

**Reasoned proposal of the Board of Statutory Auditors  
to the Shareholders' Meeting of Banca IFIS S.p.A.**

**increase of the statutory audit fee for the 2021 financial statements**

Dear Shareholders,

The current legislation on auditing requires that the appointment of the Independent Auditors be submitted to the approval of the Shareholders' Meeting, on a justified proposal by the Control Body. Therefore, any change in the fees for the auditing of accounts follows the same procedure.

Below we bring to your attention the increase in remuneration requested by EY in relation to the activities carried out on the 2021 financial statements, per the proposal contained in the "Illustrative report of the Board of Directors regarding the items on the agenda of the Ordinary Shareholders' Meeting convened for 28 April 2022 in a single call".

On 17 March 2022 a request was received from EY for a supplement to its fee as a result of increased activities carried out in connection with the audit of the financial statements for 2021.

The Board of Statutory Auditors considered this request at its 22 March 2022 meeting.

At that meeting, the Board examined the circumstances that gave rise to the request by the independent auditors to supplement the fee, which can be summarised as follows:

- additional services carried out in auditing the consolidated financial statements in light of the different scope of consolidation compared to the original Proposal, as well as the activities performed to verify the goodwill recorded in the consolidated financial statements. This situation required the Independent Auditors to carry out specific additional activities aimed at verifying the consolidation process of the various entities belonging to the group, in addition to involving specialist colleagues for the checks connected with the impairment test. This circumstance led to increased audit activities quantifiable at about 160 hours;
- following the completion of the acquisition of the Aigis business during the 2021 financial year, the reference accounting standard IFRS 3 was applied when accounting for extraordinary transactions in the Bank's consolidated financial statements, entailing the application of the acquisition method as required by this Standard. As a result of this extraordinary event, specific activities were carried out by the audit team and the teams of EY specialists in this area, including some high seniority personnel, regarding the value of the purchase price, the purchase price allocation and any difference in the fair value of the assets and liabilities acquired compared to their book value, in order to verify the purchase price allocation process carried out by the Bank, as well as the consistent accounting representation in the consolidated financial statements as at 31 December 2021. This circumstance led to increased audit activities quantifiable in about 125 hours;
- activities connected with proprietary finance (which had not been taken into account in the preparation of the Proposal): this situation required the auditors to carry out specific additional activities aimed at verifying that the systems and processes used by the Bank were adequate for its operations, with the involvement of EY teams of specialists in the field (especially the members with the greatest professional experience). This circumstance led to increased audit activities quantifiable at about 100 hours.

The requested additional fee of 35,000 euros, corresponding to 385 hours, comes to around 6.6% in terms of the increase in fees and 5.2% in terms of hours compared to the total fees for the Banca IFIS Group in 2021.

The Board of Statutory Auditors examined the requests made by the Independent Auditors and also acquired the positive assessments made by the competent corporate structures of Banca IFIS which, in turn, discussed the terms, including economic terms, of the fee increases requested with the Independent Auditors' managers.

The Board of Statutory Auditors discussed the appropriateness of the requests for additional fees by the Independent Auditors with the Finance Department, taking into account the increased activities carried out for the audit of the financial statements for the year 2021 and the reasonableness of the contents.

Considering the reasons adequately presented, on the basis of the analyses carried out and the opinions acquired, the Board expressed a favourable opinion.

Upon completion of the above assessments, the Board of Statutory Auditors submits to the Shareholders' Meeting the proposal to accept the request for an increase in the remuneration for the greater activities carried out with regard to the financial statements for the year 2021.

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Dear Shareholders,

You are therefore invited to pass a resolution on the proposal to increase the remuneration for the greater activities carried out with regard to the financial statements for the year 2021. The Board of Statutory Auditors invites you to pass the following resolution:

*"The Shareholders' Meeting of Banca IFIS, having examined the reasoned proposal of the Board of Statutory Auditors containing the terms of the proposal of the aforesaid auditing firm and formulated on the basis of the positive assessments made by the competent corporate structures of Banca IFIS S.p.a.;*

*resolves*

- A) to accept the request for an increase in fees for the additional activities carried out with regard to the financial statements for the year 2021 by the independent auditors EY S.p.a. and to pay them the additional fee of 35,000 euros;*
- B) to grant the Chairman of the Board of Directors and the Chief Executive Officer, separately between them, the widest powers to implement this resolution."*

Venice, 22 March 2022

for the Board of Statutory  
Auditors  
The Chairman

Giacomo Bugna