



## **REPORT ON CORPORATE GOVERNANCE AND THE OWNERSHIP STRUCTURES**

pursuant to Article 123-bis of the TUF  
traditional administration and control model

Issuer: **Generalfinance S.p.A.**

Website: **[www.generalfinance.it](http://www.generalfinance.it)**

Reference year: **2022**

Date of approval of the Report: 10 February 2023



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## Glossary

In addition to the definitions contained in other Sections, the terms and expressions with initial capital letters used in this Report have the meaning attributed to them below:

**Shareholders' Meeting:** means the Shareholders' Meeting of the Issuer.

**Code/CG Code/Corporate Governance Code:** means the Corporate Governance Code for listed companies, adopted by the Corporate Governance Committee in January 2020.

**Italian Civil Code:** the Italian Civil Code.

**Board of Statutory Auditors/Board:** the control body of the Issuer.

**Committee/CG Committee/Corporate Governance Committee:** the Italian Committee for Corporate Governance of listed companies, promoted not only by Borsa Italiana S.p.A., but also by ABI, Ania, Assogestioni, Assonime and Confindustria.

**Board/BoD:** the Issuer's Board of Directors.

**Control, Risk and Sustainability Committee/CCRS:** the control, risk and sustainability committee of the Issuer, established pursuant to Article 1 and Article 6 of the Corporate Governance Code

**Appointments and Remuneration Committee:** the appointments and remuneration committee of the Issuer, the only committee responsible for the functions envisaged in Articles 4 and 5 of the Corporate Governance Code, in line with recommendation 16 of the same Code, considering the size and organisational structure of the Issuer.

**Trading Start Date:** 29 June 2022, i.e. the first day on which the Issuer's Shares were traded on the Euronext Milan, market organised and managed by Borsa Italiana S.p.A., STAR segment.

**Issuer/Generalfinance/Company:** the issuer of securities to which the Report refers.

**Financial year:** the financial year to which the Report refers.

**Consob Issuers' Regulation/IR:** the Regulation issued by Consob with resolution no. 11971 of 1999 (as subsequently amended) on issuers.

**Consob Market Regulation:** the Regulation issued by Consob with resolution no. 20249 of 2017 on markets.



**Consob Related Party Regulation/RPT Regulation:** the Regulation issued by Consob with resolution no. 17221 of 12 March 2010 (as subsequently amended) on related party transactions.

**Report:** this report, i.e. the report on corporate governance and ownership structures that companies are required to prepare and publish pursuant to Article 123-bis of the TUF.

**Remuneration report:** the report on the remuneration policy and remuneration paid that companies are required to prepare and publish pursuant to Article 123-ter of the TUF and 84-quater of the Consob Issuers' Regulation.

**Articles of Association:** indicates the Articles of Association of the Issuer in force at the date of the Report.

**Consolidated Law on Finance/TUF:** Legislative Decree no. 58 of 24 February 1998.

**Consolidated Law on Banking/TUB:** Legislative Decree no. 385 of 1 September 1993.

Unless otherwise specified, the definitions of the CG Code relating to the following are also recalled by reference: *directors*, *executive directors* [see Q. Def. (1) and Q. Def. (2)], **independent directors**, **significant shareholder**, **Chief Executive Officer (CEO)**, **management body**, **control body**, **business plan**, **concentrated ownership company**, **large company**, **sustainable success**, **top management**.

## 1. Profile of the Issuer

### Description of the Issuer's activities

The Issuer operates as a financial intermediary, enrolled in the registry of financial intermediaries referred to in Article 106 of the TUB (so-called Single Register), specialising in **factoring**, activities, both *with recourse* and *without recourse*. The Issuer is active in Italy and operates exclusively, at the date of the Report, with Italian transferors through the offices in Milan (registered office) and Biella (general management).

### Governance model adopted by the Issuer

The Company is organised according to the traditional model pursuant to articles 2380-*bis* et seq. of the Italian Civil Code, with the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors. The characteristics of these bodies are indicated below in the dedicated parts of the Report (Section 0 for the Board, Section 0 for the Board of Statutory Auditors, Section 0 for the Shareholders' Meeting). Two committees have been established within the Board of Directors - as envisaged by the Articles of Association: the Control, Risk and Sustainability Committee and the Appointments and Remuneration Committee (jointly, the "Committees"). The Control, Risk and Sustainability Committee has also been assigned the functions of committee for related transactions, except for decisions regarding the remuneration of the directors and key management personnel of the Company, whose competence has been attributed to the Appointments and Remuneration Committee.

On 8 March 2022, the Issuer's Shareholders' Meeting assigned to Deloitte & Touche SpA, with registered office in Milan, Via Tortona no. 25, registration number in the Register of Companies of Milan, Tax Code and VAT no. 03049560166, enrolled in the register of statutory auditors pursuant to Legislative Decree no. 39 of 27 January 2010 under no. 132587 (the "**Independent Auditors**") the task of auditing the accounts (including the verification of the regular keeping of the accounts and the correct recognition of the operating events in the accounting records, the verification of the consistency of the report on operations and of some specific information contained in the report on corporate governance and the ownership structures indicated in Article 123-*bis* of the TUF with the financial statements and their compliance with the law, as well as the limited audit of the condensed half-yearly financial statements). The term of office is envisaged until the date of the Shareholders' Meeting called to approve the financial statements as at 31 December 2025, so as to include in the maximum nine-year duration envisaged by *law* for "*public interest entities*" also the activity already carried out by the Independent Auditors with reference to the years 2017-2021, in compliance with the regulations applicable to the Company as an "*entity subject to an intermediate regime*".

The powers and operating rules of the corporate bodies are governed not only by the legal and regulatory provisions in force at the time, but by the Articles of Association, the Regulations of the Board of Directors (as defined hereunder) and the regulations of the internal board committees, as well as the applicable company procedures.

In particular, as illustrated in Section 3, the Issuer's corporate governance system incorporates (with the clarifications specified in this Report) the recommendations of the CG Code, to which it adheres.

## Sustainability policies

The Board of Directors guides the Company by pursuing its sustainable success. For the initiatives carried out in this regard by the Board, please refer to the Sections of the Report which illustrate: (i) the methods for integrating this objective into the strategies (Section 0) and into the internal control and risk management system (Section 0); and (ii) the corporate governance measures specifically adopted in 09.2).

The Company has launched some first sustainability initiatives aimed, *inter alia*, at satisfying the indications provided by the Bank of Italy in the document “Supervisory expectations on climate and environmental risks”, published on 7 April 2022. The Company's objective is to define and prepare suitable controls and adequate practices to identify, measure, monitor and mitigate risks in the environmental, social and governance (“ESG”) area, structuring them according to its operational, dimensional and organisational complexity, as well as in relation to the nature of the activity it carries out.

By virtue of this approach, the Company observes that the specific nature of the activity carried out - support to companies in crisis through the disbursement of loans using the instrument of factoring - requires a specific assessment of the ESG issue, which it considers in a consistent and adequate manner and the unique characteristics of the specific activity, including:

- a) being a financing activity with a very short-term time horizon which, as such, has a limited impact on climate and environmental issues;
- b) the fact that Generalfinance's customers are represented by Italian small and medium-sized companies - mainly in the manufacturing sector - in a crisis situation and in a phase of restructuring (i.e. operating in the context of restructuring plans) and, therefore, with less room for maneuver in relation to issues not strictly linked to the economic, capital and operational restructuring (such as ESG issues), which have a less significant impact for the success of the corporate restructuring.

Taking this into account, the Company believes that the “S” (social) dimension is the one that shows the highest ESG impact of the activity carried out, given that it affects - through financial support to companies in crisis - the preservation of value in terms of maintenance of the local industrial fabric, productivity, jobs, regional development and social stability. Regardless of other considerations that the Company is formulating and that it will develop with increasing intensity on the ESG front, the fact that Generalfinance represents one of the main contact points for companies in financial tension in terms of the assignment of trade receivables, makes the Company a significant operator for sustainability of the production system and, in particular, the manufacturing system of Italian businesses. Its very mission must therefore be interpreted from a Social perspective.

Sustainability has long been an element of significant focus for Generalfinance, which has undertaken initiatives on the various Environmental, Social and Governance fronts also in the context of the admission to trading of the Issuer's shares on Euronext Milan, a market organised and managed by Borsa Italiana S.p.A., STAR segment, which took place on 29 June 2022, on the occasion of which the Company established the Control, Risk and Sustainability Committee, to which it assigned the task, among other things, of monitoring ESG risks.

The company did not prepare the non-financial statement pursuant to Article 2, paragraph 1 of

Legislative Decree no. 254 of December 30, 2016, as it had an average number of employees lower than the 500 units provided for by the aforementioned Legislative Decree and did not exceed the economic threshold of total revenues. With regard to climate risk (physical risk and transition risk), following a preliminary analysis, as of the date of this report, considering the nature of its operations, namely the provision of commercial credits in pro-solvendo mode and, to a lesser extent, pro-soluto, with an average duration of 75 days, as well as the limited number of real estate units with which it carries out its activities, the company believes it is exposed to a limited extent. However, the Company has initiated specific projects, with the support of an external consultant, in order to report on the non-financial aspects of its activities (in the social, environmental, and governance areas), taking into account the company's reduced size and the nature of the financial services it offers. The objective of these projects is to voluntarily publish a first sustainability report by June 2023.

### Statement on the nature of SME of the Issuer

The Issuer believes that it can be qualified as an “SME” pursuant to Article 1 of the TUF.

In particular, at the closing date of the Financial Year, the capitalization was less than 500 million Euros and equal to approximately 91 million Euros.

As a consequence of this, the relevant threshold for the disclosure obligations of significant holdings pursuant to art. 120 of the TUF is equal to 5% of the share capital.

### “Large company” and “concentrated ownership” qualification pursuant to the Code

Pursuant to the Corporate Governance Code, the Company:

- cannot be classified as a “large company” as the capitalisation of the Issuer at the reporting date was less than EUR 1 billion;
- qualifies as a “concentrated ownership” company since the majority shareholder *GGH - Gruppo General Holding S.r.l.* (“**GGH**”) directly holds the majority of the votes that can be exercised at the ordinary shareholders' meeting of the Issuer.

### Main data of the Issuer

#### Main reclassified income statement data (in thousands of Euro)

Income for:	Year 2022	Year 2021	Change
Interest margin	7,267	6,231	17%
Net fee and commission income	23,596	17,691	33%
Net interest and other banking income	30,865	23,925	29%
Operating costs	-13,188	-9,781	35%
Pre-tax profit from current operations	16,470	13,926	18%
Profit for the year	10,885	9,453	15%

#### Key balance sheet data (in thousands of Euro)

Balance sheet item	Year 2022	Year 2021	Change
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Loans to customers	385,434	321,044	17%
Financial liabilities measured at amortised cost	368,388	314,641	15%
Shareholders' equity	56,775	31,966	44%
Total assets	443,815	365,269	18%

### Main performance indicators

Indicator	Year 2022	Year 2021
Cost/Income ratio	43%	41%
ROE	24%	42%
Net interest income/Net interest and other banking income	24%	26%
Net fee and commission income/Net interest and other banking income	76%	74%

- Cost/Income Ratio calculated as the ratio between operating costs and net interest and other banking income
- ROE calculated as the ratio of net profit to shareholders' equity at the end of the period, excluding profit for the period

## 2. Information on the ownership structure (pursuant to Article 123-bis, paragraph 1 of the TUF) as at 31 December 2022.

### a) Share capital structure (pursuant to Article 123-bis, paragraph 1, letter a), TUF)

At the date of this Report, the Issuer's subscribed and paid-in share capital is divided into 12,635,066 ordinary registered shares, with no nominal value.

At the date of this Report, as illustrated in the attached Table 1, 41.371% of the share capital of the Issuer is held by GGH, 16.286% by *Crédit Agricole Italia S.p.A.* ("CAI"), 4.907% by *First 4 Progress S.p.A.* ("F4P") and, for the remainder, by the market. In this regard, it should be noted that approximately 3.35% of the shares (equal to 423,922 shares) are subject to a first degree pledge by GGH (which retains the relative voting right) in favour of CAI.

Furthermore, it should be noted that GGH has entered into a loan agreement with Banca Nazionale del Lavoro S.p.A. for an amount of EUR 5 million; in relation to this contract, GGH has established a first degree pledge on 1,263,900 ordinary shares it owns. Also in this case, the voting right relating to the shares encumbered by the pledge is duly exercised by GGH, both in ordinary and extraordinary shareholders' meetings. Similarly, the Parent Company maintained the right to receive any amount due from Generalfinance in relation to the shares encumbered by the pledge.

It should be noted that, at the date of the Report, the Issuer does not hold any treasury shares in its portfolio and that the Issuer's shares are traded on Euronext Milan, market organised and managed by Borsa Italiana S.p.A., STAR segment.

Without prejudice to what is indicated below, each ordinary share of the Company gives the right to one vote in all the ordinary and extraordinary shareholders' meetings of the Company, as well as the other administrative rights provided for by the applicable provisions of law and the Articles of Association.

Article 6, paragraph 4 of the Articles of Association provides, however, that, in derogation of the general rule that each share gives the right to one vote, pursuant to Article 127-*quinquies* of the TUF, two votes are assigned to each Share owned by the same party by virtue of a right in rem legitimising the exercise of the right to vote (full ownership with voting rights or bare ownership with voting rights or usufruct with voting rights) for a continuous period of at least 24 months starting from the date of registration in the special list kept by the Company (the "List").

The Company has not approved any share-based incentive plans (*stock options, stock grants, etc.*) that involve increases, even free of charge, of the Company's share capital. However, it should be noted that the Company has approved an incentive plan for top management linked to the objectives of the 2022-2024 industrial plan, which provides for the payment of 50% of the incentives in the form of phantom shares. For further information, please refer to the subsequent Section 8.1 of this Report.

### b) Restrictions on the transfer of securities (pursuant to Article 123-bis, paragraph 1, letter b), of the TUF)

There are no restrictions on the free transferability of the Issuer's shares or limits on their possession, nor are there any clauses of approval by the Issuer or other holders of securities to access the

shareholding structure of Generalfinance, pursuant to the law or the Articles of Association.

c) Significant equity investments (pursuant to Article 123-bis, paragraph 1, letter c), of the TUF)

At the end of the financial year, the significant stakes in the share capital were those indicated in Table 1 attached.

d) Securities that grant special rights (pursuant to Article 123-bis, paragraph 1, letter d), of the TUF)

At the date of this Report, there are no securities that grant special control rights.

Article 6, paragraph 4 of the Articles of Association provides that, in derogation of the general rule that each share gives the right to one vote, pursuant to Article 127-*quinquies* of the TUF, two votes are assigned to each share owned by the same party by virtue of a right in rem legitimising the exercise of the right to vote (full ownership with voting rights or bare ownership with voting rights or usufruct with voting rights) for a continuous period of at least 24 months, starting from the date of registration in the List kept by the Company.

In this regard, it should be noted that, according to the provisions of the Articles of Association, the increased voting right is also include in determining the *quorums* for constitution of the meetings and the passing of resolutions which make reference to the portions of share capital, but have no effect on non-voting rights due on the basis of ownership of given portions capital.

From the Trading Start Date, the Company has adopted a specific regulation containing the detailed rules on increased voting rights (the "**Regulation on Increased Voting Rights**"), approved by the Board of Directors on 23 June 2022 and subsequently updated on 26 January 2023 to implement the amendments resulting from the issue, by Consob and the Bank of Italy, on 10 October 2022, of a measure amending the Single Provision on post-trading of 13 August 2018.

The Regulation on Increased Voting Rights illustrates, in particular, the rules for the registration, maintenance and updating of the List, in compliance with the applicable rules - including regulations - so as to ensure the timely exchange of information between the shareholders of the Company, the Company itself and the intermediaries authorised to maintain the accounts on which the shares are registered. In addition, the Regulation also governs the retention and loss of the increase in the event of certain circumstances provided for in the Articles of Association.

The Regulation on Increased Voting Rights is available on the Company's website ([www.generalfinance.it/voto-maggiorato](http://www.generalfinance.it/voto-maggiorato)).

In the event of satisfaction of the prerequisites and the conditions set forth in Article 127-*quinquies*, paragraph 7, of the TUF and Article 6 of the Articles of Association, at the Trading Start Date, the shareholders GGH and CAI obtained the increased voting rights with reference, respectively, to 5,227,273 and 2,002,868 ordinary Company shares, pursuant to Article 85-bis, paragraph 4-bis, of the Issuers' Regulation.

At the date of this Report, only the shareholders GGH and CAI have acquired the right to double vote, to the extent specified above.

e) **Employee shareholding: mechanism for exercising voting rights (pursuant to Article 123-bis, paragraph 1, letter e), of the TUF)**

Pursuant to Article 8, paragraph 2, of the Articles of Association, in accordance with the legal methods and forms, profits and/or profit reserves can be allocated to employees of the Company or its subsidiaries, through the issuing, up to the amount corresponding to said profits, of shares to be allocated on an individual basis to the employees, pursuant to the first paragraph of article 2349 of the Italian Civil Code, establishing rules regarding the form, the transfer method and the rights due to the shareholders.

The extraordinary shareholders' meeting can also resolve to allocate to employees of the Company or its subsidiaries, financial instruments other than shares, provided with equity or also administrative rights, excluding the vote at the general shareholders' meeting, establishing rules regarding the conditions for exercising the rights attributed, the possibility of transfer and any causes of forfeiture or surrender.

At the end of the Financial Year, there were no employees who became owners of share capital pursuant to Article 8, paragraph 2, of the Articles of Association. The only employee holding shares in the share capital was Ugo Colombo, Chief Financial Officer of the Company, having acquired the ownership through direct purchase.

f) **Restrictions on voting rights (pursuant to Article 123-bis, paragraph 1, letter f), of the TUF)**

There are no particular provisions in the Articles of Association that determine restrictions or limitations on voting rights, nor are the financial rights attached to the securities separate from their ownership.

g) **Agreements between shareholders (pursuant to Article 123-bis, paragraph 1, letter g), of the TUF)**

With reference to the existence of agreements between shareholders pursuant to Article 122 of the TUF, it should be noted that:

- on 2 May 2022, the shareholders GGH and CAI signed, with effect from the Trading Start Date, a shareholders' agreement concerning, *inter alia*, the assignment to CAI of certain governance rights, as well as certain restrictions the transfer of the equity investment held by CAI in the Issuer, without prejudice to the ability of GGH to exercise exclusive control over the Company.
- on 9 June 2022, the shareholders GGH and F4P subscribed, with effectiveness subject to (i) the subscription and / or purchase by F4P of shares of Generalfinance for an established minimum value and (ii) the Date of the Start of Trading, a shareholders' agreement concerning, *inter alia*, the assignment to F4P of certain minority rights.

For more information on these shareholders' agreements, please refer to the relevant essential information published on the Issuer's website [www.generalfinance.it](http://www.generalfinance.it), Section "Corporate Governance - Procedures/Documents".



- h) Change of control clauses (pursuant to Article 123-bis, paragraph 1, letter h), of the TUF) and provisions of the Articles of Association regarding takeover bids (pursuant to Article 104, paragraph 1-ter, and 104-bis, paragraph 1).

#### *Change of control clauses*

Without prejudice to what is indicated below, at the date of the Report, the Issuer is not a party to significant agreements that become effective, are modified or terminated in the event of a change of control of the Company.

On 29 January 2019, Generalfinance entered into a pool loan agreement (as subsequently amended, the “**Pool Loan Agreement**”), governed by Italian law, with some Italian banks, pursuant to which the lending banks are committed to providing the Company with credit lines to finance up to 100% of the spot amounts necessary, from time to time, for the Company to purchase and / or advance from and / or in favour of transferors (having the requirements of the Pool Loan Agreement) - pursuant to Law no. 52/1991 - of in bonis and performing financial receivables that meet the requirements of the Pool Loan Agreement, due from assigned debtors.

The Pool Loan Agreement makes provision, inter alia, for certain cases of mandatory early repayment of the credit lines granted upon the occurrence of certain events, including the “change of control”, which occurs: (i) in the event that Massimo Gianolli ceases to directly or indirectly exercise control over GGH; and (ii) if there is a change in control of the Company, with respect to the situation in place at the date of signing of the Pool Loan Agreement. In both cases (i) and (ii) “control” means the situation referred to in Article 2359, paragraph 1, number 1, of the Italian Civil Code (i.e., control by law).

It should be noted that, on 12 May 2022, the Issuer requested and obtained from the lending banks a waiver aimed at waiving the mandatory repayment in the event that – as actually occurred –, following the process for the admission to trading of the Issuer’s shares on Euronext Milan, market organised and managed by Borsa Italiana S.p.A., STAR segment, GGH had maintained de facto control (losing the legal control pursuant to Article 2359, paragraph 1, number 1) of the Italian Civil Code) of the Issuer.

#### *Statutory provisions on takeover bids*

The Articles of Association do not derogate from the provisions on the passivity rule pursuant to Article 104, paragraphs 1 and 1-bis, of the TUF and do not provide for the application of the neutralisation rules envisaged by Article 104-bis, paragraphs 2 and 3, of the TUF.

In accordance with the provisions of Article 106, paragraph 3-quater, of the TUF and Article 46 of the Issuers' Regulation on the subject of the statutory exemption to the takeover bid (“**takeover bid**”) from consolidation - concerning the non-application, for SMEs, of the provision by virtue of which the takeover bid obligation follows purchases of more than 5% or an increase in voting rights to an extent more than 5% of the same, carried out over a twelve-month period, by those who already hold a 30% stake without holding the majority of voting rights in the ordinary shareholders' meeting. Pursuant to Article 7 of the Articles of Association, the Issuer made use of the above exemption.

Said derogation shall apply until the date of the shareholders' meeting called to approve the financial statements relating to the fifth financial year after the listing of the Issuer's shares on Euronext Milan,

market organised and managed by Borsa Italiana S.p.A., STAR segment, or, if before, until the moment in which the Company loses the qualification of SME.

i) **Powers to increase share capital and authorisations to purchase treasury shares (pursuant to Article 123-bis, paragraph 1, letter m), of the TUF)**

*Powers to increase the share capital*

Pursuant to Article 5, paragraph 2, of the Articles of Association, the Shareholders' Meeting, by means of the appropriate resolution adopted at the extraordinary session, can attribute the administrative body the right, pursuant to Article 2443 of the Italian Civil Code, to increase share capital on one or more occasions, up to the determined amount and for a maximum of 5 (five) years from the resolution date, also with the exclusion of the option right. The share capital increase resolution passed by the administrative body in execution of said power must be documented in a report drafted by a notary.

The Extraordinary shareholders' meeting of 8 March 2022 conferred the Board of Directors with the power, in accordance with Article 2443 of the Italian Civil Code, to be exercised within the maximum term of five years, to increase share capital against consideration up to a maximum of 40 million euros, including premium, on one or more occasions and also in divisible form and in several tranches, through the issuing of new Company ordinary shares with the same characteristics as the ordinary shares currently in circulation, also with the exclusion of the option right in the cases set forth in Article 2441, paragraph 4, first and second sentence, and paragraph 5, of the Italian Civil Code.

At the meeting held on 9 May 2022, based on the above resolution, the Board of Directors exercised the aforementioned power and, subsequently, resolved to increase the paid share capital, in cash, divisible and also in several tranches, for a maximum of 40 million euros, including premium, servicing the offer of shares carried out as part of the process for the admission to trading of the Issuer's shares on Euronext Milan, market organised and managed by Borsa Italiana S.p.A., STAR segment, through the issuing of new ordinary shares of the Company, with the same characteristics as the ordinary shares currently in circulation, excluding the option right pursuant to Article 2441, paragraph 5, of the Italian Civil Code.

In consideration of the fact that the share capital increase resolved on 9 May 2022 was subscribed and paid up for a total of 20 million euros and the fact that the aforementioned delegation to increase the share capital conferred by the Extraordinary Shareholders' Meeting to the Board of Directors pursuant to Article 2443 of the Italian Civil Code, envisages that its exercise may take place in one or more occasions and also in a divisible manner and in several tranches, the Board of Directors of the Company may resolve additional capital increases for a maximum of a further residual 20 million euros within the maximum term of 5 years, starting from 8 March 2022.

*Authorisation to purchase treasury shares*

At the date of this Report, the Shareholders' Meeting of the Company did not decide to resolve the purchase of treasury shares, pursuant to Article 2357 of the Italian Civil Code.

## I) Management and coordination activities (pursuant to Article 2497 et seq. of the Italian Civil Code).

At the date of this Report, the Issuer's share capital is held: 41.37% by GGH, 16.28% by CAI, 5.14% by F4P and the remainder by the market, and is indirectly controlled by Massimo Gianolli pursuant to Article 2359, paragraph 2, of the Italian Civil Code and Article 93 of the TUF. In particular, GGH is indirectly controlled by Massimo Gianolli, who is the holder of the usufruct right (including the right to vote) on the entire share capital of *MGH - Massimo Gianolli Holding Srl* ("**MGH**") (whose bare rights are owned by Elisabetta Barbirato, spouse of Massimo Gianolli), who holds 83.16% of the share capital of GGH.

At the date of this Report, the Issuer believes that it is not subject to management and coordination activities pursuant to articles 2497 et seq. of the Italian Civil Code. To this end, it should be noted that, pursuant to the articles of association of GGH and MGH, the exercise of management and coordination activities is excluded with respect to, inter *alia*, (i.) financial intermediaries that are investees of GGH; and (ii.) companies and entities which in MGH has an interest.

Furthermore, on the basis of the examination of the factual circumstances, the Issuer believes that none of the activities in which the management and coordination typically takes place pursuant to articles 2497 et seq. of the Italian Civil Code exist and that therefore, by way of a non-exhaustive example (a) decisions relating to the management of the Issuer are taken within the Issuer's own bodies; (b) the Board of Directors of the Issuer is responsible, inter *alia*, for the examination and approval of the strategic, business and financial plans and the budgets of the Issuer, the examination and approval of the financial and credit access policies of the Issuer, the examination and approval of the organisational structure of the Issuer, the assessment of the adequacy of the organisational, administrative and accounting structure of the Issuer; (iii.) the Issuer operates in full autonomy with respect to the conduct of relations with customers, without there being any interference by parties unrelated to the Issuer itself, without prejudice to the outsourcing of certain services; and (iv.) neither MGH nor GGH exercises, directly or indirectly, any centralised treasury function in favour of the Issuer.

The information required by Article 123-bis, paragraph 1, letter i), of the TUF regarding "*agreements between the company and the directors ... which provide for indemnities in the event of resignation or dismissal without just cause or if their employment relationship is terminated following a takeover bid*" are contained in the section of this Report dedicated to remuneration (Section 8.1).

It should also be noted that the information required by Article 123-bis, paragraph 1, letter l) ("*the rules applicable to the appointment and replacement of directors, as well as to the amendment of the Articles of Association, if different from the legislative and regulatory provisions applicable on a supplementary basis*") are illustrated in the section of this Report dedicated to the Board of Directors (Section 0).

Lastly, it should be noted that the information required by Article 123-bis, paragraph 1, letter l), second part ("*the rules applicable to the amendment of the Articles of Association, if different from the legislative and regulatory provisions applicable on a supplementary basis*") are illustrated in Section 0 of the Report, dedicated to the Shareholders' Meeting.

### 3. Compliance with the Corporate Governance Code (pursuant to Article 123-bis, paragraph 2, letter a), first part, of the TUF)

The Issuer adheres to the recommendations of the Corporate Governance Code, accessible to the public on the Borsa Italiana website (<https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>).

In this Report, according to the “comply or explain” principle underlying the Code, account is taken of both the measures and controls adopted by the Company to ensure the effective implementation of the Principles and Recommendations of the Code, and the recommendations of the Code which the Company has not, at present, decided to partially or fully comply with, together with the reason for these deviations.

The provisions of the Corporate Governance Code are accompanied by a specific Regulation of the Board of Directors (as defined hereunder) and the regulations of the board committees, which also define the criteria for the constitution/composition of the Board of Directors and the Board committees as well as the relative methods of operation, in line with best practices.

Furthermore, in order to promote a corporate governance model that focussed constant attention on all stakeholders and, in particular, institutional investors and the financial market, as well as to anticipate new needs and the trends with the biggest impact, the Issuer:

- constantly monitors the principles and governance models disseminated at European and international level, which represent the best practices in terms of corporate governance;
- examines the results of the analyses and the most established observatories on corporate governance in Italy and parameterises them with its own structural and organisational set-up with a view to continuous improvement.

At the date of this Report, the Company is not subject to non-Italian legal provisions that influence the Company's *corporate governance* structure. At the date of this Report, the Company does not hold equity investments in other companies.

## 4. Board of Directors

### 4.1 Role of the Board of Directors

Pursuant to the Articles of Association, the Board of Directors manages the company and is vested with all powers of administration (ordinary and extraordinary), with the exception of aspects reserved for the Shareholders' Meeting by law and by the Articles of Association.

In line with the principles of the Code, the Board of Directors guides the exercise of business activities by pursuing their sustainable success, i.e. the creation of long-term value for the benefit of shareholders, taking into account the interests of the Company's other relevant stakeholders.

Decisions relating to the following fall within the remit of the Board of Directors, without prejudice to the legal limits:

- a. mergers and split-offs, in the cases pursuant to articles 2505 and 2505-*bis* of the Italian Civil Code, as also referenced by article 2506-ter of the Italian Civil Code;
- b. the opening and closing of secondary offices;
- c. the indication of which directors represent the Company;
- d. any reduction in capital in the event of the withdrawal of one or more shareholders;
- e. adjustments of the Articles of Association in line with the regulatory provisions;
- f. the transfer of the registered office in the national territory;
- g. resolutions regarding the issuing of bonds within the limits of the currently in force legislation and regulations.

In particular, pursuant to Article 18 of the Articles of Association, the Board of Directors is vested with all the powers for the ordinary and extraordinary management of the Company. The Board of Directors is also vested with the tasks and responsibilities that the provisions handed down by the Bank of Italy for financial intermediaries attribute to the body with strategic supervision function.

It should be noted that, on 20 May 2022, in compliance with the provisions of recommendation 11 of the Corporate Governance Code, the Board of Directors approved a regulation (hereinafter, the "**Regulation of the Board of Directors**") that defines the rules of functioning of the body itself, including the methods for recording the minutes of the meetings and the procedures for the management of the information to the directors.

Pursuant to the Regulations of the Company's Board of Directors, the following are the responsibility of the administrative body:

- a. the definition and assignment of management powers and the identification, among other things, of who from the executive directors holds the position of CEO;
  - the examination and approval of the business plan of the Company, also on the basis of the analysis of the relevant issues for the generation of value in the long-term carried out with the possible support of the Control, Risk and Sustainability Committee;
  - periodic monitoring of the implementation of the business plan and assessment of the general performance of operations, periodically comparing the results achieved with those planned;
  - the definition, with the support of the Control, Risk and Sustainability Committee, of the nature and level of risk compatible with the strategic objectives of the Company, including in its assessments all the elements that may be relevant with a view to creating value in the long-

- term for the benefit of shareholders and pursuing the sustainable success of the Company, taking into account the interests of other stakeholders relevant to the Company;
- the definition of the corporate governance system of the Company and the assessment of the adequacy of the organisational, administrative and accounting structure of the Company with strategic relevance, with particular reference to the internal control and risk management system (please refer to Section 9 of this Report for detailed information);
  - resolving on the Company's transactions that have significant strategic, economic, equity or financial importance for the Company, to be identified according to the criteria defined from time to time by the Board of Directors;
  - the promotion, in the most appropriate forms, of dialogue with shareholders and other relevant stakeholders for the Company;
  - the adoption of regulations, procedures and internal policies deemed necessary or appropriate for the organisation of the company, or for compliance with the law or compliance with the Corporate Governance Code, including, by way of example:
    - i. the regulations that define the operating rules of the Board of Directors and the Committees;
    - ii. a procedure governing transactions with related parties carried out by the Company, directly or through subsidiaries;
    - iii. a procedure, adopted on the proposal of the Chairperson, formulated in agreement with the CEO, for the internal management and external disclosure of inside information pursuant to law;
    - iv. a policy - adopted on the proposal of the Chairperson, formulated in agreement with the CEO - for the management of dialogue with shareholders in general, also taking into account the engagement policies adopted by institutional investors and asset managers;
  - the assessment of the independence - also according to the recommendations of the Corporate Governance Code - of each non-executive director, immediately after appointment as well as during the course of the mandate in the event of relevant circumstances for independence purposes and, in any case, at least once a year;
  - the identification of diversity criteria for the composition of the Board of Directors and the Board of Statutory Auditors, as well as the identification, also taking into account the ownership structure of the Company, the most suitable instrument for their implementation;
  - the adoption of measures to promote equal treatment and opportunities between genders within the entire company organisation, monitoring their concrete implementation;
  - the adequate internal distribution of its functions and the establishment of Committees;
  - on the proposal of the Chairperson, the appointment and revocation of the Secretary;
  - where appropriate, the determination of the budgets of the Committees and of the Secretary;
  - the definition, updating and implementation of any succession plan for the CEO and the other executive directors, which identifies at least the procedures to be followed in the event of early termination of office;
  - the identification of candidates for the office of director in the event of co-optation, with the

- support of the Appointments and Remuneration Committee;
- the periodic assessment of the effectiveness of its activities and the contribution made by its individual members, according to the provisions of the Regulation;
  - with regard to remuneration, the preparation and approval of a policy for the remuneration of directors, members of the Board of Statutory Auditors and top management, geared towards the pursuit of sustainable success and which takes into account the need to have access to, retain and motivate people with the expertise and professionalism required by the role held in the Company;
  - in relation to the internal control and risk management system:
    - i. the definition of the guidelines of the internal control and risk management system in line with the strategies of the Company;
    - ii. the assessment, at least annually, of its adequacy with respect to the characteristics of the company and the risk profile assumed, as well as its effectiveness;
    - iii. the appointment and removal of the internal audit manager, as well as the definition of his/her responsibilities - in compliance with the Corporate Governance Code - and his/her remuneration in line with company policies, as well as the assignment of adequate resources to him/her to carry out his/her own duties;
    - iv. the approval, at least once a year, of the work plan prepared by the internal audit manager, after consulting the Board of Statutory Auditors and the CEO;
    - v. the assessment of the opportunity to adopt measures to ensure the effectiveness and impartiality of judgement of the company functions involved in the control and risk management system (other than internal audit), verifying that they possess adequate professionalism and resources;
    - vi. the attribution to the Board of Statutory Auditors or a body specifically established for the purpose of the supervisory functions pursuant to Article 6, paragraph 1, lett. b) of Legislative Decree no. 231/2001 ("Decree 231");
    - vii. the assessment, after consulting the Board of Statutory Auditors, of the results presented by the independent auditor in any letter of suggestions and in the additional report addressed to the Board of Statutory Auditors;
    - viii. the description, in the report on corporate governance, of the main characteristics of the internal control and risk management system and the methods of coordination between the parties involved in it, indicating the reference models and national and international best practices, expressing its overall assessment of the adequacy of the system itself and of the choices made regarding the composition of the supervisory body *sub* -lett. f) above.

In defining the corporate governance system of the Company and the assessment of the adequacy of the organisational, administrative and accounting structure of the Company with strategic relevance, the Board of Directors: (i) takes into account the room for autonomy offered by the legal system; and (ii) if necessary, evaluates and promotes the appropriate amendments, submitting them, when applicable, to the Shareholders' Meeting.

During the year, the Board of Directors did not deem it necessary or appropriate to draw up justified



proposals to be submitted to the shareholders' meeting for the definition of a corporate governance system more functional to the needs of the company other than those required or appropriate for the admission to trading of the Issuer's shares on Euronext Milan, a market organised and managed by Borsa Italiana S.p.A., STAR segment (please refer to Section 13 of this Report for detailed information). During the year, the Board of Directors adopted the policy for managing dialogue with the shareholder base (please refer to Section 12 of this Report for detailed information).

The attribution to the Board of Directors of the responsibilities that by law rest with the shareholders' meeting does not entail the loss of the responsibility of the shareholders' meeting that retains the power to resolve on the matter.

For further powers to the Board, see the following sections of the Report: (i) appointment, Section 4.2, (ii) composition, Section 0, (iii) operation, Section 0, (iv) self-assessment, Section 0, (v) policy of remuneration, Section 0, and (vi) Internal Control and Risk Management System, Section 0.

## 4.2. Appointment and replacement (pursuant to Article 123-bis, paragraph 1, letter I), of the TUF)

The text of articles 15 and 16 of the Articles of Association containing provisions on the appointment and replacement of directors is provided below:

### **Article 15. Presentation of lists**

- "1. The Board of Directors is appointed based on lists, presented in accordance with the paragraphs below.
2. Shareholders who, at the time of submission of the list, are holders - alone or together with other submitting shareholders - of a stake of least equal to the share determined by Consob pursuant to the applicable legislative and regulatory provisions, have the right to present lists.<sup>1</sup> Ownership of the minimum share is determined on the basis of the shares registered in the shareholders' name on the day in which the list is filed at the Company, without prejudice to the fact that the relevant certificate can also be produced after the filing of the list, provided within the deadline set for the publication of the list itself. The call notice of the shareholders' meeting called to resolve on the appointment of the Board of Directors indicates the percentage shareholding required to present lists of candidates.
3. Each shareholder, as well as the shareholders participating in a relevant shareholders' agreement in accordance with article 122 of the TUF, the parent company, the subsidiaries and those subject to common control and other entities between whom relationships are in place, including indirect, pursuant to the legislation and regulations in force on each occasion, cannot present - or contribute to the presentation, either through third parties or trust companies - of more than one list, nor vote on different lists. Acceptances and votes expressed in violation of said prohibition shall not be allocated to any list.
4. Each candidate may be presented in only one list, under penalty of ineligibility.
5. Each list contains the names, marked by a sequential number, of a number of candidates not

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<sup>1</sup> Pursuant to CONSOB Resolution no. 76 of 30 January 2023, the shareholding determined by Consob pursuant to Article 144-*quater* of the CONSOB Issuers' Regulation is 2.5%.



- exceeding 9 (nine).
6. Each list that presents a number of candidates of 2 or more must also include candidates who meet the independence requirements prescribed by law or the applicable regulatory provisions (including therein the market regulations of Borsa Italiana S.p.A. and the codes of conduct regarding corporate governance drafted by regulated market management companies or the trade associations that the Company is a member of) based on the minimum number required by the legal and regulatory provisions, also with regard to the share listing segment, by indicating them separately.
  7. In addition, lists with at least 3 (three) candidates cannot be composed of candidates from the same gender (male and female); each list must include a number of candidates from the less represented gender to ensure that the final composition of the Board of Directors respects the legal and regulatory provisions in force from time to time governing gender balance (male and female).
  8. The following must be filed together with presentation of the lists:
    - information relating to the shareholders who presented the list and their percentage shareholding;
    - a declaration from the shareholders other than those who hold, including jointly, a controlling interest or a relative majority, certifying the absence of any relationships with the latter, including indirect, pursuant to the legislation and regulations in force from time to time;
    - the curriculum vitae of the candidates as well as a declaration in which each candidate certifies, under their own responsibility, that there are no grounds for ineligibility and incompatibility and that the requirements to fulfil office are satisfied, referenced, to that end, also in the provisions of Article 2383 of the Italian Civil Code, as well as the rules recalled by the same;
    - a disclosure relating to the candidates and any indication of suitability to be qualified as independent pursuant to the legislation and regulations in force from time to time and applicable and/or the codes of conduct regarding corporate governance drafted by regulated market management companies or the trade associations that the Company is a member of;
    - the declaration in which each candidate accepts his/her candidacy;
    - any other additional or different declaration, disclosure and/or document required by the legislation and regulations in force on each occasion.
  9. In the event of non-fulfilment of the obligations set forth in this article, the list is considered as not having been presented. Any changes that should be verified until the day of actual conduct of the shareholders' meeting are promptly communicated to the Company.
  10. The lists are filed within the terms set forth in the legislation and regulations in force from time to time, which are indicated in the call notice, at the registered office of the Company or transmitted via distance communication means, according to the methods indicated in the call notice. They are provided to the public according to the terms and methods set out in the legislation and regulations in force from time to time".

**Article 16. Election of the Board of Directors**

- "1. Each party entitled to vote can vote on only one list. The vote of each shareholder will concern

the list and, therefore, all candidates indicated therein, with no possibility of variations or exclusions. The votes expressed in violation of said prohibition shall not be allocated to any list.

2. The candidates will be elected from the lists that obtained the highest number of votes according to the following criteria:
  - a. all Directors to be elected, minus one, are drawn from the list which obtained the highest number of votes ("Majority List"), based on the sequential number with which they were listed;
  - b. from the second list that received the highest number of votes and which is not connected, not even indirectly with the shareholders who presented the list, or with those who voted the Majority List (the "Minority List"), one Director will be taken, in the person of the candidate indicated with the first number on said list.
3. In the event of a tied vote between the lists, the shareholders' meeting will conduct a new vote, resolving according to the legal majorities, exclusively with regard to the tied lists, with the list which received the highest number of votes prevailing.
4. If, according to the methods indicated above, the provisions governing the independence requirements are not respected, the following steps are taken: the candidate who does not meet the independence requirements established according to the legislation and regulations in force from time to time, applicable to the independent Directors elected last in sequential order from the Majority List, he/she shall be replaced by the first candidate who meets the independence requirements established according to the legislation and regulations in force from time to time, applicable to the independent Directors not elected from said list, according to sequential order. If said procedure does not ensure the presence of the necessary number of Directors who meet the independence requirements established according to the legislation and regulations in force from time to time, applicable to the independent Directors, the replacement shall be made by means of a resolution passed by the shareholders' meeting according to the legal majorities, based on prior presentation of the applications of the individuals who meet the aforementioned independence requirements.
5. If, using the methods indicated above, the provisions governing gender balance recalled in previous article 15, paragraph 7) are not respected, the candidates from the most represented gender elected last in sequential order from the Majority List are replaced with the first unelected candidates taken from the same list, belonging to the other gender; in the event in which it is not possible to implement said replacement procedure, in order to guarantee compliance with the provisions established above regarding the distribution between genders, the missing directors will be elected by the shareholders' meeting according to the legal methods and majorities, without the application of the list voting mechanism.
6. Nonetheless, account will not be taken of lists that have not obtained a percentage of votes of at least equal to half of that needed to present said lists.
7. If only one list has been presented, the shareholders' meeting will express its vote on that and if it obtains a relative majority, the candidates listed in sequential order shall be elected Directors, up to the number established by the shareholders' meeting, without prejudice to the obligation to appoint a number of independent Directors pursuant to Article 147-ter of the TUF equal to the minimum number established by these Articles of Association, the law and the provisions,

including regulatory, in force from time to time, as well as to respect the gender balance requirement, where applicable. If the minimum number of Directors belonging to the less represented gender and independent established by these Articles of Association and the legal and regulatory provisions in force from time to time, is not elected, the shareholders' meeting shall replace the Directors marked by the lowest sequential number and who do not meet the requirement(s) in question, by appointing the next candidates who meet the necessary requirement(s), choosing them from the only list presented. If, also by applying said replacement criterion, suitable replacements are not identified, the shareholders' meeting shall resolve in accordance with the legal majorities. In said scenario, the replacements shall be made starting from the candidates marked by the lowest sequential number.

8. If the number of candidates inserted in the Majority List and the Minority List is lower than the number of Directors to be elected, the remaining Directors are elected by the shareholders' meeting according to the legal majorities, without prejudice to the obligation of appointment, by the shareholders' meeting, of a number of Directors belonging to the less represented gender and independent of no less than the minimum number established by the Articles of Association, the law and the legal and regulatory provisions in force from time to time. All Directors will be appointed based on the same methods and majorities also in the event in which no list is presented".

It should be noted that in addition to the legal and regulatory provisions (among which the most important are Bank of Italy Circular no. 288 of 3 April 2015, as subsequently amended and supplemented, the Decree of the Ministry of Economy and Finance no. 169 of 23 November 2020, in force since 30 December 2020, containing the "*Regulation on the requirements and criteria of suitability for the performance of the office of corporate representatives of banks, financial intermediaries, credit guarantee consortia, electronic money institutions, of payment institutions and depositor guarantee systems*" and Article 36 of Decree Law no. 201/2011, later converted by Law no. 214 of 22 December 2011), which introduced an explicit interlocking ban to the Italian legal system for entities operating in the financial and insurance market), of the TUF and the provisions of the Articles of Association and the Corporate Governance Code, the Issuer is not subject to other requirements regarding the composition of the Board of Directors.

With regard to information on the role of the Board of Directors and the board committees in the processes of self-assessment, appointment and succession of directors, please refer to Section 0 of this Report.

### 4.3 Composition (pursuant to Article 123-bis, paragraph 2, letters d) and d-bis), of the TUF)

Pursuant to the Articles of Association, the management of the Company is entrusted to a Board of Directors composed of a number of members between 5 and 9, as resolved by the ordinary shareholders' meeting.

On 8 March 2022, the Ordinary Shareholders' Meeting of the Issuer (i) acknowledged that all members of the Board of Directors in office in the period prior to the Trading Start Date resigned with effectiveness subject to the Trading Start Date; and (ii) resolved to determine, with effect from the Trading Start Date,

the number of members of the new Board of Directors at 9 and appointed, with effectiveness subject to the Trading Start Date, Maurizio Dallochio, Massimo Gianolli, Mauro Selvetti, Rino Antonucci, Federica Casalvolone, Elena Ciotti, Annalisa Raffaella Donesana, Leonardo Luca Etro and Maria Luisa Mosconi for 3 financial years, who accepted the appointment.

The directors therefore took office on the Trading Start Date and will remain there until the approval of the financial statements as at 31 December 2024.

However, on the Trading Start Date, in execution of the agreement between the shareholders GGH and F4P, following the resignation of the director Federica Casalvolone, pursuant to Article 2386, paragraph 1 of the Italian Civil Code, the Board of Directors appointed Mr. Marta Bavasso by co-optation, who will remain in office until the date of the Shareholders' Meeting called to approve the financial statements for the year.

The following table lists the composition of the Board of Directors of the Issuer in office at the end of the Financial Year.

Name and surname	Office	Place and date of birth
Maurizio Dallochio <sup>(*)</sup> <sup>(**)</sup> <sup>(****)</sup>	Chairperson of the Board of Directors	Milan (MI), 12 April 1958
Mauro Selvetti <sup>(*)</sup> <sup>(****)</sup>	Deputy Chairperson of the Board of Directors	Sondrio (SO), 31 July 1960
Massimo Gianolli <sup>(****)</sup>	Chief Executive Officer	Biella (BI), 21 January 1966
Rino Antonucci <sup>(****)</sup>	Director	Popoli (PE), 25 July 1972
Elena Ciotti <sup>(****)</sup>	Director	Castellamonte (TO), 13 February 1972
Annalisa Raffaella Donesana <sup>(*)</sup> <sup>(**)</sup> <sup>(****)</sup>	Director	Treviglio (BG), 9 June 1966
Leonardo Luca Etro <sup>(*)</sup> <sup>(****)</sup>	Director	Milan (MI), 22 June 1978
Maria Luisa Mosconi <sup>(*)</sup> <sup>(**)</sup> <sup>(****)</sup>	Director	Varese (VA), 18 May 1962
Marta Bavasso <sup>(*)</sup> <sup>(**)</sup> <sup>(****)</sup>	Director	Florence (FI), 22 March 1969

<sup>(\*)</sup> Independent director pursuant to Article 147-ter, paragraph 4, of the TUF.

<sup>(\*\*)</sup> Independent Director pursuant to Article 2 of the Corporate Governance Code.

<sup>(\*\*\*\*)</sup> Executive Director.

<sup>(\*\*\*\*)</sup> Non-Executive Director.

The Company believes that all members of the Board of Directors possess the necessary professionalism and skills for the tasks assigned to them. The Company also believes that the number and skills of non-executive directors are such as to ensure that they carry significant influence in the adoption of board resolutions and to guarantee effective management monitoring. As per the previous table, a significant component of the non-executive directors is independent pursuant to the TUF and/or the Corporate Governance Code.

The provisions of the Articles of Association governing the procedures for the appointment of the Board of Directors will be applied starting from the first renewal of the administrative body following the listing of the Issuer's shares.

### *Professional profile of the Directors in office*

Below is a summary *curriculum vitae* of each member of the Board of Directors in office at the at of this Report, which shows the expertise and experience gained in business management.

Maurizio Dallochio - was born in Milan on 12 April 1958. He is Full Professor of Corporate Finance and

member of the Board of the Department of Finance at the Luigi Bocconi University of Milan, of which he was Dean. He is a Senior Lecturer at the SDA Bocconi School of Management (Business Management School of the Bocconi University), of which he was director of the Master in Corporate Finance. He is a member of the Editorial Committee of the Corporate & Business Strategy Review magazine and of the Scientific Committee of the Centro Studi Economia Applicata - CSEA (Centre of Applied Economics Studies) at Università Cattolica del Sacro Cuore in Milan. He has been a visiting professor at prestigious international schools and universities (among others, New York University, London Business School, IMD Lausanne). He is a chartered accountant and statutory auditor. He has contributed to the management and control bodies of numerous listed and private institutions, domestic and international. He is a member of the Board of Directors and the Advisory Board and an active supporter of numerous non-profit organisations. He is the author of numerous publications and articles.

**Mauro Selvetti** - was born in Sondrio on 31 July 1960. In the Credito Valtellinese Group since 1981, he has developed significant experience in the commercial field and in the management and development of human resources, as HR manager of Credito Valtellinese, Credito Artigiano and therefore of the Human Resources Department of the Credito Valtellinese Group. He was Deputy General Manager of Credito Siciliano from 2006 to 2008, as well as, from 2010, Deputy General Manager of Credito Valtellinese with responsibility for the “IT and Operations Area”, coordinating the activities and development of Creval Sistemi e Servizi. From 2014 to 2016, he was head of the “Commercial Area” of Credito Valtellinese; in 2016 he was appointed General Manager. On 5 June 2018, he was appointed Director by co-optation of Credito Valtellinese and, as from 1 July 2018, Chief Executive Officer, confirmed on 15 October 2018 following the recomposition of the Board of Directors. He leaves his offices in 2019. Since 2021, he has held the role of Industrial Advisor for Nextalia SGR.

**Massimo Gianolli** - was born in Biella on 21 January 1966. In 1980 he began studying in Verona and working in the countryside, on his family's land. In 1988 he was called back to Biella for a short stint at Prestoleasing S.p.A. (now Generalfinance), at the time active in the leasing sector, in order to liquidate it. On the contrary, the company is forced to convert its activities from leasing to factoring. He has been a director and CEO of the Company since 1990. In 2005, he decided to create “La Collina dei Ciliegi”, a brand created from the project to convert the Veronese land to the wine/hotel business. In 2013, he opened the CLUB SkyLounge VIP, La Collina dei Ciliegi at the San Siro stadium in Milan, combining great cooking with football and entertainment. In 2015 he founded GGH, and in 2017 opened Generalfinance's capital to the entry of Creval. In 2018, under the umbrella of La Collina dei Ciliegi, the Ca 'del Moro Wine Retreat resort (Verona) was inaugurated. At the date of the Report, he is the Chief Executive Officer of the Issuer and of Generalbroker S.r.l., a company specialised in insurance brokerage established with his father in 1991.

**Rino Antonucci** - was born in Popoli (PE) on 25 July 1972. In 1996, he graduated in Corporate Finance from La Sapienza University of Rome. He worked as a retail client advisor - head of agency securities office at Banca di Roma S.p.A. from 1997 to 1998. In 1998, he joined Banca Nazionale del Lavoro S.p.A., where he held various duties (including Head of Corporate customers, Head of Corporate and Private customers and Head of Corporate Large Enterprises) until 2007. In 2007, he joined the Credit Agricole Italia Group as Corporate Head of the Central Italy Area; he later became Head of the Central South Business Area (Rome), Head of the Northern Territorial Area (Milan), Head of the Credit Risk

Control Area (Parma), Head of the Regional Department of Rome and Head of the UTP & NPE Strategy Area (Parma). At the date of the Report, he is the Head of the NPE Department of the Credit Agricole Italia Group and a member of the Group Management Committee.

**Elena Ciotti** - was born in Castellamonte (TO), on 13 February 1972. In 1995, she graduated in Economics and Commerce from the University of Turin. From 1996 to 1997, she worked at the advertising agency Armando Testa. From 1998 to 2003, she carried out management consulting activities at Accenture in the industry, retail & banking sectors. In 2004, she started working at UBI Banca in the strategic development sector and since 2007 she has been Head of Program Management. Since 2010, she has been Head of Marketing & Commercial Planning at UBI Banca Corporate & Investment Bank and in 2014 she took on the position of Head of Special Projects at UBI Banca, which she held until 2016. In 2017, she moved to Credit Agricole Italia Banking Group where she worked as Head of Strategy. In 2021, she was appointed director of Le Village by CA Triveneto.

**Annalisa Raffaella Donesana** - was born in Treviglio (BG) on 9 June 1966. In 1990, she graduated in Economics and Commerce from the Luigi Bocconi University of Milan and, in the same year, she began working, first as a Junior Auditor and then as a Senior Auditor, at Arthur Andersen S.p.A., carrying out auditing and due diligence activities. From 1993 to 2003, she worked as an associate senior manager at the Legal and Tax Advisory Firm (Firm linked to the auditing firm Arthur Andersen - Deloitte) where she worked on the development of the tax division of the M&A sector, assisting leading Italian and international clients. From 2004 to 2009, she was a partner in Studio Guido Severgnini e Associati, where she carried out tax consultancy, opinions, tax rulings, transfer pricing analysis, assistance in corporate reorganisation in crisis contexts. In October 2009, she co-founded Studio ACTA, of which she is managing partner until 2020, in which she provides tax advisory services with particular reference to international tax law and to listed companies operating in highly regulated sectors such as motorway concessions and multi-utilities (energy, water and gas sector) as well as opinion-making activities, tax rulings, tax assistance, transfer pricing analysis and tax due diligence activities. Since January 2021, she has been a partner of Miller & ACTA STP. She is the author of several articles and reports published in trade magazines as well as in collective works published by "Il Sole 24Ore", "Giuffr " and "Ipsoa" as well as a speaker at numerous conferences on tax matters. She is enrolled in the Register of Chartered Accountants of Milan. She has held and holds the position of independent director and statutory auditor in listed and unlisted companies.

**Leonardo Luca Etro** - was born in Milan on 22 June 1978. Since 2002, he has been a professor of Corporate Finance at the SDA Bocconi School of Management (Business Management School of the Bocconi University) and at the Luigi Bocconi Business University of Milan. At SDA Bocconi School of Management (Business Management School of the Bocconi University), he was director of the Administration, Control, Corporate Finance and Real Estate Area in the two-year period 2015-2016, Member of the Management Committee from 2015 to 2020 and Director of International Development from 2018 to 2020. He carries out professional strategic-financial and investment advisory activities through the companies Madison Corporate Finance and Madison Capital, established in 2007 and 2011 respectively. He is an independent director in various companies.

**Maria Luisa Mosconi** - was born in Varese on 18 May 1962. She has a degree in Business Economics and is qualified as a chartered accountant and statutory auditor; she has been enrolled in the Association



of Chartered Accountants of Milan since 1992 and in the Register of Independent Experts for the negotiated settlement of company crisis at the Milan Chamber of Commerce. Since 1997, she has been enrolled in the Register of Consultants of the Judge at the Court of Milan, with specific reference to company valuations, extraordinary finance transactions, insolvency proceedings. She is an associate of the SB231 - Association of Members of Supervisory Bodies pursuant to Legislative Decree no. 231/2001. She works as a chartered accountant with particular reference to bankruptcy proceedings and consultancy relating to corporate restructuring and crises, as well as appraisals. She acts as receiver and judicial liquidator at the Court of Milan, Bankruptcy Section. She has held and holds the position of Chairperson and member of the board of statutory auditors, the board of directors and the supervisory board and judicial liquidator in various listed and unlisted companies. During her career, she gained significant experience in various listed and unlisted companies, including in regulated sectors, in the banking, insurance, financial intermediaries and asset management companies sectors. She is Chairperson or member of supervisory bodies pursuant to Legislative Decree no. 231.

Marta Bavasso: born in Florence on 22 March 1969. She graduated in law from the University of Florence, obtaining an LLM in EU Law and Institutions, EU Competition Law, International Business Law from the University College London (UCL) Faculty of Laws. She has been authorised to practice law since 1997 and has been enrolled in the Register of Lawyers since 1998. She practices as a lawyer, mainly dealing with corporate and commercial law. She has gained significant professional experience and skills mainly in corporate and commercial law in general, and in technology and (tele) communications law, having followed M&A transactions (mainly with international profiles), *joint ventures, private equity, fund structuring, IPOs, ICT procedures of various kinds, in different sectors (infrastructure, real estate, energy, insurance, asset management, technology, media, communications) and in various circumstances, both in the role of consultant and in-house counsel.*

She is a partner in charge of the corporate-M&A-private equity and TMT sectors in the law firm Gambino-Scanzano-Pesce-Bavasso, of which she is co-founder. Lastly, she has taken on the roles of lead independent director, independent director and Chairperson of internal board committees.

*Verification of the requirements of integrity, professionalism and independence, as well as the absence of causes of ineligibility or forfeiture of directors also pursuant to Ministerial Decree 169/2020, as well as compliance with the rules on the prohibition of interlocking.*

During the meeting held on 9 May 2022, the Board of Directors verified that the Directors met the requirements of integrity required by Article 147-*quinquies* of the TUF and the implementing regulation adopted by Decree of the Ministry of Justice no. 162/2000, as they: (i) were not subject to preventive measures ordered by the judicial authorities; and (ii) have not been convicted with an irrevocable judgement, except for the effects of rehabilitation (a) to custodial sentence for one of the offences envisaged by the rules governing banking, financial and insurance activities and by the rules on markets and financial instruments, in tax matters and payment instruments; (b) imprisonment for one of the crimes provided for in Title XI of Book V of the Italian Civil Code and in Royal Decree no. 267 of 16 March 1942; (c) imprisonment for a period of not less than six months for a crime against the public administration, public faith, property, public order and the public economy; and (d) imprisonment for a period of not less than one year for any offence committed with criminal intent. Furthermore, at the date

of the Report, none of the penalties provided for in point (ii) above were applied to the Directors at the request of the parties.

During the same meeting of 9 May 2022, the Board of Directors also verified that the Directors (also Federica Casalvolone, although who subsequently resigned and was replaced as previously outlined by Marta Bavasso) Maurizio Dallochio, Annalisa Raffaella Donesana and Maria Luisa Mosconi met the independence requirement set forth in Article 147-ter, paragraph 4, of the TUF (which refers to Article 148, paragraph 3, of the TUF) and Article 2 of the Corporate Governance Code. During the same meeting, the Board of Directors also verified, with reference to Mauro Selvetti and Leonardo Luca Etro, that they met the independence requirements envisaged by Article 147-ter, paragraph 4, of the TUF and also pursuant to the Corporate Governance Code, by virtue of (i) with reference to Mauro Selvetti, the office of chief executive officer held by the same in Credito Valtellinese S.p.A. (following the merger by incorporation effective from 24 April 2022, CAI) from 12 October 2018 and until resignation on 24 February 2019, qualifying as a “significant shareholder” pursuant to the Corporate Governance Code, (ii) with reference to Leonardo Luca Etro, the criterion referred to in Recommendation 7, first paragraph, lett. d) of the Corporate Governance Code, as the remuneration received by the same in the last three years for the office of head of the internal audit function of the Company is higher than 60% of the fixed remuneration that said person will receive for carrying out the office of Director of Generalfinance.

As at the Trading Start Date, the Board of Directors confirmed that the new directors met the requirements of integrity and independence required by the regulations in force applicable to companies with shares traded on an Italian regulated market, as well as the absence of causes of ineligibility or forfeiture of directors pursuant to Article 2382 of the Italian Civil Code, already subject to the preliminary assessments by the aforementioned Board of Directors on 9 May 2022 and (limited to the Director Marta Bavasso) of 13 June 2022.

At the same time, the Board of Directors confirmed the significance criteria for the assessment of the independence of non-executive directors, pursuant to the Corporate Governance Code, already adopted by resolution of 9 May 2022.

In addition, having regard to the specific regulatory provisions set forth on the assessment of the suitability of representatives of banks, financial intermediaries, electronic money institutions, payment institutions and depositor guarantee systems, during the meeting of 28 July 2022, the Board of Directors of the Company verified the existence of the eligibility requirements pursuant to the Bank of Italy Circular of 3 April 2015, the Decree of the Ministry of Economy and Finance no. 169 of 23 November 2020 and the Provisions on the procedure for assessing the suitability of representatives of banks, financial intermediaries, electronic money institutions, payment institutions and depositor guarantee systems, issued by the Bank of Italy on 4 May 2021.

Lastly, in the same meeting and at the subsequent meeting of 3 November 2022, the Board of Directors verified compliance, by its members, , according to the interpretation provided by Bank of Italy, Consob and Isvap in the document entitled “Criteria for the application of Article 36 of Decree Law “Save Italy” , which provides: “holders of offices in management, supervisory and control bodies and officers of the top management in companies or groups of companies operating in the credit, insurance and financial markets are prohibited from assuming or exercising similar positions in competing companies or groups of companies”.



At the end of the audits conducted, the Board of Directors verified, for each of its members:

- possession of the requirements of integrity and professionalism in compliance with the legislative and regulatory provisions in force for the representatives of a financial intermediary;
- compliance with the criteria of competence and fairness set forth in Ministerial Decree no. 169/2020;
- the absence of the circumstances envisaged by Article 13, paragraph 1, letters a), b), c), h) and i) of Ministerial Decree 169/2020 for which there may be a risk of influence in relation to independence of mind;
- the absence of causes for suspension pursuant to the laws and regulations in force;
- the absence of incompatible offices pursuant to Article 36 of the Save Italy Decree, deeming its composition adequate with reference to both the quantitative and qualitative aspects envisaged by current legislation and compliant with the purposes and tasks assigned by it to the body with strategic supervision functions.

#### *Diversity criteria and policies in the composition of the Board and in the company organisation*

It should be noted that the rules that require the allocation of the members of the Board of Directors to be elected to be carried out on the basis of a criterion that ensures the balance between genders, pursuant to the provisions of Article 147-*ter*, paragraph 1-*ter*, of the TUF, were acknowledged in Article 14, paragraph 4 and Article 16, paragraphs 5 et seq. of the Articles of Association.

With reference to gender diversity, despite Article 147-*ter*, paragraph 1-*ter*, of the TUF, stating that the provisions on gender balance apply from the first renewal of the Board of Directors following the listing, providing that, for this first renewal, the less represented gender obtains at least one fifth of the directors elected at the time of the first renewal and at least two fifths of the directors elected on the occasion of the next five consecutive terms (in any case rounded up), the composition of the Board of Directors of the Issuer, at the Trading Start Date, was already compliant with the requirements for the first renewal. Furthermore, the Company applies diversity criteria by age and career path in the composition of the Board of Directors, in compliance with the priority objective of ensuring adequate competence and professionalism of its members, pursuant to Article 2, principle VII, of the Corporate Governance Code. The Articles of Association already provide for rules for the composition of the lists and supplementary voting mechanisms aimed at ensuring the presence on the Board of Directors of the minimum number of members belonging to the less represented gender, in accordance with the provisions of the applicable regulations. Please refer to Section 4.2 of this Report for detailed information.

At the date of this Report, the composition of the Board of Directors is adequately diversified by age, gender and training and professional background.

The Company has not formally adopted diversity policies in relation to the composition of the management body, with specific reference to aspects such as age and training and career path, since - *de facto* - it already applies principles of personal and professional diversification in the appointments, to guarantee a balanced composition of the body.

The Company has not adopted a specific policy aimed at promoting equal treatment and opportunities between genders within the entire company organisation. It should be noted, however, that the Company has adopted a Code of Ethics (as defined below) which contains the set of principles with which it must comply in conducting its business, carrying out its activities and in managing relationships with its

stakeholders. These principles include, inter alia, those of fairness and impartiality, pursuant to which the Company conducts monitoring to ensure that all forms of discrimination are prevented. The Company undertakes to ensure that forms of discrimination based on age, sex, sexual orientation, race, language, nationality, political and trade union opinions, religious beliefs or other conditions or personal characteristics not related to the work are not tolerated in the work environment and it operates in a fair and impartial manner, adopting the same behaviour towards all stakeholders with whom it comes into contact. The Company's employees must in fact be impartial, in form and substance; all decisions must be made objectively without discriminating against any stakeholder for reasons related to gender, sexual orientation, age, nationality, health status, political and trade union opinions, race, religious beliefs and any personal trait in general. Pursuant to the Code of Ethics (as defined below), the Company also undertakes to offer equal opportunities in the work and professional development of all employees.

#### *Maximum number of offices held in other companies*

Also taking into account the fact that the Corporate Governance Code recommends that the administrative body of "large companies" only express a view on the maximum number of offices in the management or control bodies in other listed companies or companies of significant size that may be considered compatible with the effective performance of the office of director of the company, the Board did not deem it necessary to define general criteria for its directors. This is without prejudice to the duty of each director to assess the compatibility of the offices held in other companies with the diligent performance of the duties undertaken as a director of the Issuer.

For an examination of the offices held at the date of this Report and in the last five years by the members of the Board of Directors, please refer to Annex 1 to this Report.

#### *Induction Program*

With the aim of providing adequate knowledge of the business sector in which Generalfinance operates, its product, its organisation, company dynamics and their evolution, the risk control and management system, the reference regulatory framework, of the main trends that may have an impact on the current performance and on the short, medium and long-term growth strategy of the Company, on 22 September 2022, the Issuer organised - in a face-to-face setting at its Milan office - for the newly appointed Directors and Statutory Auditors, a first Board Induction session concerning (i) the organisational structure and control system; (ii) IT platform; (iii) credit activities and process.

### **4.4 Functioning of the Board of Directors (pursuant to Article 123-bis, paragraph 2, letter d), of the TUF)**

The Board of Directors is responsible for Company management, which carries out the operations necessary for the implementation of the corporate purpose.

The Board of Directors is called and chaired by the Chairperson of the Board of Directors (the "Chairperson"), who establishes its agenda and coordinates its conduct. In the event of the absence of the Chairperson of the Board of Directors, the Board of Directors elects the Chairperson based on an absolute majority of the directors present.

The call notice of the Board of Directors indicates the location, date and time of the meeting and the

items on the agenda and is called using all the suitable means in consideration of the notice periods, sent normally at least five calendar days before the meeting to each member of the Board of Directors and of the Board of Statutory Auditors and, in urgent cases, this term may be reduced to 24 hours before the meeting. Notice of the meetings must be given to the standing auditors.

Meetings of the Board of Directors are considered validly constituted, including where not formally called, when all of the Directors and the majority of Standing auditors in office are present and all entitled parties have been informed beforehand of the meeting and there have been no objections to the discussion of the items on the agenda.

The Board of Directors is validly constituted with the presence of the majority of its members in office and validly passes resolutions with the favourable vote of the absolute majority of the directors present. In the event of a tie, the Chairperson of the Board of Directors has the casting vote.

The calendar of board meetings is defined by the Board of Directors on the proposal of the Chairperson, after consulting the CEO. In any case, the meetings of the Board of Directors - even those not envisaged in the calendar - are convened by the Chairperson, after consulting the CEO, in compliance with the law and the Articles of Association.

The topics to be discussed during the meeting, together with any other information useful for scheduling the meeting, are indicated in the notice of call in a clear and concise manner and are reported therein according to a progressive order.

Before each meeting, the secretary of the Board of Directors (the "Secretary") provides the directors and statutory auditors with the documentation reasonably necessary to provide adequate information with respect to the items on the agenda, in a manner suitable to guarantee the necessary confidentiality. This documentation, as prepared by the competent corporate functions, is made available by the Secretary as soon as it is made available and in any case at least two calendar days before the date of the meeting, except in cases of urgent calling and in exceptional justified cases in which the information may be provided within a shorter term or during the meeting, as well as in ways other than those indicated above (for example, by making the information available in paper format during the meeting). Where, in specific cases of necessity and urgency, it is not possible to provide the necessary information with sufficient advance notice, the Chairperson, with the help of the Secretary, ensures that adequate and timely analyses are carried out during the meetings of the Board of Directors.

The Board may meet and validly deliberate also exclusively by teleconference or videoconference provided that:

- a. the collective method and the principles of good faith and equal treatment of directors are respected;
- b. the Chairperson is able to verify the identity of the attendees, regulate the conduct of the meeting, ascertain and announce the results of the vote;
- c. that the person taking the minutes is able to adequately perceive the events of the meeting being recorded; and
- d. attendees are allowed to participate in the discussion and simultaneously vote on the items on the agenda, as well as to view, receive or send documents.

During each meeting:

- a. the Chairperson ensures that the work is carried out in an orderly manner, in compliance with the

agenda or by modifying the agenda and specifying the reasons for it, that it is possible to present the proposals in an appropriate manner, as well as to address questions and requests for clarification or additional information in a reasonable and useful manner, that answers are provided in an appropriate manner, that one can actively participate in the discussion; all while reserving adequate time to discuss each item on the agenda;

- b. directors called upon to present a proposal must ensure that adequate information is provided and be available to answer questions from other directors;
- c. each director participates proactively, reserving adequate time for the performance of the Board's work, promptly declares any interests he/she holds on his/her own behalf or on behalf of third parties with respect to a given matter on the agenda, pursuant to law, as well as any relations of correlation pursuant to the regulations on transactions with related parties. Each director may request, at a meeting, that additional information be provided with respect to the pre-board meeting information or that given during the meeting, in order to be able to act in an informed manner.

In addition to the items already included on the agenda, the Chairperson of the Board of Directors may propose and communicate any additional items relating to urgent issues and those that cannot be postponed. In this case, the Board of Directors must unanimously resolve on the inclusion of the item on the agenda. Unless otherwise specified, it will be included in the margin of the other items on the agenda.

Any invitees (managers of the competent company functions, executives, middle managers, employees, consultants of the Company, as well as other external parties), whose presence is deemed useful in relation to the matters to be discussed or to support the better performance of the works of the Board of Directors, may be called to participate in the meetings of the Board itself, without the right to vote, and to take the floor during the same, limited to the phase of the discussion of the matters within their competence only at the invitation of the Chairperson, in agreement with the CEO (if necessary also based on the request of individual directors), to illustrate disclosures and documents or provide information, insights and clarifications.

Once all the presentations, replies and responses have been completed, the Chairperson declares the discussion closed and invites the Board of Directors to deliberate. Voting takes place by open ballot. The directors abstain in cases where this is required by the applicable legal provisions.

For the sole purpose of facilitating the minutes of the meeting and unless otherwise ordered by the Chairperson, the meetings of the Board of Directors may be recorded with audio instruments; these records and any transcriptions will be kept only until the approval of the related minutes.

Following the meeting, the draft minutes prepared by the Secretary and previously shared with the Chairperson are sent to all directors and statutory auditors for any observations. The final text of the minutes is then submitted for the approval of the Board of Directors at the next board meeting (except in cases of resolutions adopted that require immediate execution, for which a simultaneous approval of the board minutes is required), for the purposes of subsequent filing.

The Chairperson or the Secretary may issue statements regarding the resolutions passed at meetings of the Board of Directors when the minutes of said meetings have not yet been filed.

It should be recalled that, on 20 May 2022, in compliance with the provisions of recommendation 11 of the

Corporate Governance Code, the Board of Directors approved the Regulation of the Board of Directors that defines the rules of functioning of the body itself, including the methods for recording the minutes of the meetings and the procedures for the management of the information to the directors.<sup>2</sup>

During the year, 25 meetings of the Board of Directors were held (with an average duration of approximately two hours). At the date of the Report, two meetings have already been held and at least a further three meetings are planned for 2023. Except in rare cases of fully justified absence, the overall percentage of attendance of the Directors was almost total.

During the Financial Year, the Board of Directors, among other things, in addition to various issues pertaining to the matters within its competence as per the Articles of Association and Regulation of the BoD, also resolved on the following aspects:

- financial situation of the Company and related interim reports (quarterly and half-yearly);
- approval of the 2022 Financial Statements;
- approval of the Registration Document, the application to Consob for the authorisation to publish the Registration Document and the application to Borsa Italiana S.p.A. for the admission to listing of the ordinary shares of Generalfinance S.p.A., as well as the related accompanying documentation and all of the various preparatory obligations in the various phases of the listing;
- the paid share capital increase, in cash, divisible, for a maximum of 40 million euros, including premium, through the issuing of new Company ordinary shares, with the exclusion of the option right pursuant to Article 2441, paragraph 5 of the Italian Civil Code, in service of the offer aimed at the admission to trading of the Company's ordinary shares on Euronext Milan, STAR segment, in exercise of the power conferred by the extraordinary shareholders' meeting of the Company on 8 March 2022 and subsequent amendment of Article 5 of the Articles of Association in force and Article 5 of the new Articles of Association adopted by the extraordinary shareholders' meeting of the Company held on 8 March 2022;
- verification of the requirements of the newly appointed members of the corporate bodies, including the independent directors who will take up office from the date of the start of trading of the shares of Generalfinance on EXM;
- appointment of board committees and approval of board regulations with effect from the trading start date.

Co-optation of a director pursuant to Article 2386, paragraph 1, of the Italian Civil Code.

Article 21, paragraph 4, of the Articles of Association reserves to the Board, subject to the mandatory opinion of the Board of Statutory Auditors, the appointment of the manager responsible for preparing the corporate accounting documents pursuant to Article 154-*bis* of the TUF. The Board of Directors also orders their revocation, where applicable.

For further information in this regard, please refer to Section 9.11 of the Report.

The Board meetings, at the invitation of the Chairperson in agreement with the CEO (possibly also at the request of individual directors), are attended by the invited parties (managers of the competent company functions, executives, managers, employees, consultants of the Company and of the subsidiaries, as well as other external parties), whose presence is deemed useful in relation to the

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<sup>2</sup> Please refer to Section 4.1 of this Report for detailed information.

matters to be discussed or to support the better performance of the works of the Board of Directors, to illustrate disclosures and documents or provide information, insights and clarifications.

Pursuant to Article 21, paragraph 3 of the Articles of Association, the Board of Directors can also internally establish committees with advisory and proposal-making functions, determining their powers, also for the purpose of ensuring the corporate governance system complies with the codes of conduct drafted by the regulated market management companies and by the trade associations that the Company is a member of.

At the meeting held on 9 May 2022, the Board of Directors approved the Regulations of the Control, Risk and Sustainability Committee and of the Appointments and Remuneration Committee, effective from the Trading Start Date. These documents accompany the Regulation of the Board of Directors, approved by board resolution of 20 May 2022 and are also effective from the date of the start of trading. These documents were subsequently specifically approved by each of the committees concerned.

For information on the functioning of the internal Board Committees set up by the Issuer, please refer to Sections 7.2, 8.2 and 9.2 of the Report.

#### 4.5 Role of the Chairperson of the Board of Directors

Pursuant to Article 19 of the Articles of Association, the Board of Directors appoints a Chairperson from its members, when the shareholders' meeting does not make provision for this; it can also appoint one or more deputy Chairpersons and a Secretary, the latter also chosen from outside its members and outside the Company.

The Chairperson of the Board of Directors promotes internal dialogue and the effective functioning of the corporate governance system. He/she does not hold executive roles, nor carries out, including de facto, management functions, except where the applicable provisions from time to time permit this.

In addition to the powers that may be delegated to him/her by the Board of Directors and in addition to exercising the functions attributed to it by law, the Articles of Association and other provisions of the Regulation of the Board of Directors, the Chairperson - with the help of the Secretary - carries out the following activities:

- a. ensures the correct and effective functioning of the Board's work;
- b. acts as a liaison between executive directors and non-executive directors;
- c. defines, after consulting the CEO, the proposed calendar of board meetings;
- d. convenes the Board meetings, defining the date and time, as well as the place of call, the agenda - in agreement with the CEO - and the methods of participation, as well as any intervention by external parties to the Board of Directors;
- e. chairs, organises and coordinates the work of the Board of Directors and guides the conduct of the related meetings, guaranteeing the effectiveness of the Board debate and favouring in a neutral manner the reasoned participation of the directors, in particular, non-executive and independent directors, encouraging their active participation in the discussion and resolution on the matters being dealt with;
- f. ensures the provision of the documentation reasonably necessary to ensure adequate disclosure to the directors with respect to the items on the agenda in order to allow the directors to act in an informed manner in the performance of their role;

- g. ensures that the activities of the Committees are coordinated with the activities of the Board of Directors, being able - for example - to request and exchange information with the Chairpersons of the Committees, as well as with the corporate structures in charge, view the opinions and proposals of the committees in advance of board meetings, know in advance the calendar of meetings of the Committees;
- h. ensures, in agreement with the CEO, that the executives of the Company, managers of the competent corporate functions according to the matter, intervene, where appropriate or necessary, at the board meetings, also at the request of individual directors, to provide the appropriate in-depth information on the items on the agenda;
- i. organises induction sessions for the members of the Board of Directors and / or the Board of Statutory Auditors, at the beginning and - where deemed appropriate - during their mandate, aimed at providing them with adequate knowledge of the business sectors in which the Company operates, company dynamics and their evolution also with a view to creating value in the long-term, as well as compliance with the principles of proper risk management, the law and the Corporate Governance Code;
- j. oversees the adequacy and transparency of the self-assessment process of the management body, with the support of the Appointments and Remuneration Committee;
- k. formulates - in agreement with the CEO - proposals for the adoption or amendment of a policy for the management of dialogue with shareholders in general, as well as with institutional investors and asset managers, also taking into account the engagement policies adopted by the latter;
- l. as part of the organisation of the work of the Board, ensures that the Board of Directors is informed of the development and the significant contents of the dialogue with all the parties referred to in the previous point;
- m. formulates, in order to ensure the correct management of corporate information and in agreement with the CEO, proposals for the adoption of a procedure for the internal management and external communication of documents and information concerning the company, with particular reference to inside information;
- n. is responsible for taking the minutes of the Board's work.

The Chairperson may not hold an executive role or perform, even de facto, management functions, except in cases where:

- a. these functions are clearly defined and documented;
- b. the composition and number of members of the Board of Directors ensures adequate dialogue within the body itself;
- c. suitable controls are adopted for the identification and prevention of conflicts of interest;
- d. the Chairperson is not simultaneously assigned powers with regard to internal controls and powers relating to other aspects of company operations;
- e. the Company qualifies as a "minor intermediary" pursuant to the "Supervisory Provisions" contained in Circular no. 288 of 3 April 2015 of the Bank of Italy.

During the meeting of 8 March 2022, the Shareholders' Meeting appointed Maurizio Dallochio, who is not a controlling shareholder of the Company, as Chairperson, with effectiveness conditional on the Trading Start Date.



During the Financial Year, the directors and statutory auditors received, in the two days prior to the board meetings, the documentation and information necessary to express their opinions on the matters submitted for their examination. In cases where it was not possible to send the documentation or part of it in advance, full disclosure was provided by the Chairperson of the Board of Directors on the matter under review during the board meeting, thus guaranteeing that fully-informed decisions could be taken. The meetings of the Board of Directors, at the invitation of the Chairperson and the CEO, may be attended by representatives of management or other company functions in order to promote a timely and in-depth knowledge of the Company's activities.

The Chairperson of each board committee provides information on the meetings of the Control, Risk and Sustainability Committee and the Appointments and Remuneration Committee at the first possible meeting of the Board of Directors, and therefore on the issues dealt with therein. For the organisation of its work, the Control, Risk and Sustainability Committee and the Appointments and Remuneration Committee rely on the support of the Secretary appointed by the Board of Directors, who is entrusted, *inter alia*, with the task of drawing up the minutes of the meetings.

With reference to the *Induction Program*, the self-assessment of the Board of Directors and the dialogue with the shareholders, please refer, respectively, to Sections 4.3, 7 and 12 of this Report for detailed information.

### *Secretary of the Board*

In compliance with the provisions of Article 19, paragraph 1, of the Articles of Association, the Board of Directors may appoint a Secretary, also chosen from outside its members and also from outside the Company, it being understood that this figure is normally chosen from among persons with adequate expertise and experience in corporate law and corporate governance.

The resolutions of the Board of Directors must be documented in the minutes signed by the Chairperson and by the secretary.

In the event that the meetings of the Board of Directors are held by videoconference or teleconference, the meeting is understood to be held in the place where the Secretary of the meeting, or the Notary Public, is located.

Pursuant to the Regulation of the Board of Directors, the Secretary supports the activities of the Chairperson, providing, with impartiality of judgment, assistance and advice to the Board of Directors on every relevant aspect for the correct functioning of the corporate governance system, pursuant to the law, of the Articles of Association and Regulations.

At the meeting held on 29 June 2022, the Board of Directors appointed Stefano Saviolo, Head of the Legal and Corporate Affairs Department, as Secretary of the Company's Board of Directors.

## 4.6 Executive Directors

### *Chief Executive Officer*

Pursuant to Article 21, paragraph 1, of the Articles of Association, the Board of Directors can delegate, within the limits envisaged by the legislation and regulations in force from time to time, part of its responsibilities to one or more of its members or to an executive committee composed of some of its



members (the "Chief Executive Officer").

The content of these powers, where permitted, is determined in detail, with clarity and precision, to allow the collective body to correctly verify the proper fulfilment of obligations, as well as exercise its management and advocacy powers.

The Board of Directors and the Board of Statutory Auditors are informed, also by the delegated bodies, of the general operating performance, its outlook and the most important transactions, owing to their size or characteristics, carried out by the Company and its subsidiaries; in particular, the delegated Directors promptly report on a quarterly basis to the Board of Directors and the Board of Statutory Auditors on the activities carried out and on the most important economic, financial and equity transactions carried out by the Company and its subsidiaries and, in particular, the transactions in which they hold an interest, on their own behalf or on behalf of third parties. The disclosure is normally provided at the meetings of the Board of Directors.

At the meeting held on 29 June 2022, the Board of Directors ratified the appointment of Massimo Gianolli as Managing Director and CEO, already resolved - with effect from the Trading Start Date - at the meeting of 20 May 2022, confirming the attribution to said person of the powers indicated in Annex 3 of this Report.

#### *Disclosure to the Board by the directors/delegated bodies*

Pursuant to Article 21, paragraph 2, of the Articles of Association, the Board of Directors is informed, also by the delegated bodies, on the general performance of operations, on its outlook and on the most significant transactions, due to their size or characteristics, carried out by the Company and its subsidiaries.

In particular, the Chief Executive Officers report promptly, and on a quarterly basis, to the Board of Directors on the activities carried out and on the most significant economic, financial and equity transactions carried out by the Company or by its subsidiaries and, in particular, on the transactions in which they have an interest, on their own behalf or on behalf of third parties.

The disclosure is normally provided at the meetings of the Board of Directors.

#### *Other executive directors*

At the date of this Report, there are no other executive Directors in the Company. Please refer to Section 4.5 of this Report for detailed information on the role of the Chairperson of the Board of Directors.

## 4.7 Independent Directors and Lead Independent Directors

### *Independent Directors*

The Board of Directors of the Issuer includes 6 (six) directors (including the Chairperson) who meet the independence requirements pursuant to Article 148, paragraph 3, of the TUF (as referred to in Article 147-ter, paragraph 4, of the TUF), of which 4 (four) directors (including the Chairperson) also meet the independence requirements pursuant to Article 2, Recommendation no. 7 of the Corporate Governance Code.

The independent directors of the Issuer on the Trading Start Date are indicated below, pursuant to

Article 148, paragraph 3, of the TUF:

1. Marta Bavasso;
2. Maurizio Dallochio;
3. Annalisa Raffaella Donesana;
4. Leonardo Luca Etro;
5. Maria Luisa Mosconi
6. Mauro Selvetti.

In this regard, it should be noted that during the meeting held on 9 May 2022, the Board of Directors verified, with reference to Mauro Selvetti and Leonardo Luca Etro, that they met the independence requirements set forth in Article 147-ter, paragraph 4, of the TUF, and non-possession also pursuant to the Corporate Governance Code by virtue of (i) with reference to Mauro Selvetti, the office of chief executive officer held by the same in Credito Valtellinese S.p.A. (following the merger by incorporation effective from 24 April 2022, CAI) from 12 October 2018 and until his resignation on 24 February 2019, qualifying as a “significant shareholder” pursuant to the Corporate Governance Code, and (ii) with reference to Leonardo Luca Etro, the criterion referred to in Recommendation 7, first paragraph, lett. d) of the Corporate Governance Code, as the remuneration received by said person in the last three years for the office of head of the internal audit function of the Company is higher than 60% of the fixed remuneration that said person will receive for carrying out the office of Director of Generalfinance.

Consequently, the independent directors pursuant to Article 148, paragraph 3, of the TUF, and pursuant to Article 2, Recommendation no. 7 of the Corporate Governance Code, of the Issuer on the Trading Start Date:

1. Marta Bavasso;
2. Maurizio Dallochio;
3. Annalisa Raffaella Donesana;
4. Maria Luisa Mosconi

In compliance with Recommendation no. 5 of the Code, the Issuer considers the number of Independent Directors in office adequate to the size of the Board of Directors and the activity carried out by the Issuer, as well as suitable to allow the establishment of governance committees within the Board according to the recommendations of the Corporate Governance Code.

As mentioned above, the Board of Directors, during the meeting held on 9 May 2022 (and on 13 June 2022, limited to the Director Marta Bavasso), verified with a favourable outcome the possession of the independence requirements by the independent directors, on the basis of the documentation provided by the interested parties and that in any case available to the Issuer.

In carrying out the above assessments, the Board applied all the criteria set out in the Corporate Governance Code.

In particular, for the purposes of the independence assessment, the Board of Directors (as also the Board of Statutory Auditors) takes into account, on the basis of all the information available, any circumstance that affects or may appear likely to affect the independence of the director according to the criteria indicated by the Corporate Governance Code, with particular reference to the quantitative and qualitative parameters for assessing the relationships referred to in letters c) and d) of Recommendation 7 of the Corporate Governance Code (“significance criteria”), which are referred to

below.

- any relationship of a commercial or financial or professional nature with the Company or with the relative executive directors or top management, as well as with a party that, also together with others through a shareholders' agreement, controls the Company or with the relative executive directors or top management, carried out in one of the three financial years prior to taking office (the "**Reference Period**") is to be considered "significant", if the consideration exceeds, for each financial year included in the Reference Period, at least one of the following parameters: (i) 10% of the annual turnover of the company, entity, professional firm or consulting company over which the director has control or of which he/she is an executive director or partner; (ii) 10% of the director's annual income as a natural person;
- in the case of the director who is also a partner of a professional firm or a consulting company, the Board of Directors assesses the significance of the professional relationships that may have an effect on his/her position and role within the firm or of the consulting company or that in any case pertain to important transactions of the Company, even regardless of the quantitative parameters;
- the additional remuneration paid during the Reference Period by the Company or its subsidiaries with respect to the fixed remuneration for the office and that envisaged for participation in the committees recommended by the Corporate Governance Code or provided for by the regulations is to be considered significant, if higher, in each financial year included in the Reference Period, than 60% of the fixed remuneration received during the year for carrying out the office of director.

Consequently, and in compliance with the provisions of Recommendation no. 6 of the Code, the Board of Directors assesses the independence of each non-executive director during the course of the mandate in the event of circumstances relevant to independence and in any case at least once a year. The audits carried out by the Board of Directors on 9 May 2022 (and on 13 June 2022 limited to the Director Marta Bavasso) were confirmed at the board meeting of 29 June 2022 at the time of formal installation of the new Board of Directors.

It should be noted that on the occasion of their respective applications, the independent directors of the Company declared that they meet the independence requirements envisaged by the combined provisions of Article 147-ter, paragraph 4 and 148, paragraph 3, of the TUF, as well as the independence requirements contained in recommendation 7 of the Corporate Governance Code and, at the same time, they undertook to promptly notify the Board of Directors and the Board of Statutory Auditors of any changes with respect to the requirements, including those of independence, as well as any subsequently occurred causes of forfeiture.

In line with the recommendations of the Corporate Governance Code, the Board of Statutory Auditors positively verified, on these occasions, the correct application of the assessment criteria and procedures adopted by the Board of Directors to assess the independence of its members.

Since the Company does not qualify as a "large company", it is not required to comply with the principles and recommendations of the Corporate Governance Code relating to independent directors (recommendation 5). For this reason, no specific meetings of the independent directors were held during the year. However, it should be noted that the board Committees are composed of members, all of whom meet the independence requirements set forth in the TUF and the Corporate Governance Code.

### *Lead Independent Director*

Pursuant to recommendation 13 of the Corporate Governance Code, taking into account that:

- a. the Chairperson of the Board of Directors is not the CEO, nor do they she hold management powers;
- b. the office of Chairperson is not held by the person who controls, even jointly, the company;
- c. the Issuer is not classified as a large company pursuant to the Corporate Governance Code, the Board of Directors did not decide to appoint an independent director as lead independent director.

## 5. MANAGEMENT OF CORPORATE INFORMATION

In compliance with the laws and regulations in force, the Issuer has adopted specific internal procedural provisions aimed at guaranteeing the highest level of correctness, accuracy and timeliness in the process of managing corporate information, as well as the utmost transparency and accessibility to the market.

In particular, as a result of the assumption of the status of listed company, the members of the administration and control bodies of Generalfinance, as well as all those who, due to their work or professional activity, have access to inside information concerning the Company, are subject to the obligation to keep such information confidential. Inside information, pursuant to applicable regulations, is all information of a precise nature, which has not been made public, directly or indirectly concerning the Company or the financial instruments issued by it (including shares and debt securities) and which, if made public, could have a significant effect on the price of these instruments.

Therefore, in compliance with Recommendation no. 1, letter f) of the Corporate Governance Code, at the meeting of 20 May 2022 the Issuer's Board of Directors approved a code for the internal management and external disclosure of inside information (the "**Inside Information Code**") , which identifies the principles and rules to be followed by the recipients of the code for the management and external disclosure of inside information, as identified by Article 17 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014 ("**Market Abuse Regulation**").

The Inside Information Code identifies, *inter alia*: (i) the information that qualifies as inside information; (ii) the recipients of the code; (iii) the methods for disseminating and communicating inside information to the market; (iv) the process for the activation of the procedure of the delay in the public disclosure of inside information and the verification of the existence of the conditions for the delay; and (v) the principles of conduct that must be observed by the parties and the corporate organisational structures involved in various capacities in the processing of inside information and confidential information.

The Inside Information Code also governs the establishment and management of the register of persons who have access to inside information ("**Insider Register**"), pursuant to Article 18 of the Market Abuse Regulation, which, *inter alia*, defines: (i) the identification of the parties responsible for keeping the aforementioned Insider Register; (ii) the criteria for identifying the persons to be included in the Insider Register; (iii) the methods and functioning of the Insider Register; (iv) the content and notification of the entry; (v) updating of the Insider Register.

In addition, the Inside Information Code governs the establishment of the register of persons who have access to specific relevant information which, on the basis of a concrete assessment, has a sufficient probability of becoming, at a later time, inside information.

Generalfinance complied with the rules on internal dealing dictated by current legislation and secondary regulations, adopting – again at the board meeting of 20 May 2022 - a code for the management of the disclosure obligations deriving from the internal dealing regulations pursuant to Article 19 of the Market Abuse Regulation, Article 114, paragraph 7, of the TUF, and Articles 152-*quinquies*.1, 152-*sexies*, 152-*septies* and 152-*octies* of the Issuers' Regulation (the "**Internal Dealing Code**"). In particular, the Internal Dealing Code is aimed at regulating the disclosure obligations towards the competent supervisory authorities and the public as well as the behavioural methods related to the fulfilment by the "relevant parties" (i.e., the members of the Board of Directors of the Company and the of the Board of

Statutory Auditors of the Company, as well as the senior executives who have regular access to inside information of the Company and have the power to take management decisions that may affect the evolution and future prospects of the Company), the relevant shareholders (i.e., controlling shareholders and those holding a stake of at least 10% of the Company's share capital) and "persons closely associated with relevant parties and relevant shareholders" of transactions involving financial instruments issued by the Company.

The Corporate Governance Code and the Internal Dealing Code are preventive measure to control the possible occurrence of abuse of Inside Information, market manipulation and unlawful disclosure of Inside Information envisaged in Articles 8, 10 and 12 of the Regulation for Market Abuse and articles 184 et seq. of the TUF, offences also relevant for the purposes of Legislative Decree no. 231 on the administrative liability of entities. They are an integral part of the Model 231 (as defined below) and the Code of Ethics (as defined below) of the Company.

The Inside Information Code and the Internal Dealing Code are published on the Company's website ([www.generalfinance.it/procedure](http://www.generalfinance.it/procedure)).

The disclosure of press releases is entrusted to the Investor Relations function. For the transmission and storage of Regulated Information, the Company uses the EMARKET SDIR dissemination system and the EMARKET Storage mechanism available at [www.emarketstorage.com](http://www.emarketstorage.com), managed by Teleborsa Srl - with registered office in Piazza di Priscilla, 4 - Rome - following the authorisation and CONSOB resolutions no. 22517 and 22518 of 23 November 2022.

## 6. INTERNAL BOARD COMMITTEES (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 2, LETTER D), OF THE TUF)

Pursuant to Article 21, paragraph 3 of the Articles of Association, the Board of Directors can also internally establish committees with advisory and proposal-making functions, determining their powers, also for the purpose of ensuring the corporate governance system complies with the codes of conduct drafted by the regulated market management companies and by the trade associations that the Company is a member of.

As a result of the above, also in compliance with standard XI and recommendations 16 and 17 of the Corporate Governance Code, on 9 May 2022, the Board of Directors resolved, with effectiveness subject to the Start Date of Trading, to establish the following committees, also approving the relative regulations:

- a. a Control, Risk and Sustainability Committee;
- b. an Appointments and Remuneration Committee.

The Control, Risk and Sustainability Committee has also been assigned the functions of committee for related party transactions, except for decisions regarding the remuneration of the directors and key management personnel of the Company, whose competence has been attributed to the Appointments and Remuneration Committee.

It should be noted that at the date of the Report, the Board of Directors has not reserved to itself any function that the Code assigns to the committees.

The Board of Directors determined the composition of the committees by favouring the expertise and experience of the relative members, as shown by the profiles of the directors who are members of it, not taking into strict consideration the concentration of offices held by the members of the committees given that the Issuer is not classified as a “large company” pursuant to the Corporate Governance Code.

At the meeting of 29 June 2022, the Board of Directors confirmed and ratified the establishment of the Appointments and Remuneration Committee and the Control, Risk and Sustainability Committee, the related responsibilities, the related regulations and the following composition:

- for the Appointments and Remuneration Committee, Maria Luisa Mosconi, Annalisa Donesana and Mauro Selvetti, given the fulfilment of the requirements envisaged by the applicable regulations, and Maria Luisa Mosconi as Chairperson;
- for the Control, Risk and Sustainability Committee, Maria Luisa Mosconi, Annalisa Raffaella Donesana and Mauro Selvetti, given that they meet the requirements of the applicable regulations, and Maria Luisa Mosconi as Chairperson;
- on the basis of the Related Parties Committee the Control, Risk and Sustainability Committee and, in the case of transactions involving the remuneration of directors and key management personnel of the Company, the Appointments and Remuneration Committee.

It should be noted that, on 20 May 2022, in compliance with the provisions of recommendation 11 of the Corporate Governance Code, the Board of Directors approved the Regulations of the Board of Directors and the Regulations of the two internal board committees, regulations that define, inter alia, each to the extent of their competence, the rules for the functioning of the body, including the methods for recording the minutes of the meetings and the procedures for the management of the information to the directors

that comprise them, specifying the terms for the prior sending of the information and the methods for protecting the confidentiality of the data and information provided so as not to jeopardise the timeliness and completeness of information flows.

For further information on the structure of the internal board committees, please refer to Table 3.

### Additional committees

At the date of this Report, the Board of Directors of the Company did not decide to establish additional internal board committees.



## **7. SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS - APPOINTMENTS AND REMUNERATION COMMITTEE, IN THE ROLE OF APPOINTMENTS COMMITTEE**

### **7.1 Self-assessment and succession of directors**

#### *Self-assessment of the Board of Directors*

Pursuant to the Regulation of the Board of Directors, in compliance with the Principles and Recommendations of the Code, the Board of Directors periodically assesses the effectiveness of its activities and the contribution made by its individual members, through formalised procedures whose implementation it oversees. To this end, the Board of Directors, at least every three years - in view of its renewal - carries out a formalised self-assessment process. The Chairperson, with the help of the Secretary, ensures the adequacy and transparency of this self-assessment process.

The self-assessment process is carried out in order to assess the effectiveness of the activities of the Board of Directors and the Committees and express an opinion on the actual functioning, size and composition of the body as a whole and of the same Committees, also considering the role it had in defining the strategies and monitoring the management performance and the adequacy of the internal control and risk management system. The self-assessment also considers the contribution made by each director, taking into account the professional characteristics, experience, knowledge, skills and gender of its members, as well as their seniority in office. Following the self-assessment activity, the Board of Directors identifies any necessary or appropriate corrective actions.

The Chairperson of the Board of Directors assesses the opportunity for the Company to make use of external consultants to carry out the self-assessment activity.

The self-assessment, when carried out according to internal procedures and without the support of external consultants, unless otherwise established by the Board of Directors, can be carried out through:

- i. the sending of a questionnaire to each director containing some questions that require them to express an opinion on the size, composition and functioning of the Board of Directors and the Committees, with the possibility of providing suggestions or proposals for action;
- ii. the transmission of the completed questionnaires to the Secretary, who draws up a document summarising the opinions expressed and the suggestions provided, in aggregate and anonymous form;
- iii. the submission of the summary document to the examination of the Appointments and Remuneration Committee for the purpose of formulating proposals or considerations to be submitted to the Board of Directors for the appropriate assessments and resolutions.

In consideration of the recent admission to listing and trading on Euronext Milan, STAR Segment, as well as the simultaneous appointment of the corporate bodies, the Board of Directors has not yet carried out an assessment on the functioning of the Board itself and of its committees, as well as on their size and composition; this is also due to the fact that the Company does not qualify as a "large Company". Therefore, the Board of Directors carries out the self-assessment exercise every three years (recommendation 22).

### *Succession of Executive Directors*

Please note that at the date of this Report, no plans for the succession of the CEO and executive directors had been adopted.

In particular, also taking into account the fact that the Code recommends the definition of a succession plan only for “large companies”, until now, the Company has decided not to adopt a succession plan for executive directors.

### **7.2 Appointments and Remuneration Committee**

In compliance with the provisions of principle XI and recommendations 16 and 17 of the Corporate Governance Code, as well as pursuant to articles 4 and 5 of the Code, on 9 May 2022, the Board of Directors resolved, with effectiveness subject to the Trading Start Date, the establishment of an Appointments and Remuneration Committee.

In consideration of the organisational needs of the Company, the operating methods and the size of its Board of Directors, the Company has established a single remuneration and appointment committee pursuant to articles 4 and 5 of the Corporate Governance Code, with investigative, advice and proposal-making functions vis-à-vis the Board of Directors.

#### *Composition and functioning of the Appointments and Remuneration Committee (pursuant to Article 123-bis, paragraph 2, letter d), of the TUF)*

At the meeting held on 9 May 2022, the Board of Directors appointed Federica Casalvolone (Chairperson), Mauro Selvetti and Maria Luisa Mosconi as members of the Appointments and Remuneration Committee. At the same meeting, the Board of Directors approved its Regulation.

Subsequently, at the meeting of 29 June 2022, the Board of Directors replaced, as a member of the Appointments and Remuneration Committee, the outgoing director Federica Casalvolone, with the director Annalisa Donesana. At the same meeting, the Board of Directors confirmed and ratified the establishment of the Appointments and Remuneration Committee, the related responsibilities and the relative regulations. At the date of this Report, the Appointments and Remuneration Committee is composed of the following non-executive directors: Maria Luisa Mosconi (Chairperson), Annalisa Donesana and Mauro Selvetti, members.

In this regard, the Issuer believes that this composition is in line with the provisions of the Corporate Governance Code, due to the possession, by all members, of the independence requirements indicated by the TUF and adequate experience in financial matters or regarding remuneration policies, as well as on the basis of the satisfaction, by the directors Maria Luisa Mosconi and Annalisa Donesana, of the additional independence requirements indicated by the Corporate Governance Code.

The Appointments and Remuneration Committee is an advisory and proposal-making body, which meets as often as necessary for the performance of its functions by means of a notice of call sent by the Chairperson or by a person appointed by him/her, as a rule at least three days before the date set for the meeting. In case of urgency, this notice may be sent at least twenty-four hours before the time set for the meeting.

The Appointments and Remuneration Committee must also be called if requested by the Chairperson of the Board of Statutory Auditors, the Chairperson of the Board of Directors or the Chief Executive

Officer.

The notice contains an indication of the location, day and time of the meeting, as well as the list of matters to be discussed. The Appointments and Remuneration Committee may also meet exclusively by videoconference and/or teleconference provided that all participants can be identified, have the documentation to be analysed, are allowed to share any documents relating to the issues to be discussed and are permitted to follow the discussion and to intervene in real time in the discussion of the topics dealt with. If these conditions are met, the meeting of the Appointments and Remuneration Committee is considered to be held in the place where the secretary of the meeting is located.

The Appointments and Remuneration Committee may validly meet even in the absence of a formal convocation sent according to the aforementioned terms and methods where all its members are present.

The Chairperson may invite the Chairperson of the Board of Directors, the Chief Executive Officer, the other directors and, informing the Chief Executive Officer, the representatives of the competent corporate functions or consultants of the Company or other persons whose presence may contribute to the best performance of the functions of the Committee, with reference to all or individual items on the agenda. The members of the Board of Statutory Auditors may attend the meetings of the Appointments and Remuneration Committee.

The Chairperson ensures, in a manner suitable to guarantee the necessary confidentiality, the transmission of the documentation reasonably necessary to guarantee adequate disclosure of the members of the Appointments and Remuneration Committee with respect to the items on the agenda, so as to allow them to act in an informed manner in the performance of their role within the Appointments and Remuneration Committee. To this end, the Chairperson has access to the corporate functions in order to acquire the information reasonably necessary for the performance of his/her duties, as well as for the performance of the functions assigned to the Committee.

The disclosure referred to above is sent by the Chairperson, or by a person authorised by him/her, to the members of the Appointments and Remuneration Committee at least two calendar days before the date of the meeting, it being understood that the items on the agenda may also be discussed, whose documentation was sent in a shorter period if all members of the Committee declare that they are sufficiently informed. If there are special requirements, the information may be provided within a shorter period of time or during the meeting, as well as using methods other than those indicated above (for example, by making the information available in paper format during the meeting).

The Appointments and Remuneration Committee is duly constituted with the presence of the majority of its members and the resolutions are adopted accordingly by an absolute majority of those present. In the event of a tie, the Chairperson has the casting vote.

No director may participate in meetings of the Appointments and Remuneration Committee in which his/her own remuneration is examined.

The Chairperson informs the Board of Directors of the activities carried out by the Appointments and Remuneration Committee at the next meeting.

The Appointments and Remuneration Committee appoints a secretary, also chosen from outside the Committee, who takes the minutes of the meetings. The minutes of the resolutions of the Appointments and Remuneration Committee, signed by the secretary and the Chairperson, are transcribed by the

secretary in the register of meetings and resolutions of the Appointments and Remuneration Committee, kept by the Company together with the other company books. For the sole purpose of facilitating the minutes of the meeting and unless otherwise provided by the Chairperson of the meeting, the meetings of the Committee may be recorded with audio instruments; these records and any transcriptions will be kept only until the approval of the related minutes. The minutes are also sent to the members of the Committee, and are available to the Chairperson of the Board of Statutory Auditors as well as the Chairperson of the Board of Directors and the Chief Executive Officer of the Company. The minutes are normally approved at the next meeting of the Committee.

The Appointments and Remuneration Committee must have adequate financial resources to carry out its duties. To this end, the Board of Directors may decide alternatively to allocate a specific budget available to the Appointments and Remuneration Committee or to provide for any expenditure requirements that may be necessary.

### *Functions of the Appointments and Remuneration Committee*

With regard to appointments, in accordance with the provisions of recommendation 19 of the Corporate Governance Code, the Appointments and Remuneration Committee is responsible for assisting the Board of Directors in: (i) self-assessment of the Board of Directors and its committees, supporting the Chairperson in overseeing the adequacy and transparency of the Board of Directors; (ii) definition of the optimal composition of the Board of Directors and its committees; (iii) identification of candidates for the office of director in the event of co-optation; and (iv) identification of a list, according to the methods that ensure its transparent formation and presentation, for the election of the Board of Directors itself and (v) preparation, updating and implementation of any plan for the succession of the Chief Executive Officer and the other executive directors (if the Board of Directors decides to adopt it).

The Chairperson of the Appointments and Remuneration Committee has access to the company functions in order to acquire the information reasonably necessary for the performance of his/her duties, as well as for the performance of the functions assigned to the Appointments and Remuneration Committee.

At the meeting of 15 July 2022, the Appointments and Remuneration Committee appointed as its secretary Stefano Saviolo, Secretary of the Board of Directors and Head of the Legal and Corporate Affairs Department, as its Secretary.

During the year, 3 meetings of the Appointments and Remuneration Committee were held (with an average duration of approximately two hours). At the date of the Report, 1 meeting has already been held and at least 4 more meetings are planned for 2023. The meetings were regularly attended by the majority of the members of the Board of Statutory Auditors. In relation to an overall participation percentage of approximately 100%, the percentage participation of each member of the Appointments and Remuneration Committee in office at the date of the Report was respectively equal to: (i) Maria Luisa Mosconi 100%; (ii) Annalisa Donesana 100%; and (iii) Mauro Selvetti 100%. The meetings of the Appointments and Remuneration Committee, at the invitation of the Chairperson and informed by the Chief Executive Officer, were attended by representatives of management or other company functions in order to promote a precise and in-depth knowledge of the Company's activities.

During the Financial Year, the Appointments and Remuneration Committee, in its role of appointments

committee, assessed the reasons for urgency that led to the derogation from the verification procedure pursuant to Ministerial Decree 169/2020, for the purpose of issuing the opinion required by the Bank of Italy Provisions on the procedure for assessing the suitability of representatives of banks, financial intermediaries, electronic money institutions, payment institutions and depositor guarantee systems, issued on 4 May 2021 (the "Provisions" ). In particular, with reference to the verification of the suitability requirements of the Director Marta Bavasso, appointed by co-optation by the Board of Directors on 29 June 2022, the Appointments and Remuneration Committee expressed a favourable opinion on the existence of the reasons for urgency justifying the derogation from the procedure set forth in paragraph 2.5 of the Provisions.

## 8. REMUNERATION OF DIRECTORS - APPOINTMENTS AND REMUNERATION COMMITTEE, IN THE FUNCTION OF REMUNERATION COMMITTEE

### 8.1. Remuneration of directors

#### *Remuneration Policy*

At the date of this Report, the Issuer has prepared, but still not adopted, a remuneration policy for directors, members of the control body and top management, in line with the provisions of Article 123-ter of TUF (the "**Remuneration Policy**"). The Remuneration Policy, in compliance with the legal and regulatory provisions in force, will be submitted to the approval of the Shareholders' Meeting that will be called to approve the financial statements for the year ended 31 December 2022.

On 8 March 2022, at the same time as the appointment of the administrative body in office from the trading start date, the Ordinary Shareholders' Meeting resolved to grant the Board of Directors a total gross annual fee of up to EUR 1,000,000 (one million point/00) and without considering the variable remuneration deriving from incentive plans that may be approved by the Company, in addition to the reimbursement of expenses incurred for exercising their respective functions, to be divided among the individual members of the Board of Directors, based on the resolution of said Board, subject to the trading start date, without prejudice to the fact that each director was allocated gross annual fixed remuneration for said office of EUR 15,000.00 (fifteen thousand/00), plus the aforementioned reimbursement of expenses.

At the meeting of 29 June 2022, the Board also resolved to ratify the resolution of the Board of Directors of 6 June 2022, and as a result of confirming, by way of remuneration for the particular offices held pursuant to Article 2389, third paragraph, of the Italian Civil Code, on an annual basis, to the following directors the remuneration indicated below:

- EUR 450,000.00 (four hundred and fifty thousand/00) to Massimo Gianolli, as CEO and Managing Director;
- EUR 50,000.00 (fifty thousand/00) to Maurizio Dallochio, as Chairperson of the Board of Directors; and
- EUR 20,000.00 (twenty thousand/00) to Leonardo Luca Etro, as head of the internal audit function.

At the meeting of 12 December 2022, the Board of Directors, in consideration of the provisions and recommendations of the Corporate Governance Code, resolved to pay the members of the two internal Board Committees the following fee for the office they held, with effect from the time of appointment of the interested parties:

- a. Control, Risk and Sustainability Committee:
  - Chairperson, EUR 7,500.00 (seven thousand five hundred/00) gross on an annual basis;
  - Member, EUR 5,000.00 (five thousand/00) gross on an annual basis.
- b. Appointments and Remuneration Committee:
  - Chairperson, EUR 7,500.00 (seven thousand five hundred/00) gross on an annual basis;

- Member, EUR 5,000.00 (five thousand/00) gross on an annual basis.

### *Share-based remuneration plans*

With particular reference to *top management*, at the meeting of 22 November 2022, the Board of Directors confirmed the resolution taken on 6 June 2022 relating to the approval of the Company's incentive plan and the related regulations, including its annexes, identifying as beneficiaries the Chief Executive Officer, Massimo Gianolli, and the Company's executives with strategic responsibilities, Ugo Colombo and Alessandro Ferrari, the Head of the Sales Department, Riccardo Gianolli and the Head of the ICT and Organisation Department, Stefano Biondini. The purpose of the Company's incentive plan and the related regulation is to incentivise the beneficiaries to achieve the company objectives, including the enhancement of the Company (also in the long-term), and at the same time to create a tool to ensure the latter's loyalty, by assigning the right to receive a bonus under the conditions set out in the regulation of the Company's incentive plan.

Among the various aspects, therefore, as far as relevant herein, the regulation in question provides for the payment by the Company of the bonus accrued by the beneficiaries according to the level of achievement of the objectives: (i) for an amount equal to 50% of the bonus accrued with the fees relating to the first month following the approval of the financial statements for the year 2024; (ii) for an amount equal to 25% of the bonus accrued (the "**First Deferred Portion**") with the fees relating to the first month following the approval of the 2025 financial statements; lastly, (iii) for an amount equal to the residual 25% of the bonus accrued (the "**Second Deferred Portion**" and, together with the First Deferred Portion, the "**Deferred Portions**") with the amounts relating to the first month following the approval of the financial statements 2026. The Deferred Units will be paid in the form of *phantom shares* linked to the price of the Company's shares on Euronext Milan (the "**Phantom Shares**"). In particular, the Phantom Shares will be calculated by dividing 50% of the bonus accrued by the average price of the shares in the three months prior to the meeting of the Board of Directors, which will resolve on the final balance of the incentive plan with the approval of the financial statements relating to the financial year as at 31 December 2024, and subsequently multiplying the number of *Phantom Shares* thus determined by the average price of the shares in the three months prior to the date of approval of the financial statements relating to the financial year as at 31 December 2025, as regards the First Deferred Portion, and as at 31 December 2026, as regards the Second Deferred Portion.

### *Directors' indemnity in the event of resignation, dismissal or termination of employment following a takeover bid (pursuant to Article 123-bis, paragraph 1, letter i), of the TUF)*

At the date of this Report, no agreements have been entered into between the Issuer and the directors that provide for indemnities in the event of resignation or dismissal/revocation without just cause or if the employment relationship ceases following a takeover bid.

The Issuer, after the Trading Start Date, on the occasion of the possible termination of office and/or the dissolution of the relationship with an executive director or a general manager (where appointed), will disclose, following the internal processes that lead to the allocation or recognition of indemnities and/or other benefits, detailed information in this regard, through a press release disseminated to the market, in line with Recommendation no. 31 of the Code.

## 8.2. Appointments and Remuneration Committee

As indicated in Paragraph 7.2 above, on 9 May 2022, the Board of Directors resolved, in accordance with the provisions of the Corporate Governance Code and effective from the Trading Start Date, the appointment of the Appointments and Remuneration Committee, defining its tasks and functions. For more information on the composition and functioning of the Appointments and Remuneration Committee, please refer to Paragraph 7.2 above.

With regard to remuneration, the Appointments and Remuneration Committee is responsible for the tasks set forth in recommendation 25 of the Corporate Governance Code, namely: *(i)* assisting the Board of Directors in drawing up the remuneration policy; *(ii)* submitting proposals or expressing opinions on the remuneration of executive directors and directors who hold specific offices as well as on the setting of performance targets related to the variable component of said remuneration; *(iii)* monitoring the actual application of the remuneration policy and verifying, in particular, the actual achievement of the performance objectives; and *(iv)* periodically assessing the adequacy and overall consistency of the remuneration policy for directors and top management.

In line with Recommendation no. 26 of the Corporate Governance Code, no director takes part in the meetings of the Appointments and Remuneration Committee in which proposals are made to the Board of Directors regarding their remuneration.

In carrying out its functions, the Appointments and Remuneration Committee has the right to access the information and company functions necessary for the performance of its duties as well as to make use of external consultants.

The Company, within the terms established by the Board of Directors, will also make available to the Appointments and Remuneration Committee adequate financial resources for the performance of its duties, within the limits of the budget approved by the Board of Directors.

For further information on the functioning of the Appointments and Remuneration Committee, please refer to Section 7.2 of the Report.

The Appointments and Remuneration Committee, in its function of remuneration committee, during the Financial Year, among other things, resolved mainly on:

- remuneration system in place;
- remuneration policies;
- LTI incentive system;
- remuneration of the Board Committees.



## 9. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM CONTROL AND RISK COMMITTEE AND SUSTAINABILITY

### 9.1 Foreword

In compliance with Recommendation no. 1 of the Code, the Board of Directors, which is responsible for the internal control and risk management system as a whole, defines the nature and level of risk compatible with the strategic objectives of the Company, including all elements in its assessments which may be relevant in view of the Issuer's sustainable success. The risk management system must not be considered separately from the internal control system in relation to the financial reporting process; both are actually elements of the same system. This system is aimed at guaranteeing the soundness, accuracy, reliability and timeliness of financial reporting.

The design approach in the construction of the internal control and risk management system was inspired by international standards and industry best practices.

The Board of Directors defines the guidelines of the internal control and risk management system, so that the main risks relating to the Issuer and its subsidiaries are correctly identified, as well as adequately measured, managed and monitored, determining the compatibility of these risks with management of the company that is consistent with the strategic objectives identified.

### 9.2 Phases of the existing risk management and internal control system in relation to the financial reporting process.

The main components of the risk management system are indicated below.

- Planning and control model: the system aims to provide management in a timely manner with all information necessary to support decision-making activities. This information must allow a correct understanding of the economic, financial, equity and management situation of the Issuer and is strictly connected (i) to the achievement of the strategic objectives set out in the business plan, defined with a three-year horizon, (ii) to the management and/or the monitoring of company performance with respect to the budget for the year, drawn up and approved annually, (iii) management and/or monitoring of competitive advantages and critical success factors that favour the achievement of company objectives, as well as (iii) management and/or the monitoring of business risks.
- technical accounting tools: the control and management system is aimed at guiding the strategic decisions of management and supporting the company in defining and monitoring company objectives. To allow these results, the Issuer has adopted a series of tools and software used to record company events, both current and future, with an economic, equity and financial impact (including Target, TOR, Excel, QlikSense, etc.);
- planning: the strategic planning, programming and forecasting processes allow the definition of the Issuer's medium-long term strategic objectives. This system is based on the definition of a strategic business plan, on a three-year basis, with respect to which, annually, an operating budget is approved, which represents the first step for the implementation of the economic-financial and equity guidelines outlined in the plan;

- Corporate and Business reporting and indicators: the Issuer's reporting system aims to monitor the most relevant indicators for the business in a timely manner to allow management to intervene, if necessary, with targeted corrective actions. The main indicators used to monitor the critical success factors and business risk factors are (i) the economic-financial indicators, aimed at monitoring the main financial and financial statement dimensions, (ii) the performance indicators ( KPIs), specifically intended to monitor the main critical success factors, and (iii) the risk indicators ( KRIs), aimed at monitoring the main business risks;
- Business Risk: the Issuer has classified the main business risks into macro categories. These categories, respectively, are connected (i) to the economic, equity and financial situation of Generalfinance, (ii) to the operating activity and to the reference sector of the Company (iii) to the legal and regulatory framework in which the Issuer operates; (iv) internal controls resulting from compliance activities with respect to specific regulations, as well as (v) environmental, social and governance factors;
- integration between IT systems;
- Risk Appetite Statement: subject to the favourable opinion expressed by the Control, Risk and Sustainability Committee, at the meeting of 12 December 2022, the Board of Directors approved the "Risk Appetite Statement" prepared by the Company, aimed at defining the main concepts of risk appetite, risk tolerance, risk capacity and risk profile, in preparation for identifying the scope of action within which the Company, in its entire structure, implements the strategic guidelines according to the mission and the development objectives assigned, according to the business model and the organisational design defined. In addition, it analytically illustrates the Risk Appetite metrics that translate the risk objectives or risk appetite into quantitative and qualitative indicators, consistent with the defined strategic and operational planning, in relation to various elements such as:
  - the external market context and the regulatory context;
  - the strategic objectives defined by the Board of Directors with respect to the expected positioning of the risk profile;
  - the capital adequacy assessments deriving from the implementation of the ICAAP process, as well as from assessments deriving from the execution of stress tests on the current and prospective risk profile.

To monitor the risk of incorrect financial reporting, the Company has identified an ad hoc methodology (described in a specific manual), which includes different areas of analysis according to the following areas: (i) internal controls at company level; (ii) controls of administrative and financial processes; (iii) IT governance controls. In detail, the model envisages the presence of (i) an adequate system of internal controls at functional company level, aimed at reducing the risks of errors and incorrect behaviour for accounting and financial reporting purposes, such as adequate management processes of risk, adequate codes of conduct, effective organisational structures, clear models for the assignment of powers and responsibilities, adequate information and communication system; (ii) control processes for production of accounting and financial information; (iii) controls on the governance of the technological infrastructure and applications relating to administrative and financial processes.

The model also requires the adequacy and effective application of the internal control system overseeing the Issuer's financial reporting to be verified every six months.

The main roles and responsibilities of the functions involved are shown below:

- the Board of Directors is responsible for the establishment and effective operation of the internal control system:
  - approves the 262 Manual and subsequent updates, subject to the opinion of the Board of Statutory Auditors and of the Control, Risk and Sustainability Committee;
  - ascertains that the Financial Reporting Manager has adequate powers and means to exercise the tasks assigned to them, as well as the effective compliance with administrative and accounting procedures;
  - approves the 262 audit plan and, in particular, the materiality thresholds proposed by the Company's Financial Reporting Manager and the resulting relevant scope;
  - examines the reports prepared by the Offices/*Control Owners* to support the periodic certifications of the Chief Executive Officer and the Financial Reporting Manager.
- Chief Executive Officer :
  - certifies with a specific report the financial statements, on the condensed consolidated half-yearly financial report, together with the Financial Reporting Manager;
- Financial Reporting Manager:
  - prepares adequate administrative procedures for the drafting of the Issuer's financial statements, as well as any other company financial communication;
  - supports management in identifying and assessing financial reporting risks and identifies the related key controls;
  - defines and updates on an annual basis the levels of materiality, the scope of investigation relating to the significant financial statement items ("*scoping*" phase);
  - defines the independent monitoring plan and agrees on the test procedures/verification activities;
  - receives extracts from the minutes of the Board of Directors that are relevant for the purposes of the certifications and any other relevant documentation for the purposes of financial reporting;
  - receives the summary reports on the control activities of the other independent functions;
  - assesses any shortcomings identified by the internal control system on financial reporting and establishes specific *remediation plans*;
  - prepares an annual and a half-yearly report on the assessment of the control system on financial reporting to support the issue of the certifications and submits it, after examination by the Control, Risk and Sustainability Committee, to the Board of Directors;
  - certifies with a specific report the financial statements, together with the Chief Executive Officer of the Issuer;
  - certifies that the deeds and communications of the Issuer disclosed to the market, and relating to the Issuer's accounting information (including interim reports), correspond to the documentary results, books and accounting records of the same.
- Head of ICT and Organisation Department (Chief Information Officer):
  - identifies and assesses the risks on financial reporting for the processes under their responsibility, as well as oversees the establishment and maintenance of key controls, with

reference to IT General Controls;

- carries out their verification and monitoring activities by assessing the design and operation of the IT General Controls and issues a periodic letter of certification to the Financial Reporting Manager;
- supports the Financial Reporting Manager in assessing the deficiencies of IT General Controls.

The verification of the adequate formalisation of the processes concerns all the processes identified as relevant for the purposes of the reliability of financial reporting. The Financial Reporting Manager verifies the formalisation of the relevant processes with the related identification of the risks of incorrect financial reporting and the related controls, as an initial condition for proceeding with the assessment of the internal control system overseeing financial reporting. In their audit activity, the Financial Reporting Manager is supported by the individual process owners, also following reports received directly from the control owners.

For the purposes of issuing the certification by the Financial Reporting Manager and the Chief Executive Officer pursuant to Article 154-bis of Italian Legislative Decree 58/98, the Company's administrative and financial governance model provides for the necessary and prior issue of a specific certification by:

- a. the *management*, at different levels of the organisation, which is responsible for collecting and providing to the Financial Reporting Manager and the Chief Executive Officer information relevant to the preparation of financial reporting;
- b. the IT function in relation to the proper operation of IT General Controls.

In order to express the overall judgement of the internal control system on financial reporting, the Financial Reporting Manager, with the support of Internal Audit, analyses the anomalies and findings identified (and not remedied by compensatory controls, activation of specific action plans, etc.) to assess the potential impact on financial reporting and the related probability of occurrence.

The Financial Reporting Officer, once the activities have been completed and the information base has been consolidated, presents the results of the assessment of the administrative and financial processes through the preparation of a report that documents the adequacy and effective application of the administrative and accounting procedures.

### 9.3 Roles and Functions involved

The Board of Directors carries out its assessments on the basis of information and reporting flows from the following parties:

- Financial Reporting Officer;
- Supervisory Body (as defined below);
- Head of Internal Audit;
- Board of Statutory Auditors; and
- Heads of corporate functions: CEO, Chief Financial Officer, Chief Commercial Officer, Chief Lending Officer, Chief Organisation Officer, Risk Management and Compliance Office and Legal and Corporate Affairs Department.

The Issuer's Internal Control System, as at 31 December 2022, was structured as follows:

- the risk control function is located at the "Risk Management and Compliance Office", which is also

responsible for the activities relating to the compliance function. The office reports directly to the body with management functions (Chief Executive Officer), with direct access to the Board of Directors through periodic information flows.

- the Anti-Money Laundering Department is placed with the Legal and Corporate Affairs Department, under the responsibility of the head of said department. The latter is an organisational unit not involved in operating activities (except for the management of disputes brought against the company) and reports directly to the body with management functions (Chief Executive Officer), with direct access to the Board of Directors through periodic information flows.
- the internal audit function allocated to the Board of Directors, headed by a non-executive Director who satisfies adequate professionalism and independence requirements. Therefore, the head of the internal audit function functionally reports to the Board of Directors.

To ensure effectiveness of their action, the control functions are guaranteed with direct access to all useful information for the performance of their duties.

The control functions produce periodic reports in relation to the activities carried out and, at least annually, a report on the activities carried out during the previous year to be submitted to the Board of Directors.

The risk management activities performed by the risk management function aim to verify compliance with prudential supervisory rules and the management of company risks. In particular, this office contributes to the definition of risk measurement methods, verifying ongoing compliance with the overall prudential supervisory limits imposed by the Supervisory Authority. To monitor the risk of incorrect financial reporting, the Company has appointed a Financial Reporting Manager. For more information on the Financial Reporting Manager, please refer to Paragraph 9.11 of this Section 9.

The compliance function is responsible for the activities relating to the compliance function. The purpose of compliance control activities is to monitor the compliance of procedures, regulations and company policies with respect to regulatory provisions. It identifies the rules applicable to the Company and assesses and measures their impact on the business, proposing appropriate organisational changes in order to ensure effective and efficient monitoring of the identified non-compliance and reputational risks. The anti-money laundering function is responsible for: *(i)* monitoring the risk of money laundering, overseeing the proper operation of company processes; *(ii)* preparing activities relating to the fight against money laundering and the financing of international terrorism; *(iii)* overseeing compliance with anti-money laundering regulations within the Company and monitoring its evolution, verifying the consistency of anti-money laundering and anti-terrorism processes with respect to regulatory requirements; *(iv)* carry out checks and controls on customer due diligence and correct data storage.

The internal audit function ensures compliance with sound and prudent management. The internal audit activity is aimed, on the one hand, at checking the regularity of operations and risk trends, including through ex-post checks at the individual organisational units, and on the other hand at assessing the functionality of the overall internal control system and to bring to the attention of the Board of Directors possible improvements to risk management policies, control mechanisms and procedures.

As a body with control functions, the Board of Statutory Auditors, in compliance with the powers of the other bodies and collaborating with them: *(i)* monitors the observance of the legal, regulatory and statutory provisions, the correct administration, the adequacy of the organisational and accounting

structures of the intermediary; (ii) monitors the completeness, adequacy, functionality and reliability of the internal control system; (iii) ascertains the effectiveness of the structures and functions involved in the control system and the adequate coordination between them; (iv) monitors the compliance of the ICAAP process with the requirements established by the regulations; (v) assesses the degree of adequacy and regular operation of the main organisational areas; (vi) promotes corrective actions to resolve the shortcomings and irregularities identified.

The Board of Statutory Auditors is vested with the tasks and responsibilities established by law and by the regulatory provisions issued by the competent Supervisory Authorities. For further details on the composition and functions of the Board of Statutory Auditors, please refer to Section 11 of this Report. The Board of Directors has set up an internal Board Committee called the “Control, Risk and Sustainability Committee”, which has the task of supporting the assessments and decisions of the Board of Directors relating to the internal control and risk management system and the approval of periodic financial and non-financial reports, as well as to promote the continuous integration of national and international best practices in the Company's corporate governance and of environmental, social and governance factors in the corporate strategies aimed at pursuing sustainable success, which is substantiated in the creation of long-term value for the benefit of shareholders, taking into account the interests of other relevant stakeholders for the Company. For further details on the composition and functions of the Control, Risk and Sustainability Committee, please refer to Section 6 of this Report.

It should be noted that the Supervisory Body envisaged by no. 1 of letter "b" of Article 6 of Legislative Decree no. 231/2001 is in operation (*“Regulation of the administrative liability of legal persons, companies and associations, including those without legal status, pursuant to Article 11 of Law no. 300 of 29 September 2000”*) whose functions are mainly those of supervising the functioning and observance of the Organisation, management and control model and of ensuring its updating. As an independent body, it has been entrusted with the management of any reports from employees who intend to report offences of general interest of which they have become aware based on the employment relationship (whistleblowing). For more information, please refer to Paragraph 9.9 of this Section 9.

#### 9.4 Assessment of adequacy of the Control and Management System

The Board of Directors, during the meeting of 4 April 2022, approved the memorandum on the Management Control System, which shows that the control and management system is generally suitable for the operational needs of the Company. This was also confirmed by the Annual Reports - approved at the Board meeting on 20 April 2022 - presented respectively by the Head of the Risk Management function and the Head of the Internal Audit Function on the activities carried out in 2021, both accompanied by the presentation of the plan of activities for the year 2022.

The Control, Risk and Sustainability Committee - appointed at the board meeting of 9 May 2022 as ratified at the meeting to start trading - in the meeting of 11 October 2022 was able to examine the Company's internal control system, expressing a favourable opinion, without proposing observations.

#### 9.5 Chief Executive Officer

On 29 June 2022, the Board of Directors resolved to confirm and ratify the previous resolution of 20 May

2022 by which it identified the Managing Director Massimo Gianolli as CEO of the Company, effective from the Start Date of the Trading. In the same way, the Board of Directors assigned to the CEO, as the person in charge of the establishment and maintenance of the internal control and risk management system, the tasks and functions indicated in the paragraph “Chief Executive Officer” of Section 4.6, therefore Annex 3 in particular, to which reference is made.

During the Financial Year, the CEO:

- a. managed the identification of the main corporate risks, taking into account the characteristics of the activities carried out by the Company and its subsidiaries, periodically submitting them to the examination of the Board of Directors;
- b. implemented the guidelines defined by the Board of Directors, overseeing the design, implementation and management of the internal control and risk management system and constantly verifying its adequacy and effectiveness;
- c. dealt with the adaptation of this system to the dynamics of the operating conditions and the legislative and regulatory framework;
- d. promptly reported to the Control, Risk and Sustainability Committee with tasks relating to internal control and risk governance (and to the Board of Directors) on problems and critical issues that emerged in the performance of their activities or of which they have become aware, so that the committee responsible for internal control and risk governance (and the Board) could take the appropriate initiatives;
- e. assigned the internal audit function with the task of carrying out audits on specific operating areas and on compliance with internal rules and procedures in the execution of company transactions, simultaneously informing the Chairperson of the Board of Directors, the Chairperson of the Control, Risk and Sustainability Committee and the Chairperson of the Board of Statutory Auditors.

## 9.6 Control, Risk and Sustainability Committee:

In compliance with the provisions of principle XI and recommendations 16 and 17 of the Corporate Governance Code, as well as pursuant to Article 6 of the same, on 9 May 2022, on 29 June 2022, the Board of Directors resolved to confirm and ratify the previous resolution of 20 May 2022 with which it established, with effectiveness subject to the Start Date of Trading, the Control, Risk and Sustainability Committee.

The Control, Risk and Sustainability Committee has also been assigned the functions of Committee for Related Party Transactions, except for decisions regarding the remuneration of the directors and key management personnel of the Company, whose competence has been attributed to the Appointments and Remuneration Committee.

## 9.7 Composition and functioning of the Control, Risk and Sustainability Committee

At the meeting held on 9 May 2022, the Board of Directors appointed Federica Casalvolone (Chairperson) Mauro Selvetti and Maria Luisa Mosconi as members of the Control, Risk and



Sustainability Committee. At the same meeting, the Board of Directors approved its Regulation. Subsequently, at the meeting of 29 June 2022, the Board of Directors replaced, as a member of the Control, Risk and Sustainability Committee, the outgoing director Federica Casalvolone, with the director Annalisa Donesana. At the same meeting, the Board of Directors confirmed and ratified the establishment of the Control, Risk and Sustainability Committee, the related responsibilities and the related regulations. At the date of this Report, the Control, Risk and Sustainability Committee is composed of the following non-executive directors: Maria Luisa Mosconi (Chairperson), Annalisa Donesana and Mauro Selvetti, members.

In this regard, the Issuer believes that this composition is in line with the provisions of the Corporate Governance Code, due to the possession, by all members, of the independence requirements indicated by the TUF, adequate experience in financial matters as well as specific knowledge in the business sector in which the Company operates, needed to identify and assess the related risks, as well as due to the satisfaction, by the directors Maria Luisa Mosconi, Annalisa Donesana, of the additional independence requirements indicated by the Corporate Governance Code (e.g. adequate knowledge and experience in accounting and financial and/or risk management matters).

The Control, Risk and Sustainability Committee is a body with advisory and proposal-making functions, which, in accordance with the provisions of recommendation 32 of the Corporate Governance Code, has the task of supporting the assessments and decisions of the Board of Directors relating to the internal control and risk management system, as well as those relating to the approval of periodic financial and non-financial reports.

In particular, the Control, Risk and Sustainability Committee, in accordance with the provisions of recommendation 35 of the Corporate Governance Code, in assisting the Board of Directors in carrying out the tasks assigned to the latter by the Corporate Governance Code regarding internal control and risk management matters:

- assesses, after consulting the financial reporting manager, the statutory auditor and the Board of Statutory Auditors, the correct use of the accounting standards adopted;
- assesses the suitability of periodic financial and non-financial information to correctly represent the business model, the strategies of the Company, the impact of its activities and the performance achieved;
- examines the content of periodic non-financial information relevant to the internal control and risk management system;
- expresses opinions on specific aspects relating to the identification of the main corporate risks and supports the assessments and decisions of the Board of Directors relating to the management of risks deriving from prejudicial events of which the latter has become aware;
- examines the periodic reports and those of particular relevance prepared by the internal audit function;
- monitors the autonomy, adequacy, effectiveness and efficiency of the internal audit function;
- entrusts the internal audit function with the performance of audits on specific operating areas, simultaneously notifying the Chairperson of the Board of Statutory Auditors;
- reports to the Board of Directors, at least every six months, at the time of the approval of the annual and half-yearly financial reports, on the activities carried out as well as on the adequacy of the internal



control and risk management system.

The Control, Risk and Sustainability Committee also provides support to the Board of Directors, in accordance with the provisions of recommendation 33 of the Corporate Governance Code, on the following issues:

- guidelines of the internal control and risk management system, in line with the strategic objectives identified;
- adequacy and effectiveness of the internal control and risk management system with respect to the characteristics of the Company and the risk profile assumed;
- adoption of measures to ensure the effectiveness and impartiality of judgment of the other corporate functions;
- approval, at least once a year, of the work plan prepared by the head of the internal audit function, after consulting the Board of Statutory Auditors and the Chief Executive Officer;
- description, in the report on corporate governance, of the main characteristics of the internal control and risk management system and of the methods of coordination between the parties involved in it, including the assessment of the adequacy of the system itself;
- assessment, after consulting the Board of Statutory Auditors, of the results presented by the statutory auditor in any letter of suggestions and in the report on the fundamental issues that emerged during the statutory audit;
- appointment, dismissal and remuneration of the head of the internal audit function, as well as the adequacy of the resources assigned to the latter for the performance of his/her functions;
- support of the Board of Directors in the analysis of issues relevant to the generation of long-term value.

In carrying out its functions, the Control, Risk and Sustainability Committee has the right to access the information and company functions necessary for the performance of its duties as well as to make use of external consultants.

The Committee meets as often as necessary for the performance of its functions by means of a notice of call sent by the Chairperson or by a person appointed by him/her, as a rule at least three days before the date set for the meeting. In case of urgency, this notice may be sent at least twenty-four hours before the time set for the meeting.

The Committee must also be called if requested by the Chairperson of the Board of Statutory Auditors. The notice contains an indication of the location, day and time of the meeting, as well as the list of matters to be discussed. The Control, Risk and Sustainability Committee may also meet exclusively by videoconference and/or teleconference provided that all participants can be identified, have the documentation to be analysed, are allowed to share any documents relating to the issues to be discussed and are permitted to follow the discussion and to intervene in real time in the discussion of the topics dealt with. If these conditions are met, the meeting of the Control, Risk and Sustainability Committee is considered to be held in the place where the secretary of the meeting is located.

The Control, Risk and Sustainability Committee may validly meet even in the absence of a formal convocation sent according to the aforementioned terms and methods where all its members are present.

The Chairperson may invite the Chairperson of the Board of Directors, the Chief Executive Officer, the

other directors and, informing the Chief Executive Officer, the representatives of the competent corporate functions or consultants of the Company or other persons whose presence may contribute to the best performance of the functions of the Control, Risk and Sustainability Committee, with reference to all or individual items on the agenda. The Chairperson of the Board of Statutory Auditors, or another member designated by him/her, and the head of the internal audit function (unless the Committee expresses its opinion on the remuneration of the same Head of the internal audit function) participate in the work of the Control, Risk and Sustainability Committee. In any case, the other statutory auditors may also participate in the meetings of the Control, Risk and Sustainability Committee.

The Chairperson ensures, in a manner suitable to guarantee the necessary confidentiality, the provision of the documentation reasonably necessary to guarantee adequate information to the members of the Control, Risk and Sustainability Committee with respect to the items on the agenda, so as to allow them to act in an informed manner in the performance of their role within the Committee. To this end, the Chairperson has access to the corporate functions in order to acquire the information reasonably necessary for the performance of his/her duties, as well as for the performance of the functions assigned to the Control, Risk and Sustainability Committee.

The disclosure referred to above is made available to the members of the Control, Risk and Sustainability Committee at least two calendar days before the date of the meeting, it being understood that items on the agenda may also be dealt with whose documentation has been sent in a shorter term, if all the members of the Control, Risk and Sustainability Committee declare that they are sufficiently informed. If there are special requirements, the information may be provided within a shorter period of time or during the meeting, as well as using methods other than those indicated above (for example, by making the information available in paper format during the meeting).

The Control, Risk and Sustainability Committee is duly constituted with the presence of the majority of its members and the resolutions are accordingly adopted by an absolute majority of the members. In the event of a tie, the Chairperson has the casting vote.

The Chairperson informs the Board of Directors of the activities carried out by the Committee at the next meeting.

The Control, Risk and Sustainability Committee reports to the Board of Directors, at least on the occasion of the approval of the annual and half-yearly financial reports, on the activities carried out and on the adequacy of the internal control and risk management system.

The Control, Risk and Sustainability Committee appoints a secretary, also chosen from outside the Control, Risk and Sustainability Committee, who takes the minutes of the meetings. The minutes of the resolutions of the Control, Risk and Sustainability Committee, signed by the secretary and the Chairperson, are transcribed by the secretary in the register of meetings and resolutions of the Control, Risk and Sustainability Committee, kept by the Company together with the other company books. For the sole purpose of facilitating the minutes of the meeting and unless otherwise provided by the Chairperson of the meeting, the meetings of the Committee may be recorded with audio instruments; these records and any transcriptions will be kept only until the approval of the related minutes. The minutes are also sent to the members of the Control, Risk and Sustainability Committee, and are available to the Chairperson of the Board of Statutory Auditors as well as the Chairperson of the Board of Directors and the Chief Executive Officer of the Company. The minutes are normally approved at the

next meeting of the Control, Risk and Sustainability Committee.

The Committee must have adequate financial resources to carry out its duties. To this end, the Board of Directors may decide alternatively to allocate a specific budget available to the Control, Risk and Sustainability Committee or to provide for any expenditure requirements that may be necessary.

In support of the Issuer's internal control and risk management system, in addition to the Control, Risk and Sustainability Committee, recommendation 32 of the Corporate Governance Code requires the Chief Executive Officer to be in charge of establishing and maintaining the system of internal control and risk management.

The Chairperson of the Control, Risk and Sustainability Committee has access to the company functions in order to acquire the information reasonably necessary for the performance of his duties, as well as for the performance of the functions assigned to the Control, Risk and Sustainability Committee.

At the meeting of 2 August 2022, the Control, Risk and Sustainability Committee appointed Stefano Saviolo, Secretary of the Board of Directors and Head of the Legal and Corporate Affairs Department, as its Secretary.

During the financial year, 4 meetings of the Control, Risk and Sustainability Committee were held (with an average duration of approximately two hours). At the date of the Report, 1 meeting has already been held and at least 4 more meetings are planned for 2023. The meetings were regularly attended by the majority of the members of the Board of Statutory Auditors. In relation to an overall participation percentage of approximately 100%, the percentage participation of each member of the Control, Risk and Sustainability Committee in office at the date of the Report was respectively equal to: (i) Maria Luisa Mosconi 100%; (ii) Annalisa Donesana 100%; and (iii) Mauro Selvetti 100%. At the invitation of the Chairperson and having informed the Chief Executive Officer, representatives of management or other company functions took part in the meetings of the Control, Risk and Sustainability Committee in order to promote precise and in-depth knowledge of the Company's activities.

During the Financial Year, the Control, Risk and Sustainability Committee mainly resolved on:

- a) Half-year Financial Report: assessment of the correct application of accounting standards;
- b) meeting with the Financial reporting manager.
- c) meeting with the Independent Auditors;
- d) approval of the Procedure for Transactions with Related Parties;
- e) review of the updated Policy on the classification and measurement of exposures;
- f) verification of the internal control system;
- g) meeting with the control functions and with the head of the Risk Management and Compliance office;
- h) disclosure regarding the Company's Risk Appetite Framework;
- i) Sustainability plan: initial considerations and risk mapping;
- j) acknowledgement of the Audit Plan by the Independent Auditors at the end of the Financial Year;
- k) acknowledgement of relations with Related Parties.

## 9.8 Manager of the internal audit function

On 7 June 2021, the Board of Directors assigned the internal audit function to the non-executive and independent director Leonardo Luca Etro.

On 29 April 2022, the Board of Directors resolved that, subject to the Trading Start Date and effective from that date, the internal audit function should be assigned the additional tasks assigned to it pursuant to the Corporate Governance Code including:

- a. verifies, both on an ongoing basis and in relation to specific needs and in compliance with international standards, on the operation and suitability of the internal control and risk management system, through an audit plan approved by the supervisory body administration, based on a structured process of analysis and prioritisation of the main risks;
- b. preparation of periodic reports containing adequate information on its activities, on the methods with which risk management is carried out as well as on compliance with the plans defined for their containment. The periodic reports contain an assessment of the suitability of the internal control and risk management system;
- c. also at the request of the control body, prompt preparation of reports on events of particular importance;
- d. transmission of the reports referred to in points *ii)* and *iii)* to the Chairpersons of the control body, the Control, Risk and Sustainability Committee of the management body, as well as to the Chief Executive Officer, except in cases where the subject of these relations specifically concern the activities of these parties;
- e. verifies, as part of the audit plan, the reliability of the information systems, including the accounting systems.

During the year, the head of the internal audit function performed all the above tasks.

Furthermore, the head of the internal audit function is responsible for verifying the functionality, adequacy and consistency of the internal control and risk management system with respect to the guidelines defined by the management body.

The Issuer believes that the assignment of this function to Leonardo Luca Etro is in line with the provisions contained in the Corporate Governance Code as the non-executive and independent director Leonardo Luca Etro is not responsible for any operating area and the period of tenure of said person as non-executive and independent director of the Issuer (starting from 18 October 2018) is not such as to compromise the independence of the internal audit function, taking into account his overall duration.

Pursuant to Recommendation no. 36 of the Corporate Governance Code, in fact, the head of the internal audit function is not responsible for any operating area and reports hierarchically to the Board of Directors. He has direct access to all useful information for the performance of the assignment.

On 11 October 2022, the Control, Risk and Sustainability Committee expressed its favourable opinion on this appointment as part of the general control system set up by the Company, together with the activity carried out.

The Board defined the remuneration paid to Leonardo Etro for the position of head of the internal audit function at EUR 20,000.00 (twenty thousand/00) in line with company policies, in compliance with Recommendation 33, letter "b" of the Corporate Governance Code.

At the meeting of 20 April 2022, the Board of Directors approved the "*Plan of activities of the Internal Audit Function for the year 2022*", as contained in the document attached to the annual report called: "2022-2023-2024 Audit Plan", pursuant to Recommendation 33 c of the Corporate Governance Code.

During the Financial Year, the head of internal audit, among other things, prepared and presented their

annual report on the activities carried out in 2021, attaching the plan of activities for the year 2022, which in addition to having been approved by the Board of Directors, also received the favourable opinion of the Control, Risk and Sustainability Committee. In addition, the head of internal audit attended all meetings of the Control, Risk and Sustainability Committee.

## 9.9 Organisational Model pursuant to Legislative Decree no. 231/2001

By resolution of the Board of Directors of 27 October 2015, the Issuer adopted an organisation, management and control model (the “**231 Model**”). At the same time, the Issuer appointed a specific supervisory body, independent from the top management of the company and with autonomous powers, with the task of supervising the functioning, effectiveness and observance of the 231 Model, as well as overseeing its updating (“the Supervisory Body”).

At the date of this Report, the Supervisory Body is composed of two members: (i) Maria Enrica Spinardi (Chairperson of the Supervisory Body and standing auditor); and (ii) Margherita De Pieri, member of the Legal and Corporate Affairs Department of the Company. The Board of Directors, therefore, deemed it appropriate to confirm - in line with the approach adopted during the previous Board mandate - the assignment of these tasks and functions to a Supervisory Body distinct and separate from the control body, directly appointed by the Board of Directors.

Model 231 is prepared in compliance with the provisions of Decree 231 , *most recently updated - subject to the favourable opinion of the Internal Audit Function - by resolution of the Board of Directors of 18 October 2022, with particular reference to the most recent legislative changes, such as: Legislative Decree no. 195/2021 on “Implementation of Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering through criminal law”; Legislative Decree no. 184/2021 on “Implementation of Directive (EU) 2019/713 of the European Parliament and of the Council of 17 April 2019 on the fight against fraud and counterfeiting of non-cash means of payment and replacing Framework Decision 2001/413/GAI of the Council” and, most recently, Law no. 238/2021 on “Provisions for the fulfilment of the obligations deriving from Italy’s membership of the European Union - European Law 2019-2020.*

Furthermore, as a result of the start of the listing of Generalfinance shares on Euronext Milan, market organised and managed by Borsa Italiana S.p.A., STAR segment, risk assessment activities were launched for the mapping and subsequent integration of Model 231 with reference to the predicate offences relating to the listed companies. The special section of the 231 Model therefore includes cases relating to the legislation on (i) crimes against the public administration; (ii) corporate offences; (iii) *market abuse, Internal*; (iv) internal dealing and management of inside information; (iv) occupational safety; (v) receiving stolen goods and money laundering; (vi) cyber crimes and unlawful data processing; and (vii) tax offences.

The prevention system activated by Generalfinance in execution of the provisions of Decree 231 is fully implemented in the **code of ethics**, adopted by the Company by resolution of the Board of Directors on 15 July 2010 and most recently updated with a Board of Directors resolution of 18 October 2022 (the “Code of Ethics”).

The 231 Model and the Code of Ethics, while each maintaining a specific identity and autonomy, constitute a single body that represents the prevention system adopted by the Company in execution of

the provisions of Decree 231.

It should be noted that, at the date of this Report, the Company was not subject to precautionary measures, nor to convictions for offences pursuant to Legislative Decree no. 231/2001.

Model 231 is published on the Company's website ([www.generalfinance.it/modello-231](http://www.generalfinance.it/modello-231)).

## 9.10 Independent Auditors

At the date of this Report, the company appointed to audit the financial statements of the Issuer is Deloitte & Touche S.p.A., as Independent Auditors, as described in Section 1 of the Report.

On 15 February 2018, the Shareholders' Meeting of the Issuer assigned to the Independent Auditors the task of auditing the financial statements of the Issuer, as well as verifying the proper keeping of the accounts and the correct recognition of the operating events in the accounting records and verification of the consistency of the report on operations with the financial statements and its compliance with the law for the nine-year period 2017-2025, pursuant to Article 13 of Legislative Decree no. 39 of 27 January 2010.

By resolution of 8 March 2022, with effectiveness subject to the start of trading of the shares on Euronext Milan, market organised and managed by Borsa Italiana S.p.A., STAR segment and from that date due to the change in status of the Issuer from “*entity subject to intermediate regime*” (“**ESRI**”) pursuant to article 19-*bis* of Legislative Decree no. 39/2010 to a “*public interest entity*” (“**PIE**”) pursuant to Article 16 of Legislative Decree no. 39/2010, the Shareholders' Meeting of the Issuer approved the consensual termination of the aforementioned appointment and the assignment, pursuant to Article 13 of Legislative Decree no. 39/2010 and on the reasoned proposal of the Board of Statutory Auditors, to the Independent Auditors of a new statutory audit engagement (including the verification of the regular keeping of the accounts and the correct recognition of the operating events in the accounting records, the verification of consistency of the report on operations and some specific information contained in the report on corporate governance and ownership structures indicated in Article 123-*bis* of the TUF with the financial statements and their compliance with the law, as well as the limited audit of the condensed half-yearly financial statements), pursuant to Legislative Decree no. 39/2010 and Regulation (EU) 537/2014.

The procedural process described was necessary in order to bring the statutory audit engagement into line with the regulations applicable to the PIE audit, taking into account the regulatory references indicated in the assignment granted by the Issuer in its ESRI status on 15 February 2018.

At the date of this Report, therefore, the assignment conferred by virtue of the Shareholders' Meeting resolution of 8 March 2022 became fully effective; it will expire at the time of the Shareholders' Meeting called to approve the financial statements as at 31 December 2025, as the Company has also calculated, within the maximum nine-year duration envisaged by the PIE, the activity already carried out by the Independent Auditors with reference to the financial years 2017-2021 in compliance with the regulations applicable to ESRI.

It should be noted that the Company became a public interest entity only starting from the Trading Start Date (i.e. starting from 29 June 2022); therefore, the regulations pursuant to Article 11 Regulation (EU) no. 537/2014 were not applicable with reference to the audit activities relating to the financial statements as at 31 December 2021.



## 9.11 Financial reporting manager and other corporate roles and functions

Article 21 of the Issuer's Articles of Association requires the Board of Directors to appoint a financial reporting manager, based on the prior mandatory opinion of the Board of Statutory Auditors. The Board of Directors also orders their revocation, where applicable. In compliance with the Articles of Association, the financial reporting manager must have acquired at least three years' experience in administration, finance and control matters and meet the integrity requirements established for Directors. The loss of the requirements entails the forfeiture of the office.

In this regard, it should be noted that the Board of Directors, on 6 August 2019, appointed Ugo Colombo - Chief Financial Officer and responsible for the Company's finance and administration department - as the financial reporting manager pursuant to Article 154-*bis* of the TUF, with the powers set forth for this office in the same article 154-*bis* of the TUF.

At the time of appointment, the Board of Directors assigned to the financial reporting manager all the powers and means for the exercise of the tasks assigned to them by current legislation and by the Articles of Association, including direct access to all functions, offices and information necessary for the production and verification of accounting, financial and economic data, without the need for any authorisation.

Pursuant to Article 154-*bis* of the TUF, the financial reporting manager:

- a. certifies that the deeds and communications of the Company disclosed to the market, and relating to the Company's accounting information, including interim reports, correspond to the documentary results, books and accounting records;
- b. prepares adequate administrative and accounting procedures for the drafting of the financial statements, as well as any other financial communication; and
- c. together with the delegated administrative body, certifies with a specific report, attached to the financial statements and the condensed half-yearly financial statements, among other things, the adequacy and effective application of the procedures under (ii) during the period to which the documents refer, as well as their correspondence with the results of the accounting books and records and their suitability to provide a true and fair view of the equity, economic and financial situation of the Company.

With reference to the activities and obligations assigned to the financial reporting manager, the Company has prepared a specific methodological manual that defines the guidelines and operating practices used to monitor the risk of incorrect financial reporting (the "Regulation of the Financial Reporting Manager"). Specifically, this manual was drafted as part of the organisational and operational adaptation process of Generalfinance S.p.A. to the provisions of Law 262/05 with the aim of describing the methodology adopted by all the structures involved in the process, on the basis of the activities under its responsibility. The main issues dealt with in the aforementioned document are reported below.

The most relevant aspects of the methodological manual are listed below:

- regulatory context;
- methodological model;
- company level controls;
- controls of administrative processes;
- IT general controls;

- information flows to support the assessment;
- assessment of anomalies and findings;
- issue of periodic certificates.

The Methodological Manual was approved by the Board of Directors on 10 February 2023.

At the date of approval of the Report, the Board of Directors of the Company has not appointed persons responsible for internal control and risk management other than those described so far.

### 9.12 Coordination between the parties involved in the internal control and risk management system

The internal control and risk management system adopted by the Company is described in this Section 0, to which reference should be made for the identification of the parties mainly involved and for the identification of the main methods of coordination between them.



## 10. DIRECTORS' INTERESTS AND TRANSACTIONS WITH RELATED PARTIES

On 28 February 2022, the Board of Directors resolved to adopt, with effect from the Trading Start Date, the "Procedure for Related Party Transactions" pursuant to Article 2391-*bis* of the Italian Civil Code and the RPT Regulation (the "**RPT Procedure**"). The adoption of the RPT Procedure was confirmed at the board meeting of 29 June 2022 at the time of formal installation of the new Board of Directors. Subsequently, following its establishment, on 2 August 2022, the RPT Procedure was submitted to the Control, Risk and Sustainability Committee (responsible for transactions with related parties) and, having obtained a favourable opinion, pursuant to Article 4, paragraph 3, of the Regulation containing provisions on transactions with related parties (adopted by Consob with resolution no. 17221 of 12 March 2010, subsequently amended with resolutions no. 17389 of 23 June 2010, no. 19925 of 22 March 2017, 19974 of 27 April 2017, no. 21396 of 10 June 2020, no. 21624 of 10 December 2020 and 22144 of 22 December 2021), again submitted for ratification by the Board of Directors, on 5 August 2022.

The Control, Risk and Sustainability Committee has also been assigned the functions of Committee for Related Party Transactions, except for decisions regarding the remuneration of the directors and key management personnel of the Company, whose competence has been attributed to the Appointments and Remuneration Committee.

The RPT Procedure governs, inter alia, the procedures for assessing and approving transactions with related parties defined as of greater significance on the basis of the criteria indicated in the Related Party Regulation and transactions with related parties defined as less significant, meaning those transactions other than transactions of greater significance and transactions of a small amount (the latter are those transactions that, individually considered, have a value not exceeding EUR 150,000.00 (one hundred and fifty/00) when the Related Party is a natural person, or a value not exceeding EUR 300,000.00 (three hundred thousand/00) when the Related Party is a person other than a natural person).

The RPT Procedure, in accordance with the Related Party Regulation, defines as transactions of greater significance with related parties also those carried out by any Italian or foreign subsidiaries, in which at least one of the relevance indices indicated in Annex 3 of the Related Party Regulation exceeds the thresholds set forth therein.

The RPT Procedure envisages that the Company avails itself of the exemption granted by Article 10, paragraph 1, of the Related Party Regulation, as a recently listed company, and, therefore, the approval of the transactions of greater significance with related parties will take place according to the procedure envisaged for the approval of transactions of lesser significance with Related Parties until the deadline referred to in the same article.

In compliance with the Related Party Regulation, the RPT Procedure requires, before the approval of a transaction with related parties, the Control, Risk and Sustainability Committee to express a reasoned non-binding opinion on the Company's interest in carrying it out as well as on the convenience and substantial correctness of the conditions set forth.

The rules envisaged by the RPT Procedure do not apply in the following cases of exemption, identified on the basis of Articles 13 and 14, paragraph 2, of the RPT Regulation:

- a. to the shareholders' meeting resolutions referred to in Article 2389, first paragraph, of the Italian Civil Code, relating to the remuneration due to the members of the Board of Directors of the Company, nor to the resolutions on the remuneration of directors vested with particular offices falling within the total amount determined, if applicable, in advance by the shareholders' meeting pursuant to Article 2389, third paragraph, of the Italian Civil Code;
- b. to the shareholders' meeting resolutions pursuant to Article 2402 of the Italian Civil Code, relating to the fees due to the members of the Board of Statutory Auditors;
- c. to transactions of a small amount (as identified pursuant to the RPT procedure);
- d. to transactions resolved by the Companies and addressed to all shareholders on equal terms, including but not limited to:
  - i. share capital increases under option, also to service convertible bonds, and free share capital increases envisaged by Article 2442 of the Italian Civil Code;
  - ii. full or partial demergers, with proportional share allocation criteria;
  - iii. the reductions of the share capital through reimbursement to shareholders envisaged by Article 2445 of the Italian Civil Code;
  - iv. purchases of treasury shares pursuant to Article 132 of the TUF;
- e. remuneration plans based on financial instruments approved by the Shareholders' Meeting pursuant to Article 114-bis of the TUF and the related executive transactions;
- f. to resolutions, other than those indicated in letter (a) above, on the remuneration of directors vested with special offices as well as other executives with strategic responsibilities, provided that:
  - i. the Company has adopted a remuneration policy approved by the Shareholders' Meeting;
  - ii. in the definition of the remuneration policy, a committee consisting exclusively of non-executive directors with a majority of independent directors has been involved;
  - iii. the remuneration awarded is identified in compliance with this policy and qualified with criteria that do not involve discretionary assessments;
- g. to ordinary transactions that are concluded at conditions equivalent to market or standard conditions (as identified pursuant to the RPT procedure). In the event that the ordinary transaction is a transaction of greater significance, without prejudice to the provisions of Article 17 of the Market Abuse Regulation, the Company: (i) informs CONSOB as well as the Risks and Sustainability Committee, within the deadline indicated in Article 5, third paragraph, of the RPT Regulation, of the counterparty, the object and the consideration of the transactions that benefited from the exclusion as well as the reasons for which this transaction was deemed to be an ordinary transaction, providing objective evidence; and (ii) indicates in the interim report on operations and in the annual report on operations, as part of the information required by Article 5, paragraph eight, of the RPT Regulation, which of the transactions subject to the disclosure obligations indicated in the latter provision have been concluded by availing of this exemption;
- h. to transactions with related parties with or between subsidiaries, also jointly, as well as those with associates, provided that in the subsidiaries or associates that are counterparties to the transaction there are no significant interests of other related parties of the company.

Furthermore, in accordance with Article 30.3 of the Articles of Association, the RPT Procedure makes

provision for the white-wash mechanism, i.e. the possibility for the Board of Directors to approve transactions of greater significance despite the contrary opinion of the RPT Committee, provided that the execution of the transaction of greater significance is authorised, pursuant to Article 2364, paragraph 1, number 5), of the Italian Civil Code, by the Shareholders' Meeting. In this case, the Shareholders' Meeting resolves with the majorities set forth by law, provided that, where the unrelated shareholders present at the Shareholders' Meeting represent at least 10% of the share capital with voting rights, the majority of the unrelated shareholders voter in the shareholders' meeting do not vote against it.

The RPT Procedure is available on the Company's website ([www.generalfinance.it](http://www.generalfinance.it), Corporate Governance/Procedures and Documents Section), to which reference should be made for further details.

On 26 January 2023, the Board of Directors, in the absence of observations or findings by the Control, Risk and Sustainability Committee (acting as committee for transactions with related parties), approved and established the related parties register prepared on the basis of the recent update of the list of related parties of the Company. The related parties register reports the related parties identified in accordance with the RPT Procedure and all related parties transactions of greater significance and lesser significance.

## 11. BOARD OF STATUTORY AUDITORS

### 11.1 Appointment and replacement

The text of **Articles 23, paragraphs 5 et seq., 24 and 25 of the Articles of Association** containing provisions on the appointment and replacement of the Board of Statutory Auditors is reported hereunder:

- 23.5 The Board of Statutory Auditors is elected by the ordinary shareholders' meeting based on the lists presented by the shareholders, according to the provisions set out hereunder, ensuring that the gender balance is respected based on the legal and regulatory provisions in force from time to time.
- 23.6 The presentation of lists is regulated by the legislation and regulations in force from time to time and by these Articles of Association.
- 23.7 Shareholders who, alone or together with others, at the moment the list is presented, represent at least the stake in share capital required by previous Article 15 for the presentation of lists of candidates for the office of Director, are entitled to present lists.<sup>3</sup>
- 23.8 The lists are filed within the terms set forth in the legislation and regulations in force from time to time, which are indicated in the call notice, at the registered office of the Company or transmitted via distance communication means, according to the methods indicated in the call notice. They are provided to the public according to the terms and methods set out in the legislation and regulations in force from time to time.
- 23.10 Each shareholder, the shareholders participating in a relevant shareholders' agreement in accordance with article 122 of the TUF, the parent company, the subsidiaries and those subject to common control and other entities between whom relationships are in place, including indirect, pursuant to the legislation and regulations in force from time to time, cannot present or contribute to the presentation, either through third parties or trust companies, of more than one list, nor vote on different lists.
- 23.11 Each candidate may be presented in only one list, under penalty of ineligibility.
- 23.12 Each list contains a number of candidates, sequentially numbered, not exceeding the number of members to be elected.
- 23.13 The lists are split into two sections: one for candidates for the office of standing auditor, the other for candidates for the office of alternate auditor. The first of the candidates of each section must be enrolled in the register of auditors and have performed auditing activities for a period of no less than 3 (three) years.
- 23.14 For the period of application of the legislation and regulations in force from time to time governing gender balance, each list that - considering both sections - presents a number of candidates of equal to or greater than 3 (three) must also include candidates belonging to both genders, at least in line with the minimum quota required by the legal and regulatory provisions in force from time to time, according to the specifications of the call notice of the shareholders' meeting.
- 23.15 The following must be filed together with presentation of the lists:

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<sup>3</sup> Pursuant to CONSOB Resolution no. 76 of 30 January 2023, the shareholding determined by Consob pursuant to Article 144-*quater* of the CONSOB Issuers' Regulation is 2.5%.

- a) information relating to the shareholders who presented the list and their percentage shareholding;
  - b) a declaration from the shareholders other than those who hold, including jointly, a controlling interest or a relative majority, certifying the absence of any relationships with the latter, including indirect, pursuant to the legislation and regulations currently in force;
  - c) the curriculum vitae of the candidates as well as a declaration in which each candidate certifies, under their own responsibility, that there are no grounds for ineligibility and incompatibility and that the requirements to fulfil the respective offices are satisfied;
  - d) a disclosure relating to the candidates with an indication of the directorships and auditing posts held in other companies, as well as a declaration from said candidates certifying that they meet the requirements set forth in the legislation and regulations in force from time to time and the Articles of Association;
  - e) the declaration in which each candidate accepts his/her candidacy;
  - f) any other additional or different declaration, disclosure and/or document required by the legislation and regulations in force on each occasion.
- 23.16 In the event of non-fulfilment of the obligations set forth in this article, the list is considered as not having been presented. Any changes that should be verified until the day of actual conduct of the shareholders' meeting are promptly communicated to the Company.
- 24.1 The Board of Statutory Auditors is elected according to the following provisions:
- a) two standing members and one alternate member are taken from the list which obtained the highest number of votes ("**Majority List**"), based on the sequential number with which they appear in said list;
  - b) the remaining standing member, who will also be appointed Chairperson of the Board of Statutory Auditors, and the other alternate member, shall be taken from the list that obtained the second highest number of votes at the shareholders' meeting and which is not connected, even indirectly, with the shareholders who presented or with those who voted for the Majority List (the "**Minority List**"), in the sequential order in which they appear in said list. In the event in which several lists have received the same number of votes, a new ballot is held between said lists by all parties entitled to vote present at the shareholders' meeting, with the candidates elected from the list that obtains the relative majority.
- 24.2 If the gender balance has not been ensured according to the provisions of the legislation and regulations in force from time to time, the candidate belonging to the most represented gender and elected, indicated last in sequential order in each section of the Majority List, shall be replaced by the candidate belonging to the less represented gender and not elected taken from said list according to the sequential order of presentation.
- 24.3 If the number of candidates elected based on the lists presented is less than the number of statutory auditors to be elected, the remainder shall be elected by the shareholders' meeting which resolves according to the legal majorities and to ensure that the gender balance required by the legislation and regulations in force from time to time is respected.
- 24.4 In the event only one list is presented, the entire Board of Statutory Auditors is taken from said list in compliance with the legislation and regulations in force from time to time. By contrast, in the

event no list is presented, the shareholders' meeting resolves on the basis of a relative majority in accordance with the legal provisions. In said scenario, the Chairperson of the Board of Statutory Auditors is appointed by the shareholders' meeting which resolves on the basis of the relative majority of the votes represented therein.

- 25.1 If, during the year, a standing auditor should leave office, he/she shall be replaced by the first alternate member on the same list as the auditor replaced, until the next shareholders' meeting, to ensure compliance with the legal and regulatory provisions in force from time to time governing gender balance, where applicable. In the event in which the first replacement does not make it possible to ensure compliance with the legal and regulatory provisions in force from time to time governing gender balance, he/she is replaced by the second alternate member taken from the same list.
- 25.2 In the event of replacement of the Chairperson of the Board of Statutory Auditors, the chair is assumed, until the next shareholders' meeting, by the alternate auditor taken from the minority list, where it exists, without prejudice, in any case, to respect for the legal and regulatory provisions in force from time to time governing gender balance, where applicable.
- 25.3 If the Board of Statutory Auditors is not completed with the alternate auditors, the shareholders' meeting must be called to supplement the Board of Statutory Auditors, in compliance with the legislative and regulatory provisions in force from time to time. This Shareholders' Meeting resolves in compliance with the principle of representation of minorities.

In the event the standing auditor(s) and/or alternate auditors taken from the majority list need to be replaced, the Shareholders' Meeting pursuant to Article 2401 of the Italian Civil Code applies the provisions of the Italian Civil Code and resolves according to the legal majorities; in the event the standing auditor(s) and/or alternate auditors taken from the minority list need to be replaced, the Shareholders' Meeting resolves in observance of the principle of representation of minorities.

It should be noted that in addition to the legal and regulatory provisions (among which the most important are Bank of Italy Circular no. 288 of 3 April 2015, as subsequently amended and supplemented, the Decree of the Ministry of Economy and Finance no. 169 of 23 November 2020, in force since 30 December 2020, containing the *“Regulation on the requirements and criteria of suitability for the performance of the office of corporate representatives of banks, financial intermediaries, credit guarantee consortia, electronic money institutions, of payment institutions and depositor guarantee systems”* and Article 36 of the Save Italy Decree, which introduced an explicit interlocking ban to the Italian legal system for entities operating in the financial and insurance market), of the TUF and the provisions of the Articles of Association and the Corporate Governance Code, the Issuer is not subject to other requirements regarding the composition of the Board of Statutory Auditors.

## 11.2 Composition and operation (pursuant to Article 123-bis, paragraph 2, letters d) and d-bis), of the TUF)

Pursuant to Article 23 of the Articles of Association, the Board of Statutory Auditors is composed of three standing members and two alternate members.

The members of the Board of Statutory Auditors remain in office for three financial years and their term of office expires on the date of the shareholders' meeting called to approve the financial statements

relating to the third year of office.

The statutory auditors can be re-elected.

The members of the Board of Statutory Auditors must meet the requirements set forth by the legislation and regulations in force and applicable from time to time. The following subjects are considered to relate strictly to the Company's business domain: commercial law, corporate law, financial markets law, tax law, business economics, corporate finance, disciplines with a similar or comparable object, as well as, lastly, subjects and sectors relating to the Company's business sector.

On 8 March 2022, the Ordinary Shareholders' Meeting of the Issuer (i) acknowledged that all the members of the Board of Statutory Auditors in office at the date of the Report have resigned with effect subject to the Trading Start Date; and (ii) appointed, with effectiveness subject to the Trading Start Date, Paolo Francesco Maria Lazzati as Chairperson of the Board of Statutory Auditors, Marco Carrelli and Maria Enrica Spinardi as standing auditors and Andrea di Giuseppe Cafà and Luca Zambanini as alternate auditors ( the "**Members of the Board of Statutory Auditors**") for three financial years.

The Members of the Board of Statutory Auditors therefore took office on the Trading Start Date and will remain there until the approval of the financial statements as at 31 December 2024.

The following table shows the members of the Board of Statutory Auditors in office at the date of this Report:

Name and surname	Office	Place and date of birth
Paolo Francesco Maria Lazzati	Chairperson	Milan (MI), 16 May 1958
Marco Carrelli	Standing Auditor	Domodossola (VB), 23 August 1985
Maria Enrica Spinardi	Standing Auditor	Turin (TO), 14 July 1960
Andrea di Giuseppe Cafà	Alternate Auditor	Teramo (TE), 6 March 1970
Luca Zambanini	Alternate Auditor	Biella (BI), 1 April 1974

A brief curriculum vitae of each member of the Board of Statutory Auditors is provided below, showing their expertise and experience.

**Paolo Francesco Maria Lazzati** - was born in Milan on 16 May 1958. He has a degree in Economics and Commerce from Università Cattolica del Sacro Cuore in Milan (specialisation in Business Economics) and is qualified as a chartered accountant. He began his career at Gaetano Lazzati's practice. In 1990, after a period of collaboration, he joined the Law Firm Paolo Maria Tabellini e Associati as an associate and in 2000 he founded his own professional firm, where he mainly provides tax and corporate assistance to companies and groups, also in the phases of reorganisation, expansion and corporate restructuring, as well as assistance to families in the management and organisation of their own assets. He was a lecturer in the tax law course from 1993 to 2001 at the University of Trento and from 2000 to 2015 at the University of Pavia, again in the Faculty of Economics and Commerce. He has held and holds positions as director, statutory auditor and Chairperson of the board of statutory auditors in various companies.

**Marco Carrelli** - was born in Domodossola (VB) on 23 August 1985. He has a degree in Economics from the University of Pavia. Provides tax consultancy and assistance, tax planning for corporations, businesses, self-employed and private individuals, also through the drafting of interpretative opinions



on corporate law, bankruptcy law, tax litigation, extraordinary corporate transactions. Provides assistance with direct, indirect and substitute taxation and defence during disputes. Provides assistance in tax returns under the ordinary and tax consolidation regime as well as accounting consultancy and preparation of group separate financial statements and consolidated financial statements. He is enrolled in the list of professionals who carry out sales transactions pursuant to Article 179-ter of the Code of Civil Procedure at the Court of Biella. He holds positions as a member of the Board of Statutory Auditors in various companies.

**Maria Enrica Spinardi** - was born in Turin on 14 July 1960. In 1983, she graduated in Economics and Commerce from the University of Turin. From 1983 to 1985 she worked as an internal auditor at Olivetti S.p.A.. Since 1985, she has carried out auditing activities in a leading auditing firm. She has been an auditor since 1996. She is enrolled in the register of Auditors of Local Authorities. From 2001 to 2012, she was a partner in a leading auditing firm. She carries out legal consultancy and auditing activities. She is an auditor and member of several Supervisory Bodies pursuant to Legislative Decree no. 231/2001.

**Andrea di Giuseppe Cafà** - was born in Teramo on 6 March 1970. In 1996, he graduated in Business Economics from the Luigi Bocconi University in Milan. In 1997, he began to collaborate with Studio Mattina Bracchitta, carrying out tax and corporate consultancy activities and in 2000 he became a partner (until 2002). In 1999, he qualified as an accountant. From 2002 until 2018 he was a consultant for New Team Service S.r.l.. From 2012 to 2019 he was a partner of Studio Mazzocchi & Associati. Since 2014 he has been a partner of Lloyd & Moore, a company active in the auditing sector. Since 2000 he has been Chairperson of the board of directors of Italian Trust Company S.r.l. and since 2002 he has been Chairperson and standing member of the boards of statutory auditors of numerous companies. He obtained numerous master's degrees: in 1998 the Master's in Taxation at the Luigi Bocconi University in Milan, in 2003 the Master's Degree in Corporate Law and Corporate Governance, in 2005 the Master's Degree in Non-Profit Entities, in 2008 the Master's Degree in Law Bankruptcy and in 2009 the Specialisation Master on Government and Auditing of Entities. From 2009 to 2012 he was the statutory auditor of the Municipality of Cologno Monzese. He is the author of numerous publications.

**Luca Zambanini** - was born in Biella on 1 April 1974. From 1993 to 2005 he collaborated with Studio Bernero - Barazzotto Commercialisti Associati, first as a trainee accountant and then as a professional accountant and a trainee chartered accountant. Since 2006, he has carried out professional, accounting, corporate and tax consultancy activities at his offices for a number of national companies and companies belonging to multinational groups. He has been an accountant since 1997 and a statutory auditor since 1999. In 2001, he graduated in Economics and Commerce from the University of Eastern Piedmont. Since 2004 he has been a statutory auditor, sole auditor, standing auditor and alternate auditor in various private and public companies. In 2006, he obtained the qualification as a chartered accountant. Since 2007, he has been a trustee in bankruptcy and a professional in charge of foreclosures for the Court of Biella. Since 2015, he has been teaching as part of training plans for company personnel.

During the year, nine meetings of the Board of Statutory Auditors were held (with an average duration of approximately 90 minutes). At the date of the Report, 1 meeting has already been held and at least 4 more meetings are planned for 2023. With a total attendance of approximately 100%, the attendance percentage of each member of the Board of Statutory Auditors in office at the date of the Report was



respectively: (i) Paolo Francesco Maria Lazzati 100%; (ii) Marco Carrelli 100%; and (iii) Maria Enrica Spinardi 100%.

### *Independence and professionalism*

For the purposes of the independence assessment, the significance criteria set out in Section 4.7 for the Board of Directors are applied to the Board of Statutory Auditors.

The Board of Statutory Auditors, also on the basis of the information provided by the same statutory auditors, assesses, on an annual basis and with reference to each of its members, the existence of the independence requirements envisaged by the TUF and the Corporate Governance Code and provides complete disclosure to the market. In this regard, it should be noted that, at its meeting on 28 July 2022, the Board of Statutory Auditors verified that all members of the Board of Statutory Auditors met the independence requirements set forth in Article 148, paragraph 3, of the TUF and Article 2 of the Corporate Governance Code, and none of them is in the cases of forfeiture envisaged by Article 148, paragraph 3 of the TUF and Article 2 of the Corporate Governance Code. At the same meeting, in compliance with the provisions of Articles 26 and 110 of the TUB, as well as Title II, Chapter 2, of the provisions contained in Circular no. 288 of 3 April 2015 of the Bank of Italy, the Board of Statutory Auditors also verified: (i) satisfaction by the Members of the Board of Statutory Auditors of the requirements of integrity, fairness, professionalism, competence and independence pursuant to Ministerial Decree no. 169/2020; (ii) compliance by the same members of the Board of Statutory Auditors with Article 36 of the Save Italy Decree on the interlocking ban; (iii) the possession by all the members of the Board of Statutory Auditors, as indicated in their respective curricula vitae and in the additional information contained in this point, of the requirements of integrity and professionalism required by Article 148 of the TUF and by the implementing regulation adopted by Decree of the Ministry of Justice no. 162/2000.

Pursuant to recommendation 9 of the Corporate Governance Code, the Board of Statutory Auditors, in the meeting of 8 February 2023, verified the independence requirements of its members and conducted the periodic self-assessment of the body itself on the continued satisfaction of the requirements for its members as well as the correctness and effectiveness of its operation, according to the provisions of the rules of conduct of the Board of Statutory Auditors of listed companies drawn up by the National Institute of Chartered Accountants and Accounting Experts.

For an examination of the offices held at the date of the Report and in the last five years by the members of the Board of Statutory Auditors, please refer to Annex 2 to this Report.

### *Diversity criteria and policies*

It should be noted that the rules that require the allocation of the members of the Board of Statutory Auditors to be elected to be carried out on the basis of a criterion that ensures the balance between genders, pursuant to the provisions of Article 148, paragraph 1-bis, of the TUF, have been incorporated in the Articles of Association.

With reference to gender diversity, despite Article 148, paragraph 1-bis, of the TUF, as amended by Law no. 160 of 27 December 2019, stating that the provisions on gender balance apply from the first renewal of the Board of Statutory Auditors following the Trading Start Date, providing that, for this first renewal,

the less represented gender obtains at least one fifth of the statutory auditors elected at the first renewal and at least two-fifths of the statutory auditors elected on the occasion of the next five consecutive terms (in any case rounded upwards, with the exception of the corporate bodies formed by three members for which the rounding is down to the lowest unit), the composition of the Board of Statutory Auditors of the Issuer, is already compliant with these requirements.

At the date of this Report, the composition of the Board of Statutory Auditors was suitably diversified by age, gender and training and professional background.

The Company has not formally adopted diversity policies in relation to the composition of the control body, with specific reference to aspects such as age and training and career path, since - de facto - it already applies principles of personal and professional diversification in the appointments, to guarantee a balanced composition of the body.

### *Remuneration*

The remuneration of the statutory auditors is commensurate with the commitment required, the importance of the role held as well as the size and sector characteristics of the Issuer. In this regard, it should be noted that, for the purposes of determining the remuneration of the statutory auditors, the Shareholders' Meeting, in particular, took into account the growing commitment required as a result of the envisaged greater complexity deriving from the admission to trading of the Issuer's shares on Euronext Milan, market organised and managed by Borsa Italiana S.p.A., STAR segment.

### *Interest management*

As far as the Issuer is aware, at the date of the Report, none of the members of the Board of Statutory Auditors of the Issuer have private interests in conflict with their obligations deriving from the office held within the Issuer.

In the RPT Procedure, the Issuer has provided that the statutory auditor who, on his/her own behalf or on behalf of third parties, has an interest in a specific transaction of the Issuer, promptly and comprehensively informs the other statutory auditors of the nature, terms, origin and extent of the own interest.

For further information on the composition of the Board of Statutory Auditors, please refer to Table 4 attached to this Report.

## 12. RELATIONS WITH SHAREHOLDERS

### *Access to information*

In compliance with the provisions of Article 1, Principle IV, of the Corporate Governance Code, the Company intends to ensure constant and open dialogue with the shareholders and with the other interested parties (hereinafter, jointly, the “**Interested Parties**”) in order to increase their level of understanding about the activities carried out by the Company, its economic and financial performance and its strategies aimed at pursuing sustainable success, as well as maintaining an adequate channel of information with these subjects, based on principles of fairness and transparency in compliance with the law.

Starting from the Trading Start Date, the Issuer has set up a special section (“Investor Relations”) within its website, easily identifiable and accessible, in which the regulated information as well as the information concerning the Issuer that is significant for its shareholders has been made available, so as to allow the latter to exercise their rights in an informed manner.

Furthermore, the Company appointed Ugo Colombo, a professionally qualified person in charge of managing relations with investors, as investor relator, in order to ensure correct, continuous and complete communication.

### *References of the investor relator*

The references of the investor relator are as follows:

Generalfinance S.p.A., Chief Financial Officer - Investor Relations, Ugo Colombo, u.colombo@generalfinance.it, +39 3355761968

### *Dialogue with shareholders*

It should be noted that, on 20 May 2022, the Board of Directors, on the proposal of the Chairperson of the Board of Directors, formulated in agreement with the CEO, approved a policy for the management of dialogue with shareholders and other interested parties ( the “**Policy for the Management of Dialogue with Shareholders**”) in line with the recommendations of the Corporate Governance Code.

The Policy for the Management of Dialogue with Shareholders was subsequently confirmed and ratified by the Board of Directors at the meeting of 29 June 2022.

The issues that can be addressed in the context of the dialogue may concern, inter alia:

- a. economic and financial results of the Company and corporate strategies;
- b. extraordinary transactions of particular strategic importance for the Company;
- c. *corporate governance* and, in particular, the appointment and composition of the corporate bodies (also in terms of size, professionalism, independence and diversity) and composition, size and functions of the board committees;
- d. sustainability and ethical, social and environmental issues;
- e. remuneration policies of the members of the Board of Directors and of the Board of Statutory Auditors as well as of the executives with strategic responsibilities of the Company;
- f. internal control and risk management system; and
- g. Transactions with related parties.

The parties involved in the process of managing dialogue with shareholders and other relevant stakeholders are:

- a. the **Board of Directors**, which approves the Policy for the Management of Dialogue with the Shareholders and is responsible for the dialogue with the Interested Parties, delegating the operational management to the CEO. The Board of Directors, however, maintains a role of guidance, supervision and monitoring and may resolve on any matter pertaining to the dialogue with the Interested Parties;
- b. the **CEO**, who handles and manages the dialogue with the Interested Parties;
- c. the **Chairperson of the Board of Directors**, who maintains an institutional role of liaison and ensures the Board of Directors with an adequate flow of information on the dialogue with the Interested Parties;
- d. the **CFO**, who provides operational support to the CEO in managing the dialogue with the Interested Parties;
- e. the **Investor Relator**, who assists the CEO in managing the dialogue with the Interested Parties and represents the first point of contact with the Interested Parties for the establishment of dialogue with the Board of Directors.

The Policy for the Management of Dialogue with Shareholders is available on the Company's website ([www.generalfinance.it/procedure](http://www.generalfinance.it/procedure)).

#### *Information Contact Person.*

At the meeting of 9 May 2022, pursuant to Article 2.6.1 of the Regulations of the Markets organised and managed by Borsa Italiana, the Board of Directors appointed Stefano Saviolo, Head of the Legal and Corporate Affairs Department, Information Contact Person, i.e. the person whom Borsa Italiana may contact to obtain information on the Company that it deems useful for the proper functioning of the market or to request the dissemination of data or news necessary for disclosure to the market. At the same time, to ensure constant and effective monitoring, Ms Margherita De Pieri, a member of the Legal and Corporate Affairs Department, was appointed as a substitute, and she will act as Information Contact Person in the event of his absence or impediment.

### 13. SHAREHOLDERS' MEETINGS

The Shareholders' Meeting of the Company meets in ordinary and extraordinary sessions in accordance with the law and the Articles of Association. The Shareholders' Meeting, duly constituted, represents the universality of the shareholders and its resolutions, taken in compliance with the law and the Articles of Association, bind and oblige all shareholders, even if not attending, abstaining or dissenting.

Pursuant to articles 11 et seq. of the Articles of Association, the Shareholders' Meeting is called whenever the Board of Directors deems it appropriate or when its calling is required by law.

The Shareholders' Meeting meets at the registered office or in any location, including outside of the registered office, chosen by the administrative body, provided in Italy or in another European Union Country.

Ordinary and extraordinary shareholders' meetings are held on single call. The Board of Directors can make provision for the shareholders' meeting to be held on multiple calls and, in said scenario, the call notice will indicate the date of the second and, if necessary, third calls according to the methods set forth in paragraph 4 of Article 11. The shareholders' meeting is constituted and passes resolutions, in the ordinary and extraordinary sessions, based on the majorities required by law in said scenarios.

The shareholders' meeting is called by the Board of Directors via a notice published on the Company's website as well as according to the other methods established by the currently applicable legislation and regulations and - where necessary - by the Italian Civil Code.

The ordinary shareholders' meeting for approval of the financial statements must be called at least once a year within 120 days of the close of the financial year, or in the cases set forth in article 2364, paragraph 2, of the Italian Civil Code, and nonetheless in observance of the terms set forth in article 154-ter of the TUF, within the extended term of 180 days from the close of the financial year, without prejudice to any additional term set forth in the regulatory provisions in force. In said case, this must be communicated to the Bank of Italy.

The current Articles of Association of the Company, which entered into force on the Trading Start Date, make provision, in Article 6, for the increased voting right mechanism pursuant to Article 127-quinquies of the TUF. Consequently, by virtue of the provisions of the aforementioned Article 6, each Share owned by the same party for a continuous period of at least 24 months from the date of registration in the appropriate List, updated and kept by the Issuer, is assigned two votes.

As specified in section 2 letter "d" of this Report (to which reference should be made for further information), the Company has adopted a specific regulation containing the detailed rules on increased voting rights.

Holders of the voting right pursuant to the currently applicable legal and regulatory provisions are legitimately entitled to attend the shareholders' meeting. The legitimate entitlement to attend and exercise the voting right is certified according to the terms established in the legal and regulatory provisions in force from time to time, as well as by the provisions of Article 12 of the Articles of Association.

Those who hold the voting right can be represented at the shareholders' meeting by issuing the appropriate proxy in accordance with the legal terms. The proxy is sent to the Company via certified e-mail to the address indicated in the call notice or other transmission methods indicated therein.

The Company can designate, for each shareholders' meeting, one or more persons to whom the holders

of the right to vote at the shareholders' meeting can confer a proxy with voting instructions on all or some of the proposals on the agenda. The proxy has no effect with regard to the proposals for which no voting instructions have been conferred. The designated persons, the methods and terms for conferral of proxies are shown in the call notice of the shareholders' meeting.

In compliance with the provisions of articles 24 and 110 of the TUB, voting rights and other rights that make it possible to influence the Company in relation to equity investments for which (i) the prior authorisations to be issued by the Bank of Italy have not been obtained or have been suspended or revoked or (ii) the preventive communications have been omitted, cannot be exercised.

The shareholders' meeting is chaired by the Chairperson of the Board of Directors. In the event of the absence or impediment of the latter, the shareholders' meeting shall be chaired by the person elected by means of a majority vote of those present, according to the shareholding held.

The shareholders' meeting resolves on all matters that fall within its competence as per the law and the Articles of Association.

The Chairperson of the shareholders' meeting verifies, also via the appropriate representatives, the right to attend, that the meeting is validly constituted, the identity and legitimate entitlement to attend of the participants, as well as governs the conduct of the meeting and ascertains the results of the votes; the outcomes of these assessments must be documented in the minutes.

The conduct of the shareholders' meeting is regulated by law, by the Articles of Association and, if present, the appropriate shareholders' meeting regulation approved by means of a resolution of the Company's ordinary shareholders' meeting.

The shareholders' meeting may be held with the attendees in multiple locations connected via means of telecommunication and it is considered held in the place where the secretary or the notary is present. In said scenario: (i) the call notice indicates the locations connected via audio/video link, in which the attendees may be located; (ii) the Chairperson of the shareholders' meeting must be able to guarantee that the meeting is validly constituted, verify the identity and the legitimate entitlement to attend of the participants, the regular conduct of the meeting and ascertain the results of voting; (iii) the minute-taker must be able to adequately hear the shareholders' meeting events subject to minute-taking; and (iv) the attendees must be able to participate in the discussion and simultaneous voting on the items on the agenda.

The Chairperson of the shareholders' meeting is assisted by a Secretary, who need not be a shareholder, designated by the attendees, except where provided for by the second paragraph of Article 2371 of the Italian Civil Code.

For more details on the operating mechanisms, the rights of the shareholders and the methods for their exercise, please refer to the current Articles of Association of the Issuer available on the Company's website ([www.generalfinance.it](http://www.generalfinance.it), Corporate Governance Section/Articles of Association).

### 13.1 Shareholders' Meetings for the Year

During the year, two shareholders' meetings were held:

- 1) on 9 February 2022, the Extraordinary Shareholders' Meeting concerning:
  - amendment to the Articles of Association
 three out of five directors of the Company in office at the date of the Shareholders' Meeting

attended

2) on 8 March 2022, the Ordinary Shareholders' Meeting, with the following agenda:

- Financial Statements for the year ended 31 December 2021; Report on Operations for the year 2021, prepared by the Directors pursuant to Article 2428 of the Italian Civil Code; Report of the Board of Statutory Auditors and Independent Auditors' Report on the financial statements for the year ended 31 December 2021. Inherent and consequent resolutions.
- Allocation of the result for the year 2021 and proposal to distribute part of the net profits to shareholders. Inherent and consequent resolutions.
- Proposed listing of the Company's ordinary shares on Euronext Milan and, if the prerequisites are met, on the Euronext Milan, STAR Segment. Inherent and consequent resolutions.
- Renewal of the Board of Directors and the Board of Statutory Auditors subject to the start of trading of the Company's shares on Euronext Milan. Inherent and consequent resolutions.
- Assignment of a new statutory audit mandate to the independent auditors subject to the start of trading of the Company's shares on Euronext Milan. Inherent and consequent resolutions.
- Proposal to adopt a new text of the Articles of Association with effect subject to the start of trading of the Company's ordinary shares on Euronext Milan. Inherent and consequent resolutions.
- Proposal to grant a proxy to the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, to increase the share capital of the Company also to service the offer leading to the listing. Inherent and consequent resolutions.

which was attended by all five directors of the Company in office at the date of the Shareholders' Meeting.

Both the above-mentioned Shareholders' Meetings were held in the period prior to the Trading Start Date.

## **14. ADDITIONAL CORPORATE GOVERNANCE PRACTICES (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 2, LETTER A), SECOND PART, OF THE TUF)**

At the date of this Report, no additional corporate governance practices were adopted other than those already indicated in this Report.



## **15. CHANGES AFTER THE END OF THE REFERENCE FINANCIAL YEAR**

Except for the above and for what is reported in the specific sections of the Report, there have been no changes in the corporate governance structure since the end of the year.

## **16. CONSIDERATIONS ON THE LETTER FROM THE Chairperson OF THE CORPORATE GOVERNANCE COMMITTEE**

On 10 February 2023, the Board of Directors examined the recommendations contained in the letter from the Chairperson of the Italian Committee for Corporate Governance.

## ANNEX 1

**List of offices held by the members of the Board of Directors of the Issuer in other joint-stock companies or partnerships in the last five years, with an indication of the status of the office and/or equity investment held at the date of the Report.**

Name and surname	Company	Office	Status of the office
Maurizio Dallochio	Ambromobiliare S.p.A.	Director	In office
	Clivia S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	DIG SICAF S.p.A.	Chairperson of the Board of Directors	In office
	DGPA & Co S.r.l.	Chairperson of the Board of Directors	In office
	Esprinet S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Eye To Business (ETB) S.r.l.	Chairperson of the Board of Directors	In office
	Fingruppo S.p.A. (in liquidation)	Chairperson of the Board of Statutory Auditors	In office
	Generalfinance S.p.A.	Chairperson of the Board of Directors	In office
	GrandEmilia S.r.l. (see Corio Italia)	Chairperson of the Board of Statutory Auditors	In office
	G Rent S.r.l.	Director	In office
	Illa S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Italian Shopping Centre Investment S.r.l. (see Corio Italia)	Chairperson of the Board of Statutory Auditors	In office
	KIKO S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Klepierre Italia S.r.l. (Formerly Corio Italia S.r.l.)	Chairperson of the Board of Statutory Auditors	In office
	Klepierre Management Italia S.r.l. (see Corio Italia)	Chairperson of the Board of Statutory Auditors	In office
	Lega Calcio Service S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Lio Capital S.r.l.	Chairperson of the Board of Directors	In office
	Podravska Banka d.d., Croatia	Member of the Supervisory Board	In office
	Raffaele Caruso S.p.A.	Standing Auditor	In office
	San Maurizio SA (formerly San Maurizio S.p.A.)	Director	In office
	Shopville Le Gru S.r.l.	Chairperson of the Board of Statutory Auditors	In office
	The Disney Store (Italy) S.r.l.	Chairperson of the Board of Statutory Auditors	In office
	The Walt Disney Company (Italy) S.r.l.	Chairperson of the Board of Statutory Auditors	In office
	Ambromobiliare S.p.A.	Director	Ceased
BNP Paribas Real Estate Investment Management Italy SGR S.p.A.	Director	Ceased	

	Clivia S.p.A.	Chairperson of the Board of Statutory Auditors	Ceased
	Erre Quadro S.r.l.	Chairperson of the Board of Directors	Ceased
	Generalfinance S.p.A.	Director	Ceased
		Chairperson of the Board of Statutory Auditors	Ceased
	GGH – Gruppo General Holding S.r.l.	Director	Ceased
	Illy Caffè S.p.A.	Chairperson of the Board of Statutory Auditors	Ceased
	One Power & Gas S.p.A.	Chairperson of the Board of Statutory Auditors	Ceased
	C.S.O. S.r.l.	Partner	In office
	DGPA & Co S.r.l.	Partner	In office
	Eye To Business (ETB) S.r.l.	Partner	In office
Erre Quadro S.r.l.	Partner	Ceased	
Mauro Selvetti	Credito Valtellinese S.p.A.	Chief Executive Officer	Ceased
	Firstance S.r.l.	Director	In office
Massimo Gianolli	Advini Italia S.p.A.	Chief Executive Officer and Deputy Chairperson of	In office
	Generalbroker S.r.l.	Chief Executive Officer and Deputy Chairperson of	In office
	Generalfinance S.p.A.	Chief Executive Officer	In office
	GGH – Gruppo General Holding S.r.l.	Director	In office
	Gianolli & Bellotti Immobiliare S.p.A.	Chief Executive Officer	In office
	Hospitality Milano S.r.l.	Chief Executive Officer	In office
	La Collina dei Ciliegi Società Agricola S.r.l.	Chairperson of the Board of Directors and Chief	In office
	La Collina dei Ciliegi S.r.l.	Chief Executive Officer and Chairperson of the Board	In office
	MGH – Massimo Gianolli Holding S.r.l.	Sole Director	In office
Usufructuary		In office	
Rino Antonucci	-	-	-
Marta Bavasso	Phologen SPA	Independent Director	In office
	First4Progress	Independent Director	Ceased
	Ericsson Telecomunicazioni SPA	Independent Director	In office
Elena Ciotti	Le Village by CA Triveneto S.r.l.	Director	In office
	Le Village by CA S.r.l.	Director	In office
Annalisa Raffaella Donesana	A2a recycling S.r.l.	Standing Auditor	In office
	A2a Security Società consortile per azioni	Standing Auditor	In office
	Dea Capital Partecipazioni S.p.A.	Standing Auditor	In office
	Dea Capital S.p.A.	Standing Auditor	In office

	DeA Capital Alternative Fund SGR	Standing Auditor	In office
	Miller & Acta Advisory Stp r.l.	Director	In office
	Raiway S.p.A.	Independent Director	In office
	Tangenziale Esterna S.p.A.	Standing Auditor	In office
	A2a Energia S.p.A.	Standing Auditor	Ceased
	A2a Energy Solutions S.r.l.	Standing Auditor	Ceased
	ACSM – Agam S.p.A.	Standing Auditor	Ceased
	Banca Piccolo Credito Valtellinese S.p.A.	Director	Ceased
	Casa di Cura San Pio X S.r.l.	Standing Auditor	Ceased
	Dea Capital Real Estate SGR	Standing Auditor	Ceased
	Edwards Lifesciences Italia S.r.l.	Standing Auditor	Ceased
	Humanitas Istituto Clinico Catanese S.p.A.	Standing Auditor	Ceased
	Industria Umbra S.p.A.	Director	Ceased
	Mediocredito Centrale – Banca del Mezzogiorno S.p.A.	Standing Auditor	Ceased
	Societa' Iniziative Autostradali e Servizi S.p.A.	Standing Auditor	Ceased
	Miller&Acta Advisory Stp r.l.	Partner	In office
	Paradigm Adv S.r.l.	Partner	In office
	Spartan Tech S.r.l.	Partner	In office
	Broletto Corporate Advisory S.r.l.	Partner	In office
Leonardo Luca Etro	Crowdfundme S.p.A.	Independent Director	In office
	Fila industria chimica S.p.A.	Independent Director	In office
	King Advisory Company S.r.l.	Sole Director	In office
	Madison Capital S.r.l.	Chairperson of the Board of Directors	In office
	Madison Corporate Finance S.r.l.	Chairperson of the Board of Directors	In office
	Monnalisa S.p.A.	Independent Director	In office
	Sanlorenzo S.p.A.	Independent Director and Chairperson of the Control,	In office
	EC S.r.l.	Director and Shareholder	In office
	Artnetworth S.r.l.	Director	Ceased
Maria Luisa Mosconi	Anima Holding S.p.A.	Director	In office
	Anima SGR S.p.A.	Director	In office
	Bialetti Industrie S.p.A.	Chairperson of the Board of Statutory Auditors	Ceased
	Bialetti Store S.p.A.	Chairperson of the Board of Statutory Auditors	Ceased
	Esprinet S.p.A.	Standing Auditor	In office

Ferservizi S.p.A.	Standing Auditor	In office
SNAM Foundation	Chairperson of the Board of Auditors	In office
Ludo S.p.A.	Standing Auditor	In office
Metro5 S.p.A.	Chairperson of the Board of Statutory Auditors	In office
Olt OFFSHORE LNG Toscana S.p.A.	Chairperson of the Board of Statutory Auditors	In office
Quadrifoglio Brescia S.p.A. in Liq.ne (in liquidation)	Chairperson of the Board of Statutory Auditors	In office
Stoccaggi GAS Italia – Stogit S.p.A.	Chairperson of the Board of Statutory Auditors	In office
The Walt Disney Company Italia S.r.l.	Standing Auditor	In office
Banca Akros S.p.A.	Standing Auditor	Ceased
Banca Akros S.p.A.	Alternate Auditor	Ceased
Banca Popolare di Milano	Member of the Supervisory Board	Ceased
Banco BPM S.p.A.	Member of the Board of Statutory Auditors	Ceased
Biancamano S.p.A.	Director	Ceased
Conceria Gaiera Giovanni S.p.A.	Director	Ceased
Lventure Group S.p.A.	Director	Ceased
Metal – Work S.p.A.	Standing Auditor	Ceased
Movibus S.p.A.	Standing Auditor	Ceased
Nova RE SIIQ S.p.A:	Director	Ceased
Prysmian S.p.A.	Standing Auditor	Ceased
SNAM S.p.A.	Standing Auditor	Ceased
Juventus Football Club S.p.A.	Standing Auditor	In office
Digital Value S.p.A.	Director	In office

## ANNEX 2

List of offices held by the members of the Board of Statutory Auditors of the Issuer in other joint-stock companies or partnerships in the last five years, with an indication of the status of the office and/or equity investment held at the date of the Report.

Name and surname	Company	Office	Status of the office
<b>Paolo Francesco Maria Lazzati</b>	Allemande S.r.l.	Sole Director	In office
	Ali Ophelia 1 S.r.l.	Standing Auditor	In office
	Ali Ophelia 2 S.r.l.	Standing Auditor	Ceased
	Ali 1 Dem S.r.l.	Chairperson of the Board of Statutory Auditors	In office
	Ali 2 Dem S.r.l.	Standing Auditor	In office
	Ali 3 Dem S.r.l.	Standing Auditor	In office
	Andegari S.r.l.	Standing Auditor	In office
	Antonio Cerruti & C. S.r.l.	Independent Auditor	In office
	Amici di Brera Association	Independent Auditor	In office
	Milano Musica Association	Director	In office
	Bina S.r.l.	Chief Executive Officer	In office
	Bloomfleet S.r.l.	Chairperson of the Board of Statutory Auditors	In office
	C.B.G. Acciai S.p.A.	Standing Auditor	In office
	Castel Mac S.p.A.	Standing Auditor	Ceased
	Cieffe Derma S.r.l.	Standing Auditor	In office
	Civi Holding S.r.l.	Sole Auditor	In office
	Datlas S.r.l.	Chairperson of the Board of Statutory Auditors	In office
	Davide S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Depobank S.p.A.	Standing Auditor	Ceased
	Digital Tags Italy S.r.l.	Standing Auditor	In office
	Diguel S.r.l.	Standing Auditor	In office
	Effe 2005 Gruppo Feltrinelli S.p.A.	Chairperson of the Board of Statutory Auditors	Ceased
	Elesa S.p.A.	Standing Auditor	In office
	Emmeeffe Libri S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Eve S.p.A.	Standing Auditor	In office
	Fattore Italia S.r.l.	Sole Auditor	In office
	Feltrinelli S.p.A.	Chairperson of the Board of Statutory Auditors	In office

FGF Servizi – Società Benefit S.r.l.	Sole Director	In office
Fidia Holding S.p.A.	Chairperson of the Board of Statutory Auditors	In office
Finaval S.p.A.	Chairperson of the Board of Statutory Auditors	In office
Finlibri S.r.l.	Standing Auditor	In office
Finnapo S.r.l.	Chief Executive Officer	In office
Finpol S.p.A.	Chairperson of the Board of Statutory Auditors	In office
Claudio Abbado Foundation	Chairperson of the Board of Directors	In office
Hangar Bicocca Foundation	Independent Auditor	In office
Fondazione I.R.C.C.S. Istituto Neurologico Carlo Besta	Director	In office
Mariani Care Onlus Foundation	Director	In office
F2i Healthcare S.p.A.	Standing Auditor	In office
Generalfinance S.p.A.	Chairperson of the Board of Statutory Auditors	In office
Giangiaco Feltrinelli editore S.r.l.	Chairperson of the Board of Statutory Auditors	In office
Ginese Holding S.r.l.	Sole Auditor	In office
Gorani Sviluppo S.r.l.	Sole Director	In office
Holden S.r.l.	Chairperson of the Board of Statutory Auditors	In office
Immobiliare Mongesu S.r.l.	Chief Executive Officer	In office
Kyip Capital SGR S.p.A.	Chairperson of the Board of Statutory Auditors	In office
K-now S.r.l.	Sole Auditor	In office
Lab id S.r.l.	Sole Auditor	In office
La Feltrinelli Internet Bookshop S.r.l. a socio unico	Standing Auditor	In office
Lafeltrinelli RED S.p.A.	Chairperson of the Board of Statutory Auditors	In office
Lanificio F.lli Cerruti S.p.A.	Standing Auditor	Ceased
Il Lanificio Retail S.r.l.	Standing Auditor	In office
Immobiliare San Marco S.r.l.	Sole Auditor	In office
LR Advisory S.r.l.	Director and Partner	In office
Macplast S.p.A.	Chairperson of the Board of Statutory Auditors	In office
Marsilio Editori S.p.A.	Chairperson of the Board of Statutory Auditors	In office
Novamont S.p.A.	Standing Auditor	Ceased
Orchestra Filarmonica della Scala	Independent Auditor	In office
Passacaglia S.r.l.	Sole Director	In office
Pirelli Industrie Pneumatici S.r.l.	Chairperson of the Board of Statutory Auditors	In office
Pro juvara S.r.l.	Sole Director	In office



	Prysmian Cavi e Sistemi S.r.l.	Standing Auditor	In office
	Prysmian Powerlink S.r.l.	Chairperson of the Board of Statutory Auditors	In office
	Prysmian S.p.A.	Standing Auditor	Ceased
	Prysmian Servizi S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Racla Holding S.p.A.	Standing Auditor	In office
	Rocksoil S.p.A.	Director	In office
	Rome University of Fine Arts S.r.l.	Chairperson of the Board of Statutory Auditors	In office
	Saint Louis Music Centre S.r.l.	Chairperson of the Board of Statutory Auditors	In office
	Selecta Digital S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Selecta Industrial Operations S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Sicer S.p.A.	Standing Auditor	In office
	Sofid S.p.A.	Sole Director	In office
	Stereo Online S.r.l.	Standing Auditor	In office
	The Student World S.r.l.	Standing Auditor	In office
	Wall-e S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Camfin S.p.A.	Standing Auditor	Ceased
	Camfin Industrial S.p.A.	Standing Auditor	Ceased
	Cifa S.p.A.	Standing Auditor	Ceased
	Edigita S.r.l.	Standing Auditor	Ceased
	Effe TV S.r.l.	Standing Auditor	Ceased
	Elle Servizi S.r.l. (ora LB Servizi S.r.l.)	Partner	Ceased
	Prelios Integra S.p.A.	Standing Auditor	Ceased
	Prelios Valuation & E-Services S.p.A.	Chairperson of the Board of Statutory Auditors	Ceased
	Prelios Agency S.p.A.	Chairperson of the Board of Statutory Auditors	Ceased
	Stone S.r.l. in liquidazione	Partner	Ceased
<b>Marco Carrelli</b>	Advini Italia S.p.A.	Standing Auditor	In office
	Airaga rubinetterie S.p.A.	Alternate Auditor	In office
	Allsystem S.p.A.	Standing Auditor	In office
	Allsystem 1 S.r.l.	Chairperson of the Board of Statutory Auditors	In office
	Cassani S.p.A.	Standing Auditor	In office
	Edilnol S.p.A.	Standing Auditor	Ceased
	GGH – Gruppo General Holding S.r.l.	Alternate Auditor	In office
	Collina dei Ciliegi Invest S.p.A.	Standing Auditor	In office

	M.c.m. S.r.l.	Independent auditor	Ceased
	Società cooperativa sociale xenia S.r.l.	Standing Auditor	In office
	Studio Sidro Benigno	Partner	In office
<b>Maria Enrica Spinardi</b>	Atla S.r.l.	Standing Auditor	In office
	Comset S.r.l.	Standing Auditor	In office
	Cordusio Fiduciaria S.p.A.	Standing Auditor	In office
	Empha S.p.A.	Standing Auditor	In office
	Facem S.p.A.	Standing Auditor	In office
	F.T.S. S.p.A.	Standing Auditor	In office
	G.G. Family Group S.r.l.	Standing Auditor	In office
	Hexagon Metrology S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Jakinality S.r.l.	Standing Auditor	In office
	Soffieria Bertolini S.p.A.	Standing Auditor	In office
	Sphere Italia S.p.A.	Standing Auditor	In office
	Unicredit Services S.c.p.A.	Standing Auditor	In office
	Webasto S.p.A.	Standing Auditor	In office
	Asics Italia S.r.l.	Sole Auditor	Ceased
	Cassa di Risparmio di Orvieto S.p.A	Director	Ceased
	Cristina S.r.l.	Standing Auditor	Ceased
	Cuki Cofresco S.r.l.	Alternate Auditor	Ceased
	R.D.Z. S.p.A.	Standing Auditor	Ceased
Unicredit S.p.A.	Standing Auditor	Ceased	
<b>Andrea di Giuseppe Cafà</b>	Caimi International S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Carbopress S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	CRG S.r.l.	Sole Auditor	In office
	Elemento Sei S.r.l.	Sole Auditor	In office
	EOS S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	Immobiliare Mateco S.p.A.	Standing Auditor	In office
	Mateco S.p.A.	Standing Auditor	In office
	MGGR Sciences S.r.l.	Sole Auditor	In office
	Saw S.r.l.	Sole Auditor	In office
	Sigma Trans International S.p.A.	Chairperson of the Board of Statutory Auditors	In office
	T.F.T. - Tintoria Finissaggio Tulli S.p.A.	Chairperson of the Board of Statutory Auditors	In office

	Atomo Italia S.r.l.	Chairperson of the Board of Statutory Auditors	Ceased
	Bibo S.r.l. in liquidazione (in liquidation)	Liquidator	Ceased
	Chimar S.p.A.	Chairperson of the Board of Statutory Auditors	Ceased
	DAF Costruzioni Stradali S.r.l.	Standing Auditor	Ceased
	Fondazione 2015	Director	Ceased
	Italian Trust Company S.r.l.	Sole Director	Ceased
	Le Tecnologie Future S.r.l.	Sole Director	Ceased
	POSCO-ITPC S.p.A.	Standing Auditor	Ceased
	PSG Holding S.p.A.	Chairperson of the Board of Statutory Auditors	Ceased
	Lloyd & Moore S.r.l.	Partner	In office
	Mediabit S.a.s.	Partner	In office
	Taste The Soul S.r.l.	Partner	In office
	Gli esperti dell'impresa S.r.l.	Partner	Ceased
	Italian Trust Company S.r.l.	Partner	Ceased
	Studio Mazzocchi e Associati S.a.s.	Partner	Ceased
<b>Luca Zambanini</b>	AMC Vini S.p.A. (ex Advini Italia S.p.A.)	Alternate Auditor	In office
	Aurea Filcosa S.r.l.	Chairperson of the Board of Statutory Auditors	In office
	Bernero – Barazzotto S.r.l.	Chief Executive Officer	In office
	Beta S.p.A.	Standing Auditor	In office
	DI.VE' S.p.A.	Standing Auditor	In office
	F2 S.r.l.	Standing Auditor	In office
	Fergo S.r.l.	Standing Auditor	In office
	Filatura Fontanella S.p.A. in liquidazione (in liquidation)	Alternate Auditor	In office
	Fratelli Fila S.p.A.	Standing Auditor	In office
	GGH – Gruppo General Holding S.r.l.	Standing Auditor	In office
	La Collina dei Ciliegi Invest S.p.A.	Alternate Auditor	In office
	Lanificio Fratelli Fila S.p.A.	Standing Auditor	In office
	Lanificio Luigi Botto S.p.A.	Standing Auditor	In office
	Lanificio Luigi Colombo S.p.A.	Standing Auditor	In office
	Mascioni S.p.A.	Alternate Auditor	In office
	Newport S.p.A.	Standing Auditor	In office
	Officine Delpiano di Delpiano Emiliaco & C. S.n.c.	Bankruptcy Trustee	In office
	Officine Gaudino S.p.A.	Standing Auditor	In office

Sacma S.p.A.	Alternate Auditor	In office
Samar S.r.l.	Standing Auditor	In office
Sibeba S.r.l.	Chairperson of the Board of Directors and Chief Executive Officer	In office
Areg S.r.l.	Alternate Auditor	Ceased
Fides Pharma S.r.l.	Alternate Auditor	Ceased
Filatura Cervinia S.p.A.	Alternate Auditor	Ceased
Gerfin S.r.l.	Alternate Auditor	Ceased
I.R.B. – Istituto di Ricerche Biotechnologiche S.p.A.	Standing Auditor	Ceased
Sipiem S.r.l. in liquidazione (in liquidation)	Alternate Auditor	Ceased
Area S.r.l.	Partner	In office
Bernero – Barazzotto S.r.l.	Partner	In office
Ferribiella S.p.A.	Alternate Auditor	In office

## ANNEX 3

### Delegated Powers

#### DUTIES AND RESPONSIBILITIES ENVISAGED BY BANK OF ITALY CIRCULAR NO. 288 OF 3 APRIL 2015 FOR THE “*BODY WITH MANAGEMENT FUNCTION*”

to assign to the Chief Executive Officer the **duties and responsibilities envisaged by Bank of Italy Circular no. 288 of 3 April 2015 for the “*Body with management function*”**, granting him/her all the powers necessary for the proper execution of the same, specifying that, within the scope of the mandate received, he/she is placed at the head of the executive and is responsible for the implementation of the programs and resolutions of the Board of Directors, is responsible for their execution with the powers, responsibilities and powers determined by the Board itself, ensuring effective management, proper functioning and coordination of all organisational units.

He/she is responsible for the functionality of the internal control system and oversees the functions related to internal, intragroup and external corporate information.

As a body with management functions, the Chief Executive Officer is assigned the following responsibilities:

- directing and coordinating the various company components, in order to achieve the objectives for the period defined by the Board of Directors, to which it reports directly, and planning corrective actions in the event of an unsatisfactory result;
- executing the resolutions passed by the Board of Directors;
- keeping the Board of Directors informed of internal and external events and issues relevant to the life of the company;
- developing medium/long-term strategic planning, in line with the provisions of the Board of Directors;
- maintaining relations with the main institutions outside the company, as well as entertain qualifying relationships with the reference market and with the environment in which the company operates;
- proposing the draft annual financial statements to the Board of Directors;
- promoting a corporate culture that enhances the control functions at all levels, informing the organisational structure - through the appropriate communication channels - the objectives and policies that the Company intends to pursue on these issues, in line with the pre-chosen risk appetite, ensuring that these objectives and policies are applied at company level;
- coordinating the performance of all company activities, ensuring the proper functioning of the organisational units and controlling, through the company control functions, the regularity of operation, also in light of changes in the internal and external conditions in which the company operates;
- issuing - according to the methods and within the limits established by the Board of Directors - the appropriate instructions, in order to better manage the liquidity position and the proprietary securities portfolio;
- ensuring the existence of effective internal controls and a constant and detailed reporting process (by the operating structures) that enables the Chief Executive Officer to assess the company's positioning in terms of risk;
- bringing to the attention of the Board of Directors possible improvements to risk management policies, measurement tools and procedures;
- formulating to the Board of Directors proposals for changes to the organisational structure consistent with the pursuit of the strategies and objectives resolved, with the aim of creating a corporate structure capable of reacting flexibly to the demands of the market and the environment, capable of consistently supporting the various strategies adopted;
- defining the policies regarding the planning, training and management of the human resources present;
- identifying and assessing, with the collaboration of the corporate control functions, also on the basis of operating trends and deviations from forecasts, the factors that may give rise to risks;
- defining the resources and the organizational chart, including any functional changes in compliance with company needs (based on the objectives established or for the creation of new services, etc.);
- defining the tasks and responsibilities of each Department into which the organisational structure is divided, ensuring that the various activities are directed by qualified personnel with experience and technical knowledge (training, recording of the professional path including assessment services aimed at rewards and incentives or other actions in favour of personnel and analysis of expectations), taking into account that in this context areas of potential conflict of interest must be identified and reduced to a minimum;
- activating effective communication channels in order to ensure that all personnel are aware of the policies and procedures relating to their duties and responsibilities;
- defining information flows aimed at ensuring that the Board of Directors is fully aware of and governable by company events;

- assessing the quality, efficiency and effectiveness of the performance of the outsourced functions, in relation to professional standards and on the basis of the service contract stipulated;
- implementing the ICAAP process, ensuring that it complies with the strategic guidelines and meets the following requirements: consider all relevant risks; incorporate forward-looking assessments; use appropriate methodologies; is known and shared by the internal structures; is adequately formalised and documented; identifies the roles and responsibilities assigned to the company functions and structures; is entrusted to qualitatively-quantitatively adequate resources with the necessary authority to ensure the planning is respected; is an integral part of management activities;
- preparing the measures necessary to ensure the establishment and maintenance of an efficient and effective internal control system. In particular:
  - guaranteeing effective management of company operations and the risks to which the Company is exposed, defining adequate control procedures;
  - verifying the functionality, effectiveness and efficiency of the internal control system, adjusting it in light of the evolution of operations;
  - ensuring that the various internal control functions are managed by qualified personnel in relation to the activities to be carried out;
- defining the channels for communicating to all personnel the procedures relating to their duties and responsibilities;
- executing the company policy directives and the resolutions of the Board of Directors, supervising the performance of the Company in order to achieve the corporate purposes;
- taking care of everything necessary to comply with legal and regulatory obligations, also deriving from sector regulations, to which the Company is subject in relation to its legal nature, qualification, size, structure, organisation and activity carried out;
- submitting the annual budget and the long-term plans to the Board of Directors;
- formulating proposals to the Board of Directors regarding: the allocation of funds to the financial statements, reporting on the use of the funds; the guidelines of the annual budget and multi-year plans; the development projects of the Company's activities, including the diversification of products, customers and/or services.

#### OTHER POWERS

- unilaterally modifying, in the contracts entered into by the Company with its customers, and in execution of a specific contractual clause, the contractual conditions pursuant to Article 118 of the TUB;
- investing and disinvesting in short-term financial instruments the liquidity available for transactions up to EUR 10 (ten) million, negotiating, stipulating, modifying, selling and terminating contracts as well as the relative documentation;
- proceeding with the purchase, sale, exchange and carrying out any other instrument on securities for the investment of the Company's cash for nominal amounts up to EUR 10 (ten) million;
- negotiating, stipulating, amending, assigning and terminating credit line agreements, loans of any type and duration that involve the assumption of bank debts and financial commitments for a maximum amount of EUR 50 (fifty) million for each transaction;
- ordering bank transfers and issuing payment orders on mandates, drafts, bank receipts or other securities issued by the company from the current accounts of the company, issuing cheques on current accounts receivable and payable or bank drafts always bearing the non-transferability clause within the scope of available funds;
- authorising expenses relating to the management and administration of the Company up to EUR 2 (two) million (including VAT) per single contract/order with an annual duration and, to this end, signing each agreement/order/commitment with suppliers;
- making payments with prohibition to carry out passive transactions beyond the limits of the credit lines granted;
- opening and closing deposits, current accounts and bank and postal securities dossiers of all kinds;
- carry out bank transfers and fund transfers on accounts and securities dossiers of the Company without amount limits;
- authorising the collection of sums due from any company, natural or legal person, as well as from State Administrations or from Public and Private Entities;
- within the maximum limit of EUR 500,000 (five hundred thousand) included per transaction, formulating and accepting settlement proposals;
- signing agreements with banks and financial intermediaries;
- hiring, promoting, dismissing employees, adopting disciplinary sanctions and any other measure against them, without prejudice to the limitations envisaged by the regulations in force from time to time;
- dealing with and defining all issues, including contractual ones, concerning employees, fulfilling all related formalities, including with regard to transactions;
- discussing and defining, with regard to personnel, changes in working hours;
- as Employer, organising and coordinating the Prevention and Protection Service, appointing internal or external parties (RSPP, RSL, Supervisors, Employees, consultants, etc.) and fulfilling all the obligations envisaged by the legislation on protection of the health and safety of workers (Legislative Decree no. 81/2008), with the right to spend within the limits set by the annual budget or, in the event of unforeseen and urgent expenses, even beyond these limits, providing prompt and justified communications to the Board of Directors;

- as Data Controller, organising and fulfilling all the obligations envisaged by the legislation on the protection of personal data (Legislative Decree no. 196 of 30 June 2003, as supplemented and amended by Regulation (EU) 2016/679) with the right to spend within the limits set by the annual budget or, in the event of unforeseen and urgent expenses, even beyond these limits, providing prompt and justified communications to the Board of Directors;
- maintaining relations and signing ordinary correspondence with the Supervisory Authorities;
- in execution of the resolutions of the Board of Directors, negotiating, stipulating, amending and terminating contracts relating to the outsourcing of corporate functions;
- in execution of the resolutions of the Board of Directors, negotiating, stipulating, amending and terminating contracts pertaining to the extraordinary management of properties;
- negotiating and signing contracts and agreements for the purchase and exploitation of advertising space, promotional and marketing campaigns;
- authorising the granting of charitable donations to third parties (legal persons pursuing social utility purposes; public institutions or foundations that carry out non-profit activities with social utility purposes; NPOs and non-profit associations pursuing purposes of social utility; parishes and moral or religious entities)
- granting and revoking powers of attorney or proxies to the managers of the company departments or to other employees of the Company.

#### **MATTERS RESERVED TO THE EXCLUSIVE COMPETENCE OF THE BOARD OF DIRECTORS**

In addition to the matters that cannot be delegated by law and by the Articles of Association, the following decisions remain **reserved to the exclusive competence of the Board of Directors**:

- (i) proposals, to be submitted to the Shareholders' Meeting, concerning: amendments to the Articles of Association (other than those of mere adaptation to legislative and regulatory provisions and/or implementation of specific requests formulated by the Supervisory Authority); mergers, demergers, voluntary liquidation of the Company; increases or decreases in share capital (with the exclusion of cases mandatorily required by law), also linked to the adoption of stock option plans in favour of directors or employees of the Company; issue of bonds or convertible warrants;
- (ii) amendments to the Filed Business Plan, as well as approval and / or amendment of strategic plans of the Company;
- (iii) purchase, subscription or sale of business units, shareholdings or other interests of any kind, in companies, entities or businesses for a consideration exceeding EUR 500,000.00 (five hundred thousand/00) per individual transaction, meaning also the net financial position to be included in this amount - calculated in relation to the equity investment subscribed, acquired or sold;
- (iv) granting or review of any credit line for amounts exceeding the powers of the Credit Committee;
- (v) appointment of the general manager and determination of his/her remuneration;
- (vi) the approval and amendment of any stock option plan and/or stock grant to management or other beneficiaries;
- (vii) decisions regarding the dividend policy to be submitted to the Shareholders' Meeting;
- (viii) attribution of powers to managing directors;
- (ix) resolutions regarding the decision to start listing processes, the determination of the placement price of the ordinary shares of the Company subject to IPO and the appointment of advisors;

#### **ACTIVE AND PASSIVE JUDICIAL REPRESENTATION**

Pursuant to Article 21 of the Articles of Association, the Chief Executive Officer is also assigned, separately from the Chairperson of the Board of Directors, the active and passive judicial representation of the company at every stage and degree of jurisdiction, within the limits of the powers granted to him/her.

## TABLE 1

### INFORMATION ON THE OWNERSHIP STRUCTURE

Share capital structure				
	No. of shares	No. of voting rights	Listed/unlisted	Rights and obligations
Ordinary shares	12,635,066	19,865,207	Listed	Ordinary by law <sup>(4)</sup>
Preference shares	0	0	-	-
Multiple voting shares	0	0	-	-
Other categories of shares with voting rights	0	0	-	-
Savings shares	0	0	-	-
Convertible savings shares	0	0	-	-
Other categories of shares without voting rights	0	0	-	-
Other	-	-	-	-

Other financial instruments (attributing the right to subscribe newly issued shares)				
	Listed (indicate the markets)/unlisted	No. of instruments in circulation	Category of shares for conversion/exercise	No. of shares for conversion/exercise
Convertible bonds	-	-	-	-
Warrants	-	-	-	-

Significant equity investments <sup>(5)</sup>				
Declarant	Direct shareholder	% Share of ordinary capital	% of voting capital	
-	GGH – Gruppo General Holding S.r.l.	41.37% <sup>(6)</sup>	52.63%	
-	Crédit Agricole Italia S.p.A.	16.28%	20.44%	
-	First 4 Progress S.p.A.	4.90%	3.12%	

4 On the possibility of obtaining the increased voting rights due on the shares, see Section 2, letter "d" of this Report.

5 As at the date of this Report.

6 It should be noted that, at the date of approval of the Report, GGH pledged 423,922 shares of Generalfinance in favour of Crédit Agricole Italia and another pledge on 1,263,900 shares of Generalfinance in favour of Banca Nazionale del Lavoro S.p.A. In both pledges, GGH retained the voting right, in both ordinary and extraordinary shareholders' meetings, as with the right to receive any sum due from Generalfinance in relation to the shares encumbered by the pledge. For more information, please refer to chapter 2, letter "a" (Share capital structure (pursuant to Article 123-bis, paragraph 1, letter a), of the TUF).



## TABLE 2

### STRUCTURE OF THE BOARD OF DIRECTORS

Office	Members	Year of birth	Date of first appointment <sup>(7)</sup>	In office since	In office until	List (presenters) <sup>(8)</sup>	List (M/m) <sup>(9)</sup>	Exec.	Non-exec.	Indep. Code	Indep. TUF	N.other assignments <sup>(10)</sup>	attendance <sup>(11)</sup>
Chairperson	Maurizio Dallochio	1958	21/06/2021	29/06/2022	Appr. financial statements as at 31/12/2024	N/A	N/A		X	X	X	18	21/25
Deputy Chairperson	Mauro Selvetti	1960	08/03/2022	29/06/2022	Appr. financial statements as at 31/12/2024	N/A	N/A		X	<sup>(12)</sup>	X	1	8/8
Chief Executive Officer <sup>(13)</sup>	Massimo Gianolli	1966	23/10/1990	29/06/2022	Appr. financial statements as at 31/12/2024	N/A	N/A	X				7	24/25
Director	Rino Antonucci	1972	08/03/2022	29/06/2022	Appr. financial statements as at 31/12/2024	N/A	N/A		X			0	8/8
Director	Marta Bavasso	1969	29/06/2022	29/06/2022	Appr. financial statements as at 31/12/2022	N/A	N/A		X	X	X	2	8/8
Director	Elena Ciotti	1972	08/03/2022	29/06/2022	Appr. financial statements as at 31/12/2024	N/A	N/A		X			2	8/8
Director	Annalisa Raffaella	1966	08/03/2022	29/06/2022	Appr. financial	N/A	N/A		X	X	X	8	8/8

7 The date of first appointment of each director means the date on which the director was appointed for the first time (ever) to the Company's Board of Directors.

8 This column indicates whether the list from which each director was drawn was submitted by shareholders (indicating "Shareholders") or by the BoD (indicating "BoD").

9 This column indicates whether the list from which each director was drawn is "majority" (indicating "M"), or "minority" (indicating "m").

10 This column indicates the number of offices of director or statutory auditor held by the person concerned in other listed or large companies. In the Report on corporate governance, the offices are indicated in full.

11 This column indicates the attendance of the directors at the meetings of the Board of Directors (number of meetings attended with respect to the total number of meetings which could have been attended; e.g. 6/8; 8/8 etc.).

12 Director who acquired independence pursuant to the Corporate Governance Code after the end of the 2022 financial year.

13 Director in charge of the internal control and risk management system.

	Donesana				statements as at 31/12/2024								
<b>Director</b>	Leonardo Luca Etro	1978	18/10/2018	29/06/2022	Appr. financial statements as at 31/12/2024	N/A	N/A		X		X	8	24/25
<b>Director</b>	Maria Luisa Mosconi	1962	04/11/2015 <sup>(14)</sup>	29/06/2022	Appr. financial statements as at 31/12/2024	N/A	N/A		X	X	X	13	8/8
<b>Director</b>	Federica Casalvolone	1971	08/03/2022 <sup>(15)</sup>	29/06/2022	29/06/2022	N/A	N/A	N/A	N/A	N/A	N/A	64	=
<b>Director</b>	Bruno Messina	1960	25/06/2019 <sup>(16)</sup>	24/03/2020	29/06/2022	N/A	N/A	N/A	N/A	N/A	N/A	0	11/17
<b>Director</b>	Alberto Angelo Landoni	1965	29/06/2017	24/03/2020	29/06/2022	N/A	N/A	N/A	N/A	N/A	N/A	0	15/17
Number of meetings held during the reference year: 9 (of which 6 after the admission to trading of the Company's ordinary shares on the Euronext STAR Milan Segment)													
Indicate the quorum required for the presentation of lists by minorities for the election of one or more members (pursuant to Article 148 of the TUF): 2.5% of the share capital													

14 Maria Luisa Mosconi held the position of Director of the Issuer from 4 November 2015 to 3 December 2015.

15 It should be noted that Federica Casalvolone was appointed by the shareholders' meeting of 8 March 2022 with deferred effect to the Trading Start Date (as were all the directors and statutory auditors appointed on that occasion) and that she has resigned her his resignation before taking office

16 Dr. Messina was appointed, by co-optation, by the Board of Directors on 06/25/2019, to replace another director. He was re-appointed by the Assembly of 03/24/2020.

## TABLE 3

### STRUCTURE OF THE BOARD COMMITTEES <sup>(17)</sup>

BoD		Appointments and Remuneration Committee		Control, Risk and Sustainability Committee:	
Position/Qualification	Members	(*)	(**)	(*)	(**)
Chairperson	Maurizio Dallochio	N/A		N/A	
Deputy Chairperson	Mauro Selvetti	3/3	M	4/4	M
Chief Executive Officer	Massimo Gianoli	N/A		N/A	
Director	Rino Antonucci	N/A		N/A	
Director	Marta Bavasso	N/A		N/A	
Director	Elena Ciotti	N/A		N/A	
Director	Annalisa Raffaella Donesana	3/3	M	4/4	M
Director	Leonardo Luca Etro	N/A		N/A	
Director	Maria Luisa Mosconi	3/3	C	4/4	C
<b>DIRECTORS CEASED DURING THE FINANCIAL YEAR</b>					
Director	= =	0	0	0	0
<b>ANY MEMBERS WHO ARE NOT ADMINISTRATORS</b>					
Issuer Executive / other	= =	0	0	0	0
Number of meetings held during the reference year		C.R.N.: 3		C.C.R.S.: 4	

(\*) This column indicates the attendance of the directors in the meetings of the committees (indicate the number of meetings attended with respect to the total number of meetings that could have been attended; e.g. 6/8; 8/8 etc.).

(\*\*) This column indicates the position of the director within the committee: "C": Chairperson; "M": member.

17 It should be noted that the Board Committees were established by resolution of the Board of Directors on 9 May 2022, which became effective on the Trading Start Date. The first meeting of the Board Committees was held on 15 July 2022, for the Appointments and Remuneration Committee and on 2 August 2022, for the Control, Risk and Sustainability Committee.

## TABLE 4

### STRUCTURE OF THE BOARD OF STATUTORY AUDITORS AT THE END OF THE YEAR

Office	Members	Year of birth	Date of first appointment (*)	In office since	In office until	List (M/m) (**)	Indep. Code	N.other assignments (***)	attendance (****)
Chairperson	Paolo Francesco Maria Lazzati	1958	29/06/2017	29/06/2022	Appr. financial statements as at 31/12/2024	N/A	X	67	9/9
Standing Auditor	Marco Carrelli	1985	08/03/2022	29/06/2022	Appr. financial statements as at 31/12/2024	N/A	X	9	6/6
Standing Auditor	Maria Enrica Spinardi	1960	08/03/2022	29/06/2022	Appr. financial statements as at 31/12/2024	N/A	X	13	6/6
Alternate Auditor	Andrea di Giuseppe Cafà	1970	24/03/2020	29/06/2022	Appr. financial statements as at 31/12/2024	N/A	X	14	0
Alternate Auditor	Luca Zambanini	1974	24/03/2020	29/06/2022	Appr. financial statements as at 31/12/2024	N/A	X	22	0
Standing Auditor	Federica Casalvolone	1971	18/12/2003 <sup>(18)</sup>	08/07/2004	29/06/2022	N/A	X	64	3/3
Standing Auditor	Andrea Di Giuseppe Cafà	1970	24/03/2020	24/03/2020	29/06/2022	N/A	X	14	3/3
Number of meetings held during the reference year: 9 (of which 6 after the admission to trading of the Company's ordinary shares on the Euronext STAR Milan Segment)									
Indicate the quorum required for the presentation of lists by minorities for the election of one or more members (pursuant to Article 148 of the TUF): 2.5% of the share capital									

(\*) The date of first appointment of each statutory auditor means the date on which the statutory auditor was appointed for the first time (ever) to the Board of Statutory Auditors of the Company.

(\*\*) This column indicates whether the list from which each auditor was drawn is "majority" (indicating "M"), or "minority" (indicating "m").

(\*\*\*) This column indicates the number of offices of director or statutory auditor held by the person concerned pursuant to art. 148-bis TUF and the related implementing provisions contained in the Consob Issuers' Regulation. The complete list of offices is published by Consob on its website pursuant to art. 144-quinquiesdecies of the Consob Issuers Regulation.

(\*\*\*\*) This column indicates the attendance of the statutory auditors at the meetings of the Board of Statutory Auditors (indicate the number of meetings attended with respect to the total number of meetings which could have been attended, e.g. 6/8; 8/8 etc.).

<sup>18</sup> To the office of alternate auditor. Federica Casalvolone held the office of Statutory Auditor from 8 July 2004 until the Trading Start Date.