

### NOTICE OF CALL OF THE ORDINARY SHAREHOLDERS' MEETING

The Shareholders entitled to attend and exercise their voting rights in **Banca SISTEMA S.p.A.** ("Company" or "Bank") are convened in an Ordinary Shareholders' Meeting to be held on **April 27, 2017, at 10:00 a.m., at 20, Corso Monforte, Milan,** in single call.

#### AGENDA

1. **Approval of the Financial Statements as at 31st December 2016 of Beta Stepstone S.p.A. Reports of the Board of Directors, the Board of Statutory Auditors and the Auditing Company. Relating and resulting resolutions.**
2. **Approval of the Individual Financial Statements as at 31st December 2016 of Banca Sistema S.p.A. Presentation of the Consolidated Financial Statements as at 31st December 2016. Reports of the Board of Directors, the Board of Statutory Auditors and the Auditing Company. Relating and resulting resolutions.**
3. **Allocation of the net profit of the year 2016.**
4. **Appointment of a Director pursuant to Article 2386 of the Civil Code.**
5. **Appointment of the Board of Statutory Auditors and its Chairman.**
6. **Determination of the remuneration of the Board of Statutory Auditors.**
7. **Approval of the Remuneration Policies of the Banca Sistema Group for the year 2017 and setting of the maximum limit of 2:1 as the ratio between the variable and fixed components of remuneration for employees and "key personnel". Relating and resulting resolutions.**
8. **Remuneration Report: resolution pursuant to art. 123-ter, paragraph 6 of Italian legislative decree no. 58/1998.**
9. **Authorization to purchase and dispose of treasury shares after first cancelling the previous buy-back plan authorized by the Shareholders' Meeting held on 27th November 2015 with respect to that portion not implemented. Relating and resulting resolutions.**

#### General information on the share capital

It is stated that at the date of publication of this notice:

- the subscribed and paid-up share capital of the Company is Euro 9,650,526.24;
- the share capital is divided into 80,421,052 ordinary shares, each ordinary share attributes the right to one vote in both the ordinary and the extraordinary session;
- on March 15, 2017 the Company holds 25,000 treasury shares.

Any subsequent changes in the information outlined above will be published on the website of Banca SISTEMA and communicated at the beginning of the Meeting.

#### Participation rights and voting by proxy

Under Art. 83-sexies of the Legislative Decree no. 58/98 (Consolidated Finance Act), the legal power to participate in the Meeting and exercise the right to vote shall be attested by a communication, prepared by the intermediary authorized by law, confirming such a right and delivered to the Company, in favor of the person entitled the right to vote, on the basis of the accounting registration at the end of the seventh business trading day prior to the date of the Shareholders' Meeting in single call, i.e. on April 18, 2017. All crediting and debiting of the accounts subsequent to said date, have no relevance for the right to

exercise the right to vote at the Shareholders' Meeting. The above communication of the intermediary shall be received by the Company by the end of the third business trading day prior to the date set for the Shareholders' Meeting in single call (i.e. on April 24, 2017). All of the above without prejudice to the entitlement to intervene and vote if the communication reached the Company after the above mentioned term, in any case by the beginning of the Meeting of each single call.

Under article 135-*novies* of the Legislative Decree no. 58/98 and article 8.7 of the Articles of Association, those who are entitled the right to vote may be represented by proxy issued in writing in the manner prescribed by the legislation and regulations from time to time in force.

The proxy may be notified to the Company at its registered office in Milan, by registered post at Corso Monforte 20, or by the electronic format to the following certified e-mail address: [bancasistema.affarisocietari@legalmail.it](mailto:bancasistema.affarisocietari@legalmail.it).

A proxy form is available on the Company's Internet website [www.bancasistema.it](http://www.bancasistema.it) in the section Governance, Shareholders' meeting, 2017.

Given any prior notification, the delegate who will attend the Meeting shall however prove, in the accreditation to access to the meeting, the compliance with the original of the notified copy and the identity of the principal.

Under article 135-*novies* of the Legislative Decree no. 58/98, the proxy can also be conferred by electronic document signed electronically in accordance with article 21, paragraph 2, of the Legislative Decree no. 82/2005 and notified to the certified e-mail address [bancasistema.affarisocietari@legalmail.it](mailto:bancasistema.affarisocietari@legalmail.it).

### **Shareholder representative appointed by the Company**

Proxies, with voting instructions for the items on the agenda, may be granted to Computershare S.p.A., which has its registered office at Via Lorenzo Mascheroni 19, Milan 20145, duly designated by the Company for this purpose, in accordance with art. 135-*undecies* of Legislative Decree 58/1998, a printable version of the relevant form to be signed may be downloaded from the website [www.bancasistema.it](http://www.bancasistema.it) (under the section Governance/Shareholders' Meeting 2017) or obtained from the Company's registered office or from the registered office of Computershare S.p.A. The original of the proxy, with voting instructions, must be received by Computershare S.p.A., Via Lorenzo Mascheroni 19, Milan 20145, by close of business on the penultimate trading day before the date scheduled for the meeting in single call (i.e. by April 25, 2017). A copy of the proxy, accompanied by a statement confirming that it is a true copy of the original, may be provided to the designated proxy holder by the above-mentioned deadlines by fax to +39 02 46776850, or appended to an email sent to the address [ufficiomilano@pecserviziotitoli.it](mailto:ufficiomilano@pecserviziotitoli.it). The proxy is valid solely in respect of those items for which voting instructions are given. Proxies and voting instructions may be revoked by the deadlines specified above. Note that the statement to be communicated to the Company by the authorized intermediary, confirming the shareholder's eligibility to take part and exercise his voting rights in the shareholders' meeting, is also required if a proxy is granted to the designated proxy holder. By law, shares for which a proxy is granted, whether in full or in part, are taken into account in determining whether the shareholders' meeting is duly constituted, although proxies without voting instructions do not count for the purposes of calculating the majority and quorum required to pass resolutions. Details of the proxies granted to Computershare S.p.A. (which can be contacted for any queries by telephone on +39 02 46776811) are also available on the relevant proxy-letter template mentioned above.

### **Postal voting**

Pursuant to Article 127 of the Legislative Decree no. 58/98 and article 8.8 of the Articles of Association, voting may also be exercised by correspondence in accordance with the applicable regulations.

The "Postal voting Form", available on the Company's Internet website [www.bancasistema.it](http://www.bancasistema.it) in the section Governance, Shareholders' meeting 2017, or at the Company's registered office, may also be mailed by the Direzione Affari Legali e Societari (Legal and Corporate Affairs Department) to those who have requested it, together with the related envelope. The "Postal voting Form" - duly filled in and signed - must be mailed by registered post at the Company's registered office in Milan - Corso Monforte n. 20, to the attention of the Direzione Affari Legali e Societari or by certified e-mail, to the address [bancasistema.affarisocietari@legalmail.it](mailto:bancasistema.affarisocietari@legalmail.it), and received by April 26, 2017.

Voting forms received after the specified deadline or which have not been signed shall not be counted in the initial or the voting quorum of the Shareholders' Meeting. The postal voting is exercised directly by the holder of the voting right and is exercised separately for each of the resolutions proposed. The vote may be revoked with a written statement notified to the Company by April 26, 2017, or by way of an express statement issued by the holder during the course of the Shareholders' Meeting.

### **Right to submit questions on the items of the agenda**

Under article 127-*ter* of the Legislative Decree no. 58/98, those who have the right to vote, can submit questions on the agenda even before the Meeting, by the deadline of April 24, 2017, by registered post at the Company's registered office in Milan - Corso Monforte n. 20 or by certified e-mail, to the address [bancasistema.affarisocietari@legalmail.it](mailto:bancasistema.affarisocietari@legalmail.it).

For the exercise of said right, appropriate communication issued by intermediaries depository of the shares owned by the entitled shareholders will have to be addressed to the Company.

Questions received before the Shareholders' Meeting will be answered at the latest during the Meeting, and the Company reserves the right to provide a single answer to questions having the same content.

### **Additions to the agenda and presentation of new proposed resolutions**

Under article 126-*bis* of the Legislative Decree no. 58/98, the shareholders who, even jointly, represent at least one fortieth of the share capital, may request in writing, within ten days from the publication hereof (i.e. March 27, 2017), to integrate the items to be discussed during the Meeting, indicating in their request the additional items they propose for discussion or to submit resolution proposals on items already on the agenda.

The requests, together with the certification attesting the ownership of the shareholding of the requesting shareholders, issued by the intermediaries depository of the shares owned by the shareholder, shall be submitted in writing to the registered office by registered post sent to the attention of Direzione Affari Legali e Societari (Legal and Corporate Affairs Department) or by certified e-mail to the address [bancasistema.affarisocietari@legalmail.it](mailto:bancasistema.affarisocietari@legalmail.it) provided they are received by the Company within the term referred to above.

Those who have the right to vote may individually submit proposed resolutions at the Meeting.

The supplementing of the agenda and submission of additional proposed resolutions on items already on the agenda will be declared at least fifteen days prior to the date scheduled for the Shareholders' Meeting in single call. The additional proposed resolutions on matters already on the agenda shall be made available to the public in the manner prescribed for the publication of the notice of call, with the publication of the news of the presentation.

Shareholders requesting additions to the agenda shall prepare a report outlining the reasons for the proposed resolutions on new matters they propose to be discussed, that is the justification for the additional proposed resolutions submitted on matters already on the agenda. The report shall be submitted to the Board of Directors before the deadline for submission of the integration request. The

Board of Directors shall make the report available to the public, accompanied by its own evaluations, if any, together with the publication of the news of the integration or submission, in the manner provided for under article 125-ter, paragraph 1, of the of the Legislative Decree no. 58/98.

The integration of the agenda is not allowed for matters on which the Meeting resolves, by law, at the proposal of the Directors or on the basis of a project or a report prepared by them, other than those referred to under article 125-ter, paragraph 1, of the Legislative Decree no. 58/98.

### **Appointment of a Director**

Pursuant to Article 2386 of the Italian Civil Code and Article 10.4 of the Articles of Association, in order to appoint a Director, the Shareholders' Meeting shall resolve, with the majorities established by law, on the proposals presented at the Meeting without adopting the slate voting procedure, which the Articles of Association mandate solely when the entire Board of Directors is being elected. subject to compliance with the principles of independence and gender balance prescribed by the current applicable legislation, regulations and other laws.

Without prejudice to the right to present candidates for the position of Director directly at the Shareholders' Meeting, Shareholders are invited to notify the Company and the public, with appropriate advance notice, of any proposed nominations that they intend to submit to the Shareholders' Meeting.

Shareholders may only submit proposals if they are accompanied by complete information on both the personal and professional characteristics of the candidates, the statements of the candidates accepting the nomination and affirming, under their personal responsibility, the absence of any grounds making them ineligible or incompatible for such position and that they satisfy the requirements for the position established by applicable law and the Articles of Association (including the satisfaction of any independence requirements established by the By-laws and their qualification as "independent" under Article 3 of the Corporate Governance Code for listed companies) as well as the list of any administration and control positions they may hold in other companies.

The document "*Qualitative and quantitative composition of the Banca SISTEMA S.p.A. Board of Directors*", published on the Banca SISTEMA website, is available to Shareholders disposal in order to enable them to carry out, in due time, the choice of the candidates of candidates to be presented for the integration of the Board of Directors, taking into account the skills required and motivating any difference from the evaluation carried out by the Board of Directors.

For further information, please refer to the report of the Board of Directors, which will be made available in the manner and by the deadline provided for in applicable law.

### **Appointment of the Board of Statutory Auditors**

The appointment of the Board of Statutory Auditors is made via a list vote and is governed by the Civil Code, by the Legislative Decree no. 58/98, by Legislative Decree. N. 385/93 and the related regulations, as well as Art. 18 of the Articles of Association of Banca Sistema, rules to which reference should be made from now on.

The Shareholders' Meeting appoints three statutory auditors and two alternates who remain in post for three financial years, can be re-elected and whose function ceases on the date of the Meeting convened to approve the financial accounts for the third financial year of their office. The list is comprised of two sections: one for candidates for the position of statutory auditor, the other for candidates to the post of alternate auditor. The names of the candidates are listed in sequential order and shall nevertheless not exceed the number of members to be elected.

Lists which have a number of candidates equal to or greater than three must also include candidates of a different gender, so as to allow the Meeting to be set up in accordance with current laws regarding gender equality. Both shareholders which present, including jointly at least 2.5% (two point five per cent) of the share capital represented by voting rights at Meeting resolutions whose purpose is to appoint the members of the administrative body, or another measure which may be established by mandatory legal or statutory provisions, can present a list of candidates. The holding of this minimum share necessary to submit lists is determined having regard to the shares which are registered to the shareholder on the day in which these lists are submitted to the company's head office. In order to prove the holding of the number of shares required to present lists, shareholders who present or are involved in submitting lists, must submit to deliver to the registered office a copy of the appropriate certificate issued by an authorized intermediary pursuant to law, issued within the period laid down for the publication of the lists. Each shareholder, including shareholders belonging to the same group, member of a shareholders' agreement pursuant to article 122 of legislative decree no 58 dated 24 February 1998, parent companies, subsidiaries and those subject to joint control pursuant to article 93 of legislative decree no 58 dated 24 February 1998, may not submit or be involved in the submission, either by proxy of trust company, in more than one list and may not vote on lists other than the one presented and any candidate can only appear in a single list under pain of being declared ineligible.

For the purposes of the preceding paragraph, entities, even those with a corporate status, which exercise direct or indirect control pursuant to Article 93 of Legislative Decree 24 February 1998 n. 58 over the shareholder in question and all the companies controlled directly or indirectly by this entity are deemed to belong to the same group. In the event of any breach of these provisions, regard shall not be had, pursuant to the application of what is set out in this article, of the position of the shareholder in question in relation of none of the lists. Notwithstanding the incompatibilities provided by law, candidates acting as auditors in another 5 (five) issuers or else in violation of the limits on the cumulation of positions possible set out under applicable legal or statutory provisions may not be included in the lists. Outgoing auditors may be re-elected.

The lists must, under penalty of cancellation, be filed at the registered office to the attention of of Direzione Affari Legali e Societari (Legal and Corporate Affairs Department) during office hours (8:30 a.m.- 1 p.m. / 2 p.m. – 6 p.m.), or also via e-mail to [bancasistema.affarisocietari@legalmail.it](mailto:bancasistema.affarisocietari@legalmail.it) (validated with electronic format signature pursuant to article 21, paragraph 2, of Legislative Decree no. 82/05), at least within twenty five days before the date of the single call, i.e. by April 2, 2017, to be intended extended to April 3, 2017, the first working day following thereafter.

By the deadline established for the filing of the lists, the parties having the right thereto who filed them, must also file the following together with each list: i) the information relating to the shareholders who have submitted the list and the shareholding percentage held; ii) the declarations by which the individual candidates accept the application and solemnly swear that there are no grounds for ineligibility or incompatibility, including the limit of the cumulation of positions, or the requirements legally and statutorily prescribed for the respective tasks; iii) a declaration by the shareholders other than those holding, including jointly, a relative controlling or majority shareholder, attesting to the absence of ties with the latter stipulated under applicable laws, as well as (iv) the CV of each candidate, containing extensive information on the personal and professional characteristics of each candidate and indication any management and control tasks covered in other companies.

Any list that does not meet the above requirements shall be deemed not to have been filed.

For more information about the presentation, deposit and publication of the lists, please refer to the provisions of Art. 18 of the Articles of Association, available at the Company's website as well as the

Board report on the items on the agenda of which will be available on the same website in accordance with law.

### **Documentation**

The documentation relating to items on the agenda, the full text of the proposed resolutions together with the reports required by law, will be made available to the public, as provided by law, at the registered office and on the authorized storage mechanism 1Info at the address [www.1info.it](http://www.1info.it) as well as on the Company's Internet website [www.bancasistema.it](http://www.bancasistema.it) in the section Governance, Shareholders' meeting, 2017, in accordance with law and anyhow:

- from the current date the Reports relating to items 4), 5) and 6) on the agenda;
- from March 28, 2017 the documentation and the Report relating to item 7) on the agenda;
- from March 30, 2017 the documentation and the Reports relating to items 1), 2) and 3) on the agenda;
- from April 6, 2017 the documentation and the Reports relating to items 8) and 9) on the agenda.

An excerpt of this notice is published today in the newspaper "Il Giornale".

Milan, March 17, 2017

THE CHAIRWOMAN OF THE BOARD OF DIRECTORS

*Signed by Luitgard Spögler*

*Shareholders entitled to attend and vote at the Meeting are kindly requested to arrive in advance of the stated time, together with ID documents, to allow for the preliminary checks and to ensure that the Meeting starts on time.  
Information about attendance at the Shareholders' Meeting can be obtained from the Number 02.80280.1 which is available from Monday to Friday from 8.30 a.m. until 1 p.m. and from 2 p.m. to 6 p.m..*