

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 5 OF THE AGENDA**

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

**"SUPPLEMENT TO THE REMUNERATION DUE TO MEMBERS OF THE
BOARD OF DIRECTORS, BOARD COM-MITTEES AND OTHER BODIES
ESTABLISHED WITHIN THE COMPANY RELATED TO ITEM 3 (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

Entered in the Register of Banks - ABI code: 03158.3

Parent of the Banca Sistema Banking Group, entered 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 analysis by the Ordinary Shareholders' Meeting of Banca Sistema S.p.A. (the "Bank" or the "Company") illustrated below, concerning the supplementing of the remuneration due to the members of the Board of Directors, the Board Committees and other bodies present within the Company of the Bank.

It should be noted that the new Corporate Governance Project, referred to in item 3 on the agenda, introduces within the corporate governance model of Banca Sistema an Executive Committee, pursuant to Art. 13 of the Articles of Association, to which the Board of Directors will delegate certain powers and which will be composed of three directors, including the Chief Executive Officer, who shall act as Chair, pursuant to the Articles of Association.

Therefore, in relation to the introduction of the new corporate governance body, it is necessary to set the remuneration due to the members of the aforementioned Executive Committee.

To this end, we wish to reiterate that, for the Board of Directors in office, on 24 April 2024, the Shareholders' Meeting had set a total annual remuneration of € 890,000 (eight hundred and ninety thousand euros), divided as follows:

- € 50,000 for each of the 9 (nine) members of the Board of Directors;
- € 140,000 additional remuneration for the office of Chairperson;
- € 300,000 additional remuneration for the office of Chief Executive Officer;

Moreover, with the exception of the Chairperson and Chief Executive Officer, the Meeting resolved on an additional amount above the annual remuneration for participation in each Committee established within the Board of Directors, regardless of the number of meetings thereof, plus the reimbursement of related expenses, in the following amounts:

- € 20,000 gross per annum for the Chairpersons of the Internal Control and Risk Management Committee and the Supervisory Body, and € 15,000 gross per annum for the other members of these two bodies;
- € 7,000 gross per annum for the Chairpersons of the Appointments Committee, the Remuneration Committee and the Ethics Committee, and € 5,000 gross per annum for the other members of these Committees;

Lastly, the Shareholders' Meeting resolved:

- a) to award each Director an attendance fee solely for participation in the meetings of the Board of Directors in the amount of € 1,500 (gross) for the Chairperson of the Board of Directors, and € 500 (gross) for each Director;

- b) the recognition, for each Director, of a third-party liability insurance policy covering members of corporate bodies taken out at the Group level and based on specific criteria, as well as a health insurance policy, in addition to an annual check-up service, under the terms and conditions already applied within the Banking Group;
- c) to establish, in the event the term of office of the Board of Directors ends prematurely as a result of any extraordinary transaction on the Bank's capital, that all directors shall automatically receive, for two years, the remuneration referred to in letters a) and b) above, also with regard to the other offices held in connection with the office of director (e.g. General Manager)".

* * *

Dear Shareholders,

in view of the above, we invite you to adopt the appropriate resolutions regarding the integration of the resolution of the shareholders' meeting of 24 April 2024 on the remuneration of Directors, to take into account the remuneration to be awarded to the members of the Executive Committee.

Milan, 31 March 2025

On behalf of the Board of Directors
Ms. Luitgard Spögler
Chairperson of the Board of Directors