

# ARTICLES OF ASSOCIATION

## SECTION I

### NAME, REGISTERED OFFICE, DOMICILE, DURATION, CORPORATE PURPOSE

#### 1. **Company name**

- 1.1 An Italian joint-stock company is established under the company name “**Kruso Kapital S.p.A.**” (the “**Company**”), with no restrictions as to graphic representation. The Company name may be written in any graphic form and in lower and/or upper case letters.
- 1.2 The Company is part of the “Banca Sistema Group” (the “**Group**”) headed by Banca Sistema S.p.A. (the “**Parent Company**”). In this capacity, the Company is obliged to observe and ensure its subsidiaries observe the provisions that the Parent Company, in the performance of its management and coordination activities, issues to implement the instructions laid down by the Bank of Italy in the interests of the Group’s stability.
- 1.3 The directors of the Company provide the Parent Company with all data and information for the issuance of the provisions and verification of compliance with the applicable regulations.

#### 2. **Registered office, domicile**

- 2.1 The Company has its registered office and general management in Milan, Italy, at the address recorded in the competent register of companies.
- 2.2 The Board of Directors may establish or close secondary offices, management and operating offices, subsidiaries, branches, agencies, representative offices, plants or local production and management units, however named, in Italy or abroad, as well as transfer the registered office within national territory.
- 2.3 The domicile of the shareholders, directors and auditors, for all relations with the Company, shall for all purposes be deemed to be that resulting from the shareholders’ register and other company books, unless a different election of domicile is communicated in writing to the Board of Directors.

#### 3. **Duration**

- 3.1 The duration of the Company is fixed until 31 December 2100 and may be extended in accordance with the law.

#### 4. **Corporate purpose**

- 4.1 The Company’s purpose is to engage in the business of granting loans to the public, in particular in the form of collateralised loans backed by movable property, governed by Italian Law No. 745 of 10 May 1938 and Italian Royal Decree No. 1279 of 25 May 1939.
- 4.2 The Company may also carry out the following instrumental or related activities and/or operations in compliance with the legislation applicable from time to time on confidential activities:
  - acquire, within the limits set forth in Art. 2361 of the Italian Civil Code, either directly or indirectly, interests, equity investments and quotas, in any form whatsoever, in enterprises, companies or business consortia whose

- purpose is closely related or instrumental to the achievement of the corporate purpose;
- carry out any commercial or financial operation, whether in movable or immovable assets, necessary or instrumental to the achievement of the corporate purpose.
- 4.3 The Company must indicate the company or entity to whose management and coordination activities it is subject in its deeds and correspondence, as well as by means of registration by the directors with the section of the register of companies referred to in Art. 2497-*bis*(2) of the Italian Civil Code.

## SECTION II

### SHARE CAPITAL and SHARES, WITHDRAWAL, CIRCULATION OF SHARES

#### 5. Share capital

- 5.1 The share capital is €24,609,593.00 and is divided into 24,609,593 shares with no nominal amount (“**Shares**”).
- 5.2 The share capital may be increased in accordance with the law. In the event of an increase, pre-emptive rights will be reserved for the shareholders, in accordance with Art. 2441 of the Italian Civil Code and unless the relevant pre-emptive right is excluded or does not accrue in accordance with the law. The Shareholders’ Meeting shall have the power to delegate to the directors the power to increase the share capital in one or more instalments up to a determined amount and for a maximum period of five years from the date of the resolution pursuant to Art. 2443 of the Italian Civil Code. In the event of a capital increase, newly issued shares may be assigned in an amount that is not proportional to the contributions, provided that the shareholders concerned agree to this.
- 5.3 The Shares are subject to the dematerialisation regime pursuant to the applicable regulations and entered into the centralised management system for financial instruments pursuant to Articles 83-bis *et seq.* of Italian Legislative Decree No. 58 of 24 February 1998 (the “**Consolidated Law on Finance**”) and applicable regulations.
- 5.4 Shares are registered and indivisible.
- 5.5 Each Share gives the right to one vote.
- 5.6 The Shares confer equal rights on their holders.
- 5.7 Ownership of even a single Share constitutes, in itself, adherence to these Articles of Association and to the resolutions passed by the Shareholders’ Meeting in accordance with the law and the Articles of Association.
- 5.8 If the Shares are admitted to trading on regulated markets or multilateral trading facilities, including Euronext Growth Milan (“**EGM**”), pursuant to Art. 2441(4)(2) of the Italian Civil Code, at the time of the capital increase, pre-emptive rights may be excluded to the extent of 10% (ten per cent) of the pre-existing share capital, provided that the issue price corresponds to the market value of the ordinary shares and this is confirmed in a special report by a statutory auditor or independent auditors.
- 5.9 Shareholders’ contributions may be in cash, goods in kind or receivables.

- 5.10 The allocation of profits to the employees of the Company and/or its subsidiaries by means of the issue of shares pursuant to Art. 2349(1) of the Italian Civil Code is permitted in the manner and form prescribed by law.
- 5.11 Within the limits set forth by law, and provided the relevant conditions are met, the Company, in compliance with the applicable regulations, may issue (a) categories of shares provided with different rights, including with regard to the incidence of losses, i.e. shares without voting rights, with voting rights limited to particular topics, with voting rights subject to the occurrence of particular conditions that are not merely potestative or with multiple voting rights; (b) financial instruments provided with equity or administrative rights, excluding the right to vote in the general Shareholders' Meeting, pursuant to Articles 2346(6) and 2349(2) of the Italian Civil Code; and (c) warrants and bonds, also convertible into Shares or other classes of shares or other securities where permitted by law, whether registered or bearer, ordinary or indexed, in accordance with the applicable regulations.
- 5.12 The Company may acquire loans from its shareholders against payment or free of charge, with or without an obligation of repayment, including non-repayable capital contributions, in compliance with the regulations in force.

## **6. Withdrawal**

- 6.1 Shareholders have the right to withdraw from the Company under the mandatory cases laid down by law. The right of withdrawal in the cases under Art. 2437(2) of the Italian Civil Code is expressly excluded. The terms and procedures for withdrawal are governed by Art. 2437-*bis* of the Italian Civil Code.
- 6.2 If the Shares are traded on the EGM, the right of withdrawal is also granted to shareholders who did not participate in the approval of the resolutions entailing, even indirectly, their exclusion or removal from trading, except in the event that, as a result of the execution of the resolution, the shareholders of the Company hold, or are assigned, shares admitted to trading on a regulated market or a multilateral trading facility of the European Union. This provision is not applicable if the Company qualifies as a company making use of the risk capital market pursuant to the provisions of Articles 2325-*bis* and 2437(4) of the Italian Civil Code.

## **7. Circulation and trading of Shares**

- 7.1 The Shares are freely transferable under current applicable regulations.
- 7.2 The Shares may be admitted to trading on regulated markets and multilateral trading facilities in accordance with applicable regulations, with particular reference to the markets and multilateral trading facilities organised and managed by Borsa Italiana S.p.A. ("**Borsa Italiana**").
- 7.3 Where:
- the Shares are found to be widely distributed among the public, pursuant to the combined provisions of Articles 2325-*bis* of the Italian Civil Code, 111-*bis* of the implementing provisions of the Italian Civil Code and 116 of the Consolidated Law on Finance;

- admission to multilateral trading facilities (including the EGM) or regulated markets determines the Company's status as a venture capital company pursuant to Art. 2325-*bis* of the Italian Civil Code,

the relevant provisions of the Italian Civil Code and the Consolidated Law on Finance, as well as other legislative and regulatory sources, shall apply to the Company, and any clauses of these Articles of Association that are incompatible with the rules laid down for such companies shall automatically lapse.

- 7.4 The occurrence of the circumstances referred to in Section 7.3 above shall be certified by the Board of Directors by a resolution adopted with the statutory majorities. If the Board of Directors fails to do so, the fulfilment of the conversion requirement shall be certified by the Board of Statutory Auditors with a resolution passed with the vote in favour of the majority of its members. Each of the members of the Board of Directors has the right, individually, to file with the register of companies, pursuant to Art. 2436(6) of the Italian Civil Code, the text of the Articles of Association, with the elimination of any clauses of the Articles of Association that have lapsed.

## 8. Identification of shareholders

Art. 83-*duodecies* of the Consolidated Law on Finance and its implementing provisions in force at the time apply to the identification of the Company's shareholders.

## SECTION III

### PUBLIC TAKEOVER AND EXCHANGE OFFER – SIGNIFICANT EQUITY INVESTMENTS

## 9. Public takeover and exchange offer

- 9.1 As from the moment when the Shares issued by the Company are admitted to trading on the EGM, the provisions on compulsory public takeover and exchange offers relating to listed companies set forth in the Consolidated Law on Finance and CONSOB's implementing regulations (hereinafter, the "**Reference Regulations**") are applicable by voluntary recall and to the extent compatible, limited to the provisions referred to in the Euronext Growth Milan Issuers' Regulations as subsequently amended (the "**EGM Issuers' Regulations**").
- 9.2 Any determination appropriate or necessary for the proper conducting of the offer (including those possibly relating to the determination of the offer price) will be adopted pursuant to Art. 1349 of the Italian Civil Code, at the request of the Company and/or the shareholders, by the panel referred to in the EGM Issuers' Regulations prepared by Borsa Italiana, which will also provide for the time frames, procedures, costs of the relevant proceedings, and the publicity of the measures thus adopted in accordance with the EGM Issuers' Regulations.
- 9.3 Without prejudice to any legal right of the addressees of the offer, the exceeding of the equity investment threshold set forth in Art. 106(1)(1-*bis*), (1-*ter*), (3)(a), (3)(b) - without prejudice to the provision set forth in paragraph 3-*quater* - and (3-*bis*) of the Consolidated Law on Finance if not accompanied by the communication to the Board of Directors and the submission of a total

takeover offer within the time frames stipulated by the reference regulations and by any determination eventually made by the panel with reference to such offer, as well as any failure to comply with such determinations shall entail the suspension of the voting right on the exceeding equity investment.

**10. Purchase obligation and purchase right**

- 10.1 As from the moment when the Shares issued by the Company are admitted to trading on the EGM, the provisions on the obligation to purchase and the right to purchase relating to listed companies set forth in Articles 108 and 111 of the Consolidated Law on Finance and Consob's implementing regulations, respectively, shall also apply, by voluntary recall and to the extent compatible.
- 10.2 Notwithstanding the regulation approved by CONSOB resolution no. 11971 of 14 May 1999 as subsequently amended and supplemented ("**Issuers' Regulations**") and unless otherwise provided for by law or regulations, in all cases in which the aforementioned Issuers' Regulations stipulate that CONSOB must determine the price for the exercising of the obligation and the right to purchase as provided in Articles 108 and 111 of the Consolidated Law on Finance, such price will be equal to the greater of (a) the highest price paid for the purchase of securities of the same class over the past 12 (twelve) months by the person who is obliged to purchase or who holds the right to purchase, as well as by persons acting in concert with such person and (b) the weighted average market price over the past 6 (six) months prior to the arising of the right or obligation to purchase.
- 10.3 It should be noted that the provisions of this Art. 10 apply exclusively in cases where the public takeover and exchange offer is not otherwise subject to the supervisory powers of CONSOB and to the provisions on public takeover and exchange offers set forth in the Consolidated Law on Finance and the Issuers' Regulations.
- 10.4 Without prejudice to any legal right of the addressees of the offer, exceeding the equity investment threshold provided for in Art. 108(1) and (2) of the Consolidated Law on Finance, not accompanied by the purchase of the securities by the requesting parties - in the cases and terms envisaged in the reference regulations - shall trigger the suspension of the voting right for the equity investment exceeding said threshold.

**11. Revocation of admission to trading**

- 11.1 This Art. 11 shall apply from the time the Company's Shares are admitted to trading on the EGM.
- 11.2 In the event that the Company requests Borsa Italiana to revoke the admission of its financial instruments admitted to trading on the EGM, it must communicate such intention to revoke by also informing the Euronext Growth Advisor, as defined in the EGM Issuers' Regulations, and must separately inform Borsa Italiana of the preferred date for revocation at least 20 (twenty) trading days before such date.
- 11.3 Subject to the exceptions provided for in the EGM Issuers' Regulations, the request must be approved by the Shareholders' Meeting of the Company with a majority of 90% (ninety per cent) of the participants. This quorum applies to any resolution of the Company that may result, even indirectly, in the exclusion

- from trading of the financial instruments admitted to trading on the EGM, as well as to any resolution amending this provision of the Articles of Association.
- 11.4 This provision will not apply in the event of withdrawal from trading on the EGM for admission to trading of the Shares on a regulated market within the European Union.

**12. Obligations to disclose major equity investments**

- 12.1 From the moment the Shares issued by the Company are admitted to trading on the EGM, the ‘Transparency Rules’ (as defined in the EGM Issuers’ Regulations) shall apply, with particular regard to the notices and information due from ‘Significant Shareholders’ (as defined in the EGM Issuers’ Regulations).
- 12.2 Each shareholder, if the number of its Shares with voting rights reaches, exceeds or falls below the thresholds set by the EGM Issuers’ Regulations, is required to notify the Company’s Board of Directors, within 4 (four) trading days (or in any case within the different time frames stipulated in the applicable regulations) starting from the day on which the transaction entailing the ‘Substantial Change’ (as defined in the EGM Issuers’ Regulations) was carried out, according to the terms and procedures indicated in the Transparency Rules. This change is also communicated to the public via the Company’s website.
- 12.3 If the communication referred to in the preceding Sections is omitted, the voting rights pertaining to the Shares and financial instruments for which the communication has been omitted shall be suspended. In the event of non-compliance with this prohibition, the resolution of the Shareholders’ Meeting or other act adopted with the vote or, in any event, the decisive contribution of the equity investment referred to in the preceding paragraph may be challenged in accordance with the provisions of the Italian Civil Code. The equity investment for which voting rights cannot be exercised shall be counted for the purpose of the due constitution of the relevant meeting.
- 12.4 This is without prejudice to the obligations to disclose material equity investments under the legal and regulatory provisions applicable to the Company as a financial intermediary.

**SECTION IV  
CORPORATE BODIES**

**13. Shareholders’ Meeting**

- 13.1 The Shareholders’ Meeting, duly constituted, represents all shareholders and its resolutions passed in compliance with the law and these Articles of Association, as well as the EGM Issuers’ Regulations, are binding upon all shareholders, even if they are absent, abstaining or dissenting. The Shareholders’ Meeting convenes in ordinary and extraordinary session in accordance with the law and these Articles of Association.
- 13.2 The Shareholders’ Meeting is called pursuant to law at least once a year, within 120 (one hundred and twenty) days from the end of each financial year.
- 13.3 The Shareholders’ Meeting is also legally convened by the Board of Directors when a request is made to do so by shareholders representing at least one twentieth of the share capital and where the request indicates the issues to be

covered. The Shareholders' Meeting may not be called at the request of shareholders for issues on which the Meeting legally resolves at the proposal of the Directors, or for issues based on a project or report prepared by the Directors. Finally, the Shareholders' Meeting is convened in other cases provided by law and these Articles of Association.

- 13.4 The Shareholders' Meeting is convened in the municipality where the Company has its registered office, or elsewhere, provided this is in Italy.
- 13.5 The Shareholders' Meeting is convened in accordance with the time frames set forth by law and the relevant regulatory provisions applicable from time to time, by means of a notice published on the Company's website and in the Official Gazette of the Italian Republic or in at least one daily newspaper with national circulation (e.g. Il Sole24Ore, Milano-Finanza, Il Corriere della Sera), which contains the information required by the applicable regulations, also in view of the matters under discussion.
- 13.6 The notice of call must indicate the date, time, place of the meeting and the list of matters to be discussed and other information and particulars as may be required by applicable law and regulations currently in force.
- 13.7 The Shareholders' Meeting is convened on single call, and is subject to the meeting quorum and the decision-making quorum established by law in such circumstances, unless the notice of call specifies any dates for subsequent calls after the first, including a third call (subject to the meeting quorum and the decision-making quorum established by law in such circumstances).
- 13.8 The persons entitled to attend and vote at the Shareholders' Meeting may be represented by another person or entity, including a non-shareholder, by means of a written proxy, within the limits and according to the methods stipulated by the law and applicable regulations. The proxy may be notified electronically via certified e-mail or using the other methods of notification as may be provided for in the notice of call, in accordance with applicable laws and regulations.
- 13.9 The meeting may also be held with the participants located in more than one place, either adjacent or remote, by videoconference or teleconference, provided that (a) it is possible for the Chairperson of the meeting to ascertain the identity of the participants, regulate the proceedings of the meeting, and ascertain and proclaim the results of the voting; (b) it is possible for the person taking the minutes to adequately perceive the events of the meeting being minuted; (c) it is possible for the participants to take part in the discussion and simultaneous vote on all the items on the agenda; and (d) it is possible for each person to receive or transmit documentation. If the meeting is held by audio- or video-conference, it is not necessary for the Chairperson and the person taking the minutes to be at the same venue.
- 13.10 The means of telecommunications shall be recorded in the minutes.
- 13.11 The Shareholders' Meeting is chaired by the Chairperson of the Board of Directors or, in the event of his/her absence or impediment, by the Deputy Chairperson, if appointed; otherwise, the Meeting appoints one of the participants as Chairperson by simple majority of the capital represented.
- 13.12 The Chairperson of the Shareholders' Meeting is assisted by a Secretary appointed by the Meeting, by simple majority of the capital represented and possibly by one or more tellers, including non-shareholders; where prescribed by law and also, in any case, where deemed appropriate by the management

body, the functions of Secretary shall be assigned to a notary designated by the latter.

- 13.13 The Chairperson of the Shareholders' Meeting is responsible for ensuring that the Meeting is properly convened, ascertaining the right of shareholders to take part and vote, noting the legitimacy of the proxies, guiding and managing the discussion and proceedings of the Meeting, establishing the method of voting and also ascertaining and declaring the related results. In this he/she may be assisted by appropriate appointees.
- 13.14 In addition to the law and these Articles of Association, the conducting of meetings may be governed by special regulations approved by the Ordinary Shareholders' Meeting, except for any exceptions resolved upon from time to time at the Shareholders' Meeting.

#### **14. Constitution, competence and resolutions of the Shareholders' Meeting**

- 14.1 The ordinary and extraordinary Shareholders' Meeting shall resolve on the issues attributed to it by law and these Articles of Association, as well as the applicable regulations (including the EGM Issuers' Regulations).
- 14.2 In particular, the Ordinary Shareholders' Meeting, in addition to establishing the remuneration due to the bodies it appoints, also in line with Art. 19, approves the remuneration and incentive policies in favour of the members of the Board of Directors and Board of Statutory Auditors and other personnel in compliance with the supervisory regulations applicable to the company in force from time to time. If the Shares are admitted to trading on the EGM, the Ordinary Shareholders' Meeting is also competent to authorise, pursuant to Art. 2364(1)(5) of the Italian Civil Code, in addition to the cases provided for by the law, the following decisions of the administrative body: (a) acquisitions that achieve a 'reverse take over' pursuant to the EGM Issuers' Regulations; (b) disposals that bring about a 'substantial change of business' pursuant to the EGM Issuers' Regulations, unless Borsa Italiana decides otherwise; (c) request for the delisting of the Ordinary Shares from trading on the EGM, without prejudice to the provisions of Art. 11 above.
- 14.3 Directors may not vote in resolutions regarding their responsibilities.
- 14.4 Ordinary and extraordinary Shareholders' Meetings shall validly pass resolutions with the majorities stipulated in Articles 2368 and 2369 of the Italian Civil Code.
- 14.5 Shareholders entitled to vote may attend the meeting.
- 14.6 The resolutions of the Shareholders' Meeting are minuted and signed by the Chairperson and the secretary or notary.

#### **15. Composition of the Board of Directors**

- 15.1 The Company is administered by a Board of Directors consisting of 7 (seven) members who may also be chosen from among persons who are not shareholders, as decided by the Shareholders' Meeting.
- 15.2 The members of the Board of Directors hold office for the period set by the shareholders' resolution, which may not exceed three financial years, may be re-elected and expire on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of their office,



without prejudice to the causes of termination and forfeiture provided for by the applicable laws and regulations and by these Articles of Association.

- 15.3 The directors must meet the requirements of professionalism and integrity and any other requirement provided for by the applicable *pro tempore* laws and regulations in force and by the Articles of Association; in particular, if the Company's Shares are admitted to trading on the EGM, all the members of the Board of Directors, under penalty of ineligibility, must meet the requirements of honourableness provided for in Art. 147-quinquies of the Consolidated Law on Finance. In addition, a number of directors not less than that provided for by the laws and regulations in force at the time, must possess the independence requirements established by the same; in particular, if the Company's Shares are admitted to trading on the EGM, at least 1 (one) member of the Board of Directors must possess the independence requirements provided for by Art. 148(3) of the Consolidated Law on Finance, as referred to in Art. 147-ter(4) of the Consolidated Law on Finance.
- 15.4 The members of the Board of Directors are elected by means of the candidate list system, in accordance with the following procedures. The list voting mechanism will only apply in the case of the appointment of the entire Board of Directors.
- 15.5 Each shareholder who, alone or together with others, holds an equity investment of at least 2.5% (two point five per cent) of the share capital consisting of Shares with voting rights, to be proved by filing the appropriate certification, may submit or participate in the submission of only one list. The certification issued by the intermediary proving ownership of the number of Shares required to submit the list must be produced at the time of filing the list itself or at a later date, provided that it is within the deadline set forth below for filing the list.
- 15.6 Each individual shareholder, as well as shareholders belonging to the same group (meaning subsidiaries, parent companies and companies subject to the same control pursuant to Art. 2359(1) and (2) of the Italian Civil Code) may not submit or participate in the submission of more than 1 (one) list, not even through a third party or trust company, nor may they vote for different lists. Endorsements given and votes cast in violation of this prohibition shall not be attributed to any list.
- 15.7 The lists, signed by the shareholders submitting them, must be filed at the Company's registered office (also by means of remote communication according to the procedures indicated in the notice of call of the Shareholders' Meeting), no later than the 7th (seventh) day prior to the date of the Shareholders' Meeting called to deliberate on the appointment of directors, or, if the date of any subsequent call is not indicated in the notice of call, at least the 7th (seventh) day prior to the date set for each call.
- 15.8 Lists submitted by the Board of Directors and/or shareholders for the purpose of electing the majority of the members of the Board of Directors shall be accompanied by a proposed resolution concerning the term of office of the Board of Directors to be elected and their remuneration, without prejudice to Art. 2389 of the Italian Civil Code.
- 15.9 Each list must contain, under penalty of inadmissibility:

- the name of the shareholder or shareholders submitting the list with the number of voting Shares held by each and the percentage of the share capital held;
- a declaration by the shareholders other than those who hold, including jointly, a controlling interest or relative majority interest, certifying the absence of any relationship of connection; for the purposes of this Section, ‘associative relationships’ exist between one or more reference shareholders and one or more minority shareholders in the following cases: (a) family relationships; (b) membership of the same group; (c) control relationships between a company and those who jointly control it; (d) associative relationships pursuant to Art. 2359(3) of the Italian Civil Code, including with parties belonging to the same group; (e) performance by a shareholder of management or executive functions, with assumption of strategic responsibilities, within a group to which another shareholder belongs;
- the indication of the name and number of candidates not exceeding the number of members to be elected, listed by means of a sequential number, and the name of at least 1 (one) candidate meeting the independence requirements set forth in Art. 148(3) of the Consolidated Law on Finance and the candidate for Chairperson of the Board of Directors; and

15.10 Together with each list, the following must be filed:

- the declarations with which the individual candidates accept their candidacy and attest, under their own responsibility, that there are no grounds for ineligibility and incompatibility, their possession of the requirements of integrity and professionalism established by these Articles of Association as well as the declarations of independence issued pursuant to the applicable laws, regulations and Articles of Association, where indicated as independent directors;
- if the Company’s Shares are admitted to trading on the EGM, a document issued by the Euronext Growth Advisor appointed by the Company certifying that each independent candidate included in the list has been previously identified or positively evaluated by the Company’s Euronext Growth Advisor;
- the CV of each candidate, containing extensive information of the candidate’s personal and professional characteristics, indicating the management and control positions covered;
- any other or different declarations, information and/or documents required by the laws and regulations in force from time to time.

15.11 Any changes in the requirements communicated pursuant to the above provisions shall be promptly notified to the Company. The lists and documents relating to the candidates are made available to the public at the Company’s registered office and on the Company’s website at least five (5) days before the Shareholders’ Meeting.

15.12 Each candidate may only appear in one list, under pain of ineligibility.

15.13 Each member may only vote for one list.

15.14 Directors are obliged to comply with the non-competition rules laid down in Art. 2390 of the Italian Civil Code, unless expressly authorised by the Shareholders’ Meeting. Any person who, on his or her own behalf or that of

others, exercises an activity in competition with that of the Company or the Group or who participates as an unlimited partner in another competing company may not be elected director.

15.15 Lists for which the provisions of this Art. 15 are not observed shall be deemed not to have been submitted.

15.16 Election of the Board of Directors shall take place as follows:

- 4 candidates taken in sequential order from the list that obtained the most votes;
- 3 candidates drawn in sequential order from the list that obtained the 2nd (second) highest number of votes and that is not connected within the meaning of Section 15.9 with the shareholders who submitted or voted for the list that obtained the highest number of votes. However, lists other than that obtaining the highest number of votes shall not be taken into account if they have not obtained a percentage of votes at least equal to that required by these Articles of Association for the presentation of such lists;
- if only one list is submitted, the Board of Directors shall be composed of all the candidates of the single list in compliance with the laws and regulations in force from time to time;
- in the event of a tie between several lists, a new vote shall be held by the Shareholders' Meeting, and the candidates drawn from the list that obtained a simple majority of votes shall be elected, without prejudice to the obligation to maintain the minimum number of independent directors established by law; and
- in the event that, following the election according to the above procedures, the appointment of a director meeting the independence requirements is not ensured, the non-independent candidate elected as the last in numerical order in the list that received the highest number of votes shall be replaced by the first independent candidate not elected from the same list according to the numerical order in which the candidates are listed; if no list is presented or admitted, or if only one list is presented and the same does not obtain a relative majority of the votes, or if the number of directors elected on the basis of the lists presented is less than the number of members to be elected, or if the entire Board of Directors is not to be renewed or if it is not possible for any reason to proceed with the appointment of the Board of Directors in the manner set forth in this Article, the members of the Board of Directors shall be appointed by the Shareholders' Meeting in accordance with the ordinary procedures and majorities, without application of the list voting mechanism, without prejudice to the obligation to maintain the number of independent directors. Where no lists are presented and allowed, the Chairperson of the Board of Directors is appointed by the Shareholders' Meeting pursuant to the legal majority and procedures, without prejudice to the obligation to maintain the minimum number of independent directors established by the law and/or these Articles of Association. This is without prejudice, however, to different and other provisions provided under mandatory laws.

15.17 If 1 (one) or 2 (two) members of the Board of Directors leave office during the financial year, provided that at least 5 (five) directors are directors appointed by the Shareholders' Meeting as indicated above, the others shall replace them by

a resolution approved by the Board of Statutory Auditors within 3 (three) months of the termination and, in any case, before the next Shareholders' Meeting, without prejudice to the obligation to maintain the minimum number of independent directors established by law as follows:

- (i) the Board of Directors shall replace the director from the same list to which the outgoing director belonged, and the Shareholders' Meeting, pursuant to Art. 2386(1) of the Italian Civil Code, shall resolve with the legal majorities respecting the same criterion, provided that these candidates are still eligible and willing to accept the office;
- (ii) where the list does not contain previously non-elected candidates or candidates with the necessary requirements, or else when for any reason it is not possible to comply with the provisions under point (i), the Board of Directors shall proceed with replacement as subsequently approved by the Shareholders' Meeting, pursuant to Art. 2386(1) of the Italian Civil Code, with legal majority voting without list voting.

15.18 Loss of the requirements prescribed for the office will result in termination of office. Loss of the independence requirements in relation to a director, notwithstanding the obligation to immediately notify the Board of Directors, shall not lead to dismissal if the requirements are still met by the remaining minimum number of directors pursuant to regulations in force and these Articles of Association.

15.19 In any case, the Board of Directors and the Shareholders' Meeting provided for in the first paragraph of Art. 2386 of the Italian Civil Code shall proceed with the appointment in such a way as to ensure the presence of directors meeting the independence requirements and in the number required by the Articles of Association.

15.20 Pursuant to Art. 2386(1) of the Italian Civil Code, directors appointed as above shall remain in office until the next useful meeting and those appointed by the Shareholders' Meeting shall remain in office for the term in which the directors they replaced would have remained in office.

15.21 Should three (3) directors appointed by the Shareholders' Meeting cease to hold office, the entire Board shall cease to hold office; in this case, the Shareholders' Meeting for the appointment of the new Board shall be urgently convened by those remaining in office. If all the directors cease to hold office, the Shareholders' Meeting must be urgently convened by the Board of Statutory Auditors, which may perform the acts of ordinary administration.

15.22 Directors are obliged to comply with the non-competition rules laid down in Art. 2390 of the Italian Civil Code, unless expressly authorised by the Shareholders' Meeting.

## **16. Chairperson of the Board of Directors**

16.1 The Chairperson of the Board of Directors is appointed by the Shareholders' Meeting in the manner prescribed by law and in accordance with these Articles of Association; if the Shareholders' Meeting fails to do so, the Chairperson of the Board of Directors is appointed by the Board of Directors in the manner and with the majorities prescribed by law. The Chairperson exercises the functions provided for by the laws and regulations in force and by these Articles of Association.

- 16.2 The Chairperson of the Board of Directors:
- ensures the smooth functioning of the Board of Directors, promotes internal dialogue and ensures the balance of power, in accordance with the tasks relating to the organisation of the Board's proceedings and the flow of information that are assigned under the Italian Civil Code;
  - promotes the effective functioning of the corporate governance system, ensuring a balance between the powers of the CEO and the other executive directors, and acts as an interlocutor with the control body and internal committees;
  - organises and coordinates the activities of the Board of Directors and ensures that priority is afforded to issues of strategic importance, ensures that these are allowed as much time as is necessary, ensures the effectiveness of the Board discussions and ensures that the resolutions reached by the Board are the result of a proper debate between executive and non-executive directors and the conscious and reasoned contribution of all its members;
  - ensures that adequate advance information is provided to all directors on the items on the agenda of the Board of Directors' meeting;
  - convenes meetings of the Board of Directors and establishes its agenda, taking into account any requests or issues listed by shareholders, directors or internal committees, verifying the validity of its constitution and ascertaining the identity and right to attend of the participants and the voting results;
  - supervises implementation of the resolutions of the corporate bodies and the general performance of the Company.
- 16.3 The Board of Directors may delegate its powers to one of its members pursuant to Art. 18 below.
- 16.4 The Board of Directors has the option of appointing a Deputy Chairperson, in accordance with the provisions of the Articles of Association, who shall have the power, in the case of the absence or impediment of the Chairperson, to Chair the Shareholders' Meeting and the Board of Directors' meetings, and to replace the Chairperson in the performance of the other functions assigned to the latter by these Articles of Association. In the event that the Deputy Chairperson is not appointed, absent or unable to attend, the functions attributed to the Chairperson by these Articles of Association shall be exercised by the eldest member. With respect to third parties, the signature of the person standing in for the Chairperson shall prove the absence or impediment of the latter.
- 16.5 The Board of Directors appoints a Secretary, who may also be chosen from outside the Board of Directors. If the Secretary is absent or prevented from attending, the Board of Directors shall designate a replacement.
- 17. Resolutions, powers and responsibilities of the Board of Directors**
- 17.1 The management of the company is the responsibility of the Board of Directors without distinction or limitation for acts of ordinary or extraordinary administration; the Board of Directors carries out the operations necessary or instrumental to the implementation of the corporate purpose, without prejudice

to the need for specific authorisations from the Shareholders' Meeting in the cases required by law or these Articles of Association.

17.2 In addition to the resolutions, powers and competences that cannot be delegated under the law or the supervisory regulations in force from time to time, the Board of Directors reserves exclusive competence for decisions concerning:

- the definition and approval of the intermediary's business model and awareness of the risks to which it is exposed;
- the definition and approval of strategic guidelines, risk objectives, risk governance policies, as well as the guidelines of the internal control system, periodically verifying their correct implementation and consistency with the evolution of the company's business, in order to ensure their effectiveness over time;
- the definition and approval of policies for the distribution of contracts relating to the granting of loans, including the use of third parties, ensuring their consistency with business development strategies, governance policy and the risk management process;
- approval of the organisational structure and the allocation of duties and responsibilities; establishment of the corporate control functions, approving their related tasks and responsibilities, the methods of coordination and collaboration, as well as the information flows between these functions and the corporate bodies;
- approval of the risk management process (credit, operational, liquidity, etc.), as well as the related detection and control procedures and methods, establishing limits on the intermediary's exposure to certain types of risks/products;
- approval of the process of selection, management and control of the distribution network, including third parties used to distribute its products;
- approval of credit granting processes, including powers and limits, and periodic checks of their adequacy;
- approval of the process for approving new products and services, starting new activities, entering new markets;
- approval of the company policy on the outsourcing of company functions;
- determination, at least annually, of the compliance of the organisational structure with the standard and its consistency with the business model;
- determination of the clear and appropriate formalisation of tasks and responsibilities within specific internal regulations, providing for the separation between operational and control functions;
- determination of the consistency of outsourcing of corporate functions with corporate strategies;
- determination of the control of the distribution networks in order to ensure their compliance with the respective obligations concerning: prevention of usury, money laundering and terrorist financing, transparency of banking and financial transactions and services, and fairness of customer relations;
- determination of the adoption of a comprehensive, reliable and timely information system to reconstruct the company's situation;
- determination of the conformity of the structure of the corporate control functions and consistency with the complexity and size of the company and consistency with strategic guidelines;

- determination of the adoption of qualitatively and quantitatively adequate resources for corporate control functions;
  - adoption and review, at least annually, of the remuneration policy and its proper implementation; determination of the formalisation of the remuneration policy and its accessibility within the corporate structure;
  - determination of the adoption of an adequate, complete and timely information flow system;
  - approval, on an annual basis, of the programme of activities, including the audit plan prepared by the internal audit function, and examination of the reports prepared by the corporate control functions;
  - approval of the company's business continuity plan or disaster recovery plan, overseeing its adequacy.
- 17.3 The Board of Directors is also competent to take the resolutions referred to in Articles 2365(2) and 2446(3) of the Italian Civil Code.
- 17.4 For the performance of certain categories of acts or individual businesses, the Board of Directors may delegate individual directors, and determine the content, limits and methods of exercise, where applicable, of such delegated powers.
- 18. Delegated bodies and internal committees**
- 18.1 The Board of Directors may delegate, within the limits of Art. 2381 of the Italian Civil Code, part of its powers to one of its members, determining their powers and remuneration in line with Art. 19.
- 18.2 The delegated bodies report at least quarterly to the Board of Directors and the Board of Statutory Auditors on the general performance of operations and the outlook as well as on the most significant economic, financial and asset-related transactions carried out by the company and its subsidiaries.
- 18.3 In any case, the Board of Directors is vested with the power to control, to issue directives and to assume the operations covered by the delegation, as well as the power to revoke delegations.
- 18.4 In addition, the Board may set up one or more committees from among its members with proposal-making, advisory or monitoring functions.
- 19. Directors' remuneration**
- 19.1 In addition to the reimbursement of expenses actually incurred in the performance of their duties, directors are entitled to the remuneration determined by the Shareholders' Meeting.
- 19.2 The remuneration of directors holding special offices is determined by the Board of Directors, after hearing the opinion of the Board of Statutory Auditors. The Shareholders' Meeting may determine an overall amount for the remuneration of all directors, including those holding special offices.
- 19.3 The Ordinary Shareholders' Meeting may also grant the directors a fee and an end-of-service indemnity, which may also be constituted by means of periodic provisions and also through insurance or pension schemes.
- 20. Board of Directors' meetings**
- 20.1 The Board of Directors meets, at the Company's registered office or elsewhere, provided this is in Italy, a member State of the European Union, including the

- United Kingdom and Switzerland, whenever the Chairperson deems it necessary or when a request to do so is made by at least a third of its members or by the Board of Statutory Auditors or else individually by a statutory auditor.
- 20.2 The Board of Directors is convened by the Chairperson by means of a notice to be sent at least five days before the meeting to each of its members and to the standing auditors and, in urgent cases, at least two days before. The notice may be drafted on any medium (hard or soft copy) and may be sent using any means of communication (including fax and e-mail) appropriate to guarantee proof of receipt thereof.
- 20.3 The Board of Directors is validly constituted and able to resolve where, even if these formalities have not been carried out (notwithstanding the right of each participant to object to the discussion of the issues about which they do not feel sufficiently informed), all the members of the Board of Directors and all the members of the Board of Statutory Auditors are in attendance.
- 20.4 The meetings of the Board of Directors, at the initiative of the Chairperson, CEO or General Manager, can be attended by managers of the Company, or any other person that the Board of Directors wishes to invite to support its work on specific topics. The secretary, or his or her substitute, takes the minutes of each meeting, which must be signed by the person chairing the meeting and by the secretary.
- 20.5 The presence of the majority of its members in office is required for the Board's resolutions to be valid. Resolutions of the Board of Directors are passed by an absolute majority of those present; in the event of a tie, the person chairing shall have the casting vote.
- 20.6 Meetings of the Board of Directors may also be held by videoconference or teleconference, provided that (a) it is possible for the Chairperson of the meeting to ascertain the identity of the participants, regulate the proceedings of the meeting, and ascertain and proclaim the results of the voting; (b) it is possible for the person taking the minutes to adequately perceive the events of the meeting being minuted; (c) it is possible for the participants to take part in the discussion and simultaneous vote on the items on the agenda; and (d) it is possible for each person to receive or transmit documentation. If the meeting is held by audio- or video-conference, it is not necessary for the Chairperson and the person taking the minutes to be at the same venue.

## **21. General Manager**

- 21.1 The Board of Directors may appoint a General Manager, who need not be a member of the Board of Directors, determining his duties and powers at the time of appointment; powers reserved by law or by these Articles of Association to the administrative body may not, however, be delegated to the General Manager.
- 21.2 The General Manager makes use of the cooperation of the Company's staff by organising their duties and functional competences.
- 21.3 The General Manager participates, with proposal-making functions, in the meetings of the Board of Directors, without voting rights, and attends those of the Shareholders' Meeting.



## **22. Board of Statutory Auditors**

- 22.1 The Board of Statutory Auditors oversees compliance with the laws and the Articles of Association, adherence to sound management principles and, in particular, the adequacy and effective operation of the organisational, administrative and accounting structure implemented by the Company.
- 22.2 The Board of Statutory Auditors also:
- supervises the observance of the provisions of laws, regulations and Articles of Association, proper management, and the adequacy of the organisational and accounting structures of the intermediary;
  - monitors the completeness, adequacy, functionality and reliability of the internal control system and ascertains the effectiveness of the structures and functions involved in the control system and the adequate coordination between them. In particular, it verifies the effectiveness of the structures and functions involved in monitoring the distribution network;
  - assesses the adequacy and smooth functioning of the main organisational areas;
  - promotes corrective measures for deficiencies and irregularities detected;
  - uses adequate information flows from the other corporate bodies and control functions;
  - promptly informs the Bank of Italy of all acts or facts, of which it becomes aware in the performance of its duties, that may constitute an irregularity in management or a breach of the rules governing the Company's activity;
  - expresses an opinion on decisions concerning the appointment and dismissal of the heads of control functions and, in the event of outsourcing of these functions, of their contact persons;
  - coordinates with the control functions and with the party in charge of the statutory audit, in order to increase the degree of knowledge of the company's management performance, also making use of the results of the checks carried out by these functions and subjects.
- 22.3 The Board of Statutory Auditors is composed of 3 (three) standing auditors and 2 (two) alternate auditors who remain in office for 3 (three) financial years, may be re-elected and end their term of office on the date of the Shareholders' Meeting called to approve the financial statements for the third financial year of their term of office. The Chairperson of the Board of Statutory Auditors is appointed by the Shareholders' Meeting.
- 22.4 Throughout their term of office, auditors must meet the requirements of the applicable laws and regulations and these Articles of Association. When the requirements set forth by the law and the Articles of Association are not met anymore, the Statutory Auditor shall be removed from office. If the Company's Shares are admitted to trading on the EGM, the statutory auditors must, in addition, meet the requirements of professionalism and integrity set forth in Art. 148(4) of the Consolidated Law on Finance.
- 22.5 The ordinary Shareholders' Meeting sets the annual remuneration due to each Statutory Auditor pursuant to the regulations currently in force.
- 22.6 Statutory Auditors shall also be reimbursed, on a lump-sum basis, for the expenses incurred in their work.
- 22.7 The Statutory Auditors cease to hold office upon expiry of their term when a new Board of Statutory Auditors is established.

- 22.8 The law and the provisions of these Articles of Association apply in respect of the appointment, dismissal and replacement of the Statutory Auditors.
- 22.9 In order to ensure that non-controlling shareholders may elect a standing auditor and an alternate auditor, the appointment of the Board of Statutory Auditors is based on lists presented by shareholders in which the candidates are listed in sequential order in a number not exceeding the members of the body to be elected.
- 22.10 The procedures of Art. 15 shall apply to the presentation and filing of lists.
- 22.11 The list is comprised of two sections: one for candidates for the position of standing auditor, the other for candidates for the post of alternate auditor. The names of the candidates are marked in each section ('statutory auditors' section, 'alternate auditors' section) in sequential order and shall nevertheless not exceed the number of members of the body to be elected.
- 22.12 Statutory Auditors are elected as follows:
- two standing Statutory Auditors and one alternate Statutory Auditor are drawn from the list that obtained the greatest number of votes, based on the sequential numbering with which they are listed in the sections of the list;
  - based on the sequential order according to which they are listed in the sections of the list, the remaining standing member and other alternate member are drawn from the list that obtained the 2nd (second) highest number of votes and that is not connected within the meaning of Section 15.9 with the shareholders who submitted or voted for the list that obtained the highest number of votes;
  - the Chair of the Board of Statutory Auditors is assumed by the first candidate on the second list (where submitted and admitted) that obtained the greatest number of votes;
  - in the event of a tie between several lists, a new vote shall be held by the Shareholders' Meeting, and the candidates drawn from the list that obtained a simple majority shall be elected;
  - where a single list or no list is presented and admitted, all the candidates for the positions indicated in the list or, respectively, those voted by the Shareholders' Meeting shall be elected standing and alternate statutory auditors, provided that these achieve the relative majority of votes expressed at the meeting, in compliance with the legal and regulatory provisions in force from time to time.
- 22.13 If the requirements under the legislation and Articles of Association are no longer met, including those of integrity and professionalism pursuant to Art. 148(4) of the Consolidated Law on Finance, the auditor shall forfeit his/her office.
- 22.14 In the event that, for any reason, (i) a standing auditor drawn from the list that obtained the highest number of votes should leave office, he/she shall be replaced by the alternate auditor drawn from the list that obtained the highest number of votes, and/or (ii) a standing auditor drawn from the list that obtained the second highest number of votes should leave office, he/she shall be replaced by the alternate auditor drawn from the list that obtained the second highest number of votes. If, for any reason, it is not possible to proceed within the aforementioned time limits, a Shareholders' Meeting must be convened in order

- for it to supplement the Board of Statutory Auditors with the ordinary procedures and majorities, without applying the list voting mechanism.
- 22.15 If the Shareholders' Meeting has to appoint the statutory and/or alternate auditors necessary to complete the Board of Statutory Auditors, the following procedure shall be followed:
- if the auditors elected from the list obtaining the highest number of votes have to be replaced, the appointment shall be made by a legal majority vote without list constraints;
  - if, on the other hand, it is necessary to replace auditors elected from the list that obtained the second highest number of votes, the Shareholders' Meeting shall replace them by majority vote in accordance with the law, choosing them from among the candidates indicated in the list to which the auditor to be replaced belonged, or from the list that obtained the third highest number of votes;
  - if the application of this procedure does not, for any reason, allow the replacement of the auditors appointed from the list that obtained the second highest number of votes, the Shareholders' Meeting shall proceed with a majority vote in accordance with the law, with it being understood that the term of office of the newly appointed auditors shall expire at the same time as that of those already in office.
- 22.16 The Board of Statutory Auditors meets at least every 90 (ninety) days at the initiative of any one of the auditors. It shall be quorate in the presence of the majority of the auditors and pass resolutions with the favourable vote of the absolute majority of the auditors. The Board of Statutory Auditors may also meet and validly pass resolutions by means of telecommunication (audio or video conference), provided that the guarantees set forth in Section 20.6 are met, *mutatis mutandis*.
- 22.17 The auditors may, at any time and also individually, carry out acts of inspection and control. Minutes shall be kept of the meetings and checks carried out by the Board of Statutory Auditors, also individually, and transcribed in the book provided for in Art. 2421(1)(5) of the Italian Civil Code
- 22.18 For the purposes of the provisions of Art. 1(2)(b) and (c) and (3) of Italian Ministerial Decree no. 162 of 30 March 2000, and without prejudice to the *pro tempore* regulations in force, matters pertaining strictly to the activities carried out by the Company are understood to mean commercial law, company law, business economics, accounting, financial science, statistics, as well as disciplines having a similar or equivalent object, while sectors of activity pertaining strictly to the sectors of activity in which the Company operates are understood to mean the sectors of the granting of loans and guarantees functional to the same, as well as financial intermediation in general.

## SECTION V

### STATUTORY AUDIT

#### 23. Statutory audit

The statutory auditing of the accounts is performed by an independent auditors' company that meets the legal requirements and is duly registered in the register established by the regulatory provisions in force from time to time, appointed

by the Shareholders' Meeting on the basis of a reasoned proposal by the Board of Statutory Auditors. The appointment, duties, powers and responsibilities of the independent auditors are governed by law.

## **SECTION VI**

### **RELATED PARTY TRANSACTIONS**

#### **24. Related party transactions**

- 24.1 If the Company's Shares are admitted to trading on the EGM, the Board of Directors shall adopt procedures to ensure the transparency and substantive fairness of related party transactions, in accordance with the laws and regulations in force from time to time.
- 24.2 For the purposes of these Articles of Association, for the notion of 'related party transactions', 'significant transactions', 'committee for related party transactions', 'equivalent supervisory body', 'unrelated shareholders', etc., reference is expressly made to the procedure for related party transactions adopted and published by the Company on its website (the "**Procedure**") and to the *pro tempore* regulations in force on related party transactions.
- 24.3 In particular, significant transactions with related parties that fall within the purview of the Shareholders' Meeting, or that must be authorised by it, submitted to the Shareholders' Meeting in the presence of a contrary opinion of the committee for related party transactions or of the equivalent supervisory body, are resolved on with the majorities required by law, with it being understood that the operation shall be blocked if the majority of the unrelated voting shareholders vote against the operation and the unrelated shareholders present at the Shareholders' Meeting represent at least 10% (ten per cent) of the share capital with voting rights.
- 24.4 The Procedure adopted by the Company may also provide, where permitted, that in cases of urgency, related party transactions may be concluded, under the terms and conditions provided for by the laws and regulations in force from time to time and/or in the Procedure, as an exception to the ordinary procedures contemplated herein.
- 24.5 The provisions of this Art. 24 shall apply from once the Shares of the Company are listed on the EGM and to the extent they remain listed on the EGM.

## **SECTION VII**

### **LEGAL REPRESENTATION AND COMPANY SIGNATURE**

#### **25. Company representation**

- 25.1 Representation of the Company lies with the Chairperson of the Board of Directors.
- 25.2 Representation of the Company is also the responsibility of the directors delegated by the Board of Directors, within the limits of the powers conferred on them.
- 25.3 The General Manager, if appointed, has the power of representation and signature for acts within the scope of the powers granted to him/her by the Board of Directors.

- 25.4 The Board may, for individual acts or categories of acts, delegate powers of representation, with related authority to sign on behalf of the Company, including for persons outside the Company.

## **SECTION VIII FINANCIAL STATEMENTS AND ALLOCATION OF PROFITS**

**26. Financial statements**

The financial years shall close on 31 December of each year. At the end of each financial year, the Board of Directors draws up the financial statements in accordance with the applicable regulations.

**27. Allocation of profits**

The net profits resulting from the approved financial statements, after deduction of the prescribed portion to be allocated to the legal reserve, may be distributed to the shareholders or allocated to the reserve, according to the decision of the Shareholders' Meeting.

## **SECTION IX GENERAL PROVISIONS**

**28. Dissolution and liquidation**

For the liquidation and dissolution of the Company, the legal regulations apply.

**29. Place of jurisdiction**

For all disputes that may arise in relations between the Company, the shareholders and the members of the corporate bodies, the competent court is Milan.

**30. Final rules**

For all matters not provided for in these Articles of Association, reference is made to the laws and regulations in force.

SIGNED BY MR GARBI GIANLUCA

Computer copy conforming to the original paper document pursuant to Art. 23(3), (4) and (5) of Italian Legislative Decree 82/2005, for the Register of Companies.

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