

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

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www.bancasistema.it

**ORDINARY SHAREHOLDERS' MEETING, HELD ON SINGLE CALL
AT THE REGISTERED OFFICE AT LARGO AUGUSTO 1/A, ANGOLO VIA VERZIERE 13, MILAN
28 APRIL 2023, 10.00 A.M.**

**BOARD OF DIRECTORS' REPORT
ON ITEM 5 OF THE AGENDA**

**“DETERMINATION OF THE REMUNERATION OF THE BOARD OF STATUTORY AUDITORS
RELATING AND RESULTING RESOLUTIONS.”**

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

BOARD OF DIRECTORS' REPORT

Dear Shareholders,

With the appointment of the Board of Statutory Auditors resolved under point 4) above in the agenda, it has become necessary, in accordance with Article 2402 of the Italian Civil Code, to determine the remuneration of this Board for the entire term of office or for three financial years, until the date of the Meeting called to approve the annual financial statements on 31 December 2025.

In this regard, we wish to remind you that the annual remuneration resolved upon in the Shareholders' Meeting of 23 April 2020 for the Board of Statutory Auditors in office was determined as follows:

- a) €50,000.00 for the Chairperson of the Board of Statutory Auditors;
- b) €35,000.00 for each Standing Auditor;

in addition to the reimbursement of out-of-pocket expenses incurred in relation to their ordinary duties.

It should also be remembered that pursuant to Article 17.6 of the Articles of Association, Statutory Auditors shall not be paid any fee based on financial instruments and linked to the financial management results.

On this basis, in order to determine the remuneration payable to newly-appointed members of the Board of Statutory Auditors, the Shareholders' Meeting is asked to bear in mind the growth achieved by Banca Sistema over the last three years, the significant results recorded for the same period, the Group's more structured composition, and the increased complexity and intensity of the tasks assigned to the Board of Statutory Auditors to ensure compliance with supervisory regulations.

We therefore invite the shareholders to take account of the foregoing when formulating their proposals regarding the determination of the remuneration to be paid to the members of the Board of Statutory Auditors.

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Dear Shareholders, in view of the above, we invite you

- to formulate proposals on this agenda item
- and to approve one of them.

Milan, 17 March 2023

On behalf of the Board of Directors

Ms. Luitgard Spögler

Chairperson of the Board of Directors