms of service, by the eldest Deputy Chairperson; in case of absence or impediment of the latter, such functions are exercised by the other Deputy Chairperson, or in case of his/her absence or impediment, by the Managing Director or, in the case of absence or impediment of the Managing</p>	<p>exercise of his/her office.</p> <p>18.2 - In urgent cases, (i) the Chairman of the Management Board or, in the case of his/her absence or impediment, (ii) the <u>eldest</u> Deputy Chairperson, and should there be two Deputy Chairpersons, the eldest as provided for by article 18.3, — in both cases in agreement with the Managing Director - may take resolutions on any matters within the powers of the Management Board, with the exception of the matters which may not be delegated and are solely within the powers of the same Board. The same rules apply to the approval of urgent resolutions that may not be delegated as per Article 17.2 of the Articles of Association, concerning:</p> <ul style="list-style-type: none"> - transactions having a unit value exceeding 3% of the consolidated regulatory capital, and equal to or lower than 6% of said capital, pursuant to letter q) in the second part of article 17.2 of the Articles of Association, provided that such transactions are unrelated to matters for which a resolution, approval or authorization by the Supervisory Board is required under article 25.1 of the Articles of Association; - the designation of members of corporate bodies of subsidiaries, set forth by letter <u>st</u>) of the same article <u>17.2</u>. <p>In case of urgency, the Managing Director has the sole lending power. The Management Board must be informed of such decisions at the next meeting.</p> <p>18.3 - Subject to Article 18.2, in the case of absence or <u>of</u> impediment of the Chairman of the Management Board, Chairman functions are exercised by the <u>eldest</u> Deputy Chairperson of the Management Board <u>in office, or, in case of two Deputy Chairpersons, by the longest-serving Deputy Chairperson,</u> intended as the Deputy Chairperson with the longest uninterrupted service or, in the case of equal terms of service, by the eldest Deputy Chairperson; in case of absence or impediment of the latter, such functions are exercised by the other Deputy Chairperson, or in case of his/her absence or impediment, by the Managing Director or, in the case of absence or</p>
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<p>Director, Chairman functions shall be carried out by the longest-serving member of the Management Board and, in the case of equal terms of service, by the eldest member of the Management Board.</p> <p>Vis-à-vis third parties, the signature of whoever substitutes the Chairman shall constitute evidence of absence or impediment of the Chairman.</p> <p>Article 19. Managing Director.</p> <p>19.1 - The Management Board, upon the indication of the Supervisory Board, appoints among its members a Managing Director with the qualified majority provided for by article 16.5.</p> <p>19.2 - The Managing Director is the Chief Executive Officer and supervises the company's management within the powers he/she has been delegated in compliance with the general strategic guidelines set out by Company bodies. He is responsible for personnel management and determines operational directives. The Managing Director usually exercises the power to submit proposals to the Management Board and, in accordance with applicable regulations, submits lending transactions to credit approval. The Managing Director ensures the implementation of the resolutions of the Management Board.</p> <p>19.3 - The Managing Director ensures that the organisational, administrative and accounting structure is adequate considering the nature and dimensions of the Company and reports to the Management Board, at least every three months, on the general development of operations, their forecasted development as well as the most significant transactions carried out by the Company and by its subsidiaries. On a monthly basis the Management Board is provided with information on the main figures regarding operations development in the period together with a benchmarking vis-à-vis the system.</p> <p>Article 20. Manager responsible for</p>	<p>impediment of the Managing Director, Chairman functions shall be carried out by the longest-serving member of the Management Board and, in the case of equal terms of service, by the eldest member of the Management Board.</p> <p>Vis-à-vis third parties, the signature of whoever substitutes the Chairman shall constitute evidence of absence or impediment of the Chairman.</p> <p>Article 19. Managing Director.</p> <p>19.1 - The Management Board, upon the indication of the Supervisory Board, appoints among its members a Managing Director with the qualified majority provided for by article 16.5.</p> <p>19.2 - The Managing Director is the Chief Executive Officer and supervises the company's management within the powers he/she has been delegated in compliance with the general strategic guidelines set out by Company bodies. He is responsible for personnel management and determines operational directives. The Managing Director usually exercises the power to submit proposals to the Management Board and, in accordance with applicable regulations, submits lending transactions to credit approval. The Managing Director ensures the implementation of the resolutions of the Management Board.</p> <p>19.3 - The Managing Director ensures that the organisational, administrative and accounting structure is adequate considering the nature and dimensions of the Company and reports to the Management Board, at least every three months, on the general development of operations, their forecasted development as well as the most significant transactions carried out by the Company and by its subsidiaries. On a monthly basis the Management Board is provided with information on the main figures regarding operations development in the period together with a benchmarking vis-à-vis the system.</p> <p>Article 20. Manager responsible for</p>
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<p>preparing the Company's financial reports. 20.1 - The Management Board, further to the mandatory opinion of the Supervisory Board, appoints and revokes, with the qualified majority provided for by article 16.5, the Manager responsible for preparing the Company's financial reports, provided for by article 154-<i>bis</i> of Legislative Decree No. 58 dated 24th February 1998, establishing his/her powers, means and remuneration.</p> <p>20.2 - The Manager responsible for preparing the Company's financial reports shall be chosen among the Company's executives and must meet professional requirements consisting in specific competencies as concerns: a) financial and accounting disclosures of issuers listed in regulated markets or their subsidiaries and b) management or control of the relevant administration procedures, matured for a period of at least five years in positions of responsibility of operating structures within the Company, the Group or other companies or entities comparable in terms of activities and organisational structures. The Manager responsible for preparing the Company's financial reports must also meet the integrity requirements set forth for members of control bodies of listed companies by the Regulation adopted pursuant to art. 148, par. 4, Legislative Decree No. 58 of 24th February 1998. The Management Board ascertains the existence of all the aforementioned requirements at the time of appointment.</p> <p>20.3 - The Managing Director and the Manager in charge of preparing the Company's financial reports shall provide the assessments related to the economic and financial information required by law.</p> <p>Article 21. Legal representative. Signature powers. 21.1 - The Chairman of the Management Board shall be the Company's legal representative vis-à-vis third parties and in court and he/she shall have signature powers and, in the case of his/her absence or impediment, he/she is substituted by</p>	<p>preparing the Company's financial reports. 20.1 - The Management Board, further to the mandatory opinion of the Supervisory Board, appoints and revokes, with the qualified majority provided for by article 16.5, the Manager responsible for preparing the Company's financial reports, provided for by article 154-<i>bis</i> of Legislative Decree No. 58 dated 24th February 1998, establishing his/her powers, means and remuneration.</p> <p>20.2 - The Manager responsible for preparing the Company's financial reports shall be chosen among the Company's executives and must meet professional requirements consisting in specific competencies as concerns: a) financial and accounting disclosures of issuers listed in regulated markets or their subsidiaries and b) management or control of the relevant administration procedures, matured for a period of at least five years in positions of responsibility of operating structures within the Company, the Group or other companies or entities comparable in terms of activities and organisational structures. The Manager responsible for preparing the Company's financial reports must also meet the integrity requirements set forth for members of control bodies of listed companies by the Regulation adopted pursuant to art. 148, par. 4, Legislative Decree No. 58 of 24th February 1998. The Management Board ascertains the existence of all the aforementioned requirements at the time of appointment.</p> <p>20.3 - The Managing Director and the Manager in charge of preparing the Company's financial reports shall provide the assessments related to the economic and financial information required by law.</p> <p>Article 21. Legal representative. Signature powers. 21.1 - The Chairman of the Management Board shall be the Company's legal representative vis-à-vis third parties and in court and he/she shall have signature powers and, in the case of his/her absence or impediment, he/she is substituted by</p>
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<p>a Deputy Chairperson according to seniority of service as set out in article 18.3 of the Articles of Association or, in case of equal terms of service, by the eldest Deputy Chairperson; in case of absence also of the latter, the Chairman of the Management Board shall be substituted by the Managing Director. Vis-à-vis third parties, the signature of whoever substitutes the Chairman is evidence of the absence or impediment of the Chairman.</p> <p>21.2 - Without prejudice to the foregoing, the Managing Director shall also be the Company's legal representative vis-à-vis third parties and in court and he/she shall have signature powers with respect to the matters delegated to him/her by the Management Board.</p> <p>21.3 - The General Managers shall have signature powers and shall be the Company's legal representative for acts, contracts, documents and correspondence in general regarding the Company within the limits of the powers they have been delegated; in case of absence or impediment of the General Managers, legal representation and signature powers are attributed to their substitutes as provided for in their appointment act.</p> <p>21.4 - For specific acts or categories of acts, the Management Board may grant the power to represent the Company and the related power to sign on behalf of the Company to individuals extraneous to the Company.</p> <p>21.5 - The Management Board may authorise Company personnel to sign on behalf of the Company, normally jointly, for the categories of acts determined by the Board, even singularly.</p> <p>21.6 - The Chairman of the Management Board may grant powers of attorney also to individuals extraneous to the Company, to sign specific acts or categories of acts, contracts and documents relating to transactions resolved upon by the Company's competent bodies. The same faculty, within the limits of delegated powers, is granted to the Managing Director and to the General Managers as part of their</p>	<p>a Deputy Chairperson according to seniority of service as set out in article 18.3 of the Articles of Association or, in case of equal terms of service, by the eldest Deputy Chairperson; in case of absence also of the latter, the Chairman of the Management Board shall be substituted by the Managing Director. Vis-à-vis third parties, the signature of whoever substitutes the Chairman is evidence of the absence or impediment of the Chairman.</p> <p>21.2 - Without prejudice to the foregoing, the Managing Director shall also be the Company's legal representative vis-à-vis third parties and in court and he/she shall have signature powers with respect to the matters delegated to him/her by the Management Board.</p> <p>21.3 - The General Managers shall have signature powers and shall be the Company's legal representative for acts, contracts, documents and correspondence in general regarding the Company within the limits of the powers they have been delegated; in case of absence or impediment of the General Managers, legal representation and signature powers are attributed to their substitutes as provided for in their appointment act.</p> <p>21.4 - For specific acts or categories of acts, the Management Board may grant the power to represent the Company and the related power to sign on behalf of the Company to individuals extraneous to the Company.</p> <p>21.5 - The Management Board may authorise Company personnel to sign on behalf of the Company, normally jointly, for the categories of acts determined by the Board, even singularly.</p> <p>21.6 - The Chairman of the Management Board may grant powers of attorney also to individuals extraneous to the Company, to sign specific acts or categories of acts, contracts and documents relating to transactions resolved upon by the Company's competent bodies. The same faculty, within the limits of delegated powers, is granted to the Managing Director and to the General Managers as part of their</p>
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<p>functions and competences.</p> <p>SECTION TWO — SUPERVISORY BOARD</p> <p>Article 22. Supervisory Board. 22.1 - Composition. The Supervisory Board is composed of a minimum of 15 (fifteen) and a maximum of 21 (twenty one) members, including non shareholders, appointed by the Shareholders' Meeting. The members of the Supervisory Board must meet the integrity, professional and independence requirements provided for the applicable laws and regulations. Furthermore, at least four Board members must be enrolled with the Register of auditors held by the Ministry of Justice and must have practiced as auditors for at least a three-year period and at least ten members must meet the independence requirements provided for by the Corporate Governance Code promoted by the Italian Stock Exchange. The requirement of enrolment with the Register of auditors and the independence requirements according to the Corporate Governance Code promoted by the Italian Stock Exchange may be met by the same person.</p> <p>22.2 - Integration. Where the number of members of the Supervisory Board is lower than the maximum number provided for above, the Shareholders' Meeting may increase their number during their term. The new members are appointed by the Ordinary Shareholders' Meeting as provided for by article 23 of the Articles of Association.</p> <p>22.3 - Duration. The members of the Supervisory Board shall</p>	<p>functions and competences.</p> <p>SECTION TWO — SUPERVISORY BOARD</p> <p>Article 22. Supervisory Board. 22.1 - Composition. The Supervisory Board is composed of a minimum of 15 (fifteen) and a maximum of 21 (twenty one) members, including non shareholders, appointed by the Shareholders' Meeting. <u>The gender with numerically lower representation must be reserved at least the number of Members established by the current laws on gender balance in the structure of the administrative and control bodies of companies listed on regulated markets.</u> The members of the Supervisory Board must meet the integrity, professional and independence requirements provided for the applicable laws and regulations. Furthermore, at least four Board members must be enrolled with the Register of <u>Statutory Auditors</u> held by the Ministry of Justice and must have practiced as auditors for at least a three-year period and at least ten members must meet the independence requirements provided for by the Corporate Governance Code promoted by the Italian Stock Exchange. The requirement of enrolment with the Register of <u>Statutory A</u>uditors and the independence requirements according to the Corporate Governance Code promoted by the Italian Stock Exchange may be met by the same person.</p> <p>22.2 - Integration. Where the number of members of the Supervisory Board is lower than the maximum number provided for above, the Shareholders' Meeting may increase their number during their term. The new members are appointed by the Ordinary Shareholders' Meeting as provided for by article 23 of the Articles of Association, <u>safeguarding the regulations on gender balance by applying the supplementary mechanism envisaged by article 23.4.</u></p> <p>22.3 - Duration. The members of the Supervisory Board shall</p>
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remain in office for three financial years and their term of office shall expire at the date of the subsequent Shareholders' Meeting provided for by paragraph 2 of article 2364-*bis* of the Italian Civil Code and may be re-appointed.

**Article 23. Election of the Supervisory Board.
23.1 - List of candidates.**

The election of members of the Supervisory Board shall take place on the basis of lists prepared by Shareholders according to the following rules:

a) Shareholders representing at least 0.5%, or the percentage set forth by regulations in force, of ordinary share capital may submit a list of candidates listed in order of progressive number. The lists must be deposited at the Company's registered office at least twenty-five days before the date of the Shareholders' Meeting called to elect the Members of the Supervisory Board, together with the information relative to the Shareholders presenting the lists, with the indication of the total percentage stake held, as well as exhaustive information on the personal and professional characteristics of each candidate, of a declaration of each candidate attesting that he/she meets the requirements applied to all or certain of the Members of the Supervisory Board provided for by law, regulations and the Articles of Association, as well as a declaration in which he/she accepts the candidacy. In order to give evidence of the number of shares necessary to submit a list, the relevant certification may also be submitted after deposit of the list, but not later than twenty-one days before the date set for the meeting, following the procedure set out in the applicable law;

b) each shareholder may not submit - and the persons having voting rights may not vote for - more than one list of candidates, even by proxy or by fiduciary companies. Each candidate may only be part of one list, if such condition is not met the candidate shall not be eligible;

c) if at the expiry of the term provided for by letter a) only one list has been presented, the Company promptly informs the market via a press release sent to at least two press agencies; in this case, lists may be presented within the time limit set out in the legislation in force,

remain in office for three financial years and their term of office shall expire at the date of the subsequent Shareholders' Meeting provided for by paragraph 2 of article 2364-*bis* of the Italian Civil Code and may be re-appointed.

**Article 23. Election of the Supervisory Board.
23.1 - List of candidates.**

The election of members of the Supervisory Board shall take place on the basis of lists prepared by Shareholders according to the following rules:

a) Shareholders representing at least 0.5%, or the percentage set forth by regulations in force, of ordinary share capital may submit a list of candidates listed in order of progressive number, containing from a minimum of 2 (two) to a maximum of 21 (twenty-one) names. The lists must be deposited at the Company's registered office at least twenty-five days before the date of the Shareholders' Meeting called to elect the Members of the Supervisory Board, together with the information relative to the Shareholders presenting the lists, with the indication of the total percentage stake held, as well as exhaustive information on the personal and professional characteristics of each candidate, of a declaration of each candidate attesting that he/she meets the requirements applied to all or certain of the Members of the Supervisory Board provided for by law, regulations and the Articles of Association, as well as a declaration in which he/she accepts the candidacy. In order to give evidence of the number of shares necessary to submit a list, the relevant ~~certification~~ communication may also be submitted after deposit of the list, but not later than twenty-one days before the date set for the meeting, following the procedure set out in the applicable law;

b) each shareholder may not submit - and the persons having voting rights may not vote for - more than one list of candidates, even by proxy or by fiduciary companies. Each candidate may only be part of one list, if such condition is not met the candidate shall not be eligible;

c) each list containing a number of candidates equal to or greater than 3 (three) must be composed in such a way as to ensure the gender balance envisaged by current law;

without prejudice to the other conditions and means of presentation provided for above;
d) the foregoing shall be without prejudice to the other and further provisions set forth by law as concerns the means and terms of presentation and publication of the lists.

23.2 - Voting.

In order to appoint the Supervisory Board the following procedure shall apply.

Members are selected proportionally from the lists which have obtained votes; for this purpose, the votes obtained by each of the lists are divided by one, two, three, four and so on according to the number of members to be appointed. The resulting ratios are progressively attributed to the candidates of each list according to the order of each list. The ratios so attributed are listed in decreasing order: the candidates with the highest ratios are elected members of the Supervisory Board.

23.3 - Equality of ratio and ballot.

Should more than one candidate obtain the same ratio, the preferred candidate shall be the candidate belonging to the list from which no Supervisory Board members, or the lower number of Supervisory Board members has been appointed.

If no Supervisory Board member has been appointed from those lists, or the same number of Supervisory Board members has been appointed from those lists, the preferred candidate shall be drawn from the list which has obtained the highest number of votes.

In case of equality of votes and ratio, the

de) if at the expiry of the term provided for by letter a) only one list has been presented, the Company promptly informs the market via a press release sent to at least two press agencies; in this case, lists may be presented within the time limit set out in the legislation in force, without prejudice to the other conditions and means of presentation provided for above;

ed) the foregoing shall be without prejudice to the other and further provisions set forth by law as concerns the means and terms of presentation and publication of the lists.

Lists which do not comply with the above provisions shall be considered as not submitted. However, any irregularities in the lists concerning single candidates shall not result in the automatic exclusion of the entire list, but only of the candidates to which the irregularities refer.

23.2 - Voting.

In order to appoint the Supervisory Board the following procedure shall apply.

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If no Supervisory Board member has been appointed from those lists, or the same number of Supervisory Board members has been appointed from those lists, the preferred candidate shall be drawn from the list which has obtained the highest number of votes.

In case of equality of votes and ratio, the

<p>appointment shall take place by means of a ballot by the whole Shareholders' Meeting, and the candidate shall be appointed by a simple majority of votes cast.</p> <p>23.4 - Supplementary mechanism. If an insufficient number of Supervisory Board members with the requirements of independence provided for by the Corporate Governance Code promoted by the Italian Stock Exchange and/or the requirement provided for by article 22.1, paragraph 3 of the Articles of Association has been appointed, the candidate with the lowest ratio and who does not meet any of the above-mentioned two requirements genders. will be excluded. The excluded candidate will be substituted by the subsequent candidate of the same list who meets such requirements. This procedure, if necessary, will be repeated until the number of Supervisory Board members to be appointed is completed. If, through the adoption of the aforementioned criterion, it is not possible to complete the number of Board members to be appointed, the Shareholders' Meeting shall appoint the other Supervisory Board members with resolution adopted by a simple majority of votes cast on proposal submitted by the persons having voting rights attending the meeting.</p>	<p>appointment shall take place by means of a ballot by the whole Shareholders' Meeting, and the candidate shall be appointed by a simple majority of votes cast.</p> <p>23.4 - Supplementary mechanism. <u>If, on conclusion of voting, the composition of the Supervisory Board does not reflect the gender balance envisaged by current regulations, the candidate of the over-represented gender with the lowest ratio shall be excluded. The excluded candidate will be substituted by the subsequent candidate of the gender with numerically lower representation of the same list. If necessary, this procedure shall be repeated until the composition of the Board complies with current regulations.</u> If—, even following the above substitution procedure, an insufficient number of Supervisory Board members with the requirements of independence provided for by the Corporate Governance Code promoted by the Italian Stock Exchange and/or the requirement— provided for by article 22.1, paragraph 43 of the Articles of Association have<u>has</u> been appointed, <u>new substitutions shall be performed according to a procedure similar to that set forth in paragraph 1, excluding the candidates with the lowest ratio and who does not meet either of the two requirements, always in compliance with the current regulations on the matter of gender balance.</u>will be excluded. The excluded candidate will be substituted by the subsequent candidate of the same list who meets such requirements. This procedure, if necessary, will be repeated until the number of Supervisory Board members to be appointed is completed. If, through <u>applying</u> the aforementioned criterion, it is not possible to complete the number of Board members to be appointed, the Shareholders' Meeting shall appoint the other Supervisory Board members with resolution adopted by a simple majority of votes cast on proposal submitted by the persons having voting rights attending the meeting.</p>
<p>23.5 - Supervisory Board Member appointed by minorities. The application of provisions from 23.2 to 23.4</p>	<p>23.5 - Supervisory Board Member appointed by minorities. The application of provisions from 23.2 to 23.4</p>

<p>must in any case permit that at least one Supervisory Board Member be elected by minority shareholders who are not connected, even indirectly, with shareholders who have presented or with persons who voted the list which obtained the highest number of votes. For this purpose, where necessary, the elected candidate with the lowest ratio shall be substituted by the candidate with the immediately lower quotient presented by a list with the characteristics indicated above.</p> <p>23.6 - Single list. In case of presentation of one list only, all members of the Supervisory Board shall be appointed from such list.</p> <p>23.7 - No lists. Should no list be submitted in a timely manner, the Meeting shall pass a resolution with the relative majority of votes of the capital represented in the Meeting. In case of equality of votes, candidates shall be appointed by means of a further ballot.</p> <p>23.8 - Election of the Chairman and Deputy Chairpersons of the Supervisory Board. The Chairman and the two Deputy Chairpersons shall be appointed by the Ordinary</p>	<p>must in any case permit that at least one Supervisory Board Member be elected by minority shareholders who are not connected, even indirectly, with shareholders who have presented or with persons who voted the list which obtained the highest number of votes. For this purpose, where necessary, the elected candidate with the lowest ratio shall be substituted by the candidate with the immediately lower quotient presented by a list with the characteristics indicated above.</p> <p><u>If, adopting the criterion set forth in the above paragraph, the gender balance required by current regulations is not achieved, the elected candidate with the lowest ratio shall be substituted by the subsequent candidate of the gender with numerically lower representation with the immediately lower ratio presented by a list with the characteristics indicated above.</u> <u>In the event that the lists with the characteristics indicated above contain no candidates of the gender with numerically lower representation, the Shareholders' Meeting shall appoint the substituted Member with resolution adopted by a simple majority of votes cast on proposal submitted by persons having voting rights attending the meeting, in compliance with the principle of the need to represent minorities and the current regulations on gender balance.</u></p> <p>23.6 - Single list. In case of presentation of one list only, all members of the Supervisory Board shall be appointed from such list.</p> <p>23.7 - No lists. Should no list be submitted in a timely manner, the Meeting shall pass a resolution with the relative majority of votes of the capital represented in the Meeting, <u>without prejudice to the necessary compliance with the current regulations on gender balance.</u> In case of equality of votes, candidates shall be appointed by means of a further ballot.</p> <p>23.8 - Election of the Chairman and Deputy Chairpersons of the Supervisory Board. The Chairman and the two Deputy Chairpersons shall be appointed by the Ordinary Shareholders' Meeting with special resolutions</p>
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Shareholders' Meeting with special resolutions approved by the majority of attending shareholders.

23.9 - Substitutions.

If a member of the Supervisory Board leaves service for whatever reason, he/she shall be substituted by the first non-appointed candidate belonging to the list of the Supervisory Board member leaving service, or the second non-appointed candidate if the first does not meet the requirements, set forth by law, regulation or the Articles of Association, of the member leaving service. If for whatever reason this is not possible, the member of the Supervisory Board who leaves service will be substituted without delay by the Ordinary Shareholders' Meeting with resolution passed by a simple majority of votes cast upon the proposal of the persons having voting rights attending the meeting.

The substitution of the Supervisory Board Member must in any case ensure the presence of at least one Member with the characteristics provided for by Article 23.5., even through the application of procedures set forth by regulations in force.

approved by the majority of attending shareholders.

23.9 - Substitutions.

If a member of the Supervisory Board leaves service for whatever reason, he/she shall be substituted by the first non-appointed candidate belonging to the list of the Supervisory Board member leaving service, or, if, following the application of this criteria, the gender balance required by current regulations is not achieved, by the first non-appointed candidate of the gender with numerically lower representation of the same list as the member leaving service. If the person identified based on the above criterion does not meet the requirements of law, regulation or the Articles of Association, of the member leaving service, the leaving member shall be substituted by the first non-appointed candidate from the same list, meeting the same requirements as the member to be substituted, in compliance, in any event, with the principle of the current regulations on gender balance ~~or the second non-appointed candidate if the first does not meet the requirements, set forth by law, regulation or the Articles of Association, of the member leaving service.~~

Where~~If~~ for whatever reason ~~this~~it is not possible to effect the substitution based on the above criteria, the member of the Supervisory Board who leaves service will be substituted without delay by the Ordinary Shareholders' Meeting with resolution passed by a simple majority of votes cast upon the proposal of the persons having voting rights attending the meeting, without the presentation of lists, in compliance, in any event, with the principle of the current regulations on gender balance.

The substitution of the Supervisory Board Member must in any case ensure the presence of at least one Member with the characteristics provided for by Article 23.5., even through the application of procedures set forth by regulations in force.

The term of office of these members expires simultaneously with the term of the members in office at the time of their appointment.

23.10 - Incompatibilities.

<p>23.10 - Incompatibilities. The cases of incompatibility as well as the limits to the number of offices provided for by law, regulations and the Article of Association in force at the time of entry in office apply to Supervisory Board Members, without prejudice to different binding provisions set forth by law. The foregoing shall be without prejudice to the causes of ineligibility and disqualification from office set forth by law, regulation or Articles of Association.</p> <p>23.11 - Simul stabunt simul cadent. If, for whatever reason, the majority of the members of the Supervisory Board resigns, the entire Supervisory Board must be considered replaced from the date in which the new appointed members take office. The Shareholders' Meeting for the appointment of the new Supervisory Board shall be called as soon as possible in accordance with the provisions of article 8.</p> <p>23.12 - Revocation. The members of the Supervisory Board may be revoked by the Shareholders' Meeting at any time, by a resolution passed with the favourable vote of at least one fifth of the share capital, without prejudice to the right of the revoked Member to be indemnified if the revocation occurs without just cause.</p> <p>23.13 - Remuneration. Members of the Supervisory Board are entitled, in addition to the reimbursement of expenses sustained due to their office, to a remuneration for the services rendered, which is determined for the entire period of their office by the Shareholders' Meeting at the time of their appointment, taking also into account the remunerations due to Board members appointed to special offices.</p> <p>Article 24. Meetings and resolutions of the Supervisory Board. 24.1 - Convocation. The Chairman of the Supervisory Board shall summon the Supervisory Board on his/her own initiative and in the cases provided for by law or</p>	<p>The cases of incompatibility as well as the limits to the number of offices provided for by law, regulations and the Article of Association in force at the time of entry in office apply to Supervisory Board Members, without prejudice to different binding provisions set forth by law. The foregoing shall be without prejudice to the causes of ineligibility and disqualification from office set forth by law, regulation or Articles of Association.</p> <p>23.11 - Simul stabunt simul cadent. If, for whatever reason, the majority of the members of the Supervisory Board resigns, the entire Supervisory Board must be considered replaced from the date in which the new appointed members take office. The Shareholders' Meeting for the appointment of the new Supervisory Board shall be called as soon as possible in accordance with the provisions of article 8.</p> <p>23.12 - Revocation. The members of the Supervisory Board may be revoked by the Shareholders' Meeting at any time, by a resolution passed with the favourable vote of at least one fifth of the share capital, without prejudice to the right of the revoked Member to be indemnified if the revocation occurs without just cause.</p> <p>23.13 - Remuneration. Members of the Supervisory Board are entitled, in addition to the reimbursement of expenses sustained due to their office, to a remuneration for the services rendered, which is determined for the entire period of their office by the Shareholders' Meeting at the time of their appointment, taking also into account the remunerations due to Board members appointed to special offices.</p> <p>Article 24. Meetings and resolutions of the Supervisory Board. 24.1 - Convocation. The Chairman of the Supervisory Board shall summon the Supervisory Board on his/her own initiative and in the cases provided for by law or by the Articles of Association, he/she shall chair</p>
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<p>by the Articles of Association, he/she shall chair Board meetings and set the agenda ensuring that adequate information on the matters on the agenda of the meeting is provided to all Supervisory Board members.</p> <p>24.2 - Meetings recurrence. The Supervisory Board shall generally meet at least once a month.</p> <p>24.3 - Convocation request. The Chairman shall summon the Supervisory Board upon the request of any one member and shall indicate the matters to be discussed.</p> <p>24.4 - Place. The Supervisory Board meetings shall generally be held alternatively at the registered office or at the secondary office of the Company or exceptionally in another location on the Italian territory.</p> <p>24.5 - Convocation notice. The convocation notice, including the agenda of the meeting, must be sent to the Supervisory Board members at least four days before the date scheduled for the meeting, by any means appropriate to supply evidence of receipt. In cases of particular urgency, the meeting may be called with a 24-hour advance notice sent by any suitable means. The notice may also contain the indication of the places from which to participate through remote connection systems as provided for by article 24.6.</p> <p>24.6 - Meetings. Meetings of the Supervisory Board can be validly held by way of adequate remote connection systems, provided that the identity of those present can be verified and that those attending the meeting are allowed to follow the discussion and intervene in real time with regard to the matters on the agenda as well as view, receive and transmit documents. At least the Chairman and the Secretary must always be physically present at the venue officially designated as that in which the Board Meeting is deemed to have taken place.</p> <p>24.7 - Validity and majority. For the validity of the decisions of the</p>	<p>Board meetings and set the agenda ensuring that adequate information on the matters on the agenda of the meeting is provided to all Supervisory Board members.</p> <p>24.2 - Meetings recurrence. The Supervisory Board shall generally meet at least once a month.</p> <p>24.3 - Convocation request. The Chairman shall summon the Supervisory Board upon the request of any one member and shall indicate the matters to be discussed.</p> <p>24.4 - Place. The Supervisory Board meetings shall generally be held alternatively at the registered office or at the secondary office of the Company or exceptionally in another location on the Italian territory.</p> <p>24.5 - Convocation notice. The convocation notice, including the agenda of the meeting, must be sent to the Supervisory Board members at least four days before the date scheduled for the meeting, by any means appropriate to supply evidence of receipt. In cases of particular urgency, the meeting may be called with a 24-hour advance notice sent by any suitable means. The notice may also contain the indication of the places from which to participate through remote connection systems as provided for by article 24.6.</p> <p>24.6 - Meetings. Meetings of the Supervisory Board can be validly held by way of adequate remote connection systems, provided that the identity of those present can be verified and that those attending the meeting are allowed to follow the discussion and intervene in real time with regard to the matters on the agenda as well as view, receive and transmit documents. At least the Chairman and the Secretary must always be physically present at the venue officially designated as that in which the Board Meeting is deemed to have taken place.</p> <p>24.7 - Validity and majority. For the validity of the decisions of the Supervisory Board a majority of its members in</p>
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<p>Supervisory Board a majority of its members in office must be present at the meeting. Decisions are taken with the absolute majority of the votes of the members attending the meeting; in case of dead-lock, the Chairman of the Meeting shall have the casting vote.</p> <p>24.8 - Resolutions with qualified majorities. The majority of Supervisory Board members in office shall be required for resolutions regarding the appointment of the Chairman and one or two Deputy Chairpersons of the Management Board.</p> <p>24.9 - Interests of Members of the Supervisory Board. A Member of the Supervisory Board who has an interest, for his own or third parties' benefit, in a certain transaction of the Company which is deemed significant under article 25.1.2 of the Articles of Association, shall disclose such interest and state its nature, terms, origin and extent. The resolution of the Supervisory Board shall provide adequate reasons for the transaction and explain its profitability for the Company.</p> <p>24.10 - Minutes and copies. The minutes of the resolutions of the Supervisory Board are prepared and recorded on the register of the minutes under the care of a Secretary appointed by the Board, if the minutes are not required to be drafted by a notary public. Copies and extracts of the minutes, when not taken by a notary public, are certified by the declaration of conformity signed by the Chairman and the Secretary.</p> <p>Article 25. Competence of the Supervisory Board. 25.1 - Matters of competence. The Supervisory Board shall, within the scope of its decision-making powers, perform direction, strategic supervision and control tasks under the terms governed by this article.</p> <p>25.1.1 The Supervisory Board shall: a. upon the proposal submitted by the Nomination Committee, appoint and remove the members of the Management Board, the</p>	<p>office must be present at the meeting. Decisions are taken with the absolute majority of the votes of the members attending the meeting; in case of dead-lock, the Chairman of the Meeting shall have the casting vote.</p> <p>24.8 - Resolutions with qualified majorities. The majority of Supervisory Board members in office shall be required for resolutions regarding the appointment of the Chairman and the one or two Deputy Chairpersons of the Management Board.</p> <p>24.9 - Interests of Members of the Supervisory Board. A Member of the Supervisory Board who has an interest, for his own or third parties' benefit, in a certain transaction of the Company which is deemed significant under article 25.1.2 of the Articles of Association, shall disclose such interest and state its nature, terms, origin and extent. The resolution of the Supervisory Board shall provide adequate reasons for the transaction and explain its profitability for the Company.</p> <p>24.10 - Minutes and copies. The minutes of the resolutions of the Supervisory Board are prepared and recorded on the register of the minutes under the care of a Secretary appointed by the Board, if the minutes are not required to be drafted by a notary public. Copies and extracts of the minutes, when not taken by a notary public, are certified by the declaration of conformity signed by the Chairman and the Secretary.</p> <p>Article 25. Competence of the Supervisory Board. 25.1 - Matters of competence. The Supervisory Board shall, within the scope of its decision-making powers, perform direction, strategic supervision and control tasks under the terms governed by this article.</p> <p>25.1.1 The Supervisory Board shall: a. upon the proposal submitted by the Nomination Committee, appoint and remove the members of the Management Board, the Chairman and one or two Deputy Chairpersons</p>
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<p>Chairman and one or two Deputy Chairpersons of the Management Board and determine their remuneration, after consultation with the Remuneration Committee; also determine, after consultation with the Remuneration Committee, the remuneration of the Managing Director and of the members of the Management Board who have been appointed as members of Commissions pursuant to article 15, or who have been given special offices, duties or powers of attorney;</p> <p>b. approve the Parent Company's financial statements and the consolidated financial statements;</p> <p>c. act against members of the Management Board;</p> <p>d. indicate to the Management Board the Managing Director and executive board members in compliance with supervisory regulations in force; express a mandatory opinion on the Manager in charge of preparing the Company's financial reports pursuant to art. 154-bis of Legislative Decree No. 58 dated 24th February 1998.</p> <p>25.1.2 The Supervisory Board, upon the proposal of the Management Board, shall:</p> <p>a. resolve upon the Company's and the Group's general programmes and strategic guidelines; approve the business and/or financial plans, the budgets of the Company and the Group, and the changes thereto; authorise strategic transactions. In this specific respect, the Supervisory Board authorises:</p> <p>(i) Management Board proposals to be submitted to the Shareholders' Meeting on share capital transactions, issues of convertible bonds and bonds cum warrant of the Company, mergers and spin-offs and other amendments to the Articles of Association, without prejudice to the shareholders' powers to submit proposals as envisaged by law;</p> <p>(ii) purchases or sales by the Company and its subsidiaries, of controlling stakes in companies whose unit value exceeds 6% of consolidated regulatory capital;</p> <p>(iii) investments or disinvestments entailing commitments for the Company for a total amount exceeding, for each transaction, 6%</p>	<p>of the Management Board and determine their remuneration, after consultation with the Remuneration Committee; also determine, after consultation with the Remuneration Committee, the remuneration of the Managing Director and of the members of the Management Board who have been appointed as members of Commissions pursuant to article 15, or who have been given special offices, duties or powers of attorney;</p> <p>b. approve the Parent Company's financial statements and the consolidated financial statements;</p> <p>c. act against members of the Management Board;</p> <p>d. indicate to the Management Board the Managing Director and executive board members in compliance with supervisory regulations in force; express a mandatory opinion on the Manager in charge of preparing the Company's financial reports pursuant to art. 154-bis of Legislative Decree No. 58 dated 24th February 1998.</p> <p>25.1.2 The Supervisory Board, upon the proposal of the Management Board, shall:</p> <p>a. resolve upon the Company's and the Group's general programmes and strategic guidelines; approve the business and/or financial plans, the budgets of the Company and the Group, and the changes thereto; authorise strategic transactions. In this specific respect, the Supervisory Board authorises:</p> <p>(i) Management Board proposals to be submitted to the Shareholders' Meeting on share capital transactions, issues of convertible bonds and bonds cum warrant of the Company, mergers and spin-offs and other amendments to the Articles of Association, without prejudice to the shareholders' powers to submit proposals as envisaged by law;</p> <p>(ii) purchases or sales by the Company and its subsidiaries, of controlling stakes in companies whose unit value exceeds 6% of consolidated regulatory capital;</p> <p>(iii) investments or disinvestments entailing commitments for the Company for a total amount exceeding, for each transaction, 6% of consolidated regulatory capital;</p>
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<p>of consolidated regulatory capital;</p> <p>(iv) the following transactions, if not attributable to business and/or financial plans and to budgets of the Company and of the Group prepared by the Management Board (and to any amendments thereto) previously approved by the Supervisory Board;</p> <p>I. the purchase, by the Bank and/or its subsidiaries, of controlling stakes – as defined in article 23 of Legislative Decree No. 385 of 1st September 1993 (Consolidated Banking Law) – in companies, or the purchase of firms, of business lines, of assets and legal relationships identifiable en bloc under article 58 of the Consolidated Banking Law, whose finalization is subject to an authorisation: by Italian Regulatory Authorities, if the transaction is worth over 1.5 billion euro; by the Supervisory Authorities of other EU and non-EU countries, if the transaction is worth over 1 billion euro;</p> <p>II. the sale, by the Bank and/or its subsidiaries, of controlling stakes – as defined in article 23 of the Consolidated Banking Law – in companies, or firms, business lines, assets and legal relationships identifiable en bloc under article 58 of the Consolidated Banking Law, whose value exceeds 1 billion euro and/or requiring the issue of guarantees worth over 1.5 billion euro, or whose value cannot be assessed;</p> <p>III. investments and disinvestments, other than those under a) and b), worth over 1 billion euro;</p> <p>IV. the stipulation of trade agreements, cooperation agreements and shareholders' agreements, including business combinations or partnerships with other national or international groups, such as would significantly alter the goals assigned by the business plan to the Bank's Business Units;</p> <p>(v) all transactions listed under item (iv) above, regardless of monetary ceilings mentioned therein, such as might lead to the assumption of a reputational risk under the terms defined by the Prudential Supervision</p>	<p>(iv) the following transactions, if not attributable to business and/or financial plans and to budgets of the Company and of the Group prepared by the Management Board (and to any amendments thereto) previously approved by the Supervisory Board;</p> <p>I. the purchase, by the Bank and/or its subsidiaries, of controlling stakes – as defined in article 23 of Legislative Decree No. 385 of 1st September 1993 (Consolidated Banking Law) – in companies, or the purchase of firms, of business lines, of assets and legal relationships identifiable en bloc under article 58 of the Consolidated Banking Law, whose finalization is subject to an authorisation: by Italian Regulatory Authorities, if the transaction is worth over 1.5 billion euro; by the Supervisory Authorities of other EU and non-EU countries, if the transaction is worth over 1 billion euro;</p> <p>II. the sale, by the Bank and/or its subsidiaries, of controlling stakes – as defined in article 23 of the Consolidated Banking Law – in companies, or firms, business lines, assets and legal relationships identifiable en bloc under article 58 of the Consolidated Banking Law, whose value exceeds 1 billion euro and/or requiring the issue of guarantees worth over 1.5 billion euro, or whose value cannot be assessed;</p> <p>III. investments and disinvestments, other than those under a) and b), worth over 1 billion euro;</p> <p>IV. the stipulation of trade agreements, cooperation agreements and shareholders' agreements, including business combinations or partnerships with other national or international groups, such as would significantly alter the goals assigned by the business plan to the Bank's Business Units;</p> <p>(v) all transactions listed under item (iv) above, regardless of monetary ceilings mentioned therein, such as might lead to the assumption of a reputational risk under the terms defined by the Prudential Supervision Instructions for Banks issued by the Bank of</p>
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<p>Instructions for Banks issued by the Bank of Italy in the context of the Internal Capital Adequacy Assessment Process (ICAAP) and regulated by the Guidelines adopted by the Bank on this subject, whenever not falling within the parameters indicated therein;</p> <p>(vi) the establishment of assets to be allocated to a specific transaction.</p> <p>b. approve guidelines and policies related to risk management including the policy relative to the risk of non-compliance and to internal control management;</p> <p>c. approve policies on the remuneration of employees and other staff not bound to the Company by an employment agreement.</p> <p>Furthermore, the Supervisory Board can convey to the Management Board its stance, in order for the relevant proposal to be drafted, with reference to strategic transactions provided for under this article 25.1.2, letter a. under items (i) – to the extent that said transactions have a unit value exceeding 6% of regulatory capital, (ii) and (iii).</p> <p>All the above in any case will be without prejudice to the Management Board’s responsibility for action taken.</p> <p>25.1.3 As regards the control function, the Supervisory Board shall:</p> <p>a. assess the degree of efficiency and adequacy of the internal audit system, with particular reference to risk control, the functioning of internal auditing and the accounting information system; also verify the correct exercise of strategic and operational control activities performed by the Parent Company over Group companies;</p> <p>b. exercise the supervisory functions set forth by article 149, par. 1 and 3, of Legislative Decree No. 58 dated 24th February 1998;</p> <p>c. make filings with the Bank of Italy pursuant to article 70, par. 7, of Legislative Decree No. 385 dated 1st September 1993;</p> <p>d. report in writing to the Shareholders’ Meeting summoned pursuant to art. 2364-bis of the Italian Civil Code on the supervisory activities performed and on any omissions and reprehensible facts as well as, in the case of any Ordinary and Extraordinary Shareholders’</p>	<p>Italy in the context of the Internal Capital Adequacy Assessment Process (ICAAP) and regulated by the Guidelines adopted by the Bank on this subject, whenever not falling within the parameters indicated therein;</p> <p>(vi) the establishment of assets to be allocated to a specific transaction.</p> <p>b. approve guidelines and policies related to risk management including the policy relative to the risk of non-compliance and to internal control management;</p> <p>c. approve policies on the remuneration of employees and other staff not bound to the Company by an employment agreement.</p> <p>Furthermore, the Supervisory Board can convey to the Management Board its stance, in order for the relevant proposal to be drafted, with reference to strategic transactions provided for under this article 25.1.2, letter a. under items (i) – to the extent that said transactions have a unit value exceeding 6% of regulatory capital, (ii) and (iii).</p> <p>All the above in any case will be without prejudice to the Management Board’s responsibility for action taken.</p> <p>25.1.3 As regards the control function, the Supervisory Board shall:</p> <p>a. assess the degree of efficiency and adequacy of the internal audit system, with particular reference to risk control, the functioning of internal auditing and the accounting information system; also verify the correct exercise of strategic and operational control activities performed by the Parent Company over Group companies;</p> <p>b. exercise the supervisory functions set forth by article 149, par. 1 and 3, of Legislative Decree No. 58 dated 24th February 1998;</p> <p>c. make filings with the Bank of Italy pursuant to article 70, par. 7, of Legislative Decree No. 385 dated 1st September 1993;</p> <p>d. report in writing to the Shareholders’ Meeting summoned pursuant to art. 2364-bis of the Italian Civil Code on the supervisory activities performed and on any omissions and reprehensible facts as well as, in the case of any Ordinary and Extraordinary Shareholders’ Meeting, on matters within its competences;</p>
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<p>Meeting, on matters within its competences;</p> <p>e. inform the Bank of Italy without delay of all the other acts or facts, which come to its knowledge in the exercise of its duties, which may represent management irregularities or a violation of the regulations concerning banking activities;</p> <p>25.1.4 Furthermore, the Supervisory Board shall:</p> <p>a. resolve upon the Company's and the Group's cultural initiatives, with particular reference to the valorisation of the historic, archaeological and artistic heritage and the management of the Allowance for charitable, social and cultural contributions, verifying that the programmed initiatives are consistent with declared objectives;</p> <p>b. exercise any other power set forth by regulations applicable from time to time or by the Articles of Association.</p> <p>25.2 - Other matters of competence. The resolutions on the matters listed below are also attributed to the Supervisory Board, as provided for by art. 2436 of the Italian Civil Code:</p> <p>a) establishment or winding up of secondary registered offices;</p> <p>b) reduction of share capital in case of withdrawal of a shareholder;</p> <p>c) amendments to the Articles of Association to comply with provisions of law.</p> <p>25.3 - Powers of supervision. The Supervisory Board and its members shall exercise the powers provided for by article 151-<i>bis</i> of Legislative Decree No. 58 dated 24th February 1998, according to the terms and conditions set out therein. For the purposes of a more effective and functional exercise of the powers to obtain information on Management Board Members as per article 151-bis of Legislative Decree no. 58 dated 24 February 1998, as a rule, relevant requests are forwarded to the Chairman of the Management Board and to the Managing Director through the Chairman of the Supervisory Board. The relevant information is forwarded to all Management Board Members.</p>	<p>e. inform the Bank of Italy without delay of all the other acts or facts, which come to its knowledge in the exercise of its duties, which may represent management irregularities or a violation of the regulations concerning banking activities;</p> <p>25.1.4 Furthermore, the Supervisory Board shall:</p> <p>a. resolve upon the Company's and the Group's cultural initiatives, with particular reference to the valorisation of the historic, archaeological and artistic heritage and the management of the Allowance for charitable, social and cultural contributions, verifying that the programmed initiatives are consistent with declared objectives;</p> <p>b. exercise any other power set forth by regulations applicable from time to time or by the Articles of Association.</p> <p>25.2 - Other matters of competence. The resolutions on the matters listed below are also attributed to the Supervisory Board, as provided for by art. 2436 of the Italian Civil Code:</p> <p>a) establishment or winding up of secondary registered offices;</p> <p>b) reduction of share capital in case of withdrawal of a shareholder;</p> <p>c) amendments to the Articles of Association to comply with provisions of law.</p> <p>25.3 - Powers of supervision. The Supervisory Board and its members shall exercise the powers provided for by article 151-<i>bis</i> of Legislative Decree No. 58 dated 24th February 1998, according to the terms and conditions set out therein. For the purposes of a more effective and functional exercise of the powers to obtain information on Management Board Members as per article 151-bis of Legislative Decree no. 58 dated 24 February 1998, as a rule, relevant requests are forwarded to the Chairman of the Management Board and to the Managing Director through the Chairman of the Supervisory Board. The relevant information is forwarded to all Management Board Members.</p>
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<p>25.4 - Control Committee.</p> <p>The Supervisory Board shall establish, for the purpose of facilitating the exercise of its control and supervision functions, a specific Control Committee, composed of 5 (five) members, determining the powers, means and regulations of the Control Committee, as well as the means and terms of the information to be provided to the Supervisory Board.</p> <p>Without prejudice to the enforcement of specific regulations and/or supervisory rules, the members of the Control Committee shall be selected among the members of the Supervisory Board, except its Chairman. All members of the Control Committee shall have the independence requirements provided for by the Corporate Governance Code promoted by Borsa Italiana S.p.A., as well as any further independence requirements provided for by the law and regulations in force, and at least three of them must be enrolled with the Register of Auditors and must have practiced as auditors for at least three years.</p> <p>Without prejudice to the provisions of article 23.12, the Shareholders' Meeting, by means of a duly justified resolution, may remove any members of the Supervisory Board who are also members of the Control Committee.</p> <p>The Supervisory Board, by a duly justified resolution, may replace any members of the Control Committee.</p> <p>In particular, the Control Committee proposes, consults and enquires on matters regarding internal controls system, risk management and the ICT and accounting system. The Committee may at any time, through the Company's appropriate functions, carry out inspections and controls, including upon request by the Supervisory Board, and exchange information with the control bodies of Group companies with respect to their management and control systems and the general performance of their business.</p> <p>The Control Committee is the permanent reference point for the Company's organisational structures in charge of control functions; from such structures the Control Committee obtains periodic reports or briefings on specific situations or company trends, and</p>	<p>25.4 - Control Committee.</p> <p>The Supervisory Board shall establish, for the purpose of facilitating the exercise of its control and supervision functions, a specific Control Committee, composed of 5 (five) members, determining the powers, means and regulations of the Control Committee, as well as the means and terms of the information to be provided to the Supervisory Board.</p> <p>Without prejudice to the enforcement of specific regulations and/or supervisory rules, the members of the Control Committee shall be selected among the members of the Supervisory Board, except its Chairman. All members of the Control Committee shall have the independence requirements provided for by the Corporate Governance Code promoted by Borsa Italiana S.p.A., as well as any further independence requirements provided for by the law and regulations in force, and at least three of them must be enrolled with the Register of Statutory Auditors and must have practiced as auditors for at least three years.</p> <p>Without prejudice to the provisions of article 23.12, the Shareholders' Meeting, by means of a duly justified resolution, may remove any members of the Supervisory Board who are also members of the Control Committee.</p> <p>The Supervisory Board, by a duly justified resolution, may replace any members of the Control Committee.</p> <p>In particular, the Control Committee proposes, consults and enquires on matters regarding internal controls system, risk management and the ICT and accounting system. The Committee may at any time, through the Company's appropriate functions, carry out inspections and controls, including upon request by the Supervisory Board, and exchange information with the control bodies of Group companies with respect to their management and control systems and the general performance of their business.</p> <p>The Control Committee is the permanent reference point for the Company's organisational structures in charge of control functions; from such structures the Control Committee obtains periodic reports or briefings on specific situations or company trends, and promptly informs the Supervisory Board of any</p>
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<p>promptly informs the Supervisory Board of any action or fact that may be regarded as significant under article 52 of Legislative Decree No. 385 of 1st September 1993. Members of the Committee shall attend the Management Board meetings.</p> <p>25.5 - Nomination Committee and Remuneration Committee. Within the Supervisory Board a Remuneration Committee shall be established, composed of 5 (five) members, including the Chairman of the Supervisory Board who shall chair the Committee, and shall determine the regulation of the Nomination Committee. The Nomination Committee shall be responsible for selecting and proposing appointments to the Management Board.</p> <p>Within the Supervisory Board a Remuneration Committee shall be established, composed of 3 (three) members, which shall be responsible for proposing and consulting on the remuneration in accordance with applicable law and the Articles of Association, and shall determine the regulation of the Remuneration Committee. The majority of the members of the Nomination Committee and of the Remuneration Committee shall have the independence requirements provided for by the Corporate Governance Code promoted by Borsa Italiana S.p.A., as well as the further independence requisites provided for by the law and by regulations in force.</p> <p>25.6 - Other Committees. The Supervisory Board may establish Technical Committees or Commissions with advisory functions.</p> <p>Article 26. Chairman of the Supervisory Board. 26.1 - In addition to the provisions of articles 10.1 and 24.1, the Chairman of the Supervisory Board, in a functional manner to the competencies of the Board itself, shall:</p> <ol style="list-style-type: none"> a) coordinate the work of the Supervisory Board; b) receive the proposals submitted by the Management Board in respect of matters to be submitted to the approval of the Supervisory Board for its approval, including those 	<p>action or fact that may be regarded as significant under article 52 of Legislative Decree No. 385 of 1st September 1993. Members of the Committee shall attend the Management Board meetings.</p> <p>25.5 - Nomination Committee and Remuneration Committee. Within the Supervisory Board a Remuneration Committee shall be established, composed of 5 (five) members, including the Chairman of the Supervisory Board who shall chair the Committee, and shall determine the regulation of the Nomination Committee. The Nomination Committee shall be responsible for selecting and proposing appointments to the Management Board.</p> <p>Within the Supervisory Board a Remuneration Committee shall be established, composed of 3 (three) members, which shall be responsible for proposing and consulting on the remuneration in accordance with applicable law and the Articles of Association, and shall determine the regulation of the Remuneration Committee. The majority of the members of the Nomination Committee and of the Remuneration Committee shall have the independence requirements provided for by the Corporate Governance Code promoted by Borsa Italiana S.p.A., as well as the further independence requisites provided for by the law and by regulations in force.</p> <p>25.6 - Other Committees. The Supervisory Board may establish Technical Committees or Commissions with advisory functions.</p> <p>Article 26. Chairman of the Supervisory Board. 26.1 - In addition to the provisions of articles 10.1 and 24.1, the Chairman of the Supervisory Board, in a functional manner to the competencies of the Board itself, shall:</p> <ol style="list-style-type: none"> a) coordinate the work of the Supervisory Board; b) receive the proposals submitted by the Management Board in respect of matters to be submitted to the approval of the Supervisory Board for its approval, including those regarding the strategies and general guidelines
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<p>regarding the strategies and general guidelines of the Company and Group, formulating proposals on such matters;</p> <p>c) submit to the Supervisory Board proposals relating to the Company's control activities, and in particular to the consistency of the latter with the strategies and general guidelines approved by the Supervisory Board;</p> <p>d) exercise the functions of supervision over and activation of corporate bodies, control procedures and systems over the activities of the Company and the Group, including through the request and receipt of information from the Manager in charge of preparing the Company's financial reports and from the other persons responsible for the other related functions;</p> <p>e) activate the information instruments necessary to monitor the correctness and adequacy of the organisational structure and the accounting system adopted by the Company and the Group;</p> <p>f) supervise the relations with Shareholders, and verify that such relations are managed correctly, in agreement with the Chairman of the Management Board and with the Managing Director;</p> <p>g) manage relations with the Supervisory Authorities as part and for the purposes of the control and supervision activities of the Supervisory Board;</p> <p>h) manage the necessary and appropriate relations with the Management Board and, in particular, with its Chairman and/or the Managing Director;</p> <p>i) request and receive information on specific aspects of the Company's and the Group's operations and on current and future trends of operations;</p> <p>l) for the purposes of article 25.1, supervise the management of external communication of information regarding the Company, in agreement with the Chairman of the Management Board and with the Managing Director;</p> <p>m) programme, after consultation with the Chairman of the Management Board and the Managing Director, and manage the Company's and the Group's cultural initiatives, to be submitted to the Supervisory Board, with particular reference to the valorisation of the</p>	<p>of the Company and Group, formulating proposals on such matters;</p> <p>c) submit to the Supervisory Board proposals relating to the Company's control activities, and in particular to the consistency of the latter with the strategies and general guidelines approved by the Supervisory Board;</p> <p>d) exercise the functions of supervision over and activation of corporate bodies, control procedures and systems over the activities of the Company and the Group, including through the request and receipt of information from the Manager in charge of preparing the Company's financial reports and from the other persons responsible for the other related functions;</p> <p>e) activate the information instruments necessary to monitor the correctness and adequacy of the organisational structure and the accounting system adopted by the Company and the Group;</p> <p>f) supervise the relations with Shareholders, and verify that such relations are managed correctly, in agreement with the Chairman of the Management Board and with the Managing Director;</p> <p>g) manage relations with the Supervisory Authorities as part and for the purposes of the control and supervision activities of the Supervisory Board;</p> <p>h) manage the necessary and appropriate relations with the Management Board and, in particular, with its Chairman and/or the Managing Director;</p> <p>i) request and receive information on specific aspects of the Company's and the Group's operations and on current and future trends of operations;</p> <p>l) for the purposes of article 25.1, supervise the management of external communication of information regarding the Company, in agreement with the Chairman of the Management Board and with the Managing Director;</p> <p>m) programme, after consultation with the Chairman of the Management Board and the Managing Director, and manage the Company's and the Group's cultural initiatives, to be submitted to the Supervisory Board, with particular reference to the valorisation of the historic, archaeological and artistic heritage and</p>
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historic, archaeological and artistic heritage and to the management of the “Allowance for charitable, social and cultural contributions”;
n) exercise all other functional powers in the exercise of his/her office.

26.2 - In the case of absence or impediment of the Chairman of the Supervisory Board, the longest-serving Deputy Chairperson of the Supervisory Board, intended as the Deputy Chairperson with the longest uninterrupted service or, in the case of equal terms of service, by the eldest Deputy Chairperson, performs his/her functions; in the case of absence or impediment of the latter, functions are performed by the other Deputy Chairperson, or in the case of his/her absence or impediment, by the longest-serving member of the Supervisory Board present and, in the case of equal terms of service, by the eldest Supervisory Board member present.

Article 27. General Managers.

The Management Board, upon proposal by the Managing Director and after consultation with the Supervisory Board, shall appoint, revoke and determine the powers and remuneration of one or more General Managers who report to the Managing Director according to their respective functions and competences. One General Manager may substitute the Managing Director, except for functions which must be performed by the latter.

TITLE VI FINANCIAL STATEMENTS - NET INCOME – SAVINGS SHARES

Article 28. Financial statements and net income.

28.1 - The Company’s financial year closes on 31st December of each year.

28.2 - The Management Board shall prepare the drafts of the Parent Company’s financial statements and consolidated financial statements in accordance with legal requirements.

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n) exercise all other functional powers in the exercise of his/her office.

26.2 - In the case of absence or impediment of the Chairman of the Supervisory Board, the longest-serving Deputy Chairperson of the Supervisory Board, intended as the Deputy Chairperson with the longest uninterrupted service or, in the case of equal terms of service, by the eldest Deputy Chairperson, performs his/her functions; in the case of absence or impediment of the latter, functions are performed by the other Deputy Chairperson, or in the case of his/her absence or impediment, by the longest-serving member of the Supervisory Board present and, in the case of equal terms of service, by the eldest Supervisory Board member present.

Article 27. General Managers.

The Management Board, upon proposal by the Managing Director and after [mandatory opinion](#) with the Supervisory Board, shall appoint, revoke and determine the [functions, competences](#)~~powers~~ and remuneration of one or more General Managers who report to the Managing Director according to their respective functions and competences. One General Manager may substitute the Managing Director, except for functions which must be performed by the latter.

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<p>28.3 - Net income as reported in the financial statements, net of the portion allocated to legal reserves, and the portion which is not available pursuant to the law, shall be distributed as follows:</p> <p>a) a dividend of up to 5% of the nominal value of the non-convertible savings shares shall be distributed to non-convertible savings shares. If in a financial year the dividend is less than 5% of the nominal value of the non convertible savings shares, the difference shall be added to the preferred dividend paid in the following two accounting periods;</p> <p>b) the remaining net income made available for distribution by the Shareholders' Meeting, shall be allocated to all shares so that the dividend attributable to non-convertible savings shares shall exceed the dividend attributable to ordinary shares by an amount equal to 2% of the nominal value of the shares;</p> <p>c) any excess funds shall be allocated to the extraordinary and other reserves, without prejudice to the fact that a portion of such earnings may be used for charities and to support social and cultural activities, through the creation of a specific reserve.</p> <p>28.4 - Unclaimed and forfeited dividends shall be remitted to the Company and allocated to the extraordinary reserve.</p> <p>Article 29. Savings shares.</p> <p>29.1 - Savings shares, which may be in bearer form, entitle the holder to attend and vote at the Special Meeting of savings shareholders.</p> <p>29.2 - Savings shares shall receive privileged dividends as set forth in article 28.3.</p> <p>29.3 - Savings shares have the same rights as other shares in the event of the distribution of reserves.</p> <p>29.4 - In the case of liquidation of the Company, savings shares shall have pre-emptive rights with regard to the reimbursement of the entire nominal value of the shares. The reduction of share capital due to losses does</p>	<p>28.3 - Net income as reported in the financial statements, net of the portion allocated to legal reserves, and the portion which is not available pursuant to the law, shall be distributed as follows:</p> <p>a) a dividend of up to 5% of the nominal value of the non-convertible savings shares shall be distributed to non-convertible savings shares. If in a financial year the dividend is less than 5% of the nominal value of the non convertible savings shares, the difference shall be added to the preferred dividend paid in the following two accounting periods;</p> <p>b) the remaining net income made available for distribution by the Shareholders' Meeting, shall be allocated to all shares so that the dividend attributable to non-convertible savings shares shall exceed the dividend attributable to ordinary shares by an amount equal to 2% of the nominal value of the shares;</p> <p>c) any excess funds shall be allocated to the extraordinary and other reserves, without prejudice to the fact that a portion of such earnings may be used for charities and to support social and cultural activities, through the creation of a specific reserve.</p> <p>28.4 - Unclaimed and forfeited dividends shall be remitted to the Company and allocated to the extraordinary reserve.</p> <p>Article 29. Savings shares.</p> <p>29.1 - Savings shares, which may be in bearer form, entitle the holder to attend and vote at the Special Meeting of savings shareholders.</p> <p>29.2 - Savings shares shall receive privileged dividends as set forth in article 28.3.</p> <p>29.3 - Savings shares have the same rights as other shares in the event of the distribution of reserves.</p> <p>29.4 - In the case of liquidation of the Company, savings shares shall have pre-emptive rights with regard to the reimbursement of the entire nominal value of the shares. The reduction of share capital due to losses does not result in the reduction in the nominal value</p>
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<p>not result in the reduction in the nominal value of savings shares, with the exception of the part which exceeds the total nominal value of other shares.</p> <p>29.5 - In the case of exclusion of the Company’s ordinary or savings shares from trading in regulated markets, the savings shares retain their rights and characteristics, unless otherwise resolved upon by the Extraordinary and Special Shareholders’ Meetings.</p> <p>29.6 - The Common Representative of savings shareholders is appointed for three financial years. The remuneration of the Common Representative is set at 10% (ten per cent) of the remuneration provided for the office of a chairman of a board of statutory auditors based on the Professional Tariffs of Italian “Dottori Commercialisti” and shall be paid by the Company. The Special Meeting can resolve upon a further remuneration, which shall be paid from the reserve set up to cover expenses necessary to safeguard common interests.</p> <p>29.7 - The Common Representative has the obligations and powers provided for by law. The Chairman of the Management Board shall inform the Common Representative without delay, by means of specific communications, about Company operations which may influence the price of savings shares and in particular about proposals which the Management Board has resolved to submit for the approval of the Shareholders’ Meeting regarding transactions on the Company’s share capital, mergers and demergers.</p> <p style="text-align: center;">TITLE VII STATUTORY AUDITS OF ACCOUNTS – WITHDRAWAL –WINDING UP – APPLICATION OF ORDINARY REGULATIONS</p> <p>Article 30. Statutory audits of accounts.</p>	<p>of savings shares, with the exception of the part which exceeds the total nominal value of other shares.</p> <p>29.5 - In the case of exclusion of the Company’s ordinary or savings shares from trading in regulated markets, the savings shares retain their rights and characteristics, unless otherwise resolved upon by the Extraordinary and Special Shareholders’ Meetings.</p> <p>29.6 - The Common Representative of savings shareholders is appointed for three financial years. The remuneration of the Common Representative is set at 10% (ten per cent) of the remuneration provided for the office of a chairman of a board of statutory auditors based on the Professional Tariffs of Italian “Dottori Commercialisti” resolved by the Special Meeting. Such remuneration shall be paid by the Company, up to the amount of 25,000 euro for the entire three-year period. The Special Meeting can resolve upon a further remuneration, which shall be paid from the reserve set up to cover expenses necessary to safeguard common interests.</p> <p>29.7 - The Common Representative has the obligations and powers provided for by law. The Chairman of the Management Board shall inform the Common Representative without delay, by means of specific communications, about Company operations which may influence the price of savings shares and in particular about proposals which the Management Board has resolved to submit for the approval of the Shareholders’ Meeting regarding transactions on the Company’s share capital, mergers and demergers.</p> <p style="text-align: center;">TITLE VII STATUTORY AUDITS OF ACCOUNTS – WITHDRAWAL –WINDING UP – APPLICATION OF ORDINARY REGULATIONS</p> <p>Article 30. Statutory audits of accounts. The statutory audits of the accounts shall be</p>
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The statutory audits of the accounts shall be carried out by an independent auditing firm which meets the applicable legal requirements. The assignment and the revocation of the engagement, the duties and the responsibilities are provided for by law and the Articles of Association.

Article 31. Withdrawal.

31.1 - The right of withdrawal may be exercised only in those cases exclusively provided by law. The right of withdrawal is excluded for those shareholders which did not participate in the approval of the resolutions regarding:

- the extension of the Company' s duration;
- the introduction or cancellation of restrictions of the circulation of shares.

31.2 - The terms and methods of the exercise of the right of withdrawal, the criteria to determine the value of the shares and the related liquidation procedure are governed by the law.

Article 32. Winding up.

Without prejudice to any different law provisions, if there is a reason for winding up, the Shareholders' Meeting shall establish the manners of liquidation, and appoint one or more liquidators.

Article 33. Application of ordinary regulations.

The provisions of law apply to any matter not regulated by the Articles of Association.

**TITLE VIII
TRANSITORY RULES**

Article 34. Integrity, professional and independence requirements.

34.1 - Transitory rule.

Until a new supervisory and/or regulatory discipline for members of corporate bodies in the dual system is in force, the following provisions shall apply.

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**TITLE VIII
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Article 34. Integrity, professional and independence requirements.

34.1 - Transitory rule.

Until a new supervisory and/or regulatory discipline for members of corporate bodies in the dual system is in force, the following provisions shall apply.

34.2 - Integrity requirements.

Supervisory Board members and Management Board members must meet the integrity requirements set forth for bank managers by the Regulation adopted with Ministerial Decree No. 161 dated 18th March 1998, as well as those set forth for Statutory Auditors of listed companies by the Regulation adopted with Ministerial Decree No. 162 dated 30th March 2000.

34.3 - Professional requirements of Supervisory Board members.

Supervisory Board members shall meet the professional requirements set forth for bank directors by the Regulation adopted with Ministerial Decree No. 161 dated 18th March 1998, as well as those set forth for Statutory Auditors of listed companies by the Regulation adopted with Ministerial Decree No. 162 dated 30th March 2000. The Chairman of the Supervisory Board must also meet the professional requirements set forth for the Chairman of the Board of Directors of banks by the aforementioned Regulation.

34.4 - Professional requirements of Management Board members.

Management Board members, the Chairman of the Management Board and the Managing Director shall meet the professional requirements set forth for bank managers by the Regulation adopted with Ministerial Decree No. 161 dated 18th March 1998.

Article 35 Key Terms of the Integration Plan.

The Key Terms of the Integration Plan, as defined in the project for the merger in Banca Intesa S.p.A. of Sanpaolo IMI S.p.A., shall only be modified with resolution of the Management Board adopted with the majority of two thirds of the members in office, following the authorisation of the Supervisory Board resolved upon with a qualified majority of two thirds of members in office, for the duration of the first mandate of the Supervisory Board.

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[Article 36. Provisions on gender balance in the structure of the administrative and](#)

	<p><u>control bodies. Additional amendments to the Articles of Association introduced by the Shareholders' Meeting on 29 October 2012.</u></p> <p><u>All the provisions of the Articles of Association on gender balance and, specifically, those directly set forth or referred to in articles 13.1, 13.4, 13.5, 22.1, 22.2, 23.1, 23.4, 23.5, 23.7 and 23.9 shall be applied on the first renewal of the bodies to which these provisions apply following approval by the Shareholders' Meeting of the new text of the Articles of Association, and shall apply for the following three terms of office, respectively within the limits provided by the current regulations.</u></p> <p><u>All the additional amendments to articles 10.1, 13.1, 13.2, 13.4, 13.5, 13.6, 13.9, 15, 16.5, 17.2, 18.2, 18.3, 24.8, 25.1.1 and 27 shall apply to the first renewal of the corporate bodies to which these provisions apply following approval by the Shareholders' Meeting of the new text of the Articles of Association.</u></p>
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Therefore, the Shareholders are invited to approve the following proposed resolution:

“Proposed resolution

The Extraordinary Shareholders’ Meeting of Intesa Sanpaolo S.p.A.

r e s o l v e s

1) to repeal Article 5.2 of the Articles of Association, thus eliminating the numbering of Article 5.1;

2) to approve the amendments to Articles 7, 9, 10, 13, 15, 16, 17, 18, 22, 23, 24, 25, 27 and 29 of the Articles of Association set forth in the Report of the Management Board, and which are transcribed here below:

“7.3. - The Ordinary Shareholders’ Meeting shall:

1) appoint, determine the number of, and revoke the members of the Supervisory Board, determine their remuneration as per article 23.13 and elect the Chairman and two Deputy Chairpersons, according to provisions of article 23 below;

2) resolve upon the responsibilities of the members of the Supervisory Board and, pursuant to articles 2393 and 2409-decies of the Italian Civil Code, also upon the responsibilities of the members of the Management Board, without prejudice to the concurrent competence of the Supervisory Board pursuant to article 25.1.1, letter c);

3) resolve upon the distribution of net income;

4) assign the engagement for the statutory audit of accounts on motivated proposal of the Supervisory Board and, once the opinion of the Supervisory Board has been required, revoke the engagement granted, where necessary;

5) approve the financial statements in case they are not approved by the Supervisory Board;

6) approve the remuneration policies for Management Board Members and share-based plans, in accordance with the provisions of law and regulations in force;

7) resolve upon the other matters assigned to it by the regulations in force or by the Articles of Association.”

“9.4 – For each Meeting, the Company appoints, disclosing it in the convocation notice, one or more parties on whom holders of voting rights can confer a proxy with instructions to vote on all or some of the items on the agenda, in accordance with the terms of applicable regulatory provisions. The proxy is valid only to the extent of the proposals on which instructions to vote have been conferred.”

“10.1. - The Shareholders’ Meeting is chaired by the Chairman of the Supervisory Board or, in case of his/her absence or impediment, by the longest-serving Deputy Chairperson of the Supervisory Board, intended as the Deputy Chairperson with the longest uninterrupted service or, in the case of equal term of service by the eldest Deputy Chairperson, or in the case of his/her absence or impediment, by the other Deputy Chairperson. If all of the above are absent or impeded, the Shareholders’ Meeting is chaired by the Chairman of the Management Board or, in case of his/her absence or impediment, by the longest-serving Deputy Chairperson of the Management Board as described above or, in case of his/her absence or impediment, by the other Deputy Chairperson; if also the latter is absent or impeded, the Shareholders’ Meeting shall be chaired by another person designated by the Shareholders attending the meeting.”

“13.1. - Composition.

The management of the Company is exercised by the Management Board, composed of a minimum of 7 (seven) and a maximum of 11 (eleven) members, including non shareholders, appointed by the Supervisory Board, which determines their number at the time of appointment.

Without prejudice to regulatory restrictions, a number of Management Board Members shall be chosen from amongst Managers of companies belonging to the Intesa Sanpaolo Banking Group according to the following formula: 2 (two) for a Management Board made up of 7 (seven) or 8 (eight) members; 3 (three) for a Management Board made up of 9 (nine) or 10 (ten) members; 4 (four) for a Management Board made up of 11 (eleven) members.

The number of Managers determined above shall not include the Member indicated as Managing Director pursuant to Article 25.1.1, letter d), of the Articles of Association, if he/she is a Manager, at the time of appointment, or is subsequently appointed Manager, of a company belonging to the Intesa Sanpaolo Banking Group.

To the gender with numerically lower representation shall be reserved, at a minimum, the number of members established by the current law with regard to gender balance in the structure of the administrative and control bodies of listed companies in regulated markets.”

“13.2. - Requirements and incompatibilities.

Individuals who are either ineligible or disqualified from office pursuant to article 2382 of the Italian Civil Code may not be appointed as members of the Management Board. The same limitations apply to individuals who do not meet the integrity, professional and independence requirements required by applicable law and regulations. At least one of the members of the Management Board must meet the independence requirements provided for by article 148, paragraph 3, of Legislative Decree No. 58 dated 24th February 1998.

Individuals who have exceeded the limit of four offices in the management, direction or control of other listed companies or parent companies or subsidiaries of listed companies (up to a maximum of four offices within one group shall be considered as one office; if such limit is exceeded, they shall be considered as two offices) may not be appointed as members of the Management Board and, if they are appointed, they shall be disqualified from office.

The foregoing shall be without prejudice to the provisions of applicable laws and regulations relating to ineligibility and to disqualification from office, as well as the limits to the number of offices held, where more restrictive.

Members of the Supervisory Board may not be appointed as members of the Management Board for the entire term of their office.”

“**13.4. - Integration.**

In the event that the number of members of the Management Board is lower than the maximum number, the Supervisory Board may at any time increase such number, in compliance with the provisions of article 13.1. The term of office of the newly appointed members expires together with the term of the members on office at the time of their appointment.”

“**13.5.- Substitutions.**

If one or more members of the Management Board leave service, the Supervisory Board shall substitute them without delay, in compliance with the provisions of articles 13.1 and 13.2. The term of office of the newly appointed members expires simultaneously with the term of the members in office at the time of their appointment.”

“**13.6.- Revocation.**

The members of the Management Board may be revoked by the Supervisory Board at any time, without prejudice to their right to be indemnified if the revocation occurs without just cause.

With regard to the members of the Management Board chosen from amongst Managers of the Intesa Sanpaolo Banking Group, loss of management positions or functions held at the time of the appointment, for any reason, shall constitute just cause for revocation, unless the Supervisory Board deems that there are exceptional circumstances due to which the position should be maintained.”

“**13.9.- Appointment of the Chairman and Deputy Chairpersons of the Management Board. Secretary.**

The Supervisory Board, on the basis of the proposal submitted by the Nomination Committee provided for by article 25.5 below, shall appoint the Chairman of the Management Board and two executive Deputy Chairpersons of the Management Board, selecting them from members other than the Managers pursuant to article 13.1, paragraph 2 of the Articles of Association.

The Management Board may appoint a Secretary who must not necessarily be a member of such Board.”

“**Article 15. Remuneration of members of the Management Board who are appointed to particular positions.**

The remuneration of the members of the Management Board who are vested with particular offices, tasks or powers of attorney, shall be determined pursuant to Article 25.1.1, letter a) of the Company’ s Articles of Association.”

“**16.5.- Resolutions with qualified majorities.**

Resolutions concerning the following matters shall be validly adopted with the favourable vote of the majority of Management Board members in office:

- the appointment, revocation as well as the grant, amendment or revocation of powers of the Managing Director;
- the appointment and revocation, further to the mandatory opinion of the Supervisory Board, of the Manager in charge of drafting the Company' s financial reports provided for by article 154-*bis* of Legislative Decree No. 58 dated 24th February 1998, and determination of the relevant means, powers and remuneration.
- the appointment to particular offices or the grant of specific powers of attorney to one or more Board members and determination of the relevant powers.

Resolutions concerning the appointment, revocation and determination of the functions, competences and remuneration of General Managers as set forth in article 27 of the Articles of Association shall be validly adopted with the favourable vote of the majority of Management Board members in office, further to the mandatory opinion of the Supervisory Board.”

“17.2.- Competences which must not be delegated.

Save for powers and attributes of the Supervisory Board provided for by article 25.1 below, in addition to the responsibilities that cannot be delegated according to the law, the Management Board shall have the exclusive responsibility for the following decisions:

- a) the determination of proposals concerning the general strategic guidelines of the Company and the Group to be submitted to the Supervisory Board, as well as the preparation of business and/or financial plans as well as the budgets of the Company and the Group to be submitted to the approval of the Supervisory Board pursuant to article 2409-*terdecies* and Article 25.1.2., lett. a) of the Articles of Association;
- b) the definition of guidelines and policies related to risk management (including the policy relative to the risk of non-compliance) and to internal audit, to be submitted to the Supervisory Board's approval.
- c) the appointment and revocation of the Managing Director, and the delegation, modification or revocation of the relevant powers;
- d) the appointment to particular offices or the grant of particular powers of attorney to one or more members of the Management Board and the determination of the relevant powers;
- e) the appointment and revocation of one or more General Managers, as provided for by Article 27 of the Articles of Association, and determination of the relevant powers and compensation;
- f) purchase and sale of equity investments which lead to changes in the Banking Group;
- g) the assessment of the adequacy of the Company' s organisational, administrative and accounting structure;
- h) the determination of criteria for the coordination and direction of the companies belonging to the Group and for the implementation of the instructions issued by the Bank of Italy;
- i) the appointment and revocation, further to the mandatory opinion of the Supervisory Board, of the Manager in charge of drafting the Company's financial reports provided for by article 154-*bis*

of Legislative Decree no. 58 of 24 February 1998, and determination of the relevant means, powers and remuneration; the supervision provided for by the same art. 154-*bis*.

- l) the appointment and revocation, further to the favourable opinion of the Supervisory Board, of the Managers of internal control functions (including internal audit, compliance to regulations and risk management), pursuant to applicable laws or regulations;
- m) the preparation of the draft of the Parent Company's financial statements and consolidated financial statements;
- n) the share capital increases which may be delegated pursuant to article 2443 of the Italian Civil Code, with the exclusion of the faculty to adopt the resolutions provided for in paragraphs 4 and 5 of article 2441 of the Italian Civil Code; the issue of convertible bonds pursuant to article 2420-*ter* of the Italian Civil Code;
- o) the Management Board's duties provided for under articles 2446 and 2447 of the Italian Civil Code;
- p) the preparation of merger and demerger projects;
- q) the arrangement of transactions to be submitted to the authorisation of the Supervisory Board pursuant to article 25.1.2 letter a) or approval pursuant to article 25.1.2 letter c), as well as the approval of transactions having a single value exceeding 3% of consolidated regulatory capital;
- r) the determination of criteria to identify the related party transactions reserved to the Management Board's competence;
- s) the designation of members of corporate bodies of subsidiaries, including Executive Board Members;
- t) the approval of major internal regulations and the amendment thereof;
- u) the determination, after consultation with the Supervisory Board, of incentive and remuneration schemes for top managers working within the Company's organisational and operational structure, as well as of remunerations paid to managers of internal control functions appointed pursuant to letter l) of this Article.

As provided for under article 2436 of the Italian Civil Code and without prejudice to article 25.1.2 letter a) of the Company's Articles of Association, the Management Board is further exclusively responsible for the adoption of resolutions concerning mergers and demergers in the cases provided for under articles 2505 and 2505-*bis* of the Italian Civil Code.

Resolutions provided for by letters c), d), n), o), r) herein are taken on the basis of the proposal made by the Chairman of the Management Board. Resolutions provided for under the remaining letters above are taken on the initiative and the proposal made by the Managing Director. The foregoing is without prejudice to the power to submit proposals of each member of the Management Board."

"18.2.- In urgent cases, (i) the Chairman of the Management Board or, in the case of his/her absence or impediment, (ii) the eldest Deputy Chairperson, as provided for by article 18.3, in both cases in agreement with the Managing Director - may take resolutions on any matters within the

powers of the Management Board, with the exception of the matters which may not be delegated and are solely within the powers of the same Board.

The same rules apply to the approval of urgent resolutions that may not be delegated as per Article 17.2 of the Articles of Association, concerning:

- transactions having a unit value exceeding 3% of the consolidated regulatory capital, and equal to or lower than 6% of said capital, pursuant to letter q) in the second part of article 17.2 of the Articles of Association, provided that such transactions are unrelated to matters for which a resolution, approval or authorization by the Supervisory Board is required under article 25.1 of the Articles of Association;
- the designation of members of corporate bodies of subsidiaries, set forth by letter s) of article 17.2.

In case of urgency, the Managing Director has the sole lending power.

The Management Board must be informed of such decisions at the next meeting.”

“**18.3.-** Subject to article 18.2, in the case of absence or of impediment of the Chairman of the Management Board, Chairman functions are exercised by the eldest Deputy Chairperson of the Management Board in office, intended as the Deputy Chairperson with the longest uninterrupted service or, in the case of equal terms of service, by the eldest Deputy Chairperson; in case of absence or impediment of the latter, such functions are exercised by the other Deputy Chairperson, or in case of his/her absence or impediment, by the Managing Director or, in the case of absence or impediment of the Managing Director, Chairman functions shall be carried out by the longest-serving member of the Management Board and, in the case of equal terms of service, by the eldest member of the Management Board.

Vis-à-vis third parties, the signature of whoever substitutes the Chairman shall constitute evidence of absence or impediment of the Chairman.”

“**22.1.- Composition.**

The Supervisory Board is composed of a minimum of 15 (fifteen) and a maximum of 21 (twenty one) members, including non shareholders, appointed by the Shareholders’ Meeting.

The gender with numerically lower representation must be reserved at least the number of Members established by the current laws on gender balance in the structure of the administrative and control bodies of companies listed on regulated markets.

The members of the Supervisory Board must meet the integrity, professional and independence requirements provided for by the applicable laws and regulations.

Furthermore, at least four Board members must be enrolled with the Register of Legal Auditors and must have practiced as auditors for at least a three-year period and at least ten members must meet the independence requirements provided for by the Corporate Governance Code promoted by the Italian Stock Exchange.

The requirement of enrolment with the Register of Legal Auditors and the independence requirements according to the Corporate Governance Code promoted by the Italian Stock Exchange may be met by the same person.”

“**22.2.- Integration.**

Where the number of members of the Supervisory Board is lower than the maximum number provided for above, the Shareholders’ Meeting may increase their number during their term. The new members are appointed by the Ordinary Shareholders’ Meeting as provided for by article 23 of the Articles of Association, safeguarding the regulations on gender balance by applying the supplementary mechanism envisaged by article 23.4.”

“**23.1.- List of candidates.**

The election of members of the Supervisory Board shall take place on the basis of lists prepared by Shareholders according to the following rules:

- a) Shareholders representing at least 0.5%, or the percentage set forth by regulations in force, of ordinary share capital may submit a list of candidates listed in order of progressive number, containing from a minimum of 2 (two) to a maximum of 21 (twenty-one) names. The lists must be deposited at the Company’ s registered office at least twenty-five days before the date of the Shareholders’ Meeting called to elect the Members of the Supervisory Board, together with the information relative to the Shareholders presenting the lists, with the indication of the total percentage stake held, as well as exhaustive information on the personal and professional characteristics of each candidate, of a declaration of each candidate attesting that he/she meets the requirements applied to all or certain of the Members of the Supervisory Board provided for by law, regulations and the Articles of Association, as well as a declaration in which he/she accepts the candidacy. In order to give evidence of the number of shares necessary to submit a list, the relevant communication may also be submitted after deposit of the list, but not later than twenty-one days before the date of the date set for the meeting, following the procedure set out in the applicable law;
- b) each Shareholder may not submit – and the persons having voting rights may not vote for - more than one list of candidates, even by proxy or by fiduciary companies. Each candidate may only be part of one list, if such condition is not met the candidate shall not be eligible;
- c) each list containing a number of candidates equal to or greater than 3 (three) must be composed in such a way as to ensure the gender balance envisaged by current law;
- d) if at the expiry of the term provided for by letter a) only one list has been presented, the Company promptly informs the market via a press release sent to at least two press agencies; in this case, lists may be presented within the time limit set out in the legislation in force, without prejudice to the other conditions and means of presentation provided for above;
- e) the foregoing shall be without prejudice to the other and further provisions set forth by law as concerns the means and terms of presentation and publication of the lists.

Lists which do not comply with the above provisions shall be considered as not submitted. However, any irregularities in the lists concerning single candidates shall not result in the automatic exclusion of the entire list, but only of the candidates to which the irregularities refer.”

“23.4.- Supplementary mechanism.

If, on conclusion of voting, the composition of the Supervisory Board does not reflect the gender balance envisaged by current regulations, the candidate of the over-represented gender with the lowest ratio shall be excluded. The excluded candidate will be substituted by the subsequent candidate of the under-represented gender of the same list. If necessary, this procedure shall be repeated until the composition of the Board complies with current regulations.

If, even following the above substitution procedure, an insufficient number of Supervisory Board members meeting the requirements provided for by article 22.1, paragraph 4 of the Articles of Association have been appointed, new substitutions shall be performed according to a procedure similar to that set forth in paragraph 1, excluding the candidates with the lowest ratio and who do not meet either of the two requirements provided for the above-mentioned article 22.1, always in compliance with the current regulations on the matter of gender balance.

If, through applying the aforementioned criterion, it is not possible to complete the number of Board members to be appointed, the Shareholders' Meeting shall appoint the other Supervisory Board members with resolution adopted by a simple majority of votes cast on proposal submitted by the persons having voting rights attending the Meeting.”

“23.5.- Supervisory Board Member appointed by minorities

The application of provisions from 23.2 to 23.4 must in any case permit that at least one Supervisory Board Member be elected by minority shareholders who are not connected, even indirectly, with shareholders who have presented or with persons who have voted the list which obtained the highest number of votes.

For this purpose, where necessary, the elected candidate with the lowest ratio shall be substituted by the candidate with the immediately lower quotient presented by a list with the characteristics indicated above.

If, adopting the criterion set forth in the above paragraph, the gender balance required by current regulations is not achieved, the elected candidate with the lowest ratio shall be substituted by the subsequent candidate of the gender with numerically lower representation with the immediately lower ratio presented by a list with the characteristics indicated above.

In the event that the lists with the characteristics indicated above contain no candidates of the gender with numerically lower representation, the Shareholders' Meeting shall immediately appoint the substituted Supervisory Board member with resolution adopted by a simple majority of votes cast on proposal submitted by persons having voting rights attending the meeting, in compliance with the principle of the need to represent minorities and the current regulations on gender balance.”

“23.7.- No lists.

Should no list be submitted in a timely manner, the Meeting shall pass a resolution with the relative majority of votes of the capital represented at the Meeting, without prejudice to the necessary compliance with the current regulations on gender balance. In case of equality of votes, candidates shall be appointed by means of a further ballot. ”

“23.9.- Substitutions.

If a member of the Supervisory Board leaves service for whatever reason, he/she shall be substituted by the first non-appointed candidate belonging to the list of the Supervisory Board member leaving service or, if, following the application of this criteria, the balance of genders required by current regulations is not achieved, by the first non-appointed candidate of the minority gender of the same list as the member leaving service. If the person identified based on the above criterion does not meet the requirements of law, regulation or the Articles of Association, of the member leaving service, the leaving member shall be substituted by the first non-appointed candidate from the same list, meeting the same requirements as the member to be substituted, in compliance, in any event, with the principle of the current regulations on the balance of genders.

Where, for whatever reason, it is not possible to effect the substitution based on the above criteria, the member of the Supervisory Board who leaves service will be substituted without delay by the Ordinary Shareholders’ Meeting with resolution passed by a simple majority of votes cast upon the proposal of the persons having voting rights attending the meeting, without the presentation of lists, in compliance, in any event, with the principle of the current regulations on the balance of genders.

The substitution of the Supervisory Board Member must in any case ensure the presence of at least one Member with the characteristics provided for by article 23.5, even through the application of procedures set forth by regulations in force.

The term of office of these members expires simultaneously with the term of the members in office at the time of their appointment.”

“24.8.- Resolutions with qualified majorities.

The majority of Supervisory Board members in office shall be required for resolutions regarding the appointment of the Chairman and the Deputy Chairpersons of the Management Board.”

“25.1.1 The Supervisory Board shall:

- a. upon the proposal submitted by the Nomination Committee, appoint and remove the members of the Management Board, the Chairman and two Deputy Chairpersons of the Management Board and determine their remuneration, after consultation with the Remuneration Committee; also determine, after consultation with the Remuneration Committee, the remuneration of the Managing Director and of the members of the Management Board who have been given special offices, duties or powers of attorney;
- b. approve the Parent Company’s financial statements and the consolidated financial statements;
- c. act against members of the Management Board;

d. indicate to the Management Board the Managing Director and executive board members in compliance with supervisory regulations in force; express a mandatory opinion on the Manager responsible for preparing the Company's financial reports pursuant to art. 154-*bis* of Legislative Decree No. 58 dated 24 February 1998."

"25.4.- Control Committee.

The Supervisory Board shall establish, for the purpose of facilitating the exercise of its control and supervision functions, a specific Control Committee, composed of 5 (five) members, determining the powers, means and regulations of the Control Committee, as well as the means and terms of the information to be provided to the Supervisory Board.

Without prejudice to the enforcement of specific regulations and/or supervisory rules, the members of the Control Committee shall be selected among the members of the Supervisory Board, except its Chairman. All members of the Control Committee shall have the independence requirements provided for by the Corporate Governance Code promoted by Italian Stock Exchange, as well as any further independence requirements provided for by the law and regulations in force, and at least three of them must be enrolled with the Register of Auditors and must have practiced as auditors for at least three years.

Without prejudice to the provisions of article 23.12, the Shareholders' Meeting, by means of a duly justified resolution, may remove any members of the Supervisory Board who are also members of the Control Committee.

The Supervisory Board, by a duly justified resolution, may replace any members of the Control Committee.

In particular, the Control Committee proposes, consults and enquires on matters regarding internal controls system, risk management and the ICT and accounting system. The Committee may at any time, through the Company's appropriate functions, carry out inspections and controls, including upon request by the Supervisory Board, and exchange information with the control bodies of Group companies with respect to their management and control systems and the general performance of their business.

The Control Committee is the permanent reference point for the Company's organisational structures in charge of control functions; from such structures the Control Committee obtains periodic reports or briefings on specific situations or company trends, and promptly informs the Supervisory Board of any action or fact that may be regarded as significant under article 52 of Legislative Decree No. 385 of 1 September 1993.

Members of the Committee shall attend the Management Board meetings."

"Article 27. General Managers.

The Management Board, upon proposal by the Managing Director and after mandatory opinion of the Supervisory Board, shall appoint, revoke and determine the functions, competences and remuneration of one or more General Managers who report to the Managing Director according to

their respective functions and competences. One General Manager is deputy to the Managing Director, except for those functions which must be performed by the latter.

“29.6.- The Common Representative of savings shareholders is appointed for three financial years. The remuneration of the Common Representative is resolved by the Special Meeting. Such remuneration shall be paid by the Company, up to the amount of 25,000 euro for the entire three-year period.

The Special Meeting can resolve upon a further remuneration, which shall be paid from the reserve set up to cover expenses necessary to safeguard common interests.”

3) include the new article 36 in the Articles of Association:

“Article 36. Provisions on gender balance in the structure of the administrative and control bodies. Additional amendments to the Articles of Association introduced by the Shareholders' Meeting on 29 October 2012.

All the provisions of the Articles of Association on gender balance and, specifically, those directly set forth or referred to in articles 13.1, 13.4, 13.5, 22.1, 22.2, 23.1, 23.4, 23.5, 23.7 and 23.9 shall be applied on the first renewal of the bodies to which these provisions apply following approval by the Shareholders' Meeting of the new text of the Articles of Association, and shall apply for the following three terms of office, respectively within the limits provided by the current regulations.

All the additional amendments to articles 10.1, 13.1, 13.2, 13.4, 13.5, 13.6, 13.9, 15, 16.5, 17.2, 18.2, 18.3, 24.8, 25.1.1 and 27 shall apply to the first renewal of the corporate bodies to which these provisions apply following approval by the Shareholders' Meeting of the new text of the Articles of Association.”

28 September 2012

For the Management Board

The Chairman – Andrea Beltratti