

# PROCESS FOR SELECTING CANDIDATES FOR MEMBERSHIP OF THE BOARD OF DIRECTORS

ANNEX B TO REGULATIONS OF THE  
CORPORATE BODIES OF FINECOBANK S.P.A.  
Board of Directors  
Board of Statutory Auditors

This is an English translation of the original Italian document.  
The original version in Italian takes precedence.

## 1. Introduction

In order to adopt the highest market standards, and based on the principles of efficiency and transparency, FinecoBank has approved the process to regulate the selection of candidates for the position of member of the Bank's Board of Directors, by the board itself (the "**Selection Process**").

In particular, the selection process applies to cases in which:

- (i) the Board decides to submit a list of candidates to the Shareholders' Meeting;
- (ii) the Board is asked to substitute one or more directors in accordance with Art. 2386 Italian Civil Code;
- (iii) when publishing the quali-quantitative profiles on its website, the Board identifies possible names for the position of Director.

The Process also applies to the selection of candidates for the position of Chairman and Chief Executive Officer.

In the context of the selection process, the Nomination Committee, as required by the applicable laws and regulations, plays a central role and assists the Board of Directors in defining the roles and ability/experience and skills required for the position, and in identifying candidates for directorships.

## 2. People involved in the process

The Board of Directors:

- a. approves the process for selecting candidates for membership of the Board of Directors;
- b. approves the Quali-Quantitative Profile;
- c. identifies the profile of the candidates, appoints the directors who will replace the outgoing board members and identifies candidates for the position of director where lists are submitted by the board to the Shareholders' Meeting, or potential candidates for the position of director where quali-quantitative profiles are published on the website.

Nomination Committee:

- a. assists the Board of Directors in the various phases of the selection process;
- b. identifies the External Consultant on which the Committee Chairman confers the assignment;
- c. carries out the preliminary investigation for drafting of the Quali-Quantitative Profile;
- d. proposes the profile of ideal candidates and the proposed short list of candidates.

Chairman of the Nomination Committee: ensures that the methods with which the process is carried out are effective and consistent with the aims of the Selection Process itself.

The External Consultant is one or more companies that:

- a. supports the Nomination Committee in the drafting of the Quali-Quantitative Profile;
- b. collaborates in defining the profile of candidates to be sought;
- c. provides support for the search for potential candidates ("head hunting").

## 3. Phases of the process

The Process is divided into the following four steps:

- granting of the mandate to the External Consultant;
- definition of candidates' profile;
- search for candidates;
- nomination/preparation of the list/identification of the candidates.

### **3.1. Engagement of External Consultant**

The External Consultant, appointed by the Nomination Committee, must be identified from among leading corporate governance and/or head hunting advisory firms. The selection of this External Consultant must take into account his/their skills, the professional experience acquired by him/them in corporate governance, and the need to be neutral, objective and independent in judgement. To ensure that the process is fully transparent and effective, at least two firms must be considered for the selection process.

In urgent cases, the Nomination Committee may carry out the work of the External Consultant itself, without selecting any advisor.

### **3.2. Definition of candidates' profile**

If a list is submitted, or if the Board is called upon to replace one or more Directors pursuant to Art. 2386 of the Italian Civil Code, or if it is called upon to identify, upon publication of the Quali-Quantitative Profile on the website, the possible candidates it deems suitable to hold the office of Director, the Nomination Committee:

- takes into account the results:
  - of the most recent self-assessment in order to assess the necessary updates to the Board's Quali-Quantitative Profile, where required;
  - in the case of submission of the List, of the peer to peer assessment, in order to identify a selection criterion and constitute the shortlist of members in office to be reappointed;
- constructs the “skills matrix” of the Board in order to highlight those skills to be sought in order to achieve the Board's Quali-Quantitative Profile;
- defines the profile of the persons to be sought and formulate the proposal to be submitted to the Board of Directors for approval.

The Board of Directors approves the profile of the ideal candidate(s) to be sought.

### **3.3. Search for candidates and interviews**

The recruitment firm(s) draw up a long list of potential candidates who match the job description as approved by the Board of Directors and submit it to the Nomination Committee.

The Nomination Committee will select a short list and initiates individual interviews with each of the potential candidates.

After the interview stage, the Nomination Committee draws up a shortlist (or a single candidate in the case of co-option), based on the list prepared by the External Consultant. The shortlist will then be submitted to the Board of Directors.

### **3.4. Nomination/preparation of lists/identification of candidates**

The Nomination Committee will present the Board of Directors either with a list of candidates to be presented to the Shareholders' Meeting, or with a list of candidates considered appropriate for the position of director where the profiles are published on the website, or with the names of one or more candidates to replace one or more directors as required by Art. 2386 Italian Civil Code.

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