
**Regulation of BFF Banking Group
for the management of
transactions with persons in conflict of
interest**

27 June 2023

Table of contents

TABLE OF CONTENTS	1
ART. 1 – INTRODUCTION AND LEGISLATIVE FRAMEWORK	3
ART. 2 – DEFINITIONS	4
ART. 3 – COMMITTEE FOR THE ASSESSMENT OF TRANSACTIONS WITH RELATED PARTIES AND WITH ASSOCIATED PERSONS	11
ART. 4 – CRITERIA ADOPTED BY THE BANK AS REGARDS TRANSACTIONS WITH CONSOB RELATED PARTIES AND ASSOCIATED PERSONS	11
ART.5 - OBLIGATIONS OF COMPANY REPRESENTATIVES	12
Art. 5.1 – Company Representatives of the Bank	12
Art. 5.2 – Company Representative of Subsidiaries.....	13
Art. 5.3 - Management of conflicts of interests of the Most Significant Personnel	13
ART. 6 – LIMITS TO RISK ASSETS TO ASSOCIATED PERSONS	14
ART. 7 – TRANSACTIONS WITH CONSOB RELATED PARTIES AND ASSOCIATED PERSONS	16
Art. 7.1 – Transactions of Greater Relevance.....	16
Art. 7.2 – Other Transactions of Greater Relevance	17
Art. 7.3 – Homogeneous transactions and master resolution	18
Art. 7.4 – Master resolutions of subsidiaries	19
Art. 7.5 – Exemptions and derogations from the application of the rules	19
Art. 7.5.1 – <i>Ordinary Transactions</i>	19
Art. 7.5.2 – <i>Transactions of Negligible Amount</i>	25
Art. 7.5.3 – <i>Urgent transactions</i>	25
Art. 7.5.4 – <i>Other exemptions</i>	26
ART. 8 – OPERATIONAL MANAGEMENT OF TRANSACTIONS WITH CONSOB RELATED PARTIES AND ASSOCIATED PERSONS	28
Art. 8.1 – Census of Consob Related Parties and Associated Persons.....	28
Art. 8.2 – Identification of transactions with Consob Related Parties and Associated Persons	29
Art. 8.3 – Preparation of documents	30
Art. 8.4 – Pre-resolution phase	32

Art. 8.4.1 – Preliminary activities.....	32
Art. 8.4.2 – Pre-resolution procedure.....	33
Art. 8.5 – Approval stage	35
Art. 8.6 – Transactions falling under the competence of the Shareholders’ Meeting	37
Art. 8.7 – Information flows	38
ART. 9 – TRANSACTIONS THROUGH SUBSIDIARIES	38
Art. 9.1 – Foreign subsidiaries.....	39
ART. 10 – FULFILMENTS SUBSEQUENT TO THE ENTERING INTO OF TRANSACTIONS	39
ART. 11 – DISCLOSURE TO THE PUBLIC AS REGARDS TRANSACTIONS WITH CONSOB RELATED PARTIES	40
Art. 11.1 – Disclosure on Transactions of Greater Relevance	40
Art. 11.2 – Further communication obligations	41
ART. 12 – REGULATORY REPORTING	42
ART. 13 – THE INTERNAL CONTROL SYSTEM	42
ANNEX 1 – PRO-FORMA “SELF-DECLARATION” FOR COMPANY REPRESENTATIVES AND SIGNIFICANT PERSONNEL	44
ANNEX 2 – PRO-FORMA SELF-DECLARATION – SHAREHOLDERS IN CASE OF LEGAL ENTITY	52

ART. 1 – INTRODUCTION AND LEGISLATIVE FRAMEWORK

1. The Bank, in its role as Parent Company, defines and issues directions and guidelines applicable to the Group in compliance with the regulatory and legal provisions in force in the Countries in which it operates.

2. This Regulation aims at monitoring the risk that the possible proximity of certain persons to the Bank's decision-making centres may compromise the objectivity and impartiality of decisions relating to transactions with said persons, with possible distortions in the resource allocation process, Bank exposures to risks that are not adequately measured or monitored, potential damages to shareholders and stakeholders, and this also in order to comply with the prudential limits defined in Circular 285 with respect to Own Funds.

3. Through the Regulation, the Bank lays down internal rules intended to ensure transparency, substantial and procedural fairness of the identification and approval process of the following transactions:

- Transactions with Related Parties pursuant to and to the effects of Consob Regulation;
- Transactions with Associated Persons pursuant to the Bank of Italy Rules;
- Transactions with Company Representatives pursuant to article 136 of the TUB.

4. Subsidiaries adopt the Regulation in accordance with the applicable legal and regulatory local requirements, according to the guidelines defined by the Parent Company in its direction and coordination activity in compliance with the relevant regime.

5. The Regulation does not govern the disclosure on transactions with related parties for financial statements purposes, for which the Bank conforms to accounting standard IAS 24.

6. The Regulation is published on the Bank website and made available to the public, and is interpreted with attention to the substance of the transaction, for the its identification and classification purposes.

ART. 2 – DEFINITIONS

<i>Directors Involved in the Transaction</i>	directors with an interest in the transaction, on their own behalf or for third parties, which is in conflict with that of the Company.
<i>Associated Persons:</i>	the group of persons represented by Bank of Italy Related Parties (also Bank of Italy Non-Financial Related Parties) and Connected Persons.
<i>Bank of Italy Non-Financial Related Parties:</i>	a related party exercising mainly, either directly or through subsidiaries, non-financial enterprise activities as defined in the regime governing permitted shareholdings for banks and banking groups, as per the Supervisory Rules for Banks. In order to have a non-financial related party asset other than banking, financial and insurance ones shall exceed 50% of total assets. The concept also includes the participant and one of Bank of Italy Related Parties as per items c) and d) of the relating definition which is a holding company qualifying as non-financial enterprise pursuant to the aforementioned regime of permitted shareholdings.
<i>Bank of Italy Related Parties:</i>	the group of related parties as defined by the Bank of Italy Rules, namely: <ul style="list-style-type: none"> a) Company Representatives of the Bank and, as applicable, of other banks or supervised intermediaries belonging to the Group; b) holders of an interest in the Bank (and/or as applicable, in other banks or supervised intermediaries belonging to the Group), the acquisition of which is subject to the authorisation of the Bank of Italy pursuant to art. 19 of the TUB, and whoever exercises the rights associated therewith, as well as whoever holds control over the Bank and/or, as applicable, other banks or supervised intermediaries belonging to the Group; c) persons, other than participants capable of appointing alone one or more members of Board of Directors or, as applicable, of other banks or supervised intermediaries belonging to the Group, also based upon arrangements howsoever entered into and/or of statutory clauses having as subject matter or effect the exercise of said rights or powers; d) companies or undertakings also set up in non-corporate form over which the Bank or a company belonging to the Group is capable of exercising control or significant influence.
<i>Bank of Italy Rules:</i>	the “Risk assets and conflicts of interest towards associated persons” regime as per of Circular 285.
<i>Bank or Parent Company or Company:</i>	BFF Bank S.p.A., parent company of the BFF Banking Group.

Board of Directors or Board:	the “body with strategic supervision functions” of the Parent Company, which is entrusted with management functions of the Bank, through, inter alia, the assessment of and resolution upon industrial or financial plans and strategic transactions pursuing its own Sustainable Success.
Board of Statutory Auditors:	the Parent Company Corporate Body “with control functions” supervising on compliance with legal, regulatory and statutory provisions, on proper administration, on the adequacy of the Bank organisational and accounting structure, also at Group level.
Borsa:	Borsa Italiana S.p.A..
By-Laws:	the Bank Corporate By-Laws.
Chief Executive Officer:	the “body with management functions” of the Parent Company. The director to whom, pursuant to the Italian Civil Code, the Board of Directors delegates the day-to-day management tasks, i.e. the implementation of the policies approved by the Board in the exercise of its strategic supervisory function.
Company Representatives:	persons carrying out administration, direction and control functions within the Bank or its Subsidiaries. The definition includes, in particular, in the traditional administration and control system, directors, statutory auditors and a person carrying out duties involving functions equivalent to general manager
Compliance & AML Function:	the Corporate Function responsible for verifying compliance with the regulations assigned to the Compliance & AML Function of the Parent Company.
Connected Persons:	pursuant to the Bank of Italy Rules, the following are persons connected to the Bank of Italy Related Parties: <ul style="list-style-type: none"> - companies and undertakings also set up in non-corporate form controlled by a Bank of Italy Related Party; - persons controlling a Bank of Italy Related Party among those listed under items (b) and (c) of the definition of Bank of Italy Related Parties or persons subject, either directly or indirectly, to common control with the same Bank of Italy Related Party; - Close Family of a Bank of Italy Related Party and companies or undertakings controlled thereby.
Consob Regulation:	the regulation laying down provisions on related-party transactions as adopted by Consob with resolution no. 17221 of 12 March 2010 and subsequent amendments and supplements.
Consob Related Parties:	the group of related parties as defined in Appendix of the Consob Regulation, or a person or entity related to the

	<p>entity that prepares the financial statements¹. In particular:</p> <ul style="list-style-type: none">a. a person or close family member of that person are related to an entity that prepares the financial statements if such person:<ul style="list-style-type: none">i) has control or joint control of the entity that prepares the financial statements;ii) has a significant influence over the entity that prepares the financial statements; oriii) is an executive with strategic responsibilities of the entity that prepares the financial statements or its controlling entity;b. An entity is related to an entity that prepares the financial statements if any of the following conditions apply:<ul style="list-style-type: none">i) the entity and the entity that prepares the financial statements are part of the same group (which means that each controlling, controlled company and group company is related to the others);ii) an entity is an associate or joint venture of the other entity (or an associate or joint venture² belonging to a group to which the other entity belongs);iii) both entities are joint ventures of the same third counterparty;iv) an entity is a joint venture of a third entity and the other entity is a related party of the third entity;
--	---

¹ This entity means BFF Bank S.p.A..

² An associate includes controlled companies of the associate and a joint venture includes controlled entities of the joint venture. Therefore, for example, a controlled entity of an associate and the investor that has a significant influence over the associate are also related to each other.

	<ul style="list-style-type: none"> v) the entity is represented by a post-employment benefits plan in the favour of the employees of the entity that prepares the financial statements or an entity related to it; vi) the entity is controlled or jointly controlled by a person identified under point (a); vii) a person identified under point (a)(i) has a significant influence over the entity or is one of the executives with strategic responsibilities for the entity (or of its controlling entity); viii) the entity, or any member of a group to which it belongs, provides key management services to the reporting entity or the reporting entity's parent.
Consob:	the Commissione Nazionale per le Company e la Borsa.
Consolidated Banking Law or TUB:	the Consolidated Law on banking and credit as per Legislative Decree no. 385 of 1 September 1993, and subsequent amendments.
Consolidated Law on Finance or TUF:	the Consolidated Law on financial intermediation as per Legislative Decree no. 58 of 24 February 1998, and subsequent amendments.
Control Corporate Functions of the Parent Company:	collectively, the Compliance & AML Function, the Risk Management Function, the Internal Audit Function.
Control:	the notion of control pursuant to article 23 of the TUB, represented by the circumstances envisaged in article 2359, subsections 1 and 2, of the Italian Civil Code (availability of the majority of voting rights in the ordinary shareholders' meeting, availability of votes sufficient to exercise dominant influence in the ordinary shareholders' meeting, dominant influence by virtue of specific contractual provisions), by the power to exercise the direction and coordination activity by virtue of contracts or statutory clauses, by situations of dominant influence. Situations of joint control, namely the sharing, contractually provided for, of control over an economic undertaking, also qualify as control. Control is also relevant when it is exercised indirectly, through subsidiaries, trust companies, organizations or nominees; companies and subsidiaries of entities in turn subject to joint control are not deemed to be

	indirectly controlled. Words “subsidiaries” and “controlled” shall be construed accordingly.
Corporate Bodies:	collectively, the Board of Directors, the Chief Executive Officer and the Board of Statutory Officer of the Parent Company.
Corporate Function:	the set of duties and responsibilities entrusted for the performance of a specific phase of the company business.
Corporate Governance Code:	the Corporate Governance Code of listed companies approved by the Corporate Governance Committee set up by Business Associations (ABI, ANIA, Assonime, Confindustria), Borsa and the Association of professional investors (Assogestioni) in January 2020
CRR:	the Commission Delegated Regulation (EU) No 241/2014 of 7 January 2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms.
Group:	collectively, the Bank and its Subsidiaries.
Independent Directors:	the directors who meet the independence requirements, as set out in the By-laws, and who are not counterparties or Associated Persons of the counterparty or have an interest in the transaction pursuant to art. 2392 of the Italian Civil Code.
Independent Expert:	the natural or legal person meeting the professionalism, integrity and independence requirements imposed by the nature of the mandate granted. The existence of the independence requisite is verified by the person granting the mandate, having regards, in particular, to the possible economic, financial and capital relations between the expert and: (i) the Company; (ii) the entity controlling the Company; (iii) Company subsidiaries or affiliates or companies subject to common control with the Company; (iv) directors of the companies under aforementioned items (i) (ii), and is confirmed by a declaration issued by the expert upon granting of the mandate.
Internal Audit Function:	the Corporate Function responsible for verifying internal audit attributed to the Internal Audit Function of the Parent Company.
Issuers Regulation:	the regulation adopted with Consob resolution of 14 May 1999, no. 11971 and subsequent updates.
Market Equivalent or Standard Terms:	conditions analogous to those usually applied to unrelated parties for transactions of corresponding nature, size and risk, or based on regulated fees or mandatory prices, or applied to persons with whom the Bank (or companies directly and/or indirectly controlled thereby) is bound by law to contract at a specific price.

Most Significant Personnel:	the categories of persons whose professional activity has or may have a substantial impact on the Group's risk profile, as identified by the Board of Directors with a specific resolution, by means of an assessment process carried out on the basis of the qualitative and quantitative criteria envisaged by the CRR and internal regulations.
Ordinary Transactions:	Transactions carried out as part of the ordinary exercise of business operations and the connected financial activity of the Bank, entered into at Market Equivalent or Standard Terms. The transaction must meet the following criteria: be carried out as part of the ordinary activity, objective nature of conditions, simplicity of the economic-contractual scheme, low quantitative materiality, type of counterparty.
Own funds:	the sum of Tier 1 and Tier 2 capital, as defined for the purposes of the risk concentration framework in Part 2 of the CRR.
Persons in Conflict of Interest:	the group of persons comprised of Consob Related Parties and Associated Persons.
Regulation of the RPT Committee:	The Regulation of the Committee for the assessment of Transactions with Related Parties and Associated Persons adopted by the Bank.
Regulation:	this regulation.
Risk Assets:	net exposures as defined for the purpose of the risk concentration regime.
Risk Management Function:	the Corporate Function responsible for risk management attributed to the Risk Management Function of the Parent Company.
RPT Committee:	the committee for the assessment of transactions with related parties and associated persons.
Shareholders' Meeting:	the Bank shareholders' meeting.
Significant Interest:	the interest of a Related Party of the Company such as to make an independent person, acting with professional diligence, believe that said Related Party may obtain, either directly or indirectly, an advantage or disadvantage of whatever nature from the realisation of a Transaction with Related Parties. Interests deriving from the mere sharing of one or more directors or other managers with strategic responsibilities between the Company and its subsidiaries and affiliates shall not be deemed significant interests, without prejudice to the provisions of paragraph 21 of Consob Communication no. DEM/10078683 of 24 September 2010.
Subsidiary/ies:	Italian or foreign companies belonging to the Group and directly or indirectly subject to the direction and coordination activity of the Parent Company.

<i>Supervised Intermediaries:</i>	Financial intermediaries, EU investment companies, third-country companies other than banks, Italian and foreign asset management companies, Electronic Money Institutions (EMI), financial intermediaries enrolled with the register provided for by art. 106 of the TUB, payment Institutions, belonging to a banking group and whose Own Funds at an individual level exceed 2% of the Own Funds at consolidated level of the banking group to which they belong.
<i>Supervisory Capital:</i>	the aggregate defined for the purpose of the risk concentration regime.
<i>Supervisory Rules for Banks:</i>	the provisions of the Bank of Italy's Circular no. 285 of 17 December 2013 and subsequent updates.
<i>Sustainable Success</i>	the goal that guides the Board's actions consisting of long-term value creation for the benefit of shareholders, taking into account the interests of other stakeholders relevant to the Bank.
<i>Transactions of Greater Relevance:</i>	Transactions with Consob Related Parties and Transactions with Associated Persons identified by article 7.1 of the RPT Regulation.
<i>Transactions of Lower Relevance:</i>	Transactions with Consob Related Parties and Transactions with Associated Persons other than Transactions of Greater Relevance and Transactions of Negligible Amount.
<i>Transactions of Negligible Amounts:</i>	transactions with an amount or in any case with unitary value not exceeding Euro 250,000.00 if carried out with a legal entity, and 50,000.00 euros if carried out with a natural person.
<i>Transactions with Associated Persons:</i>	transactions with Associated Persons pursuant to the Bank of Italy Rules.
<i>Transactions with Consob Related-Parties:</i>	transactions with Related Parties pursuant to Consob Regulation.
<i>Unrelated Directors:</i>	the Bank directors other than the counterparty of a specific transaction or his related parties, pursuant to Consob Regulation.
<i>Unrelated Shareholders:</i>	persons entitled to voting right other than the counterparty of a specific transaction, his Consob Related Parties or Associated Persons, as well as Consob Related Parties and Associated Persons of the Bank.
<i>Website:</i>	the Bank website, accessible at the following URL www.bff.com .

ART. 3 – COMMITTEE FOR THE ASSESSMENT OF TRANSACTIONS WITH RELATED PARTIES AND WITH ASSOCIATED PERSONS

1. The Bank of Italy Rules and Consob Regulation provide that in order to carry out the duties entrusted to Independent Directors in the matter of assessment of Transactions with Consob Related Parties and Associated Persons, banks shall appoint a specific Board committee.

2. In compliance with said provision as per point 1 above, the Bank sets up, with Board of Directors' resolution, the RPT Committee, comprised of three Independent Directors, all meeting the requirements laid down by the Corporate Governance Code, subject to periodic renewal, and the functioning of which is governed by the Regulation of the RPT Committee.

3. For Transactions of Greater Relevance, the RPT Committee resolves by unanimity.

4. For Transactions of Lower Relevance, the RPT Committee resolves by majority of its members.

5. The intervention of the RPT Committee is not necessary for transactions falling within exemption cases and options as per article 7.5 (*Exemptions and derogations from application of the rules*) of this Regulation.

6. In order to provide the RPT Committee with thorough knowledge of the Transactions with Consob Related Parties and Associated Persons, complete and adequate information regarding the different aspects of the transaction subject matter of the resolution must be provided thereto with due advance (usually, at least 4 days prior to the date on which the Committee is called to express itself).

ART. 4 – CRITERIA ADOPTED BY THE BANK AS REGARDS TRANSACTIONS WITH CONSOB RELATED PARTIES AND ASSOCIATED PERSONS

1. The Bank provides for the intervention of the RPT Committee for the assessment of Transactions with Consob Related Parties and Associated Persons both in the pre-resolution and in the resolution phase, with the modalities described in article

8 (Operational management of transactions with Consob Related Parties and Associated Persons).

ART.5 - OBLIGATIONS OF COMPANY REPRESENTATIVES

Art. 5.1 – Company Representatives of the Bank

1. For transactions with Company Representatives and related Connected Persons, the Bank:

- a) in the pre-resolution phase, applies the procedure referred to in article 8.4;
- b) in the resolution phase, only applies the enhanced process referred to in art. 136 of the TUB³, which provides as follows:
 - the Director must give prior notice to the Board of Directors and the Board of Statutory Auditors of any interest that he/she may have, on his/her own behalf or on behalf of third parties, in a transaction, specifying its nature, terms, origin and scope; even if he/she is absent from the Board meeting at which it is discussed. The above-mentioned obligations must be expressly mentioned in the minutes of the board meeting.
 - the adoption of the decision by the Board of Directors at unanimity with exclusion of the concerned Director vote and with the favourable vote expressed by all members of the Board of Statutory Auditors. Should the Company Representative be a Statutory Auditor, the decision on the transaction shall be adopted at unanimity by the Board of Directors and with the favourable vote expressed by all members of the Board of Statutory Auditors, with exception of the concerned Statutory Auditor;
 - the adequate justification on the opportunity and economic convenience of the transaction for the Bank; and

³ Article 136 of the T.U.B. sets out as follows: “(Obligations of banks’ officers) 1. Persons performing administrative, managerial or control functions in a bank may not enter into obligations of any kind or directly or indirectly enter into purchase or sale agreements with the bank which they administer, manage or control without a prior resolution adopted at unanimity by the administrative body and a favourable vote of all the members of the control body, except where abstention is required by law. It is the power of the Board of Directors to transfer the approval of transactions with respect to prior periods in accordance with the arrangements provided for therein”. It should be noted that Article 136 of the T.U.B. is applicable to a wider and different variety of parties than that provided for in the Bank of Italy Rules since, unlike the Bank of Italy Rules relating to connected persons, art. 136 TUB also includes, inter alia, companies in which a corporate officer performs administrative, management and control functions.

- the indication of the reasons for any deviation, in terms of economic and contractual conditions, and other specific transaction profiles, compared to Market Equivalent or Standard Terms.

2. If the transaction at hand qualifies as Transaction of Greater Relevance, the RPT Committee, or one or more of its specifically delegated members, is made aware of the same transaction as early as the negotiation and preliminary investigation phase by receiving a complete, timely and up-to-date information flow.

3. In any case, the Bank shall transmit complete and adequate information on the transaction to the RPT Committee with due advance.

Art. 5.2 – Company Representative of Subsidiaries

1. The procedure under article 5.1 also applies to obligations that Company Representatives of subsidiaries enter into with the reference company or other Group companies. With reference to Company Representatives of Subsidiaries and their Connected Persons, the enhanced process under article 8.5 applies to the resolution stage so to provide for the explicit authorization of such transactions by the Board of Directors.

Art. 5.3 - Management of conflicts of interests of the Most Significant Personnel

1. Besides Company Representatives identified among Associated Persons, potential risks of conflicts of interest arise in relation to a wider group of employees and collaborators, at different hierarchical and functional levels, especially if they hold interests in other activities (e.g. if direct shareholders of companies or through family members).

2. In accordance with the Supervisory Rules for Banks, the Bank identified as minimum perimeter of persons to be taken into account for the purpose of point 1 above, the persons falling within the scope of the regime provided for Consob Related Parties and Associated Persons.

3. For the assessment of transactions with the Most Significant Personnel in both the pre-resolution and resolution stage, the provisions set forth in article 8 (*Operational management of transactions with Consob Related Parties and Associated*

Persons) apply and, therefore, the deliberative modalities under article 8.5 shall be, *inter alia*, applied.

ART. 6 – LIMITS TO RISK ASSETS TO ASSOCIATED PERSONS

1. Pursuant to article 1, Section II, Chapter 11, Part Three of the Bank of Italy Rules, the assumption of Risk Assets of the Group towards Associated Persons must be kept within the below listed limits, referred to the consolidated Own Funds.

	<i>Company representatives</i>	<i>Controlling participants or capable of exercising significant influence</i>	<i>Other participants and persons other than participants</i>	<i>Persons subject to control or significant influence</i>
Consolidated Limits	5%	<i>Non-Financial Related Parties and related connected persons</i>		
		5%	7.5%	15%
		<i>Other Bank of Italy Related Parties and related connected persons</i>		
		7.5%	10%	20%

2. Risk Assets are weighted according to factors that take into account the risk level associated with the nature of the counterparty and possible forms of credit protection.

3. Weighting factors and admissibility conditions of risk mitigation techniques set forth in the context of the large exposure regime shall apply to Risk Assets.

4. Risk Assets do not include shareholdings and other assets deducted from Own Funds.

5. Temporary exposures associated with the provision of fund transfer and clearing, settlement and custody of financial instruments services in the cases and upon the conditions provided for by the risk concentration regime, as well as exposures as per art. 390, para. 6, letters a), b), c) and d) of the CRR are not included in the limits as per point 1 above,

6. In case between the Bank, also at Group level, and a Bank of Italy Related Party there are a number of relations involving the application of different prudential limits, the lowest limit shall apply.

7. The above limits exclude Risk Assets related to transactions between companies belonging to the same banking group, as well as equity investments held in an insurance undertaking, a reinsurance undertaking or an insurance holding company in which the Bank or the Group has a significant investment, if the Bank (or the Group) has been authorized pursuant to Article 49, par. 1 of the CRR, not to deduct equity instruments held in these undertakings, as well as interests held in an insurance undertaking, reinsurance undertaking or insurance holding company, for which the Bank (or the Group) does not deduct the interests held in these undertakings pursuant to Article 471 of the CRR⁴.

8. The Parent Company ensures compliance, on an ongoing basis, with the prudential limits for Risk Assets to Associated Persons.

9. If, due to reasons beyond the will or negligence of the Subsidiary or the Parent Company, one or more limits are exceeded, Risk Assets shall be brought back within the limits, in the shortest time possible.

10. The Chief Executive Officer prepares – within 45 days of the exceeding of the limit – a remedial plan and submits it, having heard the Board of Statutory Auditors, for approval to the Board of Directors. Such plan is forwarded from the Corporate Affairs Secretary to the Bank of Italy within 20 days of its approval, together with the minutes setting out the Corporate Bodies resolutions.

11. If the exceeding of the limits concerns a Bank of Italy Related Party due to the interest held in a Group company, the administrative rights associated with the interest are suspended.

12. The Parent Company assesses the legal, reputational or conflict of interest risks associated with the operations towards Associated Persons, if relevant for business operations, as part of the internal capital adequacy assessment process (ICAAP) pursuant of the Supervisory Rules.

⁴ In particular: in the case of foreign exchange transactions, the exposures taken in the ordinary course of settlement, during the period of two business days following payment was made; in the case of transactions involving the sale or purchase of securities, the exposures taken in the ordinary course of settlement, during the period of five business days following payment was made or securities were delivered, whichever is sooner; in the case of the provision of money transfer services, including the performance of payment, clearing and settlement services in any currency and correspondent bank or clearing, settlement and custody services of financial instruments to clients, the delayed receipt of funds and other exposures arising from such services or activities, which do not last beyond the next business day; in the case of the provision of money transfer services, including the performance of payment, clearing and settlement services in any currency and correspondent bank, intraday exposures to institutions providing such services.

ART. 7 – TRANSACTIONS WITH CONSOB RELATED PARTIES AND ASSOCIATED PERSONS

Art. 7.1 – Transactions of Greater Relevance

1. For the purpose of the Regulation transactions in which the "*Value Materiality Index*", i.e. the ratio between the transaction value and Own Funds derived from the most recent published consolidated balance sheet, exceeds the threshold of 5% of the Own Funds are Transactions of Greater Relevance.

2. If economic conditions are determined, the transaction value is:

- for cash components, the amount paid to/by the counterparty; for cash components in a currency other than the Euro, the value in Euro determined at the transaction date;
- for financial instruments components, the value determined as at the transaction date, in accordance with applicable accounting regulations;
- for financing and guarantee granting transactions, the maximum amount payable.

3. If the transaction economic conditions depend in whole or in part on amounts not yet known, the transaction value is the maximum amount receivable or payable under the agreement.

4. For acquisition, merger and spinoff transactions, the 5% threshold shall be calculated on the basis of the "*Asset materiality index*", which is the ratio between total assets of the target entity of the transaction and the consolidated Bank total assets⁵.

5. *Total assets* of the target entity of the transaction shall mean:

- for transactions affecting the scope of consolidation, the total value of the entity's assets;
- for transactions not affecting the scope of consolidation, in case of acquisitions of shareholdings, the transaction value increased by the liabilities of the company

⁵ "*Off-balance sheet items*" must be included in the assets.

being acquired, if any, or, in case of disposal of shareholdings, the value of the business sold;

- for transactions other than those above, in case of acquisitions of other assets, the greater of the consideration and the book value assigned to the asset or, in case of transfers, the asset book value.

6. Even transactions in which the “Liabilities materiality Index”, i.e. the ratio between total liabilities of the entity purchased and the Group total assets, exceeds the 5% threshold qualify as Transactions of Greater Relevance. For the purpose of calculating the ratio at hand, data to be used shall be derived from the most recent published Bank consolidated balance sheet; where possible, analogous data shall be used to determine the total liabilities of the company or business unit acquired.

7. In case of transactions homogeneous among them or entered into in execution of a unitary design, carried out during the same financial year, or equivalent period, with the same Consob Related Party and/or Associated Person or with Consob Related Parties and/or Associated Persons both to them and the Bank, the Bank cumulates their value for the purpose of calculating the materiality threshold as well as the limits compared to the Own Funds as required by bank of Italy Rules and as per article 6 of this Regulation.

8. All transactions that, after completion, originate losses, allocation to non-performing loans, court or out-of-court settlements qualify as Transactions of Greater Relevance, regardless of the meeting of the aforementioned parameters. Decisions regarding credit-related transactions (for example, financial operations) falling within these categories, being subject to potential influences, are left to the RPT Committee’s evaluation, being in any case unprejudiced the competence of the Board of Directors to resolve on the matter.

Art. 7.2 – Other Transactions of Greater Relevance

1. The Bank, as at the date of entry into force of the Regulation, has not identified other transactions to be deemed of greater relevance, for which stricter rules than those defined by Bank of Italy Rules and Consob Regulation are provided for.

Art. 7.3 – Homogeneous transactions and master resolution

1. Homogeneous transactions are, regardless of whether they are of greater or lower relevance, those determined sufficiently in advance and homogeneous among them, in terms of conditions applied and general characteristics. For such transactions, when performed on an on-going basis with specific categories of Consob Related Parties and Associated Persons, special master resolutions may be drawn up. Master resolutions are adopted in accordance with the provision of the preceding articles with the deliberative procedures set forth under article 8, depending on the foreseeable maximum amount of transactions, cumulatively assessed, subject matter of the master resolution.

2. Master resolutions shall:

- a) have a one year duration;
- b) meet the specificity, homogeneity and determination requirements of transactions they refer to, setting out all foreseeable informative elements of the same transactions (among which, the foreseeable maximum amount of transactions to be realised in the reference period);
- c) provide for a maximum plafond at consolidated level⁶, in compliance with the prudential limits set out in article 6, setting out the conditions provided for the transactions and the convenience thereof for the Group;
- d) provide for a comprehensive quarterly disclosure to the Board of Directors on their implementation.

3. The types of transactions which the Bank expects to be suitable to be typically managed through master resolutions, since they comply with the requirements of Bank of Italy Rules, are:

- a) Bank's operations for own account (financial instruments and derivatives trading);
- b) purchases of receivables from Consob Related Parties and Associated Persons.

⁶ For the purposes of setting the ceiling, the Group takes into account the foreseeable maximum amount of transactions subject to the resolution, taken cumulatively.

4. The comprehensive disclosure as per point 2, lett. d) above, is provided to the Board of Directors by the B.U: Corporate Affairs Secretary.

5. On occasion of the approval of a master resolution by the Board of Directors, the Bank publishes an informative document pursuant to article 5 of Consob Regulation, in case the foreseeable maximum amount of transactions to be realised in the reference period, as identified in the master resolution, exceeds one of the thresholds identified pursuant to article 4, subsection 1, letter a) of Consob Regulation. Transactions entered into in execution of a mater resolution subject matter of an informative document are not computed as cumulative transactions.

6. The provisions of article 8 do not apply to single Transactions with Consob Related Parties and Associated Persons.

Art. 7.4 – Master resolutions of subsidiaries

1. In case master resolutions are needed, Subsidiaries promptly inform the Parent Company competent bodies and the Credit Evaluation O.U., for the purpose of verifying the achievement of the plafond referred to in article 6.

2. Each Subsidiaries informs on a quarterly basis in aggregate form the Board of Directors of the Parent Company of transactions with Consob Related Parties and Associated Persons carried out during the quarter, whether or not they are exempt from the application of the deliberative procedures provided for the management of such transactions as per article 8 below.

Art. 7.5 – Exemptions and derogations from the application of the rules

1. The provisions referred to in this Regulation for transactions under articles from 7.5.1 to 7.5.4 may be derogated in whole or in part.

2. Exclusion cases provided for in this article shall also be applied also in case of transactions entered into through Subsidiaries.

Art. 7.5.1 – Ordinary Transactions

1. Transactions qualifying as Transactions of Lower Relevance are to be deemed “ordinary”, provided that:

- i. they are not reserved to the exclusive competence of the Shareholders' Meeting;
- ii. their purpose, nature and conditions, fall within the Group ordinary operations;
- iii. they are entered into at Market Equivalent or Standard Terms⁷
- iv. the counterparty with which the transaction is carried out belongs to the usual clients category to which the Bank provides that particular service.

2. The Bank considers the following transactions to be typically ordinary, in its reference market:

- a. transactions involving the non-recourse purchase of receivables from customers, which thus become part of the Bank's financial statements, and of which the Bank takes full ownership.

Customers remunerate the Bank by means of a fee ("*maturity fee*"), determined on the basis of:

- i) historical payment trends of the customers to which transferred loans refer,
 - ii) financial expenses (current and prospective) that the Bank will incur to finance the purchase of such credits.
- b. credit management transactions on behalf of customers;
 - c. deposit and cash account collection transactions carried out by the Bank, both through digital channels and by direct contact with customers;
 - d. counter activities;
 - e. credit granting services⁸;
 - f. mandatory reserve mediation services;
 - g. banknote buying and selling services;
 - h. services falling under the "securities services" competence center;

⁷ In this case Consob Regulation provides that, without prejudice to the provisions of art. 114, subsection 1, of the TUF:

i) the counterparty, the purpose and the consideration of the same transaction shall be communicated to CONSOB within 7 (seven) days of the transaction resolution;

ii) they shall be identified in the interim management report and in the annual management report as transactions for which the company availed itself of the power to exclude "ordinary" disclosure obligations.

⁸ With the exception of credit granting services carried out with the Bank's representatives as per art. 136 of the Consolidated Banking Law, which may be included among "ordinary" transactions if they are in favour of the company representative in his/her capacity as employee, within the limits and conditions provided in general for employees themselves.

- i. services falling under the "payments" competence center.
3. The following transactions carried out by Subsidiaries, each in their reference market, shall also be considered ordinary:
- **BFF Finance Iberia S.A.**, transactions relating to the non-recourse purchase of receivables from clients and credit management on behalf of clients.
 - **BFF Polska S.A.**, transactions relating to:
 - a. direct and indirect financing to the health sector, public administration, health system suppliers, local government units, municipal companies, other types of accepted debtors.
 - b. purchase of receivables with or without recourse, from private entities, health departments and public bodies.
 - c. operating and financial leasing to public and private hospitals and local government units.
 - d. equity contributions to municipal companies.
 - **BFF MEDFinance S.A.**, transactions relating to:
 - a. direct and indirect financing of the health sector (including loans for doctors), public administration, health system suppliers, local government units, municipal companies, other debtors.
 - b. purchase of receivables with or without recourse from private entities, health departments and public bodies.
 - c. operating and financial leasing to public and private hospitals and local government units.
 - d. vendor finance to public and private hospitals, instalment sales of medical equipment.
 - e. project financing under the "Design - Build - Finance" formula.
 - **BFF Ceska Republika S.r.o.**, transactions relating to:

- a. direct and indirect financing of the health sector, public administration, health system suppliers, local government units, municipal companies, other accepted debtors.
 - b. purchase of receivables with or without recourse from private entities, health departments and public bodies.
 - c. operating and financial leasing to public and private hospitals and local government units.
 - d. equity contributions to municipal companies.
 - e. issuance of guarantees.
- **BFF Central Europe S.r.o.**, transactions relating to:
 - a. direct and indirect financing of the health sector, public administration, health system suppliers, local government units, municipal companies, other accepted debtors.
 - b. Purchase of receivables with or without recourse from private entities, health departments and public bodies.
 - c. operating and financial leasing to public and private hospitals and local government units.
 - d. equity contributions to municipal companies.
 - e. issuance of guarantees.
- **Kancelaria Prawnicza Karnowski i Wspólnik sp. k.**, transactions relating to:
 - a. monitoring of receivable payment times within the agreed terms.
 - b. restructuring of receivables.
 - c. management of court proceedings.
 - d. renegotiation of receivables payment terms.
 - e. management of relationship with debtors.
 - f. receivables collection.
 - g. management of enforcement proceedings.
- **Restrukturyzacyjna Kancelaria Prawnicza Karnowski i Wspólnik sp. k.**, transactions relating to:

- a. restructuring of BFF Polska S.A. impaired receivables.
 - **DEBT-RNT sp. z o.o.**, transactions relating to:
 - a. restructuring of BFF Polska S.A. impaired receivables.
 - **BFF Immobiliare S.r.l.**, transactions relating to:
 - a. purchase, sale, exchange, lease and management of real estate, real estate rights, land and buildings;
 - **BFF TechLab S.r.l.**, transactions relating to:
 - a. design, analysis, development and marketing of software solutions, digital strategies, websites and web applications development;
 - b. IT consulting of external projects;
 - c. organization and sale of technical and IT training courses (analysis, programming, development environments), creation and optimization of social campaigns;
 - d. research and development of information technology with application in finance.
4. Products offered by the Bank to customers have standard conditions, equal for homogeneous customer type, as published on the Bank Website in the “*Transparency*” section.⁹.
5. The Bank does not apply the measures provided for in the pre-resolution and resolution stage as per article 8 to Ordinary Transactions, provided that:
- the relevant resolution / decision contains evidence supporting the “ordinary” nature of the transaction. To this end, the body with decision-making powers in the matter verifies compliance with “ordinary nature” conditions¹⁰, proceeding, if

⁹ The Online Banking direction, in order to mitigate the risk of a possible change in derogation of the standard conditions applied to customers, has set up daily monitoring designed to intercept and block any attempt to alter standard economic conditions. Quarterly reports will be submitted to the RPT Committee on such verification activities in addition to evidence of accounts with affiliated entities.

¹⁰ The transaction is characterised by ordinary activity, objective nature of conditions, simplicity of the economic-contractual scheme, limited quantitative importance, type of counterparty.

this is not the case, with the application of the measures provided for Transactions of Lower/Greater Relevance;

- the RPT Committee is provided with quarterly ex-post information on completed transactions, also on an aggregate basis, in order to allow proper monitoring thereon and the adoption of possible remedial interventions.

5.1 Ordinary Transactions

- of Minor Relevance that are concluded at Arm's Length or Standard Conditions are notified by the Chief Executive Officer, through the Company's corporate secretariat, to the RPT Committee, at least [once a quarter]. The notification shall indicate the counterparty, the object, the price of the Ordinary Transactions that benefited from exclusion and the reasons why it is considered that the Transaction is Ordinary and concluded at Arm's Length or Standard Conditions, providing objective evidence of such;
- of Greater Importance that are concluded at Arm's Length or Standard Conditions are notified to Consob within 7 (seven) days of approval of the Transaction by the competent body or, if the competent body should resolve to submit a contractual proposal, from when the preliminary or final contract is stipulated in accordance with applicable regulations. An indication is provided of the counterparty, the object, the price of the Ordinary Transactions that benefited from exclusion and the reasons why it is considered that the Transaction is Ordinary and concluded at Arm's Length or Standard Conditions, providing objective evidence of such. This information is submitted to the Committee before the transaction is completed, so that it can verify the correct application of the exemption conditions of such transaction.

6. In any case, the following activities do not fall within Ordinary Transactions:

- the purchase/sale of tangible and intangible assets, with the exception of those expressly listed in the previous points, which are part of the Bank's core business;
- - the purchase/sale of equity investments
- - the purchase/sale of business units;

- - merger/incorporation transactions;
- - the purchase of goods and services.

Art. 7.5.2 – Transactions of Negligible Amount

1. For Transactions of Negligible Amount¹¹, the Bank does not apply the measures provided for in the pre-resolution and resolution stage, keeping evidence of the overall annual amount of transactions falling into said category entered into pursuant to an exemption.

Art. 7.5.3 – Urgent transactions

1. In cases of urgency, Transactions with Consob Related Parties and/or with Associated Persons, which are not assigned to the competence of the Shareholders' Meeting by the law or the By-Laws, and which do not need to be authorised by the same Shareholders' Meeting, may be carried out by the Board of Directors or the competent delegated body – by way of derogation to the provisions of article 8, without prejudice, however, to the disclosure obligations under article 5 of Consob Regulation – provided that:

- a) in case of transactions falling within the competence of directors with specific delegations, the Chairman of the Board of Directors is promptly informed of the urgency reasons prior to the entering into of the same transactions;
- b) transactions at hand are subsequently the subject matter, without prejudice to their effectiveness, of a non-binding resolution adopted by the first useful Ordinary Shareholders' Meeting of the Bank;
- c) the Board of Directors, in calling the Shareholders' Meeting as per letter b) above, prepares a report setting out a reasoned indication of the urgency reasons. The Board of Statutory Auditors reports to the Shareholders' Meeting under letter b) above its assessments on the existence of the urgency reasons;

¹¹ Bank of Italy Rules define as "of negligible amount" those transactions for which the value of each transaction does not exceed: for banks whose Own Funds (consolidated, in the case of groups) are less than 500 million, the 250,000 Euro threshold; for banks whose Own Funds (consolidated, in the case of groups) are more than 500 million euros, the lower of 1,000,000 Euros and 0.05% of Own Funds. As per the definition of value, it is consistent with that described in the context of transactions of greater relevance.

- d) the report and the assessments as per letter c) above are made available to the public, at least 21 (twenty-one) days prior to the date scheduled for the Shareholders' Meeting under letter b) above, at the registered office of the Bank and with the modalities set out in the Issuers Regulation. Said documents may be included in the informative document as per article 5, subsection 1, of Consob Regulation;
- e) by the day subsequent to that on which the Shareholders' Meeting under letter b) above is held, the Bank makes available to the public – with the modalities set out in the Issuers' Regulation – the information on the voting outcome, with specific reference to the aggregate number of votes expressed by Unrelated Shareholders.

Art. 7.5.4 – Other exemptions

1. Without prejudice to the periodic accounting disclosure duties provided for by article 5, subsection 8, of Consob Regulation (where applicable), the provisions of this Regulation do not apply also to:

- meeting resolutions under art. 2389, first subsection, of the Italian Civil Code relating to compensations owed to members of the Bank Board of Directors, or resolutions in the matter of remuneration of directors entrusted of specific offices falling within the overall amount possibly determined by the Shareholders' Meeting pursuant to art. 2389, third subsection, of the Italian Civil Code, or to meeting resolutions under art. 2402 of the Italian Civil Code relating to compensations owed to members of the Board of Statutory Auditors;
- resolutions, other than those listed under the preceding paragraph, in the matter of remuneration of Directors entrusted of specific offices as well as executives with strategic responsibilities, adopted in accordance with the Supervisory Rules for Banks in the matter of incentive and remuneration systems of banks, provided that, pursuant to article 13, subsection 3, letter b) of Consob Regulation:
 - i. the Bank has adopted a remuneration policy approved by the Shareholders' Meeting;

- ii. a committee comprised exclusively of non-executive directors, the majority of whom are independent, has been involved in the definition of the remuneration policy;
 - iii. the remuneration assigned is identified in compliance with said policy and quantified on the basis of criteria that do not involve discretion;
- compensation plans based on financial instruments approved by the Shareholders' Meeting pursuant to art. 114-*bis* of the TUF and the relating implementing measures;
- transactions with or among companies controlled by the Bank, also on a joint basis, and with companies subject to the Bank significant influence, as well as transactions with Bank's affiliates, pursuant to Consob Regulation, provided that no Significant Interest of other Related Parties or Associated Persons to the Bank exist in subsidiaries or affiliates or companies subject to significant influence which are counterparties of the transaction¹²;
- treasury operating ceilings definition and maximum cash operations, due to the fact that operating ceilings are of internal relevance and are not directly attributable to disbursement activities defined by the Bank for its own protection and which are unknown to the counterparty;
- MTS-Depo mediation ceilings definition activities, as these are operational ceilings the agent bank in the MTS-Depo market ("Automatic Agent Bank") is required to define (and enter into the MTS-Depo system) for each intermediated bank. Instead, the agreement for the Automatic Agent Bank service between the Bank and the related party counterparty remains subject to the resolution regime for transactions with related parties¹³;
- transactions resolved by the Company and intended for all shareholders at equal conditions, including:

¹² As regards said transactions, information flows at least annual to the RPT Committee suitable to allow an adequate monitoring of said transactions, for the purpose of possible corrective measures, are ensured.

¹³ As provided for in the previous item, the definition of mediation ceiling is not subject to the provisions of the Regulation.

- i. share capital increases in option, including to serve convertible debenture loans and free share capital increases envisaged by article 2442 of the Civil Code;
 - ii. spin-offs in the strictest sense, whether full or partial, with the criterion of proportional share attribution;
 - iii. share capital reductions by means of redemption to shareholders as envisaged by article 2445 of the Civil Code and purchases of treasury shares in accordance with article 132 of the TUF;
- transactions to be carried out on the basis of instructions for stability purposes issued by Supervisory Authorities, or on the basis of instructions issued by the parent company for the execution of instructions issued by Supervisory Authorities in the interest of group stability.

Art. 7.5.5 – Information on exemptions

At least once a quarter, the delegated bodies shall send through B.U. Corporate Affairs Secretary to the RPT Committee a disclosure on the application of exemption cases pursuant to this art. 7.5, at least with reference to the exempt Transactions of Major Relevance.

ART. 8 – OPERATIONAL MANAGEMENT OF TRANSACTIONS WITH CONSOB RELATED PARTIES AND ASSOCIATED PERSONS

1. The following chapter describes the procedure for resolutions upon transactions with Consob Related Parties and Associated Persons.

Art. 8.1 – Census of Consob Related Parties and Associated Persons

1. The Bank includes in a specific register Consob Related Parties and Associated Persons of the Group. The responsibility of the periodical census¹⁴ and update of the register lays with the Corporate Affairs Secretary.

2. The register of Related Parties and Associated Persons is available on a dedicated company database and the relative information is registered on specific

¹⁴ The census of Associated Persons can also be carried out by requesting the necessary information at the time of the opening of new relationships and, subsequently, when renewing credit facilities and revising contracts with Associated Persons.

systems in order to allow consultation by all Business Units / and interested Subsidiaries.

3. Corporate Affairs Secretary takes care of (i) identifying the Bank's direct Consob Related Parties and Associated Persons and (ii) informing in writing each of them of the occurred inclusion in the register, contextually asking them to complete the self-certification attached as annex 1 to this Regulation. In case of a legal person, the self-certification attached as annex 2 will be signed by the legal representative or other duly authorized person.

4. In case a Group company, in carrying out its ordinary activity, collects information leading to the need to include a person within said register, it shall promptly inform the Corporate Affairs Secretary thereof and the latter in turn will ask the concerned person to confirm the collected information and, where necessary, update the same register.

Art. 8.2 – Identification of transactions with Consob Related Parties and Associated Persons

1. In order to identify transactions with Consob Related Parties and Associated Persons, the involved Corporate Function / Subsidiary, before entering into the transaction, shall verify that:

- the counterparty / customer of the transaction is identified as Consob Related Party or Associated Person in the Group's database;
- in the event the counterparty / customer of the transaction results being a Consob Related Party or Associated Person, the transaction falls within the definition of Transaction with Associated Persons or Transaction with Related Parties;
- the first two points being verified, the transaction does not fall within exempted transactions pursuant to article 7.5.

2. In case all the above verifications have positive outcome, the Corporate Function / Subsidiary activates the appropriate procedures as specified in article 8.3.

3. If the transaction is exempt pursuant to article 7.5 or is carried out in the context of already approved mater resolutions (and cumulatively falls within the plafond limits), the Corporate Function / Subsidiary provides the Chief Executive Office with a documented disclosure, which is subsequently archived.

Art. 8.3 – Preparation of documents

1. The Corporate Function or the Subsidiary involved in the transaction is in charge of notifying the Chief Executive Officer – or the Subsidiary through the bodies in charge thereof – also via the Corporate Affairs Secretary O.U. and, for loans, the Credit Evaluation O.U., of the need to activate decision-making procedures, in case of transactions suitable to the subjected to controls, as well as of preparing all necessary documents, specifying at least:

- a) the customer/counterparty and the nature of the correlation;
- b) the transaction executive modalities;
- c) the time and economic terms and conditions to carry out the transaction;
- d) the evaluation procedure adopted;
- e) the convenience and reasons for the transaction;
- f) the possible risks for the Group arising from the realisation of the transaction.

2. The Chief Executive Officer¹⁵, with the support of the Corporate Affairs Secretary O.U. and, for loans, of the Credit Evaluation O.U. of the Parent Company, subject to the prior opinion of the RPT Committee, where deemed appropriate in consideration of doubts on the size of the transaction, assesses whether or not the proposed transaction falls within Transactions of Greater Relevance, or Transactions of Lower Relevance or among the exemption cases provided for by this Regulation. To this end, the Chief Executive Officer¹⁶ mandates the Corporate Affairs Secretary O.U. and, for loans, of the Credit Evaluation O.U. of the Parent Company with the drafting of a

¹⁵ the Chairman of the Board of Directors in the event that the Related Party in question is the Managing Director.

¹⁶ the Chairman of the Board of Directors in the event that the Related Party in question is the Managing Director.

preliminary investigation document to be submitted to the RPT Committee, with due advance from the date in which the latter is called to express itself, also availing itself of the internal and external information sources (info provider) available, as well as of any further information that could be acquired from other Corporate Functions of the Company/Subsidiary.

3. The resolution upon transactions with Consob Related Parties or Associated Persons is structured in two phases:

- pre-resolution;
- resolution.

Besides the RPT Committee, the following Bank Corporate Bodies are involved in these stages:

- a) the Board of Directors, which is in charge of mandatorily resolving upon the single Transactions of Greater Relevance with Consob Related Parties or Associated Persons carried out by the Bank, as well as to establish spending limits¹⁷ relating to the use of Independent Experts by the RPT Committee, subject to the prior opinion of the Board of Statutory Auditors. The following actions also fall under the exclusive competence of the Board of Directors: resolution on proposals prepared by Corporate Functions/Subsidiaries, relating to credit-related transactions leading to losses, reallocation to non-performing loans, court or out-of-court settlements whenever Consob Related Parties or Associated Persons are involved and they do not qualify as Transactions of Negligible Amount.
- b) the Board of Statutory Auditors, to which, without prejudice to the obligations laid down by Article 52 of the TUB, the following tasks are reserved:
 - express their opinion, not binding and in any case reasoned, on the possibility to enter into a Transaction of Greater Relevance, if the RPT Committee has expressed a negative or qualified opinion, without prejudice

¹⁷ For transactions that also fall within the scope of Consob Regulation, the spending limit, where provided for, shall be referred to each single transaction, if of lower relevance, while it does not operate for those of greater relevance.

in any case to the competence of the Shareholders' meeting to authorise the entering into thereof;

- express their opinion with regard to the spending limits imposed by the Board of Directors on the use of Independent Experts by the RPT Committee¹⁸;
- carry out all functions entrusted to the RPT Committee in case there aren't at least two (or three in case of Transactions of Greater Relevance) Unrelated Independent Directors.

4. Transactions with Consob Related Parties or Associated Persons, in case they qualify as Transactions of Lower Relevance, are resolved upon, in accordance with the provisions of the power delegation system in force, subject to prior non-binding opinion of the RPT Committee. Should the conflict of interest exist with reference to the competent delegated body, or with one Consob Related Party or Associated Person through it, the delegate body shall abstain from entering into the transaction, deferring it to the Board of Directors.

Art. 8.4 – Pre-resolution phase

Art. 8.4.1 – Preliminary activities

1. The preliminary phase of Transactions with Consob Related Parties and Associated Persons shall meet the substantial fairness requirements as per the applicable regime on the matter. In particular, the Bank reasons and interest in the transaction, as well as the effects of the same transaction on the Company/Subsidiary and on the Group under a capital, economic and financial point of view shall be subject to careful analysis.

To his end, on occasion of Transactions with Consob Related Parties and Associated Persons, members of the RPT Committee must be provided in due advance (usually, at least 4 days before the date on which the RPT Committee is called express

¹⁸ For transactions that also fall within the scope of Consob Regulation, the spending limit, where provided for, shall be referred to each single transaction, if of lower relevance, while it does not operate for those of greater relevance.

itself) with complete and adequate information on the various profiles of the transaction subject matter of the resolution.

2. Where appropriate, the RPT Committee may perform the duties assigned thereto, at the Bank expenses, availing itself of the advice of Independent Experts, selected by majority. The Bank's Board of Directors, subject to prior favourable opinion of the Board of Statutory Auditors, sets the limits to the total amount of such expenses¹⁹.

3. In case transaction terms are Market Equivalent or Standard, the documents prepared shall set out objective comparison elements.

4. In case the transaction economic terms are not Market Equivalent or Standard, although the transaction is carried out on conditions of mutual convenience for the parties, documents prepared shall specify:

- i. whether or not they are typical or usual transactions;
- ii. the reasons for the conditions applied;
- iii. the reasons for their convenience and fairness, taking account of the entire set of circumstances, of the peculiar characteristics of the transaction and of the interest of the Bank/Subsidiaries.

5. In case of Transactions of Greater Relevance and transactions falling under the competence of the Shareholders' Meeting, members of the RPT Committee shall be involved in the negotiation and preliminary investigation phase, by way of receiving a complete, timely and up-to-date information flow, and with the right to ask for information and express observations to the delegated bodies and the persons leading the negotiations and preliminary investigations.

Art. 8.4.2 – Pre-resolution procedure

1. The Independent Director member of the RPT Committee who, in a given transaction, is an Associated Person or a Consob Related Party, or a Related

¹⁹ For transactions that also fall within the scope of Consob Regulation, the spending limit, where provided for, shall be referred to each single transaction, if of lower relevance, while it does not operate for those of greater relevance.

Independent Director, with limitation to said transaction, is not involved in the activities of the RPT Regulation relating to the same transaction.

2. The RPT Committee, having analysed the documents received:

- a) in the case of Transactions of Lower Relevance, reports shortcomings and/or inadequacies, if any, to the relevant persons competent to resolve, also expressing by majority vote, a preliminary non-binding opinion on the interest to the realisation of the transaction, as well as on the convenience and substantial fairness of its conditions. This opinion is annexed to the minutes of the RPT Committee meeting. Any dissenting opinions shall be adequately motivated;
- b) in the case of Transactions of Greater Relevance, in addition to the provisions for Transactions of Lower Relevance, is the recipient of a comprehensive, timely and up-to-date information even in the preliminary investigations and negotiations phase. Has the power to ask information and clarifications as well as to express observations to the Corporate Bodies or the Head of the Corporate Function/Subsidiaries competent to resolve on the transaction.

3. The RPT Committee, in addition to the body competent to resolve, may ask for the assistance, at the Bank expenses, of one or more Independent Experts of its choice, in compliance with the spending budget constraints as annually determined by the Board of Directors, subject to the prior opinion of the Board of Statutory Auditors²⁰. The Committee verifies the independence of the experts in advance, taking into account the economic, equity and financial relations between the Independent Experts and: (i) the Related Party, its subsidiaries, the controlling entities, the companies under joint control and the directors of said companies; (ii) the Company, the Subsidiaries, the controlling entities, the companies under joint control and the directors of said companies.

4. For Transactions of Greater Relevance, the RPT Committee rules by unanimity on the Bank's interest in carrying out the transaction as well as the economic convenience and substantial correctness of the related conditions and, if such

²⁰ For transactions that also fall within the scope of Consob Regulation, the spending limit, where provided for, shall be referred to each single transaction, if of lower relevance, while it does not operate for those of greater relevance.

unanimity is not reached, the opinion shall be deemed negative and each Independent Director shall provide adequate reasons for his position.

5. If, for Transactions of Greater Relevance, the opinion of the RPT Committee is negative or qualified, the Board of Statutory Auditors must also be involved well in advance in the analysis of the transaction, and it provides a preliminary and reasoned opinion, without prejudice in any case to the competence of the Shareholders' Meeting to authorise the entering into thereof.

6. In case (i) in the context of Transactions of Lower Relevance, there aren't at least two Unrelated Independent Directors and/or who do not qualify as Associated Persons or, (ii) in case of Transactions of Greater Relevance there aren't at least three Unrelated Independent Directors and/or who do not qualify as Associated Persons, the Board of Statutory Auditors manages this phase in substitution of the RPT Committee, possibility with the support of an Independent Expert and with specific deliberative quorum in the resolution phase.

7. Opinions requested to Independent Directors and the Board of Statutory Auditors shall be reasoned, formalized and supported by adequate documents in support of the verifications and comments made.

Art. 8.5 – Approval stage

1. After the analysis carried out by the RPT Committee in the pre-resolution stage, the resolution stage takes place as follows:

- a) in case of Transactions of Lower Relevance, the decision-making authority lays with the Corporate Bodies with deliberative powers on the matter or the Heads of the Corporate Functions / Subsidiary,²¹ which shall formalize:
 - adequate reasons on the opportunity and economic convenience of the transaction, as well as on the substantial fairness of the relating conditions;

²¹ In case of resolution on a credit-related transaction which gives rise to losses, allocation to impaired loans, court or out-of-court settlements, the competence, even where the transactions are of lower relevance, always lays with the Board of Directors.

- the reasons, fully documented, for any deviation in terms of economic and contractual conditions, and other profiles typical of the transaction, compared to Market Equivalent or Standard Terms;
 - in case a negative or qualified preliminary opinion is issued by the RPT Committee, the reasons why the transaction should be entered into anyway, and precise feedbacks on the RPT Committee comments. In this case, for the purpose of the transaction approval, it is necessary for the Board of Directors, during the first subsequent useful meeting, to examine the transaction and, if necessary, if it deems it appropriate and convenient, to resolve accordingly;
- b) in case of Transactions of Greater Relevance, the decision-making authority lays with the Board of Directors, unless the law or the By-Laws grants the competence thereof to the Shareholders' Meeting. In this case, the Board of Directors takes care of applying the safeguards established for Transactions of Lower Relevance, formalizing the resolution with the above defined criteria. If the RPT Committee has expressed a negative or qualified opinion on the realisation of a Transaction of Greater Relevance, the latter shall be authorised by the Shareholders' Meeting and this regardless of the circumstance that the Board of Statutory Auditors has expressed a positive or negative or qualified opinion in respect thereof.
2. In cases in which one or more members of the Bank's Board of Directors are in a conflict of interest, even potential or indirect, on their own account or on account of third parties, in carrying out the transaction, all legal and statutory safeguards provided for such situations shall apply. In any case, where the responsibility for the approval of the transaction lies with the Board of Directors, the Directors Involved in the Transaction shall abstain from voting on it. The Directors called to abstain shall count towards achieving the quorum requirements for meeting establishment, but be excluded from that for passing resolutions.
 3. In cases in which the transaction has been analysed in pre-resolution phase by the Board of Statutory Auditors due to the impossibility to involve the RPT Committee, since (i) in case of Transactions of Lower Relevance there aren't at least

two Unrelated Independent Directors and/or who qualify as Associated Persons or (ii) in case of Transactions of Greater Relevance there aren't at least three Unrelated Independent Directors and/or who qualify as Associated Persons, the resolution is adopted by the Board of Directors subject to prior favourable opinion expressed by all members of the Board of Statutory Auditors.

Art. 8.6 – Transactions falling under the competence of the Shareholders' Meeting

1. If the transaction to be entered into falls within the competence of the Shareholders' Meeting, or shall be authorised thereby, the same procedures, set out in the preceding paragraphs of article 8 shall, *mutatis mutandis*, be complied with. In this case, the RPT Committee shall issue its reasoned opinion on the Bank interest in entering into the transaction, as well as on the convenience and substantial fairness of the relating conditions upon approval, by the Bank Board of Directors, of the resolution proposal to be submitted to the Shareholders' Meeting.

2. The opinions of the RPT Committee and the Independent Experts possibly appointed are attached to the resolution proposal approved by the Bank's Board of Directors.

3. If, in respect of a Transaction of Greater Relevance, the resolution proposal to be submitted to the Shareholders' Meeting is approved by the Board of Directors notwithstanding the negative opinion of the RPT Committee, the transaction – where provided for by the Company By-Laws and without prejudice to the constitutive and deliberative quorum required for the adoption of ordinary or extraordinary Shareholders' Meeting resolutions – may not be entered into unless the same is approved also with the favourable vote of the majority of voting Unrelated Shareholders, provided that those latter represent at least 10% of the share capital with voting right in the Shareholders' Meeting. To this end, prior to the beginning of the Shareholders' Meeting works, those entitled to vote must communicate the possible existence of a conflict of interest in respect of the specific transaction on the agenda.

Art. 8.7 – Information flows

1. As regards Transactions of Lower Relevance, without prejudice to the disclosure obligations under articles 5, subsection 8, and 6 of Consob Regulation:
 - a) the Chief Executive Officer provides the Board of Directors and the Board of Statutory Auditors, at least on a quarterly basis, with a disclosure on the realisation of Transactions of Lower Relevance and on their main features;
 - b) without prejudice to the provisions of art. 114, subsection 1, of the TUF, the Company, within fifteen days of the closing of each financial year quarter, makes available to the public, at the registered office and with the modalities set out in the Issuers Regulation (publication on the Website), a document setting out the indication of the counterparty, purpose and consideration of Transactions of Lower Relevance approved in the reference quarter in case of a negative opinion of the RPT Committee, as well as of the reasons why this opinion was disregarded. Within the same term the opinion is made available to the public as annex to the informative document or on the Company Website.

ART. 9 – TRANSACTIONS THROUGH SUBSIDIARIES

1. The procedures set out in article 8 shall also apply in case a Transaction with Consob Related Parties or Associated Persons is carried out by the Bank Subsidiary and the Bank's Board of Directors, or the Chief Executive Officer, due to autonomous choice, prescriptions of corporate governance codes adopted or due to prescriptions of law, preliminarily reviews or approves the transaction to be realised.
2. The Chief Executive Officer of the Parent Company (and/or the person entrusted with the powers to carry out specific transactions), having heard the RPT Committee, may from time to time propose to the Board of Directors for the procedures illustrated in article 8 to be applied by the Parent Company also in respect of Transaction with Consob Related Parties or Associated Persons autonomously carried out by its Subsidiaries.

Art. 9.1 – Foreign subsidiaries

1. In accordance with Bank of Italy Rules, the Bank, as reference person of the Bank of Italy for the purpose of consolidated supervision, prescribes that foreign subsidiaries shall conform to this Regulation, within the limits provided for by their By-Laws and the applicable reference Laws and Regulations of the jurisdiction they belong to²².

2. For Transactions with Associated Persons – not falling within the cases under article 5 (“*Obligations of Company Representatives*”) -, falling within the limits of their deliberative autonomies, Subsidiaries shall follow the procedures provided for in article 8 of this Regulation with the involvement of their reference persons and Corporate Functions of the Parent Company only where – due to the inapplicability of the exemptions/derogations provided for and the negligible amount²³ of the same transactions – the involvement of the RPT Committee of the Parent Company is necessary²⁴.

ART. 10 – FULFILMENTS SUBSEQUENT TO THE ENTERING INTO OF TRANSACTIONS

1. The Chief Executive Officer forwards to the RPT Committee, the Board of Directors and the Board of Statutory Auditors, at least on a quarterly basis, a detailed disclosure on Transactions with Consob Related Parties or Associated Persons previously approved by the Board of Directors and/or carried out by delegated bodies, or by another person mandated by the Company with the realisation of specific transactions, including the single transactions realised in execution of master resolutions previously approved by the Board of Directors.

2. Measures introduced to ensure compliance with conditions possibly specified by the RPT Committee in its opinion on the transaction, shall be notified to the RPT Committee and the Board of Directors.

²² The Bank of Italy Rules provide for, for the purpose of avoiding possible elusions of the law through transactions with associated persons carried out by non-banking members of the banking group, the Parent Company to provide those latter with specific instructions and guidance, possibly requesting the application of safeguards consistent with those provided for in the Bank of Italy Rules, proportionally to the actual relevance of the potential conflicts of interest. Analogous criteria apply as regards foreign members (whether or not banking) of the banking group, compatibly with the regulations of the Country in which they are located.

²³ In respect of ordinary transactions please note that a quarterly information flow ex post addressed to the RPT Committee of the Parent Company is sufficient, as described in article 7.5.1,

²⁴ I.e. when there aren't Independent Directors within the Subsidiary's Board of Directors.

3. As regards Transactions with Consob Related Parties, the Corporate Affairs Secretary takes care of collecting the necessary information to comply with the disclosure obligations to the public and Consob as per articles 5, 6, 12, subsection 2, and 13, subsection 3, lett. c) of Consob Regulation, where applicable, with the modalities and in compliance with the timing provided for therein.

4. In order to enable the Bank to fulfil its disclosure obligations, Subsidiaries shall promptly send to the Bank's Chief Executive Officer all information required by articles 5 and 6 of Consob Regulation and, in any case, all necessary information to draw up the Informative Document, drafted by the Corporate Affairs Secretary O.U., as defined below. In particular, Subsidiaries shall send to the Chief Executive Officer:

- a) within the 10th day subsequent to the closing of each solar quarter, a note on Transactions with Consob Related Parties carried out in the reference period;
- b) within 5 days of the approval of the transaction or the execution of the agreement which triggers the exceeding of at least one of the materiality thresholds as per annex 3 of Consob Regulation, information, also on an aggregate basis for homogeneous transactions, relating to Transactions with Consob Related Parties which, cumulatively assessed, exceed at least one of the materiality thresholds.

ART. 11 – DISCLOSURE TO THE PUBLIC AS REGARDS TRANSACTIONS WITH CONSOB RELATED PARTIES

Art. 11.1 – Disclosure on Transactions of Greater Relevance

1. After the approval of a Transaction of Greater Relevance with Consob Related Parties, and, accordingly, with the exclusion of transactions with persons who qualify as Associated Persons but not Related Parties, the Bank prepares, pursuant to Consob Regulation, the informative document in accordance with the provisions of Consob Regulation (the "Informative Document")²⁵.

²⁵ Pursuant to art. 5 of Consob Regulation, (i) the Informative Document shall be prepared also where, during the financial year, the Bank enters into with the same counterparty more transactions homogeneous among them or realised in execution of one single plan which, if cumulatively assessed, exceed the threshold that identifies Transactions of Greater Relevance (being relevant for this purpose also transactions carried out by Italian or foreign subsidiaries), and (ii) if the threshold is exceeded due to a sum of transactions, the deadline to make available to the public the Informative Document is extended to 15 (fifteen) days lapsing from the transaction which triggered the exceeding of the materiality threshold (of from the time at which the company bound to

2. The Bank procures that the Informative Document, once drafted, is made available to the public at the registered office and with the modalities provided for by the Issuers Regulation, within seven days of the transaction approval by the Board of Directors or the administrative bodies of Subsidiaries or, if the competent body resolves to submit a contractual proposal, from the time at which the contract, also preliminary, is entered into on the basis of the applicable regime. In case of transactions falling under the shareholders' meeting competence, the Informative Document is made available to Shareholders and the public within seven days of the approval of the proposal to be submitted to the Shareholders' Meeting.

3. With the same timing provided for the publication of the Informative Document, the Bank makes available to the public, as annex to the same document or in the Bank Website, the RPT Committee opinion and the opinions, if any, of Independent Experts. The opinions given by any independent experts as may have been used by the Board of Directors, must also be attached to the Informative Document.

4. Contextually with the dissemination to the public, the Informative Document and the opinions under subsection 3 are also transmitted to Consob.

5. In the interim management report and in the annual management report, the Bank provides information on the single Transactions of Greater Relevance entered into in the reference period, on the other, if any, single transactions with Consob Related Parties which had a relevant impact on the Bank's capital condition or results, as well as on any amendment or development of transactions with Consob Related Parties, as described in the latest annual report, which had a relevant impact on the Bank's capital condition or results in the reference period.

Art. 11.2 – Further communication obligations

1. If a transaction with persons falling within the definition of Consob Related Party is also subject to the disclosure obligations to the public pursuant to article 17, of

prepare the document became aware of the transaction or contract which triggers the materiality, in case transactions which triggered the exceeding of the materiality threshold are carried out by subsidiaries).
The Informative Document shall contain at least the information under annex no.4 of Consob Regulation.

the (EU) Regulation n.596/2014, the Parent Company's press release to be disseminated to the public shall also contain the following information:

- a) a description of the transaction;
- b) the company name or name of the transaction counterparty, the indication of whether or not it falls within the definition of Consob Related Party, and the description of the nature of the correlation;
- c) whether or not the transaction exceeds the materiality thresholds provided for Transactions of Greater Relevance and indication of the possible subsequent publication of the relating Informative Document;
- d) the procedure followed for the approval of the transaction and, in particular, the indication of the possible exercise of an exclusion power provided for by articles 13 and 14 of Consob Regulation;
- e) the possible transaction approval in spite of the negative opinion of the RPT Committee.

ART. 12 – REGULATORY REPORTING

1. In implementation of the Bank of Italy Rules, Risk Assets to Associated Persons are reported by the Administration & Reporting O.U. of the Bank to the Supervisory Authority on a quarterly basis. The reporting, to be made in the format and manner defined in the specific reporting provisions in force, provides information on: a) Risk Assets, b) transactions, c) transactions of greater relevance, towards Associated Persons. Reporting is done, on a consolidated basis, by the Parent Company and, on an individual basis, by the Bank.

ART. 13 – THE INTERNAL CONTROL SYSTEM

1. Second-level control functions - Risk Management Function, Compliance & AML Function – and third-level control functions – Internal Audit Function – cooperate respectively with the Board of Directors, the Board of Statutory Auditors and the Chief Executive officer of the Parent Company, each of them within their respective

competences, to ensure adequacy and compliance of this Regulation with Bank of Italy Rules and Consob Regulation. In particular:

- i. the **Risk Management Function**: takes care of measuring risks underlying the relationships with Consob Related Parties and Associated Persons and verifies compliance with the limits provided for by the Regulation;
- ii. the **Compliance & AML Function**: verifies the existence and reliability over time of procedures and systems suitable to ensure compliance with requirements provided by Laws and Regulations and those determined by internal rules, requesting, where necessary, the amendment/supplement of processes in place;
- iii. the **Internal Audit Function**: verifies, at least annually, compliance with internal policies, promptly reports to the Board of Statutory Auditors any anomalies, reports to the Corporate Bodies on the Bank's and the Group's overall exposure to risks arising from transactions with Consob Related Parties and Associated Persons and from other conflicts of interest, and if the case, suggests reviews to internal policies and organisational and control structures deemed suitable to enhance the monitoring of said risks.

2. The RPT Committee carried out an assessment, support and proposal role in the matter of organisation and conduction of internal controls on the overall activity of taking and managing of risks to Associated Persons and Consob Related Parties, as well as for the general consistency verification of the activity with strategic and managerial directions.

3. The Parent Company approves and reviews internal policies in the matter of controls on Risk Assets and conflicts of interest towards Associated Persons at least once every three years. Resolutions are adopted in the manner required by law and referred to in article 1 ("*Introduction and Legislative Framework*"); documents containing internal control policies are communicated to the Shareholders' Meeting and are kept available for possible Supervisory Authorities requests.

ANNEX 1 – PRO-FORMA “SELF-DECLARATION” FOR COMPANY REPRESENTATIVES AND SIGNIFICANT PERSONNEL

Corporate Affairs Secretary
BFF Bank S.p.A.
Via Domenichino 5
20149 Milano

“Risk assets and conflicts of interest towards associated persons”

Declaration rendered under own responsibility and pursuant to articles 46 and 47 DPR no. 445/2000 – as regards data/relations relating to the declarant (based on the direct knowledge of the latter), referred to as a “related party” in accordance with the regulation, even internal, in the matter of related parties.

For the aforesaid data/relations indirectly known to the declarant or for which the declarant acts as simple declarant of information provided by third parties (that cannot be objectively verified and therefore do not fall under DPR no. 445/2000), the declarant should state such a circumstance (placing an asterisk next to the single data/relation).

PERSONAL DATA OF COMPANY REPRESENTATIVE			
The undersigned	NAME AND SURNAME		
RESIDENCE (POSTAL CODE, TOWN, PROVINCE, ADDRESS)	TAX CODE		
MUNICIPALITY, PROVINCE AND DATE OF BIRTH	GENDER	CITIZENSHIP	
ACTING AS:	<i>RELATED PARTY:</i> <i>FINANCIAL/NON- FINANCIAL</i>	F	NF

DECLARES

to control (directly, indirectly or jointly), or exercise a significant influence over, the below listed companies:

COMPANY/ENTITY	D-I-J-S	1	2	3	VAT NO/ TAX CODE

D = Direct Control – I = Indirect Control – J = Joint Control – S = Significant influence

1 = percentage – 2 = F/NF (Financial/Non financial) – 3 = Listed company yes/no

IN ADDITION, DECLARES

that his/her close family members (children and spouse or cohabitant, children of the spouse or cohabitant and persons dependent on them and the spouse or cohabitant and relatives up to second degree: parents, children, brothers/sisters, grandparents and grandchildren) **are:**

PR	NAME AND SURNAME	DEGREE OF RELATIONSHIP	TAX CODE	DATE AND PLACE OF BIRTH

and that **they** (directly, indirectly or jointly) **control** or exercise a **significant influence over the following companies:**

COMPANY/ENTITY	D-I-J-S	1	2	3	VAT CODE/ FISCAL CODE	CLOSE FAMILY MEMBER OF

D = Direct Control – I = Indirect control – JC = Joint Control - S = Significant influence

1 = percentage – 2 = F/NF (Financial/Non financial) – 3 = Listed company yes/no

and that that his/her relatives by affinity up to the 2nd degree (spouse's parents, brothers/sisters, grandparents and grandchildren) are:

NAME AND SURNAME	DEGREE OF RELATIONSHIP	TAX CODE	DATE AND PLACE OF BIIRTH

and that they (directly, indirectly or jointly) control or exercise a significant influence over the following companies:

COMPANY/ENTITY	D-I-J-S	1	2	3	VAT CODE/ TAX CODE	CLOSE FAMILY MEMBER OF

D = Direct Control – I = Indirect Control – J = Joint Control - S = Significant influence

1 = percentage – 2 = F/NF (Financial/Non financial) – 3 = Listed company yes/no

The undersigned declares to be aware of the civil and criminal liability that may be imposed in case of false declarations and undertakes to promptly communicate any variation that may in the future occur to what declare.

The undersigned declares to have read the information under Article 13 of Regulation (EU) 2016/679 and undertakes to share this information with third parties whose Personal Data communicates, relieving the Bank of any responsibility connected with the processing of such personal data.

Date

Signature

Information notice

pursuant to article 13 of Regulation (EU) 2016/679

Pursuant to Article 13 of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on free circulation of such data ("*General Data Protection Regulation*", hereinafter "**GDPR**") we inform you that your personal data (together hereinafter "Personal Data" or "Data"), provided to BFF Bank S.p.A. (hereinafter, the "Bank" or the "Data Controller") will be the subject, in compliance with and in accordance with the confidentiality obligations which guide the Bank's activities, to the processing as referred to in art. 4 of the Regulation. We wish to inform you of the following.

2. Personal Data relating to the Data Controller and the Data Protection Officer

The Controller pursuant to the law is BFF Bank S.p.A., via Domenichino, 5, 20149, Milan, parent company of the BFF Banking Group (hereinafter the "Group").

The Representative of the Controller, in charge of representing the Bank in order to comply with the provisions of the GDPR, is the Chief Executive Officer of the Bank. The Bank has also appointed a Data Protection Officer who can be reached at the following email address: DPO@bff.com

3. Processing purposes and methods

The collection and processing of Data are carried out in order to allow this Bank to conduct the following activities:

- Keeping of a register of related parties at Group level (i.e. adoption and maintenance of a Register containing related parties), in compliance with the regulations applicable to the Bank regarding related parties;

Data will be processed by authorized personnel in accordance with article 29 of the Regulation.

The processing of Data for these purposes will take place with computer and manual methods, based on logical criteria compatible and functional to the purposes for which the data were collected, in accordance with the rules of confidentiality and safety provided for by law and by internal company regulations.

4. Legal basis for processing

The legal basis for achieving the purposes stated in paragraph 2 is the fulfilment of a legal obligation to which the Data Controller is subject (ref. Art. 6, paragraph 1, letter c) of the Regulation), in banking and credit matters.

5. Personal Data Categories

In order to comply with the purposes referred to in the previous point, the Bank shall process the following categories of personal data related to:

- Name, surname, address or any other element of personal identification;
- data relating to professional activity
- Data of third parties (family members).

6. Categories of recipients of personal data

In order to pursue the purposes set out in paragraph 2, the Personal Data collected may be communicated by the Data Controller to the authorized personnel of the companies of the Group.

7. Storage Period

Data will be kept for the time strictly necessary to achieve the purposes set forth in paragraph 2 as well as to comply with the obligations provided for by the Italian law. The possible further conservation of Data or part of the Data can be arranged to assert or defend one's own rights in any possible venue and, in particular, in the courts. Personal Data will be processed according to the principles of purpose, necessity and proportionality.

8. Rights of the Data Subject

The current legislation grants the data subject with a number of rights that we invite You to carefully consider. Among these, we remind You of the rights of:

1. Access to the following information:
 - a. purposes of the processing,
 - b. categories of personal data concerned,
 - c. recipients or categories of recipients to whom the personal data have been or will be disclosed, in particular recipients in third countries or international organizations,
 - d. existence of the data subject's right to ask the controller to rectify or erase personal data or restrict the processing of personal data concerning him or her or object to such processing,
2. Rectification, by this meaning:
 - a. rectification of inaccurate personal data concerning you without justified delay,
 - b. supplement of incomplete personal data, including by means of providing a supplementary statement;
3. Erasure of data concerning you without undue delay, if:
 - a. the data are no longer necessary in relation to the purposes for which they were collected or otherwise processed,
 - b. the data subject withdraws consent and there is no other legal ground for the processing,
 - c. You object to the processing and there are no overriding legitimate grounds for the processing,
 - d. the personal data have been unlawfully processed,

- e. the personal data have to be erased for compliance with a legal obligation,
 - f. the personal data have been collected in relation to the offer of information society services;
4. Restriction on processing:
- a. if the accuracy of the personal data is contested, for a period enabling the controller to verify the accuracy of such personal data,
 - b. when the processing is unlawful and the data subject opposes the erasure of the personal data and requests the restriction of their use instead,
 - c. when the personal data are required by the data subject for the establishment, exercise or defense of legal claims, although the controller no longer needs them for processing purposes,
 - d. if you object to processing by virtue of the right of opposition;
5. Receive notification in case of rectification or erasure of personal data or restriction of processing;
6. Data portability, i.e. the right to receive your personal data, in a structured, commonly used and machine-readable format and have the right to transmit those data to another controller, where:
- a. the processing is based on express consent of the data subject for one or more specific purposes or takes place due to a contract signed with the data subject and
 - b. the processing is carried out by automated means;
7. Objection at any time, on grounds relating to your particular situation, to processing of your personal data.

You have the right to lodge a complaint with a supervisory authority if you believe that the rights listed herein have not been granted to you. To exercise the aforementioned rights, please contact the Data Controller by writing to BFF Bank S.p.A., via Domenichino, n. 5, 20149, Milan. Alternatively, you may contact the Data Protection Officer by writing to the following email address: DPO@bff.com.

Furthermore, the undersigned declares that he/she has read the information notice pursuant to article 13 of the GDPR and undertakes to share this information notice with the third parties whose personal data he/she discloses, relieving the Bank of any responsibility connected with the processing of such personal data.

ANNEX 2 – PRO-FORMA SELF-DECLARATION – SHAREHOLDERS IN CASE OF LEGAL ENTITY

Corporate Affairs Secretary
 BFF Bank S.p.A.
 Via Domenichino 5
 20149 Milano

"Risk assets and conflicts of interest towards associated persons"

Declaration rendered under own responsibility and pursuant to articles 46 and 47 DPR no. 445/2000 – as regards data/relations relating to the shareholder or the relevant associated persons in the matter of related parties.

SHAREHOLDER		
Company:		
REGISTERED OFFICE (POSTAL CODE, TOWN, PROVINCE, ADDRESS)	TAX CODE VAT CODE	
Chamber of Commerce company registration number – REA..... ISTAT code:.....		
AS FINANCIAL/NON-FINANCIAL ASSOCIATED PERSON	F	NF
Represented by: (Legal Representative)	NAME AND SURNAME	
Born in	On	

DECLARES

that the Company controls (directly, indirectly or jointly) or exercises a significant influence over the below listed companies:

COMPANY/ENTITY	D-I-J-S	1	2	3	VAT CODE	TAX CODE

D = Direct Control – I = Indirect control – J = Joint Control - S = Significant influence

1 = percentage – 2 = F/NF (Financial/Non financial) – 3 = Listed company yes/no

FURTHER DECLARES

that the Company is controlled (directly, indirectly or jointly) or significantly influenced by the below listed companies:

COMPANY/ENTITY	D-I-J-	1	2	3	VAT CODE	TAX CODE

D = Direct Control – I = Indirect control – J = Joint Control - S = Significant influence

1 = percentage – 2 = F/NF (Financial/Non financial) – 3 = Listed company yes/no

or by the below listed natural persons:

NAME AND SURNAME	D-I-J-S	1	2	3	TAX CODE	DATE AND PLACE OF BIRTH

*D = Direct Control – I = Indirect Control – J = Joint Control - S = Significant influence
1 = percentage – 2 = F/NF (Financial/Non financial) – 3 = Listed company yes/no*

The undersigned declares to be aware of the civil and criminal liability that may be imposed in case of false declarations and undertakes to promptly notify any changes that may occur in the future with respect to what has been declared.

The undersigned further declares to have read the information under Article 13 of Regulation (EU) 2016/679 and undertakes to share this information with third parties whose Personal Data he/she communicates, relieving the Bank of any responsibility connected with the processing of such Personal Data.

Date

Signature

Information notice

pursuant to article 13 of Regulation (EU) 2016/679

Pursuant to Article 13 of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of Personal Data and on free circulation of such data ("*General Data Protection Regulation*", hereinafter "GDPR" or "Regulation") we inform you that that the data of individuals acting in the name and on behalf of the Company (jointly hereinafter "Personal Data" or "Data") provided to BFF Bank S.p.A. (hereinafter, the "Bank" or the "Data Controller"), will be the subject, in compliance with the aforementioned rules and pursuant to the confidentiality obligations which guide BFF Bank S.p.A.'s activities (the "Bank"), the treatment as referred to in art. 4 of the Regulation. We would particularly like to inform you of the following.

1. Personal Data relating to the Data Controller and the Data Protection Officer

The Controller pursuant to the law is BFF Bank S.p.A., via Domenichino, 5, 20149, Milan, parent company of the BFF Banking Group (hereinafter the "Group").

The Representative of the Controller, in charge of representing the Company, pursuant to Regulation (EU) 2016/679 is the Chief Executive Officer of the Bank.

The Bank has also appointed a Data Protection Officer who can be reached at the following e-mail address: DPO@bff.com.

2. Processing purposes and methods

The collection and processing of Personal Data are carried out in order to allow this Company to conduct the following activities:

- keeping the register of related parties at Group level (i.e., the adoption and maintenance of a Register of related parties) in compliance with the regulations applicable to the Bank on the subject of related parties;
- complete census of the parties that fall under the definition of related party as per the Bank's internal regulations.

Personal Data will be processed by authorized personnel in accordance with article 29 of EU Regulation 2016/679.

The processing of Personal Data for these purposes will take place with computer and manual methods, based on logical criteria compatible and functional to the purposes for which Personal Data were collected, in accordance with the rules of confidentiality and safety provided for by law and by internal company regulations.

3. Legal basis for processing

The legal basis for the achievement of the purposes indicated in paragraph 2 is the fulfillment of a legal obligation to which the Controller is subject (ref. Art. 6, paragraph 1, letter c) of the Regulation), in banking and credit matters.

4. Personal Data Categories

In order to comply with the purposes referred to in the previous point, the Bank shall process the following categories of Personal Data related to:

- name, surname, address or any other element of personal identification;
- data relating to professional activity;
- data of third parties (family members).

5. Personal Data Categories

For the purposes of pursuing the purposes set out in paragraph 2, the Personal Data collected may be communicated by the Data Controller to the authorised personnel of the companies of the Group.

6. Storage Period

Personal Data will be kept for the time strictly necessary to achieve the purposes referred to in paragraph 2 and to comply with the obligations under Italian law. Any further storage of Personal Data or part of Personal Data may be arranged to enforce or defend their rights in any possible location and, in particular, in judicial venues. Personal Data will be processed according to the principles of purpose, necessity and proportionality.

7. Rights of the Data Subject

The current legislation grants the Data Subject with a number of rights that we invite You to carefully consider. Among these, we remind You of the rights of:

8. Access to the following information:

- a) purposes of the processing,
- b) categories of Personal Data concerned,
- c) recipients or categories of recipient to whom the Personal Data have been or will be disclosed, in particular recipients in third countries or international organizations,
- d) existence of the Data Subject right to ask the controller to rectify or erase Personal Data or restrict the processing of Personal Data concerning him or her or object to such processing,

9. Rectification, by this meaning:

- a) rectification of inaccurate Personal Data concerning him or her without justified delay,
- b) supplement of incomplete Personal Data, including by means of providing a supplementary statement;

10. Erasure of Personal Data concerning him or her without undue delay, if:

- a) the data are no longer necessary in relation to the purposes for which they were collected or otherwise processed,
- b) the Data Subject withdraws consent and there is no other legal ground for the processing,
- c) You object to the processing and there are no overriding legitimate grounds for the processing,
- d) the Personal Data have been unlawfully processed,
- e) the Personal Data have to be erased for compliance with a legal obligation,
- f) the Personal Data have been collected in relation to the offer of information society services;

11. Restriction of processing:

- a) if the accuracy of the Personal Data is contested, for a period enabling the controller to verify the accuracy of such Personal Data,
- b) when the processing is unlawful and the Data Subject opposes the erasure of the Personal Data and requests the restriction of their use instead,
- c) when the Personal Data are required by the Data Subject for the establishment, exercise or defense of legal claims, although the controller no longer needs them for the purposes of the processing,

- d) if you object to processing by virtue of the right of opposition;
- 12. Receive notification in case of rectification or erasure of Personal Data or restriction of processing;
- 13. Data portability, i.e. the right to receive the Personal Data concerning him or her, in a structured, commonly used and machine-readable format and have the right to transmit those data to another controller, where:
 - a) the processing is based on express consent of the Data Subject for one or more specific purposes or takes place due to a contract signed with the Data Subject and
 - b) the processing is carried out by automated means;
- 14. Objection at any time, on grounds relating to his or her particular situation, to processing of Personal Data concerning him or her.

You have the right to lodge a complaint with a supervisory authority if you believe that the rights listed herein have not been recognized to you. In order to exercise the above mentioned rights You can contact the Data Controller by writing to BFF Bank S.p.A., via Domenichino, n. 5, 20149, Milan. Alternatively, you may contact the Data Protection Officer by writing to the following email address: DPO@bff.com.

The undersigned also declares that he/she has read the informative note pursuant to article 13 of the Regulations and undertakes to share said informative note with the third parties whose personal data he/she communicates, relieving the Bank of any responsibility connected with the processing of said Personal Data.