

BANCA SISTEMA S.P.A.

Fully paid-up share capital € 9,650,526.24

**Tax code and Milan Companies' Register No. 12870770158 - ABI code
No. 03158.3**

Largo Augusto 1/A, angolo Via Verziere 13, 20122 Milan

www.bancasistema.it

ORDINARY SHAREHOLDERS' MEETING, HELD ON SINGLE CALL

**AT THE REGISTERED OFFICE AT
LARGO AUGUSTO 1/A, ANGOLO VIA VERZIERE 13, MILAN**

30 APRIL 2025, 10.00 A.M.

**BOARD OF DIRECTORS' REPORT
ON ITEM 3 OF THE AGENDA**

**(prepared pursuant to Art. 125-ter of Legislative Decree No. 58 of 24 February
1998,
as amended and supplemented)**

**"PROJECT TO OVERHAUL THE BANK 'S GOVERNANCE STRUCTURE.
RELATING AND RESULTING RESOLUTIONS"**

Banca Sistema Group

Largo Augusto 1/A, ang. via Verziere 13 - 20122 Milan

Tel +39 02 802801 Fax +39 02 72093979

Fully paid-up share capital €9,650,526.24 Tax Code and VAT number 12870770158

Enrolled in the Register of Banks - ABI Code: 03158.3

Parent of the Banca Sistema Banking Group, enrolled in the Register of Banking Groups - code 3158

Subject to Supervision by the Bank of Italy

Member of the Interbank Deposit Protection Fund and National Guarantee Fund.

[bancasistema.it](http://www.bancasistema.it)

BOARD OF DIRECTORS' REPORT

Dear Shareholders,

your attention is drawn to the proposal for a resolution submitted for consideration by the Ordinary Shareholders' Meeting of Banca Sistema S.p.A. (the "Bank" or the "Company") illustrated below, concerning item 3 on the Agenda of the Shareholders' Meeting called for 30 April 2025, on the approval of the project to overhaul the governance structure of Banca Sistema S.p.A. (the "Bank").

Following the requests received from the Bank of Italy during the month of December 2024, the Bank's Board of Directors, during its meeting on 21 March 2025, defined and approved, with the favourable opinion of the Board of Statutory Auditors, the corporate governance project (the "Project"), which is also submitted to the Shareholders for approval.

The Project was drawn up pursuant to Bank of Italy Circular no. 285 of 17 December 2013, as subsequently supplemented and updated.

The drafting of the Project, among other things, forms part of the choice made by the Bank's Board of Directors to establish an internal Executive Committee which, pursuant to Art. 13 of the Bank's Articles of Association, is composed of three members appointed from among the Directors, including, as required by law, the Chief Executive Officer, who acts as Chair.

In particular, the decision to establish an Executive Committee is a response to the need to support the Chief Executive Officer with another body with a management function, to which specific powers are delegated to support the Board of Directors, exercised according to the guidelines and policies formulated by the Board, without prejudice to the powers reserved to the latter.

In particular, the Project:

- illustrates the reasons that make the administration and control model chosen by the Bank ('traditional' system) the most suitable for ensuring efficient management and effective controls;
- describes the specific choices relating to the organisational structure (tasks, powers and composition of the Corporate Bodies; proxy system; accounting control regime; incentive and remuneration systems; information flows), the rights of shareholders (regarding the right of withdrawal, quorum for passing resolutions of the Shareholders' Meeting and for challenging shareholders' and board resolutions, representation, etc.), the financial structure, the methods of managing conflicts of interest (e.g. transactions with related parties, obligations of company representatives, etc.);
- provides an adequate representation of and reasons for the methods of connection between the Bodies and the Company Functions of the different members

of the Group, with a specific focus on aspects relating to the system of governance of controls (powers of the bodies, information flows, risk management, etc.) and also giving an account, at consolidated level, of the organisational structures adopted by the subsidiaries.

It should be noted that the document 'Corporate Governance Project', defined and approved by the Board of Directors on 21 March 2025, with the favourable opinion of the Board of Statutory Auditors, is made available to Shareholders through publication on the Bank's website at <https://bancasistema.it/documenti-societari>.

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Dear Shareholders,

given the above,

the following proposed resolution is hereby submitted for your approval:

"The ordinary Shareholders' Meeting of Banca Sistema S.p.A.,

- having taken note of the directors' explanatory report,

resolves

– to approve the project to overhaul the Bank's governance structure".

Milan, 31 March 2025

On behalf of the Board of Directors

Ms. Luitgard Spögler

Chairperson of the Board of Directors