

Annex

Requirements of the members of the Board of Directors - summary sheet

1) REPUTATION REQUIREMENTS

ARTICLE 3 OF THE MEF DECREE

The office of Director cannot be held by those who:

- a) are in a state of legal disqualification or in any other situation under article 2382 of the Italian Civil Code;
- b) have been convicted with a final sentence, without prejudice to the effects of rehabilitation and revocation of the sentence for abolition of the offence pursuant to article 673, paragraph 1, of the Italian Code of Criminal Procedure:
 - 1) to imprisonment for an offence according to the rules on corporate law and bankruptcy, banking, finance, insurance, payment services, anti-money laundering, intermediaries authorised to provide investment services and collective asset management, markets and centralised management of financial instruments, raising public savings and issuers of securities, as well as for one of the crimes provided for in articles 270*bis*, 270-*ter*, 270-*quater*, 270-*quater*.1, 270-*quinquies*, 270-*quinquies*.1, 270-*quinquies*.2, 270-*sexies*, 416, 416-*bis*, 416-*ter*, 418 and 640 of the Italian Criminal Code;
 - 2) to imprisonment for a period of not less than one year, for a crime against public administration, public trust, property and in tax law;
 - 3) to imprisonment for a period of not less than two years for any non-culpable crime;
- c) have been subjected to preventive measures ordered by the judicial authority pursuant to Legislative Decree 159 of 6 September 2011, and subsequent amendments and additions, without prejudice to the effects of the rehabilitation and revocation of the sentence for abolition of the offence pursuant to article 673, paragraph 1, of the Italian Code of Criminal Procedure;
- d) on taking office, are in a state of temporary disqualification from acting as of a manager of legal entities and companies or in a state of temporary or permanent disqualification from carrying out administrative, management and control functions pursuant to article 144-*ter*, paragraph 3, of the Consolidated Law on Banking and article 190-*bis*, paragraphs 3 and 3-*bis*, of the Consolidated Law on Finance, or in one of the situations referred to in article 187-*quater* of the Consolidated Law on Finance.

Furthermore, the position of Director may not be filled by individuals to whom a final sentence has been applied at the request of the parties or following an abridged trial - without prejudice to the effects of rehabilitation and revocation of the sentence for abolition of the crime pursuant to article 673, paragraph 1, of the Italian Code of Criminal Procedure, imposing one of the penalties provided for:

- a) by the provisions on corporate law and bankruptcy, banking, finance, insurance, payment services, anti-money laundering, intermediaries authorised to provide investment services and collective asset management, markets and centralised

management of financial instruments, raising public savings, issuers of securities, as well as for one of the crimes provided for in articles 270-*bis*, 270-*ter*, 270-*quater*, 270-*quater*.1, 270-*quinqüies*, 270-*quinqüies*.1, 270-*quinqüies*.2, 270-*sexies*, 416, 416-*bis*, 416-*ter*, 418 and 640 of the Italian Criminal Code, except in the case of the extinction of the crime pursuant to article 445, paragraph 2, of the Italian Code of Criminal Procedure;

- b) to imprisonment for a period of not less than one year for a crime against public administration, public trust, property and in tax law, and/or to imprisonment for a period of not less than two years for any non-culpable crime, except in the case of extinction of the offence pursuant to article 445, paragraph 2, of the Italian Code of Criminal Procedure.

With reference to the cases governed in whole or in part by foreign legal systems, the verification of non-existence of the above conditions is carried out on the basis of an assessment of substantive equivalence.

ARTICLE 2 OF MINISTERIAL DECREE 162/2000

*(applicable to directors under the combined provision of Articles 147-*quinqüies* and 148, paragraph 4 of the Consolidated Law on Finance)*

The office of Director cannot be held by individuals who:

- a) have been subjected to preventive measures ordered by the judicial authority pursuant to Italian Law no. 1423 of 27 December 1956 or to Italian Law no. 575 of 31 May 1965 and subsequent amendments and additions, without prejudice to the effects of rehabilitation;
- b) have been convicted with a final sentence, without prejudice to the effects of rehabilitation:
 - 1. to imprisonment for an offence according to the rules on banking, finance, insurance, financial markets and instruments, taxation and payment services;
 - 2. to imprisonment for one of the crimes under Title XI of Book V of the Italian Civil Code and in Royal Decree no. 267 of 16 March 1942;
 - 3. to imprisonment for a period of not less than six months, for a crime against public administration, public trust, property, public order and public economy;
 - 4. to imprisonment for a period of not less than one year for any non-culpable crime.

The office of Director cannot be held by individuals to whom one of the penalties envisaged in paragraph b) above has been applied at the request of the parties, except in the case of the extinction of the offence.

2) INTEGRITY REQUIREMENTS (Articles 4 and 5 of the MEF Decree)

The Directors satisfy the requirements of integrity in their previous personal and professional conduct. To this end, the following elements are taken into consideration:

- a) criminal convictions imposed even with non-final sentences, even non-final sentences that apply the penalty at the request of the parties or following an abridged trial, criminal convictions, even if they have not become irrevocable, and personal precautionary measures relating to a crime according to the rules on corporate law and bankruptcy, banking, finance, insurance, payment services, usury, anti-money laundering, tax law, intermediaries authorised to exercise investment services and collective asset

management, markets and centralised management of financial instruments, raising public savings, issuers of securities, as well as for one of the crimes provided for in articles 270-*bis*, 270-*ter*, 270-*quater*, 270-*quater*.1, 270-*quinquies*, 270-*quinquies*.1, 270-*quinquies*.2, 270-*sexies*, 416, 416-*bis*, 416-*ter*, 418 and 640 of the Italian Criminal Code;

- b) criminal convictions imposed with even non-final sentences, even non-final sentences that apply the penalty at the request of the parties or following an abridged trial, criminal convictions, even if they have not become irrevocable, and personal precautionary measures relating to crimes other than those referred to in letter a); application, including provisional application, of one of the preventive measures ordered by the judicial authority pursuant to Legislative Decree 159 of 6 September 2011;
- c) final sentences to pay damages for acts performed in the performance of duties by persons operating in banking, finance, markets and securities, insurance and payment services; final sentences to pay damages for administrative-accounting liability;
- d) administrative sanctions imposed on the person for violations of corporate, banking, financial, securities, insurance, anti-money laundering regulations and rules on markets and payment instruments;
- e) disqualification or precautionary measures ordered by the Supervisory Authorities or at their request; removal measures ordered pursuant to articles 53-*bis*, paragraph 1, letter e), 67-*ter*, paragraph 1, letter e), 108, paragraph 3, letter d-*bis*), 114-*quinquies*, paragraph 3, letter d-*bis*), 114-*quaterdecies*, paragraph 3, letter d-*bis*), of the Consolidated Law on Banking, and articles 7, paragraph 2-*bis*, and 12, paragraph 5-*ter*, of the Consolidated Law on Finance;
- f) holding office in entities operating in the banking, financial, markets and securities, insurance and payment services sectors on which an administrative sanction or a sanction pursuant to Legislative Decree 231 of 8 June 2001 has been imposed;
- g) holding office in companies that have been subjected to extraordinary administration, resolution procedures, bankruptcy or compulsory administrative liquidation, collective removal of the members of the administrative and control bodies, withdrawal of authorisation pursuant to article 113-*ter* of the Consolidated Law on Banking, cancellation pursuant to article 112-*bis*, paragraph 4, letter b), of the Consolidated Law on Banking or equivalent procedures;
- h) suspension or cancellation from professional registers, cancellation (as a disciplinary measure) from professional lists and associations imposed by the competent authorities on the professional associations in question; dismissal for just cause from the positions held in management, administration and control bodies; similar measures adopted by bodies appointed by law to manage registers and lists;
- i) negative assessment by an administrative authority regarding the suitability of the person in the context of authorisation procedures provided for by the rules on corporate law, banking, finance, securities, insurance, markets and payment services;
- l) ongoing investigations and criminal proceedings relating to the offences referred to in letters a) and b);
- m) negative information on the person contained in the Central Credit Register established pursuant to article 53 of the Consolidated Law on Banking; negative information means information relating to the person even when they are not acting as a consumer, relevant for the purposes of fulfilling the obligations referred to in article 125, paragraph 3, of the Consolidated Law on Banking.

With reference to the cases governed in whole or in part by foreign legal systems, the verification of situations such as those mentioned above is carried out on the basis of an assessment of substantive equivalence.

The occurrence of one or more of the above situations does not automatically result in the Director's unsuitability but requires an assessment by the Board of Directors. The assessment is carried out with regard to the principles of sound and prudent management, the protection of the Bank's reputation and public trust.

In any case, the principle of integrity is not met when one or more of the above situations outline a serious, precise and consistent framework of conduct that is in contrast with the objectives of sound and prudent management, the protection of the Bank's reputation and public trust.

3) PROFESSIONALISM REQUIREMENTS (ARTICLE 7 OF THE MEF DECREE)

Holders of executive positions shall be selected from among individuals who have exercised one or more of the following activities, including alternatively, for at least three years:

- a) administrative or control activities or management functions in banking, finance, stockbroking or insurance;
- b) administrative or control activities or management functions in listed companies or companies that are larger than or comparable in size and complexity (in terms of turnover, nature and complexity of the organisation or business) to that of the Bank.

Holders of non-executive positions shall be selected from among individuals who meet the aforesaid requirements or have carried out one or more of the following activities, including alternately, for at least three years:

- a) professional activities in areas related to banking, finance, stockbroking or insurance, or in any case functional for the Bank's activity; the professional activity must feature adequate levels of complexity, including as regards the recipients of the services provided and must be performed continuously and to a major extent in the sectors mentioned above;
- b) university teaching activity, as a first or second level lecturer, in legal or economic subjects or other subjects that are in some way pertinent to banking, finance, stockbroking or insurance;
- c) managerial, senior or top management functions, howsoever designated, in public entities or public administrations relating to banking, finance, stockbroking or insurance and on condition that the entity in which such functions were performed is of a size and complexity comparable to that of the Bank.

The Chair of the Board of Directors is a non-executive member who has gained at least a two-year longer overall experience than referred to in the aforesaid requirements.

The Chief Executive Officer and the General Manager are selected from among individuals with specific experience in banking, finance, stockbroking or insurance, gained through management or control activities or managerial duties carried out for a period of not less than five years in banking, finance, stockbroking or insurance, or in listed companies or companies that are larger than or comparable in size and complexity (in terms of turnover, nature and complexity of the organisation or activity performed) to that of the Bank.

For the fulfilment of the above requirements, account must be taken of the experience gained in the 20

years prior to acceptance of the position; experience gained at the same time in multiple functions

is counted solely for the period in which they were performed, and not cumulatively.

4) COMPETENCE REQUIREMENTS (Article 10 of the MEF Decree)

Members must meet the criteria of competence to prove that they are suitable to take on the position, considering the duties inherent in their role and the Bank's size and operational characteristics. For these purposes, theoretical knowledge - acquired through education and training - and practical experience gained in previous or ongoing work activities are taken into consideration.

To this end, it is necessary that:

- a) theoretical knowledge and practical experience in more than one of the following areas be taken into consideration:
 - financial markets;
 - banking and financial regulation;
 - strategic guidelines and planning;
 - organisational and corporate governance structures;
 - risk management (identifying, assessing, monitoring, controlling and mitigating the main types of risk of a credit institution, including member's responsibilities in these processes);
 - internal control systems and other operating arrangements;
 - banking and financial activities and products;
 - accounting and financial reporting;
 - information technology;
- b) theoretical knowledge and practical experience be analysed to verify they are commensurate with:
 - the duties to be performed in the role played by the member and any specifically delegated powers, including participation in committees;
 - the characteristics of the Bank inter alia in terms of size, complexity, type of business and related risks, reference markets and countries of operation.

For the office of Chair of the Board of Directors, the experience gained in the coordination, direction or management of human resources is also assessed to ensure the Chair effectively performs the functions of coordination and direction of the work of the Board, facilitates its proper functioning, including in terms of circulation of information, promotion of effective dialogue and, debate within the Board, as well as the adequacy of its overall composition.

The criteria of competence is not met if information concerning the member's theoretical knowledge and practical experience outline a serious, precise and consistent framework of the person's lack of suitability to hold the position. In the event of specific and limited deficiencies, the Board of Directors may take the necessary measures to remedy them.

5) ADEQUATE COLLECTIVE COMPOSITION OF THE CORPORATE BODIES (ARTICLE 11 OF

THE MEF DECREE)

The composition of the Board of Directors shall be adequately diversified in order to: (i) encourage discussion and debate within the bodies; (ii) promote the emergence of a variety of approaches and perspectives when analysing issues and making decisions; (iii) effectively support corporate processes for developing strategies, performing activities and managing risks, monitoring senior management work and (iv) taking into account the multiple interests that contribute to the sound and prudent management of the Bank.

To this end, consideration shall be given to the presence in the Board of Directors of individuals that: (i) are diversified in terms of age, gender, term of office and, for banks with significant international footprint, their geographical provenance; (ii) collectively possess the skills to achieve the aforesaid objectives; and (iii) are adequate in number (though not excessive) to ensure the proper functioning of the Board.

To ensure compliance with the aforesaid objectives, account shall be taken, among other things, of the bank legal form, business type, the ownership structure, its being part of a banking group and any constraints deriving from statutory and regulatory provisions on the composition of the Board of Directors.

To this end, the Board of Directors identifies in advance its own optimal qualitative and quantitative composition to achieve the above objectives and subsequently verifies the correspondence between this composition and the one resulting from the nomination process.

In the event of deficiencies, the Board of Directors may take the necessary measures to remedy them, and, hence, for example: (i) modify the specific tasks and roles assigned to its members, including any delegated powers, in a way that is consistent with the objectives referred to in this paragraph; (ii) define and implement suitable training plans. Should these measures not be effective to restore an adequate collective composition of the Board of Directors, the Board makes recommendations to the Shareholders' Meeting to overcome the identified deficiencies.

6) INDEPENDENCE REQUIREMENTS FOR BOARD MEMBERS KNOWN AS INDEPENDENT DIRECTORS

ARTICLE 13 OF THE MEF DECREE

A non-executive director is considered independent if none of the following situations apply:

- a) the director is the spouse, not legally separated, joined in civil union or de facto cohabitation, relative or kin up to the fourth degree: 1) of the Chair of the Board of Directors and of officers with executive positions in the Bank; 2) of the heads of the Bank's main corporate functions; 3) of individuals in the situations listed under the following letters;
- b) the director is a shareholder in the Bank;
- c) the director hold or has held with a Bank shareholder or a Bank subsidiary, in the last two years, positions as Chair of the Board of Directors, the management body or the supervisory body or as a member with executive responsibilities or held, for more than nine out of the last twelve years, positions as member of the Board of Directors, the supervisory body or the management body, as well as management positions with a Bank shareholder or subsidiary;
- d) the director held an executive position at the Bank in the last two years;
- e) the director serves as an independent director at another bank of the same banking

- group, save in cases where one bank is 100%-owned by another, directly or indirectly;
- f) the director served in the Board of Directors and held management positions in the Bank for more than nine out of the last twelve years;
 - g) the director is an officer with executive duties in a company where an officer with executive duties of the Bank is either a member of the Board of Directors or of the management body;
 - h) the director directly or indirectly, maintains or, in the two years prior to taking office, maintained employment or self-employment relations or other relationships of a financial, economic or professional nature, including on a non-continuous basis, with the Bank or its representatives with executive duties or its Chair, with the companies controlled by the Bank or their representatives with executive duties or their Chairpersons, or with an investor in the Bank or its representatives with executive duties or its Chair, such as to compromise their independence;
 - i) the director holds or held one or more of the following positions in the last two years:
 - 1) member of the Italian or European Parliament, Government or the European Commission;
 - 2) regional, provincial or municipal councillor or alderman, regional council president, president of the province, mayor, president or member of the district council, president or member of the board of directors of local authorities' consortia, president or member of the councils or unions of municipalities, board member or president of special companies or institutions referred to in art. 114 of legislative decree 267 of 18 August 2000, mayor or councillor of metropolitan cities, president or member of the bodies of mountain or island communities, when the overlap or proximity between the territorial area covered by the entity in which the aforementioned positions are held and the geographical footprint of the bank or group banks to which it belongs are such as might compromise their independence.

For positions held in non-corporate entities, the aforesaid provisions apply to individuals who, in the entity, perform functions similar to those mentioned above.

Failure to meet the requirements under consideration entails the loss of the status of independent director . If, as a result of disqualification from office, the number of independent directors left is sufficient to ensure compliance with the corporate governance provisions for banks implementing the Consolidated Law on Banking or other legal provisions requiring a minimum number of independent directors, the director who does not meet the requirements referred to in this article retains the position of non-independent director, unless otherwise provided for in the Articles of Association.

ARTICLE 148 OF THE CONSOLIDATED LAW ON FINANCE

(applicable to directors pursuant to article 147-ter, paragraph 4, of the Consolidated law on Finance)

The following persons may not be elected as statutory auditors and, where elected, they shall be disqualified from office:

- a) persons who are in the conditions referred to in Article 2382 of the Civil Code;
- b) the spouse, up to fourth degree relatives and in-laws of the Directors of the Bank, the Directors, the spouse, up to fourth degree relatives and in-laws of the Directors of its subsidiary companies, of companies it is controlled by and companies subject to joint

control;

- c) persons who are linked to the company, the companies it controls, the companies it is controlled by and those subject to common control or to directors of the company or persons referred to in paragraph b) by self-employment or employment relationships or by other relationships of an economic or professional nature that might compromise their independence.

CORPORATE GOVERNANCE CODE, 2020 VERSION

Definitions

“Independent Directors”: non-executive directors who do not have, nor have recently had, even indirectly, relations with the company or thereto related entities such as to compromise their current independence of mind.

Recommendation no. 7

The circumstances that jeopardise, or appear to jeopardise, the independence of a director are at least the following:

- a) if the director is a significant shareholder of the company;
- b) if the director is, or was in the previous three financial years, an executive director or an employee:
 - of the company, of a strategically important subsidiary or of a company subject to joint control;
 - of a significant shareholder of the company;
- c) if the director has, or had in the previous three financial years, a significant commercial, financial or professional relationship, directly or indirectly (for example through subsidiaries, or through companies of which he or she is an executive director, or as a partner of a professional or a consulting firm):
 - with the company or its subsidiaries, or with their executive directors or top management;
 - with a subject who, also together with others through a shareholders' agreement, controls the company; or, if the control is held by a company or another entity, with its executive directors or top management;
- d) if the directors receives, or received in the previous three financial years, from the company, one of its subsidiaries or the parent company, significant remuneration other than the fixed remuneration for the position held within the board and for membership in the committees recommended by the Code or required by law;
- e) if the director has served on the board for more than nine years, even if not consecutive, of the last twelve years;
- f) if the director holds the position of executive director in another company where an executive director of the company holds the office of director;
- g) if the director is a shareholder, quota-holder or director of a company or other legal entity belonging to the network of the external auditor of the company;
- h) if the director is a close relative of a person who is in any of the circumstances set forth in previous letters.

RULES FOR VERIFYING THE INDEPENDENCE REQUIREMENT OF BPER BANCA'S DIRECTORS

Verification of fulfilment of the independence requirement is based on the principles, criteria and procedures set out in the "Rules for verifying the independence requirement of Directors" pursuant to which:

- verification of the independence requirement is carried out after directors' appointment in compliance with regulations in force and is subsequently repeated upon the occurrence of altering circumstances liable to compromise independence, and in any case at least once a year;
- under (i) article. 148, paragraph 3(c), of the Consolidated law on Finance (TUF); (ii) article 13, paragraph 1(h), of Ministerial Decree 169/2020 and (iii) Recommendation 7(c), of the Corporate Governance Code, direct or indirect¹ commercial, economic or professional relationships either ongoing or held in the previous three financial years, are deemed 'significant' or liable to compromise a director's independence,, when the following circumstances apply:
 - a. with reference to cash or signature loans with the BPER Group and regardless of the type of transaction if at least one of the following circumstances apply:
 - (i) when the absolute value of the overall exposure granted by BPER or one of its subsidiaries is equal to or higher than Euro 200,000. This calculation does not include retail mortgage loans (negotiated, if performing, under normal market conditions and not in contrast with internal regulations for loan approval) that are not of a commercial/investment nature;
 - (ii) when loans of any amount (including retail mortgage loans) granted by BPER or one of its subsidiaries were not negotiated under normal market conditions and/or are non-performing or, for some reasons, likely to become non-performing;all of the above is without prejudice to the fact that, in pool financing, only the portion pertaining to the BPER Group is considered;
 - b. when the annual amount received in any capacity from relationships held with (i) BPER and/or (ii) one of its Subsidiaries and/or (iii) their executive Directors, Chairs and or Top Managers; and/or (iv) BPER shareholders and/or (v) their executive Directors, the Chair and/or General Manager, in relation to even only one of the three previous financial years is equal to:
 - (i) at least 30% of the overall annual remuneration of the director concerned, as a natural person, it being understood that the following is excluded from the calculation of the amounts (but not from the annual income):
 - all remuneration and refund fees deriving from activities as a Director at the BPER Group;
 - income from ordinary bank and/or corporate relationships at market equivalent or standard conditions (i.e.: interest income on deposits and liquidity, repo transactions, bond coupons, stock dividend, etc.);
 - (ii) at least 5% of the annual turnover of the companies, undertakings or entities controlled by the Director or in which the Director serves as an executive Director

¹ Also including indirect relationships through a) companies, undertakings or entities directly or indirectly controlled by the director (or a close relative); b) companies of which the director (or a close relative) is an executive director or, for non-corporate entities, a key company representative; c) professional orders, professional firms or consultancy firms of which the Director (or a close relative) is a partner.

or, in non-corporate entities, as a key company representative, or of the professional or consulting firm of which the Director is a partner. If the director is a partner in a professional or a consulting firm, the Board of Directors also assesses the significance of the professional relationships that may have an effect on his or her position and role within the professional or the consulting firm and in any event those pertaining to important transactions of the company and the Group, even regardless of quantitative parameters;

- for the purposes of recommendation 7, letter d), of the Corporate Governance Code, a Director's additional Remuneration is generally considered "significant" when it exceeds the 50% threshold of fixed remuneration for serving as a member of the Board of Directors and, if applicable, of BPER Committees;
- the Board of Directors, with a reasoned resolution, may establish that, despite the occurrence of any of the situations identified in the aforesaid Rules as potentially liable to compromise a Director's independence, a Director does in any case meet the independence requirement when, in light of all applicable circumstances, it turns out that the situations are not concretely and specifically liable to compromise the Director's independence;
- furthermore, the Board of Directors, with a reasoned resolution may establish that, in the absence of any of the situations identified in the aforesaid Rules as potentially compromising a Director's independence, a Director may not be deemed independent when, in light of all information acquired, the Board of Directors maintains that further situations exist that are concretely and specifically liable to compromise the Director's independence.

7) INDEPENDENCE OF MIND (Article 15 of the MEF Decree)

All board members act with full independence of mind and awareness of the duties and rights inherent in their office, in the interest of sound and prudent management of the Bank and in compliance with the law and any other applicable regulations. To this end, all board members are required to communicate to the Board of Directors any information on the situations in letters a), b), c), h) and i) in the previous paragraph on the independence requirements and the reasons why, in their opinion, these situations do not compromise their independence of mind.

The Board of Directors assesses the person's independence of mind in the light of the information and reasons provided by the latter and verifies whether the safeguards required by law and regulations, as well as any additional organisational or procedural measures adopted by the Bank or by the person, are effective in dealing with the risk that the above situations could affect the person's independence of mind or the decisions of the Board of Directors. The safeguards required in the following articles are particularly relevant: articles 2391 and 2391-*bis* of the Italian Civil Code and related implementing provisions; Chapter IX of Title V of Book V of the Italian Civil Code; article 53, paragraphs 4 and 4-*quater*, and article 136 of the Consolidated Law on Banking and related implementing provisions; article 6, paragraph 2-*novies*, of the Consolidated Law on Finance; article 36 of Legislative Decree 201 of 6 December 2011, converted with amendments by Law 214 of 22 December 2011.

If the existing safeguards are not considered sufficient, the Board of Directors can: (i) identify other more effective ones; (ii) modify the specific duties and roles attributed to the member, including any delegated powers, in a manner consistent with the objective of guaranteeing the sound and prudent management of the Bank. If these measures are not adopted or are

insufficient to eliminate the identified deficiencies, the Board of Directors declares the member's disqualification from office.

The Board of Directors verifies the effectiveness of the safeguards and measures adopted to preserve the member's independence of mind, also in light of his/her behaviour in performing his/her duties.

8) TIME COMMITMENT (Article 16 of the MEF Decree)

All board members are required to commit sufficient time to perform their functions. On appointment and as soon as possible in the event of any change in circumstances, the member is required to communicate to the Board of Directors the offices held in other companies, undertakings or entities, other job-related and professional activities carried out and situations or facts pertaining to the professional sphere that might affect their time commitment, specifying the time that these tasks, activities, events or situations require.

The Bank ensures that the member is aware of the time deemed necessary by the Bank to effectively perform their functions.

On the basis of the information received, the Board of Directors assesses whether the time each member can commit is sufficient to perform their functions effectively.

If the person declares in writing that they can commit to their functions at least the time estimated as necessary by the Bank, the above assessment can be omitted, provided that all the following conditions are met:

- (i) the offices held by the person do not exceed the limit on the number of offices that can be held pursuant to the following paragraph;
- (ii) this condition is met without benefiting from the provisions of articles 18 and 19 of the MEF Decree (as detailed in the following paragraph);
- (iii) the person does not hold the office of chief executive officer, general manager, or Chair of a corporate body or committee.

The Board of Directors verifies that the time actually committed by the member is sufficient, including in consideration of their presence at the meetings of the bodies or committees.

If the time commitment is not sufficient, the Board of Directors requests the person to give up one or more offices or activities or undertake specific commitments likely to increase his/her time commitment, failing which the Board adopts measures including the revocation of delegated powers or specific tasks or the exclusion of the person from the committees. Compliance with the commitments undertaken by the person is verified in accordance with the preceding paragraph. In any case, the assessment of time commitment is not relevant on its own when deciding on the person's disqualification from office, but contributes to the assessment of the person's suitability to hold office.

9) LIMITS ON THE NUMBER OF OFFICES (Articles 17, 18 and 19 of the MEF Decree)

Members of the of the Board of Directors of the Bank may not hold a total number of positions in banks or other commercial companies that exceeds one of the following alternative combinations:

- a) 1 executive position and 2 non-executive positions; or
- b) 4 non-executive positions.

For the purposes of calculating the limits referred to in paragraph 1, the position held in the Bank is included.

The Board of Directors applies disqualification if it ascertains that the limit on the number of offices has been exceeded and the director concerned does not give up the position or positions, that have caused the limit to be exceeded, within 30 days of the appointment or knowledge that the limit has been exceeded.

The limit on the number of offices does not apply to corporate representatives who, in the Bank, hold offices representing the State or other public bodies.

The calculation of the limit on the number of offices does not take into consideration the following positions held by the company representative:

- in companies or entities, the sole purpose of which is managing the private interests of a director or his/her spouse who is not legally separated, joined in civil union or *de facto* cohabitation, relative and kin up to the fourth degree and which do not require any type of day-to-day management by the director concerned;
- as a partner in a professional firm;
- as an alternate auditor.

For the purpose of calculating the limit on the number of offices, the offices held in each of the following cases count as a single position:

- within the same group;
- within banks which are members of the same institutional protection scheme;
- within non-group entities in which the Bank holds a qualifying holding as defined in article 4(1), point 36 of Regulation (EU) No. 575/2013².

Holding one additional non-executive position in excess of the limits set out in this paragraph is permitted, provided that it does not prevent the director from committing sufficient time to his/her position in the Bank to effectively perform his/her functions³.

An additional non-executive position is not allowed if the director concerned: (i) holds the position of Chief Executive Officer, General Manager or Chair of the Board of Directors, of the Board of Statutory Auditors or of Board-internal Committees at the Bank; (ii) benefits, for other positions, from the application of the counting rules described above⁴.

If the limits on the number of offices are exceeded for more than 30 days from the appointment, the Board -with the interested Director abstaining from voting- votes for the disqualification of the Director.

² If more than one of the cases listed above occur at the same time, the offices are added together. The multiple offices counted as a single one are considered to be an executive position if at least one of the offices held under the aforementioned circumstances is an executive mandate; otherwise, it is considered as a non-executive mandate.

³ To this end, the Board of Directors takes into consideration, among other aspects: (i) the fact that the director holds an executive position in the Bank or is a member of Board-internal committees; (ii) the size, activity and complexity of the Bank or other commercial company where the additional position would be held; (iii) the length of service in the additional position; (iv) the level of competence gained by the director by holding the position in the Bank and any synergies between the various positions.

⁴ The additional non-executive position cannot benefit from the application of the counting rules described above.