

REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING

(pursuant to Article 153 of Legislative Decree no. 58/1998)

Shareholders,

The Board of Statutory Auditors of BF S.p.A. (hereinafter also referred to as "BF" or "Company"), pursuant to Article 153 of Legislative Decree no. 58/1998 (hereinafter also "TUF", Consolidated Law on Finance), is called upon to report to the Shareholders' Meeting, called to approve the financial statements, on the supervisory activity performed during the financial year in the fulfilment of its duties, on any omissions and reprehensible facts found and on the results of the financial year. The Board of Statutory Auditors is also called upon to make proposals concerning the financial statements and approval thereof, as well as matters within its competence.

This report describes the activities carried out by the BF Board of Statutory Auditors during the financial year ended 31 December 2022.

Background, legislative, regulatory and deontological sources

The Board of Statutory Auditors in office at the date of this report was appointed by the Shareholders' Meeting of 28 May 2020 and is composed of Roberto Capone (Chair), Giovanni Frattini (Standing Auditor) and Silvia Passilongo (Standing Auditor).

The Board of Statutory Auditors was also entrusted with the task of the Supervisory Body pursuant to Legislative Decree no. 231/2001, with a term of office aligned with the term of office of the Board of Statutory Auditors, i.e. until the approval of the financial statements at 31 December 2022, in relation to which a separate annual report was submitted to the Board of Directors from which no critical issues emerged.

During the financial year ended 31 December 2022, the Board of Statutory Auditors carried out the supervisory activities required by law (and, in particular, by Article 149 of the TUF and Article 19 of Legislative Decree no. 39/2010), taking into account the principles of conduct recommended by the National Council of Chartered Accountants and Accounting Experts, the Consob provisions on corporate controls and the indications contained in the Corporate Governance Code.

Supervisory activities pursuant to Article 149 of the TUF

Pursuant to Article 149 of the TUF, the Board of Statutory Auditors supervises:

- compliance with the law and the articles of association;
- compliance with the principles of good management;
- the adequacy of the company's organisational structure for relevant issues, the internal control system and administrative and -accounting system and the latter's reliability in correctly representing management operations;
- the procedures for effective implementation of corporate governance rules in codes of conduct drawn up by management companies of regulated markets or by category associations, which the company, in public disclosures, declares to follow;
- the adequacy of instructions given by the company to subsidiaries pursuant to Article 114, paragraph 2 of the TUF.

Supervision of compliance with the law and the articles of association

The Board of Statutory Auditors acquired the information instrumental to the performance of the supervisory tasks assigned to it through participation in meetings of the Board of Directors and of the Board Committees, hearings of the Company and Group management, meetings with the statutory auditor, analysis of the information flows acquired from the competent corporate structures, as well as further control activities.

The supervisory activity of the Board of Statutory Auditors described above was carried out during 8 meetings, attending 14 meetings of the Board of Directors, meetings of the Control, Risks Committee (hereinafter also referred to as the CCR), the Appointments and Remuneration Committee, the Related Party Transactions Committee, with the participation of the Chair of the Board of Statutory Auditors, or another Statutory Auditor, and with the participation of the Board of Statutory Auditors at the Ordinary Shareholders' Meeting held on 10 May 2022.

It should also be noted that in the course of the supervisory activity carried out and on the basis of the information obtained from the independent auditors, no omissions, reprehensible facts or irregularities or in any case significant facts were found that would require reporting to the supervisory bodies.

Furthermore, the Board of Statutory Auditors:

- pursuant to Article 150, paragraphs 1 and 3 of the TUF:
 - (i) obtained from the Directors, on at least a quarterly basis, adequate information on the activities carried out and on the most important economic, financial and asset operations carried out by the Company and its subsidiaries or investee companies, ensuring that the actions resolved and implemented were compliant with the law and the Articles of Association, were not in potential conflict of interest or in contrast with the resolutions passed by the Shareholders' Meeting, were not manifestly imprudent, risky or such as to compromise the integrity of the Company's assets;
 - (ii) held meetings with the representatives of the independent auditors, also acquiring information on their discussions with the supervisory authority on the control activity carried out on CAI S.p.a. and no relevant information emerged that should be highlighted in this report;
- supervised the fulfilment of obligations related to "Market abuse" and "Protection of savings" regulations regarding corporate disclosure and "Internal Dealing", with particular reference to the handling of confidential information and the procedure for the distribution of press releases and information to the public. In particular, the Board of Statutory Auditors monitored compliance with the rules on updating the Insider Register.

Supervision of compliance with the principles of proper administration and the adequacy of the organisational structure

The Board of Statutory Auditors:

- acquired knowledge of and supervised, to the extent of its competence, the adequacy of the Company's organisational structure and compliance with the principles of proper administration, through direct observation, collection of information from the heads of corporate functions and meetings with the independent auditors for the mutual exchange of relevant data and information, and has no particular observations to report in this regard;
- assessed and monitored the adequacy of the administrative-accounting system, as well as the reliability of the latter to correctly represent management events, by obtaining

information from the heads of the respective functions, examining company documents and analysing the results of the work carried out by the independent auditors, and has no particular observations to report in this regard.

The Board of Statutory Auditors noted that adequate documentation supporting the topics discussed at Board of Directors' meetings was made available to Directors and Statutory Auditors reasonably in advance through publication in a special company repository. In addition, during the year, the Company organised two induction sessions for Directors and Statutory Auditors aimed at providing adequate knowledge of the business sector in which BF operates, the dynamics of the company and their evolution. In particular, induction sessions covered the integration project of Consorzio Agrario Nordest Soc. Coop.va in Cai S.p.A. and an in-depth analysis of the variable incentive system implemented by BF.

On the basis of the information acquired, the Board of Statutory Auditors acknowledges that the management choices are inspired by the principles of correct information and reasonableness and that the Directors are aware of the riskiness and effects of the operations performed.

The Board of Statutory Auditors found no significant atypical and/or unusual transactions, including intra-group transactions or transactions with intra-group and non-group related parties.

The Board of Statutory Auditors also assessed the adequacy of the information provided in the Report on Operations concerning the non-existence of significant atypical and/or unusual transactions, including intra-group transactions or transactions with intra-group and non-group related parties.

Supervisory activities on procedures for the concrete implementation of corporate governance rules

In relation to the provisions of Article 149, paragraph 1, letter *c-bis*, of the TUF concerning the supervision by the Board of Statutory Auditors on *"the procedures for effective implementation of corporate governance rules in codes of conduct drawn up by management companies of regulated markets or by category associations, which the company, in public disclosures, declares to follow"*, the Board of Statutory Auditors notes that it:

- supervised the procedures for the concrete implementation of the corporate governance rules set forth in the new Corporate Governance Code of Borsa Italiana S.p.A., to which BF adhered as of 1 January 2021;
- acknowledged that the annual report on corporate governance and ownership structure, in fulfilment of relevant legal and regulatory obligations, contains information on the ownership structure, adherence to codes of conduct and compliance with consequent commitments;
- carried out, in today's meeting, the verification of the correct application of the assessment criteria and procedures adopted by the Board of Directors, in the meeting held on 30 March 2023 to verify the fulfilment of the independence requirements pursuant to Article 148, paragraph 3, of the TUF and Recommendation no. 7 of the Corporate Governance Code by the Directors;
- on 14 February 2023, pursuant to the Corporate Governance Code, the Board of Statutory Auditors successfully verified that all Statutory Auditors met the independence requirements set forth in Article 148, paragraph 3, of the TUF and Recommendation 7 (as recalled by Recommendation 9) of the Code.

Supervision of relations with subsidiaries and parent companies and related party transactions

The Board of Statutory Auditors has verified the related party transactions and/or intra-group of an ordinary or recurring nature on which it reports the following:

- intra-group transactions, both of a commercial and financial nature, concerning subsidiaries and the parent company, are regulated on an equivalent basis to those prevailing in transactions between independent parties. They are adequately described in the financial statements. In particular, page 119 of the Consolidated Financial Statements, in the chapter "Related Party Transactions", shows the income statement and balance sheet balances arising from the BF Group's significant commercial and financial related party transactions, including those relating to the Company's Directors, Statutory Auditors and Executives with Strategic Responsibilities. It should be noted that related party transactions do not include any atypical or unusual transactions;
- with reference to the BF Group's relations with related parties, it should be noted that, in implementation of the Consob Regulation adopted by resolution no. 17221 of 12 March 2010, as amended, on 10 April 2017, the BF Board of Directors approved, subject to the favourable opinion of the Related Party Transactions Committee and having consulted with the Board of Statutory Auditors, the procedure for related party transactions carried out by the Company directly and/or indirectly through its subsidiaries, subsequently updated on 13 March 2019. The procedure was last updated by the Board of Directors on 23 June 2021 in order to (i) incorporate the amendments made to the aforementioned Regulation by Consob Resolution 21624 of 11 December 2020 in transposition of EU Directive 2017/828 (so-called Shareholder Rights Directive II) and (ii) align the text with the new organisational structure of the Company;
- with reference to BF related party transactions, page 32 et seq. of the Financial Statements, in the section "Related Party Transactions", shows the income statement and balance sheet balances, of a commercial and financial nature, arising from related party transactions, including those relating to Directors and Statutory Auditors;
- the Board of Statutory Auditors acquired information on the companies included in the scope of consolidation by means of questionnaires to their Boards of Statutory Auditors, as well as through meetings with the Chair of the Board of Statutory Auditors of CAI S.p.A.;
- detailed information on the remuneration due for the financial year 2022 to the members of the administration and control bodies is provided in the 2022 Remuneration Report prepared pursuant to Article 123-ter of the TUF.

Supervisory activities pursuant to Legislative Decree no. 39/2010

Pursuant to article 19 of Legislative Decree no. 39/2010, as amended by Legislative Decree no. 135/2016, the internal control and audit committee, which in public interest entities (which includes listed companies) adopting the traditional system of governance is identified with the Board of Statutory Auditors, is responsible for the following:

- a) informing the administrative body of the audited entity of the outcome of the statutory audit and sending to this body the additional report referred to in Article 11 of the European Regulation (Reg. EU 537/2014), together with any comments;
- b) monitoring the financial reporting process and presenting recommendations or proposals aimed at guaranteeing its integrity;

- c) monitoring the effectiveness of the internal quality control and risk management systems of the company and, where applicable, of the internal audit, as regards the financial information of the audited entity, without violating its independence;
- d) monitoring the statutory audit of the separate financial statements and the consolidated financial statements, also taking into account any results and conclusions of the quality controls performed by Consob pursuant to Article 26, paragraph 6, of the European Regulation, where available;
- e) verifying and monitoring the independence of statutory auditors or statutory auditing companies pursuant to Articles 10, 10-*bis*, 10-*ter*, 10-*quater* and 17 of this decree and Article 6 of the European Regulation, in particular as regards the adequacy of the provision of non-audit services to the audited entity, in accordance with Article 5 of said Regulation;
- f) being responsible for the procedure for the selection of statutory auditors or independent auditors and recommending statutory auditors or independent auditors to be appointed pursuant to Article 16 of the European Regulation.

The Board of Statutory Auditors interacted with the Control and Risks Committee set up within the Board of Directors, in order to coordinate their respective competences, set up constant exchanges of information and dialogue and avoid overlapping of activities. In this regard, 3 meetings were held in 2022 in joint session with the Control and Risks Committee, attended by the entire Board of Statutory Auditors (24/01, 09/03 and 22/09), the other Board committees (Appointments and Remuneration Committee, Control and Risks Committee and Related Party Transactions Committee) were attended by the Chair of the Board of Statutory Auditors.

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With specific reference to the activities envisaged by Legislative Decree no. 39/2010, the following is noted.

A) Information to the Board of Directors on the outcome of the statutory audit and the additional report pursuant to Article 11 of the European Regulation (Reg. EU 537/2014)

The Board represents that the independent auditors Deloitte & Touche S.p.A. (hereinafter also Deloitte) issued on 19 April 2023 the supplementary report pursuant to Article 11 of the European Regulation, which represents the results of the statutory audit carried out and includes the declaration of independence pursuant to Article 6, paragraph 2, letter a) of the Regulation, as well as the disclosures required by Article 11 of the Regulation, without identifying any significant deficiencies. The Board of Statutory Auditors shall inform the Company's Board of Directors of the results of the statutory audit, transmitting for this purpose the additional report, accompanied by any observations, pursuant to Article 19 of Legislative Decree no. 39/2010.

B) Supervisory activities on the financial reporting process

The Board of Statutory Auditors verified the existence of rules and procedures governing the process of the formation and dissemination of financial information. In particular, the methods for monitoring financial reporting, consistent with the provisions of Article 154-*bis* of the TUF and the Corporate Governance Code, are an integral part of the Internal Control and Risk Management System ("ICRMS"), articulated on the basis of the Internal Control - Integrated Framework (so-called "COSO Report"), prepared by the Committee of Sponsoring Organizations of the Treadway Commission. The functioning of the ICRMS is described in the ICRMS Guidelines approved by the Board of Directors on 24 March 2021. In this regard, the Annual Report on Corporate Governance and Ownership Structure

contains a special chapter dedicated to the "Internal Control and Risk Management System" illustrating (i) the existing ICRMS phases, also in relation to the financial reporting process, and (ii) the roles and functions involved.

With regard to the rotation of the Reporting Manager, which was brought up for approval at the Board meeting of 13 February 2023, the Board of Statutory Auditors requested that it be allowed to carry out the appropriate investigations before formulating its opinion on the matter. On 27 February 2023, it then expressed its favourable opinion after examining the candidate's curriculum vitae, having obtained assurances of an adequate handover from the previous to the new manager - which took place after the end of the financial year and during the period of preparation of the annual financial report - as well as a planned adequate strengthening of the Administration, Finance and Control structure.

The Board of Statutory Auditors examined, also with the assistance of the outgoing Reporting Manager, the process of preparing corporate accounting documents, the procedures relating to the preparation of the Company's financial statements and the consolidated financial statements, as well as the other periodic accounting documents. The Board of Statutory Auditors also witnessed the process that allowed the Financial Reporting Manager and the Director delegated to do so to issue, on the occasion of the annual and consolidated financial statements and the half-year financial report, the certifications required by Article 154-*bis* of the TUF.

With reference to the supervision required by Article 19 of Legislative Decree no. 39/2010 on the financial reporting process, the Board of Statutory Auditors noted that, for the purposes of the certifications that the Chief Executive Officer and the Financial Reporting Manager must render, the effective application of the administrative and accounting procedures was verified by the new Financial Reporting Manager, with the aid of the competent internal structures and independent external experts.

On 30 March 2023, the Chief Executive Officer and the new Financial Reporting Manager issued the certifications for the consolidated financial statements and the separate financial statements pursuant to Article 81-*ter* of Consob Regulation no. 11971 of 14 May 1999, as amended and supplemented.

In light of the above, the Board of Statutory Auditors therefore expresses an assessment of the adequacy of the financial reporting process.

C) Supervision of the effectiveness of the internal control, internal audit and risk management systems

The Board of Statutory Auditors supervised the architecture, adequacy and effectiveness of the ICRMS. It should be noted that, in order to verify the proper functioning of the ICRMS, during 2022, the Board of Directors availed itself of the director in charge of the ICRMS, a position assigned by the Board of Directors on 22 December 2020 to the Chief Executive Officer, the Control and Risks Committee, the Head of the Internal Audit Department, an outsourced person entrusted with the responsibility of the function and endowed with an adequate level of independence and suitable means to perform the function, who reported on relative work to the Chair, the Chief Executive Officer, the Control and Risks Committee, the Board of Statutory Auditors, the Chief Financial Officer and Financial Reporting Manager and the Supervisory Body.

In particular, the Board of Statutory Auditors, in the context of the periodic meetings held with the Head of Internal Audit, the Chief Financial Officer and the Financial Reporting Manager, was fully informed on the internal audit activities (aimed at verifying the adequacy and operability of the internal control system and compliance with internal and external regulations), the activities envisaged by Legislative Decree 262/2005, the periodic

quarterly reports pursuant to Article 150, paragraph 1 of Legislative Decree 58/1998, as well as those on tax and financial matters, and risk management activities, with the task to oversee the risk governance process through the proper implementation and development of the COSO Enterprise Risk Management (ERM) methodological framework, which BF has adopted for the identification, assessment, management and monitoring of the risks present in the company's current business risk model (strategic, operational, financial, compliance, business continuity and external risks).

The Board of Directors approved, with the favourable opinion of the CCR, the BF Group's Enterprise Risk Management Policy at its meeting of 27 January 2021, which was then implemented by the Group's main companies, and, as reported in point B) above, the ICRMS Guidelines at its meeting of 24 March 2021, which are periodically updated by BF, in line with the reference best practices (COSO ERM framework)

In order to ensure a more effective management of risk, BF and the main Group companies adopt, and periodically update, a Risk Appetite Statement (RAS) or risk appetite definition scheme. The RAS constitutes an essential element that allows the prioritisation of risks during risk assessment and supports the organisation's decision-making process. In this regard, the Board of Directors approved the 2021 RAS at its meeting on 27 January 2021 and the 2022 RAS at its meeting on 26 January 2022 and the 2023 RAS at its meeting on 25 January 2023.

Please note that pursuant to Recommendation 32, d) of the Corporate Governance Code, the head of the internal audit function is responsible for verifying that the internal control and risk management system is functioning, adequate and consistent with the guidelines defined by the board of directors. Furthermore, pursuant to Recommendation 36, a) of the Corporate Governance Code, the head of the internal audit function: (i) verifies, both on an ongoing basis and in relation to specific needs and in compliance with international standards, the operation and suitability of the internal control and risk management system, through an audit plan approved by the Board of Directors, based on a structured process of analysis and prioritisation of the main risks; (ii) prepares periodic reports containing adequate information on its activities, the manner in which risk management is conducted and compliance with the plans defined for their containment. The periodic reports contain an assessment on the suitability of the internal control and risk management system;

Article 6 of the new Corporate Governance Code stipulates (principle XIX) that *"The board of directors defines the guidelines of the internal control and risk management system in line with the company's strategies and annually assesses its adequacy and effectiveness."* In addition, the aforementioned Article 6 (Principle XX) provides that *"The board of directors shall define the principles concerning coordination and information flows between the various parties involved in the internal control and risk management system in order to maximise the efficiency of the system itself, reduce duplication of activities and ensure the effective performance of the tasks of the control body."*

The Board acknowledges that Recommendation 33 of the new Corporate Governance Code provides that the Board of Directors, with the support of the control and risks committee, defines the guidelines of the internal control and risk management system in line with the company's strategies and evaluates, at least once a year, the adequacy of said system with respect to the characteristics of the company and the risk profile assumed, as well as its effectiveness. In this regard, in its meeting of 30 March 2023, the Board of Directors, after having acknowledged the prior analysis carried out by the CCR on the basis of the information provided to the same and the assessments made by the players of the internal control and risk management system, and the favourable opinion expressed by the same, assessed that the BF internal control and risk management system, for the year 2022, can

be considered effective and overall adequate with respect to the characteristics of the company and the risk profile assumed.

In addition, the Board of Statutory Auditors, in 2022, in its capacity as Supervisory Body pursuant to Legislative Decree no. 231/2001 (hereinafter also referred to as the "SB") of BF, continued to analyse the organisational, management and control tools to ensure that the Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001 (hereinafter also referred to as the "OMC") adopted by BF is consistent with both regulatory developments and the organisational changes made during the year. In particular, the SB monitored the conduct of special training sessions.

The SB also implemented the action plan for monitoring and assessing the adequacy and effective implementation of the OMC, reported to the Board of Directors on the activities carried out in the first and second half of 2022, and has no observations to make in this report.

D) Supervisory activities on the statutory audit of the separate financial statements and consolidated financial statements

The Board points out that:

- the accounts were audited in accordance with the regulations by the independent auditors Deloitte to which the Shareholders' Meeting of 8 May 2017 conferred the audit assignment for the financial years 2017-2025. During the periodic meetings held with the Board of Statutory Auditors, the independent auditors did not point out any issues in this regard;
- it analysed the work carried out by the independent auditors, and in particular, the methodological framework, the audit approach used for the various significant areas of the financial statements and the planning of the audit work;
- it shared with the independent auditors issues related to business risks, thus being able to appreciate the adequacy of the response planned by the independent auditors in terms of audit approach with the structural and risk profiles of the Company and the Group;
- Deloitte issued on 19 April 2023 the additional report as per Article 11 of the European Regulation as mentioned above;
- on 19 April, Deloitte issued its report on the audit of the separate financial statements and the report on the audit of the consolidated financial statements at 31 December 2022. On this point, the Board represents that:
 - both reports contain: (i) the assessment of true and correct representation of the statement of financial position of BF S.p.A. and the Group at 31 December 2022, the results of operations and cash flows for the year then ended in accordance with the International Financial Reporting Standards adopted by the European Union, as well as with the measures issued in implementation of Article 9 of Legislative Decree no. 38/2005; (ii) a description of the key aspects of the audit and the audit procedures performed in response to the key aspects; (iii) an opinion on the consistency of the directors' report and certain specific information contained in the report on corporate governance and ownership structure with the annual and consolidated financial statements at 31 December 2022 and on their compliance with the law; (iv) confirmation that the opinion on the separate financial statements and the opinion on the consolidated financial statements expressed in the respective reports are in line with as indicated in the additional report addressed to the undersigned Board of Statutory Auditors, in its capacity as the internal control and audit committee, prepared pursuant to Article 11 of the European Regulation (Reg. EU 537/2014);

- the aforementioned reports do not contain any findings;
- in its report on the audit of the consolidated financial statements, Deloitte acknowledges that it has verified the Directors' approval of the non-financial statement;
- the independent auditors in their audit report issued a compliance opinion stating that the separate financial statements and consolidated financial statements were prepared in XHTML format, in accordance with the provisions of Delegated Regulation (EU) 2019/815 of the European Commission;
- the consolidated financial statements fully include the assets and liabilities of the balance sheet as well as the positive and negative income statement items of the investee companies included in the scope of consolidation, including the investee company CAI (ConSORZI Agrari d'Italia);
- in this regard, the Board of Statutory Auditors ascertained that the Chief Executive Officer maintained the effectiveness of the power and the ability to exercise it, such as to allow BF to retain control over the investment in CAI at the same time;
- as already noted in the report on the 2021 Financial Statements, the Board once again recalled that pursuant to the provisions of Article 2497-sexies of the Italian Civil Code, in the event of control, the assumption of "Management and Coordination" activities is presumed, unless proven otherwise, to be performed by both the parent company and the subsidiary; in this regard, the Boards of Directors of BF and CAI have not yet examined the issue.

E) Independence of the independent auditors, in particular as regards the provision of non-audit services

The Board of Statutory Auditors monitored, also with reference to the provisions of Article 19 of Legislative Decree no. 39/2010, the independence of the independent auditors Deloitte, verifying the nature and extent of services other than auditing provided to BF, its subsidiaries and entities under common control of the latter by the same independent auditors and entities belonging to its network. In particular, the fees paid by the BF Group to the independent auditors Deloitte SpA and the companies belonging to the Deloitte network are as follows:

	<i>Euro thousand</i>
Audit	510
Other services	7
Total	517

It should be noted that within the category "Other services" (other than audit) (i) Euro 7 thousand related to services provided to CAI SpA, Euro 3 thousand for attestation on covenants and to SIS SpA and Euro 4 thousand for attestation on R&D expenses.

The ratio of "Other Services" to "Audit" is therefore 1.35%.

In light of the above, the Board of Statutory Auditors therefore considers the independence requirement of the independent auditors Deloitte to be met, which provided annual confirmation of independence on 19 April 2023.

Omissions or reprehensible facts, other opinions rendered, actions taken

Pursuant to Article 2389, paragraph 3 of the Italian Civil Code, the Board of Statutory Auditors acknowledges that it has expressed its favourable opinion on the remuneration of directors holding special offices.

The Board of Directors approved the document containing the architecture of the 2023 incentive system (MBO) and 2023-2025 LTI on 30 March 2023, and the Board of Statutory Auditors issued, to the extent necessary and with respect to the CEO remuneration, a favourable opinion, through the Chair of the Board of Statutory Auditors, having participated in the Appointments and Remuneration Committee.

The Board of Statutory Auditors expressed a favourable opinion on:

- 2021 MBO finalisation and 2022 MBO plan structure for the CEO (BoD 30 March 2022),
- appointment of the Disciplinary Committee provided for in the Code of Ethics (BoD 11 May 2022),
- determination of the remuneration of directors holding special offices: Chair, CEO and members of Board committees (BoD 22 June 2022). During the year, no omissions or reprehensible facts were noted that need to be highlighted in this report.

On complaints pursuant to article 2408 of the Italian Civil Code

During the year, no complaints were filed pursuant to article 2408 of the Italian Civil Code.

Separate Financial Statements, Consolidated Financial Statements and Non-Financial Statement

It should be noted that BF has drawn up the first Non-Financial Statement with reference to the financial year 2022, due to exceeding the size limits provided for in Legislative Decree 254/2016.

Previously, as of 2018, BF had prepared the annual sustainability report on a voluntary basis.

In the Notes to the Separate and Consolidated Financial Statements, it is noted that the financial statements for the year ended 31 December 2022 have been prepared on a going concern basis. In this regard, the Board of Directors examined, in its meeting of 17 March 2023, the 2023 - 2027 Multi-Year Plan, which envisages a substantial improvement in the main economic, financial and equity indicators of BF and its main investee companies during 2023. The assessments of risk and uncertainty factors described in the separate and consolidated financial statements at 31 December 2022 were also updated.

With specific regard to the examination of the financial statements for the year ended 31 December 2022 and the consolidated financial statements (prepared in accordance with the IAS/IFRS issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, as well as in accordance with the provisions issued by Consob in implementation of Article 9, paragraph 3 of Legislative Decree no. 38/2005), the Board of Statutory Auditors reports the following:

- it verified that the Company's financial statements and the consolidated financial statements have been prepared in accordance with the structure and format required by current regulations and are accompanied by the documents required by the Italian Civil Code and the TUF;
- it verified the rationality of the valuation procedures applied and their compliance with the logic of the international accounting standards; it should be noted that the BF Board of Directors, in accordance with the indications of the joint Bank of Italy/Consob/ISVAP

document of 3 March 2010, approved the impairment test procedure on 17 March 2023, autonomously and in advance of the approval of the draft financial statements;

- it verified the consistency of the financial statements with the facts and information coming to its knowledge as a result of the performance of its duties;
- to the best of the Board of Statutory Auditors' knowledge, the Directors, in preparing the financial statements, have not derogated from the law pursuant to Article 2423, paragraph 4 of the Italian Civil Code;
- it verified compliance with the legal provisions relating to the preparation of the report on operations and has no observations to report in this regard;
- it noted that the information provided by the directors in the financial report on going concern, financial risks, impairment testing of assets and uncertainties in the use of estimates is consistent with Bank of Italy/Consob/Isvap Document no. 2 of 6 February 2009;
- it recorded the reconciliation of the main indicators included in the consolidated reclassified income statement with the items in the official statement, as well as the reconciliation of the consolidated reclassified statement of financial position with the consolidated statement of financial position.

Consolidated non-financial statement

The Board of Directors of BF approved the 2022 Consolidated Non-Financial Statement, prepared in accordance with Legislative Decree no. 254/2016.

The Non-Financial Statement was subject to limited assurance engagement in accordance with the criteria set forth in ISAE 3000 Revised by Deloitte S.p.A..

On 19 April 2023, the independent auditors issued their report on the conformity of the information provided in the consolidated non-financial statement with the law and the reporting standard adopted.

The Board of Statutory Auditors monitored compliance with the provisions set out in the Legislative Decree no. 254/2016 and has no comments to make in this report.

Proposals to the Meeting

In light of the considerations made in this report, the Board of Statutory Auditors expresses a favourable opinion on the approval of the financial statements at 31 December 2022 and has no objections to the proposed resolution submitted by the Board of Directors on the allocation of the profit for the year.

The Board of Statutory Auditors notes that, with the approval of the financial statements at 31.12.2022, its three-year term of office has expired and the shareholders' meeting will have to decide on the appointment of the control body.

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Under article 144-*quinquiesdecies* of the Issuers' Regulations, approved by Consob resolution 11971/99 and subsequent amendments and additions, the list of positions held by members of the Board of Statutory Auditors in the companies referred to in Book V, Title V, Chapters V, VI and VII of the Italian Civil Code, is published by Consob on its website (www.consob.it).

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Milan, 19 April 2023

For the Board of Statutory Auditors
The Chair
Roberto Capone