

BANCA FARMAFACTORING S.P.A.

**GUIDELINES TO SHAREHOLDERS ON THE RENEWAL OF THE BOARD
OF STATUTORY AUDITORS.**

This document was approved by the outgoing Board of Statutory Auditors during its meeting of 5 February 2021, pursuant to the provisions of the Rules of Conduct for the Board of Statutory Auditors of listed companies issued by the CNDCEC on 26 April 2018

On 25 March next, the shareholders' meeting of Banca Farmafactoring S.p.A. (respectively, the "**Shareholders' Meeting**" and the "**Bank**" or "**BFF**") will be called to renew not only the Board of Directors but also the Board of Statutory Auditors.

In view of this event, the outgoing Board of Statutory Auditors intends to make available to the Shareholders in this document a summary of the skills, professionalism and experience that have best contributed to the proper functioning of the Board during the term of office that is about to expire, in line with the findings of the annual self-assessment process of the supervisory body (the "**Self-Assessment**").

As an essential element, drawn from the experience of the past three years, the outgoing Board of Statutory Auditors points out, first of all, the importance of an adequate availability of time to devote to the Bank, in order to be able to carry out its duties effectively. In this regard, and therefore, in order to correctly assess the commitment required by the assignment, it is necessary to take into account, in particular, the complexity of BFF (i) at Group level, also in consideration of the different geographical markets and business sectors; and (ii) the upcoming integration of DEPOBank - Banca Depositaria Italiana S.p.A. into the Bank (the "**Merger**"), which will lead to an increase in activities and responsibilities for the Board of Statutory Auditors.

Supervisory activity in general, and in particular the actual functioning of the internal control and risk management system and remuneration policies, requires the Board of Statutory Auditors to have the necessary planning skills and professional expertise, as well as the necessary time to attend numerous meetings of the Board of Directors and its committees, and frequent induction sessions, which are essential for acquiring the information needed to fully understand the issues and decisions submitted to the Board of Directors.

The supervision of the accounting information process and the production of financial and non-financial reporting (the latter, published on a voluntary basis in 2020, will

become mandatory from 2021), which is expected of the Board of Statutory Auditors, also in its role as the Internal Control and Audit Committee, pursuant to art. 19 paragraph 1 of Legislative Decree 39/2010, requires that the persons selected have gained adequate experience in banks and/or listed companies of a similar size to the Bank.

As also emerged from the Self-Assessment, the Board of Statutory Auditors acknowledges the value and importance of diversity in its composition in terms of gender and age, as well as in terms of general or specific (technical) experience and skills, which it believes should continue to be valued, in continuity with the past.

The Board of Statutory Auditors, following the outcome of the self-assessment, has also identified the quality of the work carried out collectively during the term of office as a further determining factor for the effectiveness of its role, which has made it possible to effectively identify priorities and optimize time management. In this context, the coordination role played by the Chairman is fundamental both in creating a spirit of collaboration within the Board and in interacting with the other corporate bodies and key figures of the Bank.

The Board of Statutory Auditors also draws the attention of the Shareholders to the importance, for the purposes of selecting candidates for the office of Regular Auditor of the Bank, of compliance with the stringent requirements set out in Decree no. 169/20 (the "**Fit&Proper Requirements**"), which came into force at the end of last year.

Finally, in line with the provisions of the Rules of Conduct of the Board of Statutory Auditors of listed companies issued by the National Council of Chartered Accountants and Accounting Experts, the Board of Statutory Auditors intends to provide some indications to allow the Shareholders and candidate Statutory Auditors to assess the adequacy of the proposed remuneration for the office of Statutory Auditor of the Bank, also in relation to the time required to perform the assignment.

During the 2018-2020 three-year period, the Board of Statutory Auditors held a total of 104 meetings, the Board of Directors held a total of 57 meetings and the Meetings of the shareholders were 3 in total. The Board of Statutory Auditors also attended, either in its entirety or through the Chairman or his delegates, the meetings of the Risk Management Committee, the Remuneration Committee, the Nomination Committee and the Related Party Committee, for a total of a further 115 meetings. It is also necessary to consider the time required for the preparation and organization of the meetings, which includes the prior analysis of the documentation and the review of the

minutes.

The Board of Statutory Auditors, in carrying out its supervisory function, did not make use of company employees.

With regard to remuneration, we point out that the Bank has acquired a market benchmark, from which it emerges that the current remuneration of the Board of Statutory Auditors is adequate, also on a prospective basis, in view of the Merger.

The Board of Statutory Auditors of Banca Farmafactoring S.p.A.