



MEDIOBANCA

Annual General Meeting 2022

Milan, October 2022



MEDIOBANCA



Agenda

Section 1. Executive summary

Section 2. AGM - Notice of meeting

- Shareholder remuneration
- Remuneration Policy and Report

Section 3. Focus on Environment - First TCFD report

Section 4. Focus on Social - Human Capital

Section 5. Focus on Governance



MEDIOBANCA

EXECUTIVE SUMMARY

Executive summary

Section 1

Record Performance Effective Capital Allocation

- ◆ Business model efficiency, positioning and diversification, with no compromise on growth initiatives and quality, **paved the way for record 12M results despite geopolitical instability and weaker macro environment**
- ◆ Sound expansion of profitable assets driven by **strong commercial performance. Revenues up 8% to an all-time high of €2.8bn. Net profit up 12% to €907m (ROTE 10%) with CET1 phase-in at 15.7% (14.5% FL).**
- ◆ **To be approved by the AGM: DPS of €0.75 (up 14% YoY)**, in line with a payout ratio of 70% (confirmed also for FY23); Total Pay out ~100% (considering also 3% BB launched in Dec.21)

Executive Remuneration

- ◆ **Increased Transparency: full ex post transparency on the remuneration structure** and achievement of KPIs for the CEO & General Manager
- ◆ **Pay for performance: CEO and GM variable remuneration 1,3X and 1,2X fixed remuneration** driven by strong financial and strategic extra-financial results
- ◆ **Sustainability Focus: further incorporating strategic ESG KPIs into variable remuneration**
- ◆ **Reduced Pay for the Chairman:** employment termination of the chairman to align to best practice, leading to a **60% reduction in his compensation** (full year basis).

FY22 CNFS (not to be approved by the AGM)

The FY22 **Consolidated Non Financial Statement (CNFS)** includes for the first time:

- ◆ **EU Taxonomy** reporting in relation to climate mitigation and climate adaptation objectives
- ◆ **UNEP FI Principles for Responsible Banking (PRB) progress report** (members are requested to publish annually a self-assessment on its progress on implementing the PRB and Mediobanca identified Climate as the first impact area on which action will be taken)

First TCFD Report (not to be approved by the AGM)

- ◆ **Quantification of the portfolio emissions of Wholesale Banking's banking book** (both lending and investment portfolio)
- ◆ **Portfolio alignment exercise**
- ◆ **First set of Net-Zero Banking Alliance (NZBA) interim emission reduction targets**

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MEDIOBANCA

2022 MEDIOBANCA GENERAL MEETING AGENDA

AGM - Notice of meeting

Section 2

AGENDA

1. **Financial statements as at 30 June 2022, Board of Directors' review of operations and external auditors' report; report by the Statutory Audit Committee:**
 - a) **approval of financial statements for the year ended 30 June 2022;**
 - b) **allocation of profit for the year and distribution of dividend.**
2. **Remuneration:**
 - a) **Group Remuneration Policy and Report: Section I – Mediobanca Group Remuneration Policy FY 2022-23;**
 - b) **Group Remuneration Policy and Report: resolution not binding on Section II – Group Remuneration Report FY 2021-22;**
 - c) **Policy in the event of the beneficiary leaving office or the employment arrangement being terminated;**
 - d) **2023 incentivization system based on financial instruments (annual performance share scheme).**

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MEDIOBANCA

MEDIOBANCA ON TRACK TO REACH BP23 FINANCIAL TARGETS

Business model **efficiency, positioning and diversification, with no compromise on growth initiatives and quality, paved the way for record 12M results** despite **geopolitical instability** and weaker macro environment.

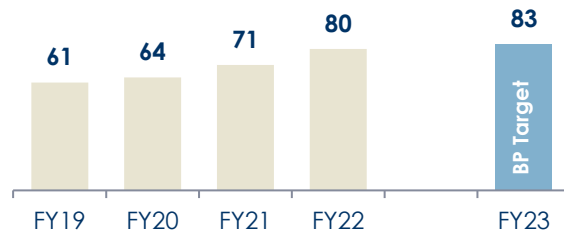
BP19-23 main targets remain unchanged.

TFAs up to €83bn

4YCAGR +8%



(€bn)

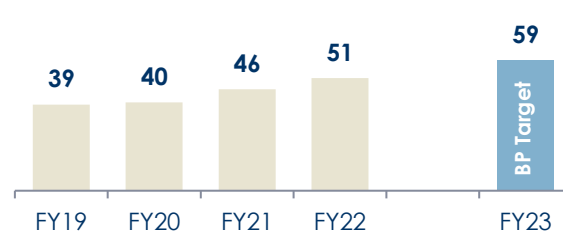


AUM/AUA up to €59bn

4YCAGR +11%



(€bn)

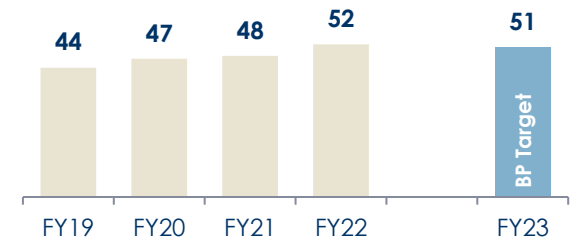


Loans up to €51bn

4YCAGR +4%



(€bn)

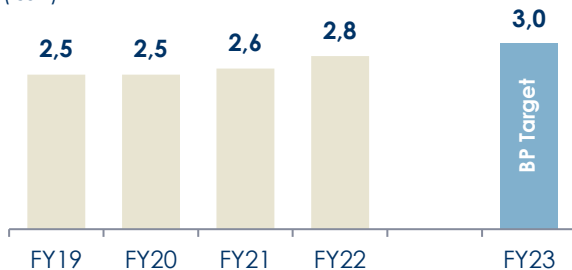


Revenues up to €3bn

4YCAGR +4%



(€bn)

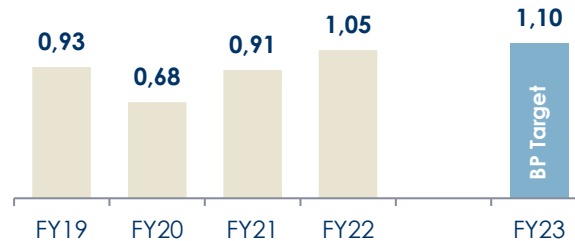


EPS up to €1.10ps

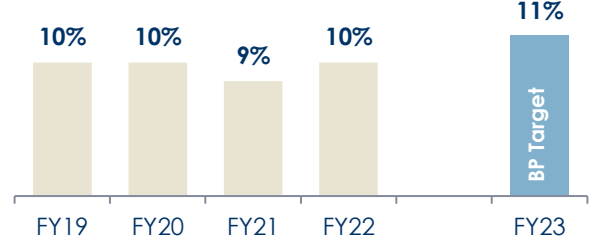
4YCAGR +4%



(€)



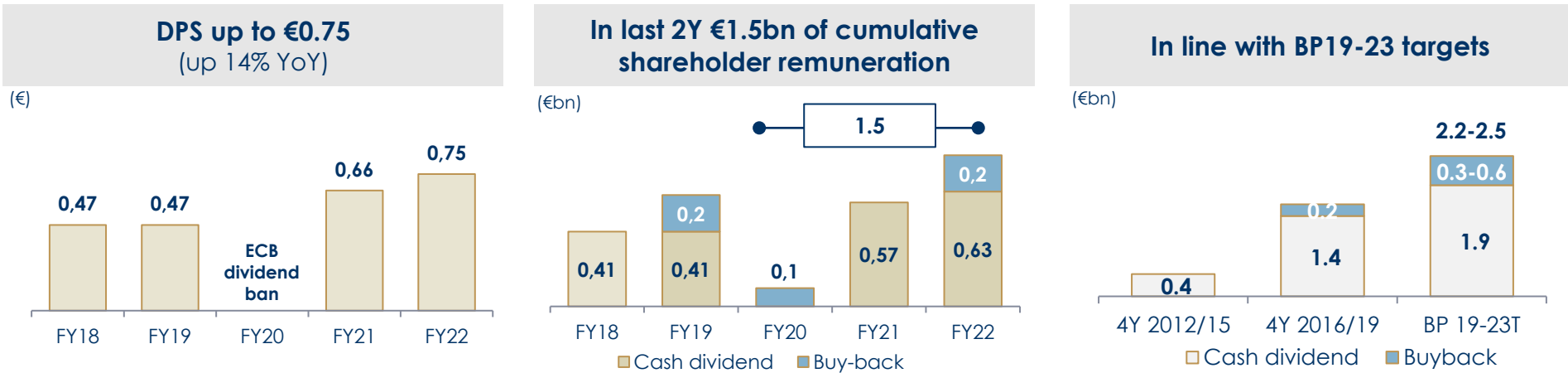
ROTE adj. up to 11%



RECORD DPS €0.75 (UP 14% YOY) - TOTAL PAYOUT @100%

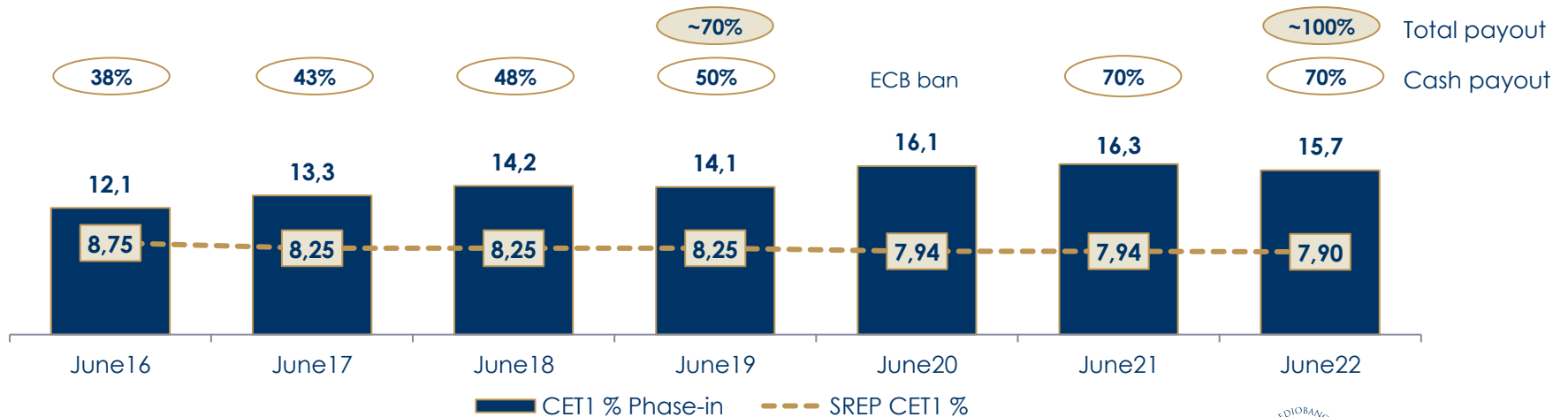
Shareholder remuneration

Section 2



Solid capital base: CET1 @15,7% after ~100% payout and RWA growth driven by business expansion
CET1 well above requirements, with low sensitivity to risk factors

(>€300m overlays on credit exposures, low IT Govies incidence @49% of CET1, low RWA volatility)



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MEDIOBANCA

EXECUTIVE SUMMARY

FY22 – BUSINESS ACHIEVEMENTS AND REMUNERATION HIGHLIGHTS

All gateways met

- ◆ Capital and liquidity ratios enhanced as defined in the Risk Appetite Framework
- ◆ Positive Group Gross Operating Profit

Business results

- ◆ **Record results** despite geopolitical instability and weaker macro environment
- ◆ Sound expansion of profitable assets driven by **strong commercial performance**
- ◆ **2019-23 Business Plan** strategy and targets **broadly confirmed**
- ◆ Significant progress on **Mediobanca's sustainability ambitions** (incl. first TCFD report)
- ◆ **Shareholders' remuneration: total pay-out ~100%**

Pay for performance

- ◆ The notable improvement in divisional performance led to bonus pools slightly increasing
- ◆ Sustainable pay for performance from a long-term perspective

CEO and General Manager

- ◆ Overachievement of scorecard KPIs

REMUNERATION POLICY – WHAT'S NEW

Remuneration policy strengthened to align to the latest set of rules and best practices

- ◆ **Pay for Performance: Further enhanced transparency on the remuneration structure and achievement** of KPIs for the CEO & General Manager to demonstrate the pay-for-performance culture at Mediobanca
- ◆ **Reduced Pay for the Chairman: Chairman no longer an employee to align to best practice, leading to a 60% reduction in his compensation (full year basis)**
- ◆ **Remuneration Governance: Strengthening the Governance processes** with the wider involvement of the Risk Committee and the increased role of the Remuneration Committee
- ◆ **Sustainability Focus: Further incorporating strategic ESG KPIs into variable remuneration**
- ◆ **Overall Disclosure: New disclosures to increase transparency and clarity of Mediobanca's approach to executive remuneration**

Link to the [REMUNERATION POLICY](#) and to the full [REMUNERATION POLICY EXECUTIVE SUMMARY](#)

FY22 CEO SCORECARD AND TOTAL REMUNERATION EVOLUTION REFLECTING A STRONG PAY-FOR-PERFORMANCE TREND

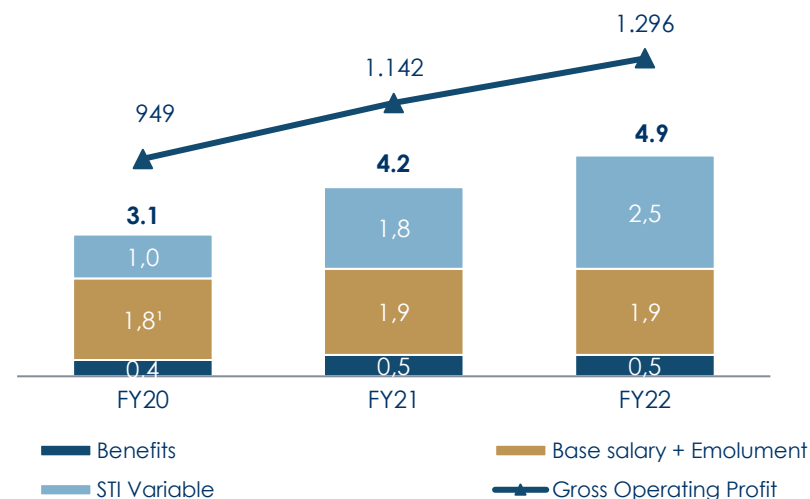
Remuneration Policy and Report

Section 2

CEO - FY22 scorecard

PARAMETER	WEIGHT	KPI target/max	FY22	ASSESSMENT
Gross ROAC adj. Banking activities	30%	22.6% / 25%	25.6%	EXCEEDED
Cost of risk	20%	52bps / 45bps	48.5bps	> THAN MET
Net Interest Income	20%	1,431m / 1,445m	1,479m	EXCEEDED
Fee Income	20%	763m / 785m	850m	EXCEEDED
Quantitative ESG targets	10%			EXCEEDED
- CIB Loan book with ESG/Green features		1,900m / 2,300m	2,581m	
- WM/Consumer ESG new production		180m / 210m	295m	
- ESG funds in clients' portfolio		37% / 40%	61%	
CSR: People Strategy and Human Capital	non-financial	with BoD evaluation		MET
ESG: Planet and Environment	non-financial	with BoD evaluation		MET

CEO total compensation evolution (€m)



- ◆ **Scorecard Assessment** – Based on the results of the scorecard with the **overall overshoot of the targets assigned**, even in their maximum quantification **with record results** in terms of revenues, commissions, cost of risk and capitalization of the Group achieved despite the macroeconomic situation, **the BoD assigned a variable remuneration** of € 2.5 million to the CEO, **equal to 1,3x the fixed remuneration**. Considering the total remuneration for the financial year 2022, the growth of the remuneration package is +16% for the CEO
- ◆ **Stock ownership requirement:** CEO is required to reinvest in Mediobanca shares and retain for their entire mandate an equivalent amount of twice his fixed remuneration. As at June 2022, CEO retains 15,6x his fixed remuneration
- ◆ **CEO / STAFF PAY RATIO** - 2022 CEO's gross total compensation / average gross total compensation for Group staff members approx. 52x (vs 49x last year)

FY23 CEO SCORECARD - MB GROUP GROWTH AND ESG

Remuneration Policy and Report

Section 2

CEO – FY23 STI Scorecard

PARAMETER	WEIGHT	KPI target = 50% fixed	Δ KPI max = 150% Fixed
Gross ROAC adj. Banking activities	30%	v.s. Budget	15% target
Cost of risk	20%	Vs. Budget	9% target
Net Interest Income	20%	v.s. Budget	3% target
Fee Income	20%	Vs. Budget	7% target
Quantitative ESG targets	10%	v.s. Budget	
- CIB Loan book with ESG/Green features			29% target
- WM/Consumer ESG new production			16% target
- ESG funds in WM Premier clients' portfolio			11% target
- ESG funds in WM Private Banking clients' portfolio			10% target
Diversity, Equity, Inclusion & Engagement		non-financial with BoD evaluation	
ESG: Planet, Environment & Climate Change		non-financial with BoD evaluation	

Non-financial targets with BoD evaluation

Diversity, Equity, Inclusion & Engagement - toDEI project, a further step in the strategic direction to sustainable growth with attention to ESG factors. Expected is

- i) women's representation in management positions increasing from 15.95% (as of 06/30/2022) to 20% projected at the end of FY 2026-2027
- ii) Gender Balance in recruitment increasing from 38% of the less represented gender in FY 2020-2021 to parity (50%) projected at the end of FY 2026-2027

Planet, Environment & Climate Change - focus on the Group's ESG initiatives related to environmental sustainability

- i. Scope 1 + Scope 2 (Market based) emissions down 11% vs. 2019
- ii. planting of 2,000 trees
- iii. increase of electric/hybrid cars in corporate fleet to 72%
- iv. continuation of project strands of the multi-year ESG Project (among others strengthening PRB and TCFD reports)

FY22 GM SCORECARD AND TOTAL REMUNERATION EVOLUTION REFLECTING A STRONG PAY-FOR-PERFORMANCE TREND

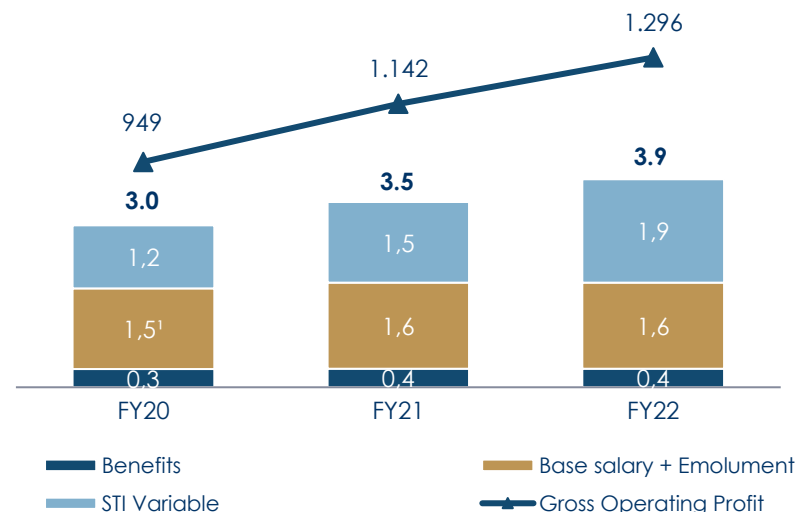
Remuneration Policy and Report

Section 2

GM - FY22 scorecard

PARAMETER	WEIGHT	KPI target/max	FY22	ASSESSMENT
Gross ROAC adj. Banking activities	30%	22.6% / 25%	25,6%	EXCEEDED
Cost of funding	17,5%	56bps / 52bps	53.9bps	> THAN MET
Banking activities cost/income ratio	17,5%	54.2% / 52.6%	52.6%	> THAN MET
AUM/AUA growth	25%	16.7% / 22%	16.7%	MET
Quantitative ESG targets	10%			EXCEEDED
- CIB Loan book with ESG/Green features		1,900m / 2,300m	2,581m	
- WM/Consumer ESG new production		180m / 210m	295m	
- ESG funds in clients' portfolio		37% / 40%	61%	
CSR: People Strategy and Human Capital	non-financial	with BoD evaluation		MET
Digital Strategy & Innovation	non-financial	with BoD evaluation		MET

GM total compensation evolution (€m)



- ◆ **Scorecard Assessment** – Based on the results of the scorecard with **the overall overshoot of the targets assigned**, even in their maximum quantification with **record results** in terms of revenues, commissions, cost of risk and capitalization of the Group achieved despite the macroeconomic situation, **the BoD assigned a variable remuneration** of € 1.925 million to the GM, **equal to 1,2x the fixed remuneration**. Considering the total remuneration for the financial year 2022, the growth of the remuneration package is +13% for the GM
- ◆ **Stock ownership requirement:** GM is required to reinvest in Mediobanca shares and retain for their entire mandate an equivalent amount of one his fixed remuneration. As at June 2022, GM retains 7,6x his fixed remuneration

FY23 GM SCORECARD - MB GROUP GROWTH AND ESG

Remuneration Policy and Report

Section 2

GM – FY23 STI Scorecard

PARAMETER	WEIGHT	KPI target = 50% fixed	Δ KPI max = 150% Fixed
Gross ROAC adj. Banking activities	25%	v s. Budget	15% target
Cost of funding	15%	Vs. Budget	8% target
Cost of risk	15%	v s. Budget	9% target
Banking activities cost/income ratio	20%	Vs. Budget	4% target
Net New Money	15%	v s. Budget	16% target
Quantitative ESG targets	10%	Vs. Budget	
- CIB Loan book with ESG/Green features			29% target
- WM/Consumer ESG new production			16% target
- ESG funds in WM Premier clients' portfolio			11% target
- ESG funds in WM Private Banking clients' portfolio			10% target
Diversity, Equity, Inclusion & Engagement		non-financial with BoD evaluation	
Mediobanca Digitalization Journey		non-financial with BoD evaluation	

Non-financial targets with BoD evaluation

Diversity, Equity, Inclusion & Engagement - toDEI project, a further step in the strategic direction to sustainable growth with attention to ESG factors. Expected is

- i) women's representation in management positions increasing from 15.95% (as of 06/30/2022) to 20% projected at the end of FY 2026-2027
- ii) Gender Balance in recruitment increasing from 38% of the less represented gender in FY 2020-2021 to parity (50%) projected at the end of FY 2026-2027

Digital Strategy & Innovation - focus on the technological and digital transformation taking place in the Group, as part of the planned interventions with the following project drivers

- i. digitalization of the Private Division
- ii. launch of innovation initiatives
- iii. definition and launch of the "Go to cloud" model

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MEDIOBANCA

TCFD AT A GLANCE

- ◆ **The first TCFD Report** is structured into four pillars - **Governance, Strategy, Risk Management, Metrics and Targets** – and provides a comprehensive overview of the Group's approach to climate risk and opportunities.
- ◆ It includes:
 - ◆ **Information on implementation of new metrics in the Group's Risk Appetite Framework (RAF), focusing on environmental and climate-related risks (both transition and physical risks):**
 - ◆ **Transition risk:** MB has developed an ESG Heat Map at sector level to cover the proprietary lending & investment CIB division book. A maximum acceptable level of exposure to counterparties with high climate-related regulatory, technology, and market risks has been identified, and constitutes a Risk Appetite trigger;
 - ◆ **Physical risk:** potential damage caused by floods, landslides and seismic events to buildings, reducing the value of properties used as collateral for loans. Here CheBanca! has developed a methodology to classify Italian municipalities. A metric has been included in the RAF to monitor the value of mortgage loans secured by real estate located in municipalities classified as Very High and High physical risk.
 - ◆ **Quantification of emissions generated by the Mediobanca portfolio** (CIB lending and investment)
 - ◆ **Portfolio alignment exercise**, covering CIB lending portfolio, evaluation of the Group's financing activities performance with respect to global climate mitigation goals
 - ◆ **Targets:** setting climate portfolio targets consistent with the 1.5°C climate ambition, as requested by the Net-Zero Banking Alliance (NZBA) and in line with the Group's strategies and policies.
 - ◆ **First set of NZBA interim emission reduction targets for 2030 identified in relation to CIB lending exposure in the Automotive and Power sectors.**

TRANSITION RISK

Perimeter

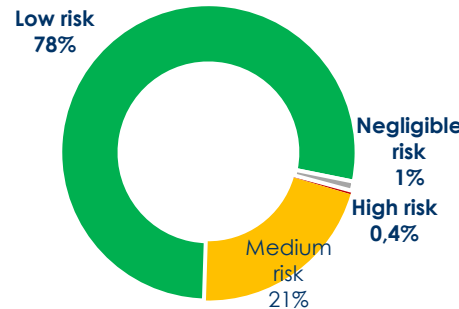
Methodology

Outcome

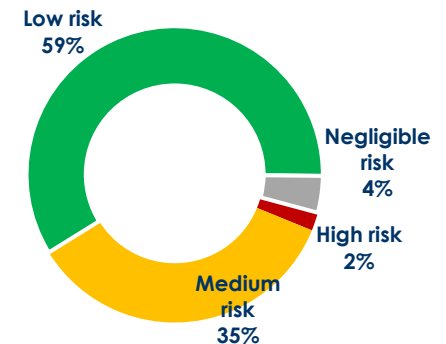
- ◆ Wholesale banking proprietary lending (committed exposure) and investment portfolio (~39bn as at 30/06/22).
- ◆ MB has created an ESG Heatmap (sector based¹) to identify potential risk regarding ESG factors (including both Climate Transition risk and Climate Physical risk): 4 different levels identified by colours (red, yellow, green, white) indicate the «potential risk» of each macro/sub economic sector.
- ◆ Recalibration process: as a second step, the Heatmap has been integrated with the characteristics of the individual counterparties (“Single name analysis”) using:
 - ◆ qualitative questionnaires, provided to individual counterparties, to define an internal ESG score specific for the single counterparty,
 - ◆ external info provider, if the questionnaire has not yet been submitted.
- ◆ 78% of the total lending exposure (91% considering only the exposure towards Corporates) is evaluated through the questionnaire, 4% is evaluated using the information from an external info provider while the remaining is evaluated using the Heatmap average score of the sector of each counterparty

- ◆ According to the ESG Heatmap assessment, recalibrated with single name analysis MB portfolio shows:
 - ◆ a very limited exposure to high transitional risk,
 - ◆ 4/5 of the lending portfolio and 3/5 of the investment portfolio show a low exposure to transition risk.

Lending (committed exposure)



Investment portfolio



1. Sectorial mapping according to different levels of ESG riskiness has been made using external international standards (United Nations Environment Programme Finance Initiative - UNEP FI, Principles for Sustainable Insurance - PSI) to select ESG factors that impact on each economic sector concerned and gather information about the related level of impact. Specifically, it has been adopted the "Impact Map" reported into the "Portfolio Impact Analysis Tool" of UNEP FI which identifies how companies from different economic sectors impact, positively or negatively, different ESG areas, integrated with some of the themes proposed by PSI in "Managing environmental, social and governance risks in non-life insurance business".

PORTFOLIO EMISSIONS

First TCFD report

Section 3

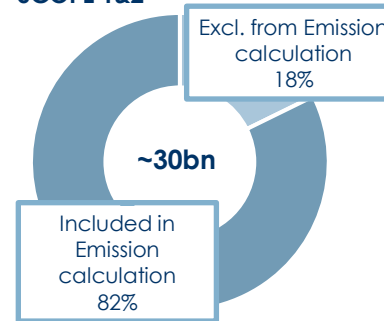
Perimeter

- ◆ **Wholesale banking loans and proprietary investments** (bonds and equities, trading book and off-balance being out of scope) exposure amounted to **~30 billion €** as of 31/12/2021 (reference date chosen according the PCAF requirements)

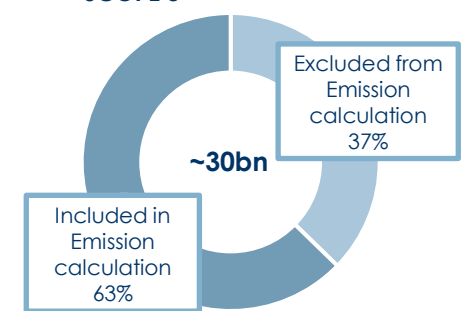
Methodology

- ◆ *PCAF (Partnership for Carbon Accounting Financials)* methodology is currently not available for ~17% of this exposure (mainly sovereign bonds). Another 1% excluded due to existing data gaps.
- ◆ **Scope 1** and **Scope 2** emissions were computed on **82%** of the total perimeter
- ◆ **Scope 3** emissions were computed on a subset of the 82% above, i.e. on **63%** of the ~30 billion € exposure (data for the remaining portion were not available)

SCOPE 1&2

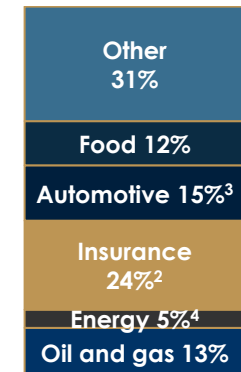
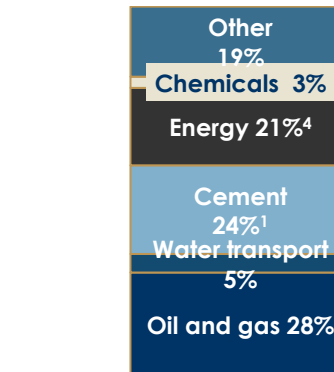


SCOPE 3



Outcome

Total emissions [Million tCO ₂ eq]	Scope 1	Scope 2	Scope 3
8,5	2,3	0,2	6,0
Emission intensity [tCO ₂ eq/Million € invested/borrowed]	Scope 1	Scope 2	Scope 3
	94,8	10,1	318,9



Scope 1 & 2

Scope 3

1. Manufacture of other non-metallic mineral products (mainly cement manufacture)
2. Insurance, reinsurance and pension funding
3. Manufacture of motor vehicles, trailers and semi-trailers
4. Electricity, gas, steam and air conditioning supply

PORTFOLIO ALIGNMENT & TARGETS

First TCFD report

Section 3

Sector

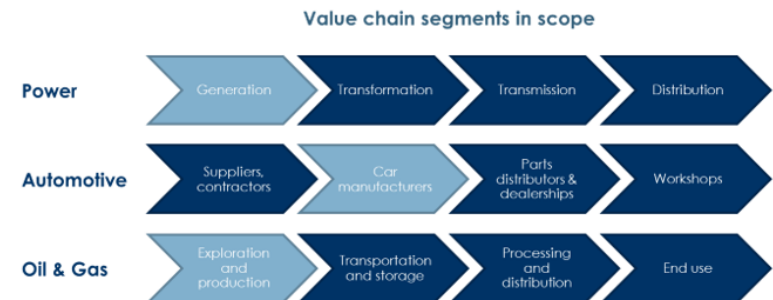
- ◆ **NZBA requirement** - targets on “carbon-intensive” sectors within 3Y from the commitment: agriculture, aluminum, cement, coal, commercial and residential real estate, iron and steel, oil and gas, power generation and transport. **MB has no lending exposure in coal, air transport and agriculture and very low one in steel, shipping and cement.**
- ◆ To perform the analyses, MB selected the Paris Agreement Capital Transition Assessment (PACTA¹) tool developed by the 2 Degrees Investing Initiative ('2DII'), complemented with Asset Resolution's – an external data provider which cooperates with 2DII – data.
- ◆ According to MB's portfolio and to the availability of methodologies, **the pilot portfolio alignment exercise was conducted on power, automotive and oil&gas sectors. Targets were set on power and automotive sectors.**

Perimeter

- ◆ **Wholesale Banking loan book** as at Dec.21 had a **drawn exposure of 17.6bn** (> 90% of total Corporate exposure).
- ◆ The methodology covers only carbon intensive sectors (**1.9bn**) in scope and covered by Asset Resolution data set.
- ◆ **The results of the pilot portfolio alignment exercise have been shown on power, automotive and oil&gas sectors being the most significant sectors** (1.6bn).
- ◆ The analyses relate to the segment of the sector value chain which is **in scope** according to PACTA methodology (in light blue in the chart aside), representing 50%,57% and 75% of the amounts related to power/automotive/oil and gas.

Scenario

- ◆ For both Portfolio Alignment and Target Setting, portfolio baseline and prospective performances have been compared with those required to be aligned to the International Energy Agency's Net Zero by 2050 scenario.
- ◆ This scenario follows the NZBA criteria and is aligned with limiting the rise in global temperatures to 1.5°C by the end of the century, with a 50% probability.



1. PACTA is an internationally recognized methodology which allows financial institutions to measure the alignment of their portfolio against a set of climate scenarios, which imply several levels of ambition measured in relation to the increase in global average temperature. PACTA's main objective is to promote the alignment of financial markets and the real economy with a Paris Agreement compatible world. PACTA methodology itself only focuses on specific sectors, those considered to be the most CO₂-intensive. In particular, as of today: oil and gas, coal, power, automotive, cement, aviation and steel, a subset of the sectors requested by the NZBA.

METRICS & METHODS

Portfolio Alignment

- ◆ **The analyses focused on technology and production-based metrics**, providing a straightforward way of monitoring counterparties' progress against climate targets.
- ◆ **For the automotive and power sector, MB calculated the Technology Mix (current and prospective) of the counterparties in its portfolio.** Such metric represents the weight (in percentage terms) of the different types of output/generation technologies (e.g. ICE, BEV or renewables, nuclear, gas) used by the counterparties.
- ◆ **For the oil&gas sector, the analysis efforts focused on the estimation of the prospective production trend (in terms of growth or decrease in production volumes) within this sector and for a given production technology.**
- ◆ The analyses were performed using PACTA tool and methodologies, which require **a corporate lending portfolio to align at the same rate of change as prescribed by the climate scenario. The difference between the portfolio projected performance and the aligned pathway (set under PACTA methodology) can be used as approximation of the portfolio current degree of alignment with the climate scenario.**

Net Zero Targets

- ◆ **NZBA requires to set, within 3Y years from the commitment, portfolio targets on: agriculture, aluminium, cement, coal, commercial and residential real estate, iron and steel, oil and gas, power generation and transport. For this first year targets will be set in the Power and Automotive sectors.** Next year the decarbonization plan in relation to the first two sectors will be provided and additional sector targets will be set.
- ◆ **The NZBA requires setting portfolio targets in terms of absolute GHG emissions or sector-specific emission intensity**, although it allows to support the targets with technology-based approaches, as per Asset Resolution's data.
- ◆ Regarding oil & gas, given the standing and centrality of the sector in the context of decarbonization, the Group has already started monitoring portfolio alignment. A target will be set, in line with NZBA timing requirements, as soon as computation methods have been finalized to include a comprehensive scope of impact.

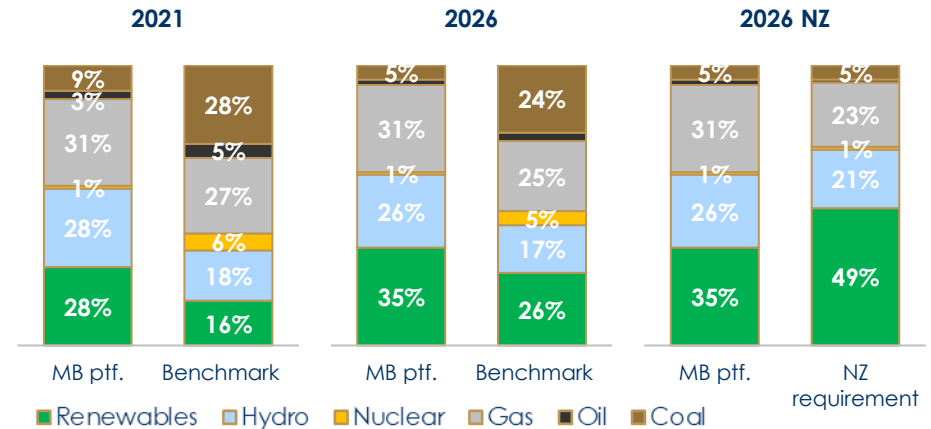
PORTFOLIO ALIGNMENT

First TCFD report

Section 3

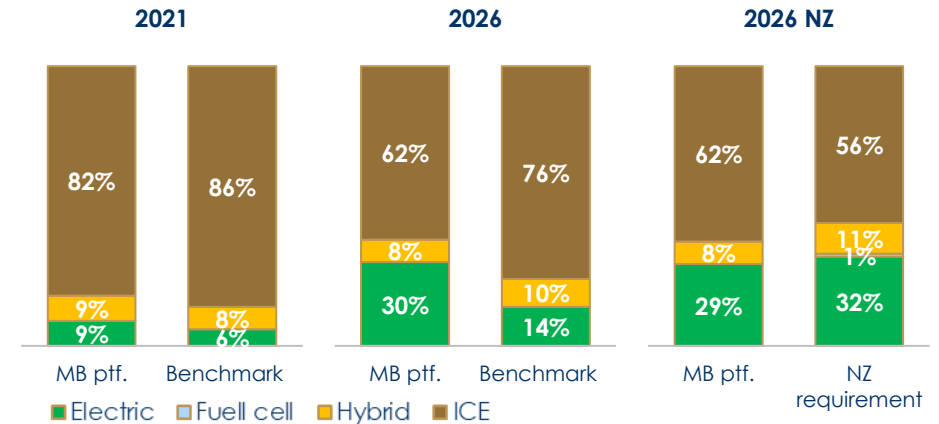
Power

- ◆ MB portfolio overall performs better than Asset Resolution benchmark both in year 2021 and 2026 ("green" production technologies is higher in both cases).
- ◆ The 2026 portfolio is not totally aligned with the requirements of the Net Zero scenario: part of the productive capacity should shift from "gas" to "renewables".



Automotive

- ◆ Mediobanca portfolio overall performs better than Asset Resolution benchmark both in year 2021 and 2026.
- ◆ The results are still not perfectly aligned with the technology mix required by Net Zero scenario in the year 2026 (more "hybrid" vs less "ICE" required).



Oil and Gas

- ◆ The analyses, conducted separately for the two different Oil and Gas technologies, show that MB's counterparties have a prospective production trend closer to the scenario targets than the one estimated for the counterparties used as benchmark. The results for gas technology, in particular, are largely in line with the Net Zero scenario requirements.



NET ZERO TARGETS

First TCFD report

Section 3

Targets metrics

Power sector: ton. of CO2 eq. per 1 MWh produced by the counterparty. The considered GHG emissions correspond to **counterparties' Scope 1 emissions related to power generation activities.**

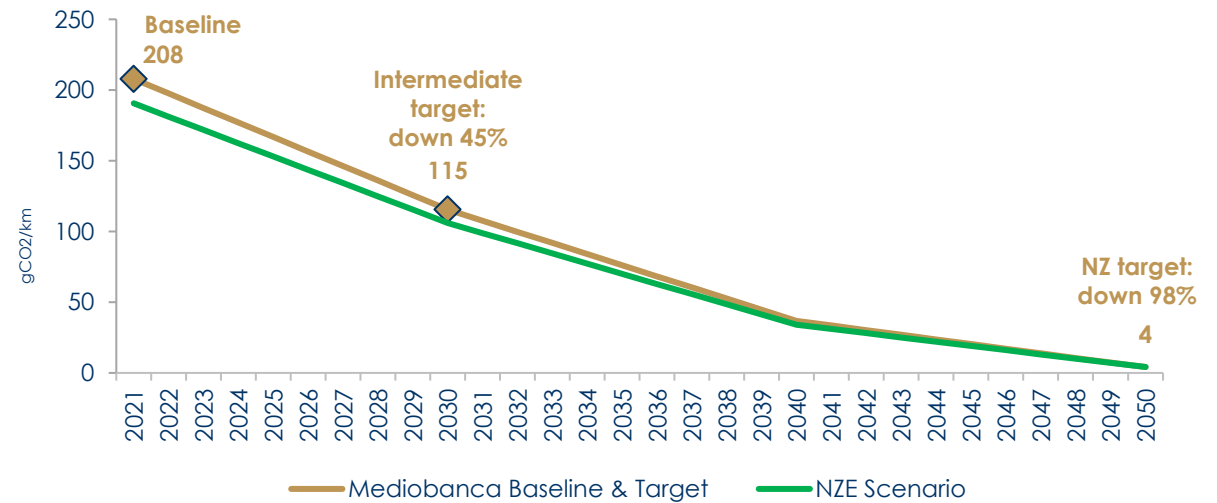
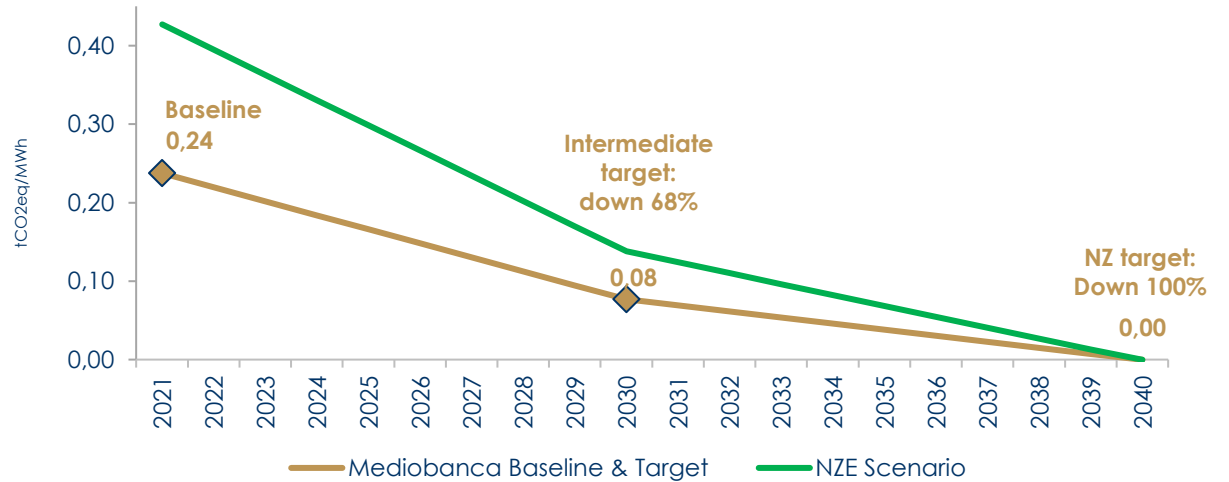
Automotive sector: average gr. of CO2 per km traveled by the produced vehicle. For the counterparties in scope, the considered emissions are related to **Scope 3 (Use of Sold Products).**

Power

Baseline (2021): 0,24
Int. target (2030): 0,08
NZ target (2040): 0

Automotive

Baseline (2021): 208
Int. target (2030): 115
NZ target (2050): 4



Agenda

Section 1. Executive summary

Section 2. AGM - Notice of meeting

- Shareholder remuneration
- Remuneration Policy and Report

Section 3. Focus on Environment - First TCFD report

Section 4. Focus on Social - Human Capital

Section 5. Focus on Governance



MEDIOBANCA

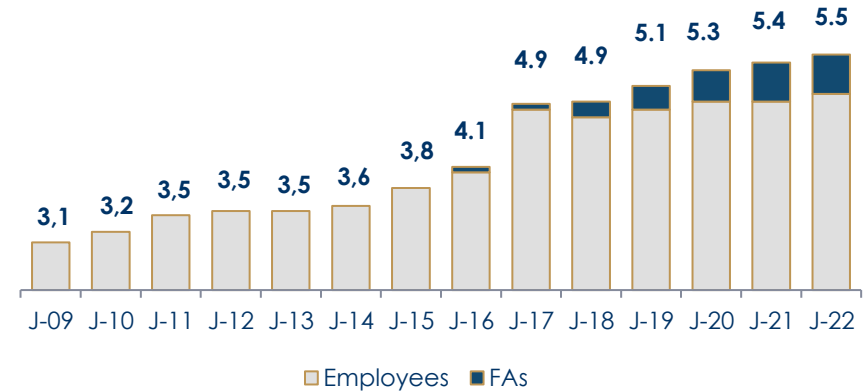
MB DELIVERING GROWTH TO THE BENEFIT OF EMPLOYEES ...

Group staff stably growing with no involvement in restructuring/downsizing

◆ **Group Headcount stably growing, now up to 5k people thanks to:**

- ◆ solid balance sheet and profitability has driven MB business development both via internal growth and M&A
- ◆ prudent approach to risk and business mix resiliency have driven the Group through financial crisis and bank's branches shrinking with no need for restructuring,
- ◆ managing, attracting, developing and retaining talent at the heart of MB HR strategy.

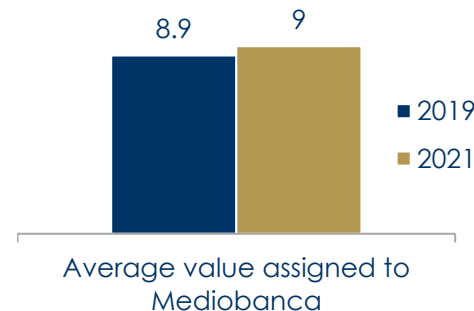
Group staff ('000)



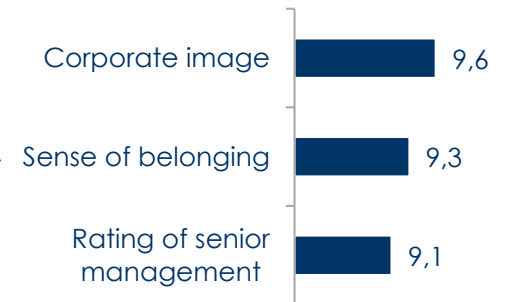
Strong Employee Satisfaction: 85% of MB's workforce are satisfied (up 2pp vs previous survey)

- ◆ **Routine staff engagement analysis** (survey + focus groups) to gauge employee satisfaction levels. Results inform HR priorities and strategies.
- ◆ First survey in 2017 with a follow-up in 2019. A new survey has been conducted in 2021 and from then on once every two years.
- ◆ **HR Transformation 4.0:** a long-term strategic project to facilitate communication and dialogue and increase HR operating efficiencies

On a scale of 1-10



The value assigned to the main indices remain positive



















... SETTING AMBITIOUS D&I TARGETS FOR THE FUTURE

TO PROMOTE CULTURAL AND PROFESSIONAL ENRICHMENT FOR OUR EMPLOYEES

Focus on Social - Human Capital

Section 4

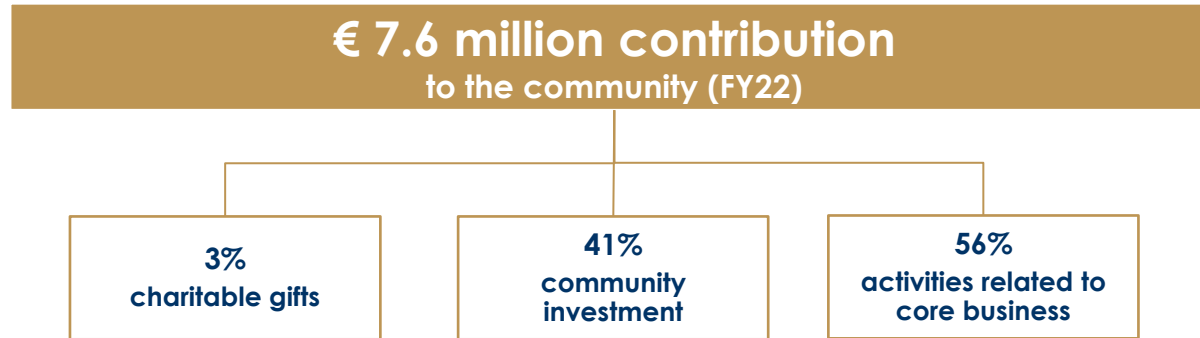
- ◆ The toDEI project, launched by the CEO, is a further step towards achieving sustainable growth
- ◆ While gender diversity is only one expression of diversity, it was identified as a key priority area at Mediobanca
- ◆ Ambitious diversity KPIs have therefore been set for the first time and will be included in the next BP targets timeframe
- ◆ Targets are aimed at bridging the gender gap, both in senior roles as well as in new hires and promotions

	Objective	KPIs	As of 30/06/2022	To be
				End of Industrial Plan (2026-27) ▶ End of Industrial Plan (2030-31)
Address gender balance with long term results	Consolidate female representation in top management and executive positions	% of female members of Mediobanca Key Function Holders	 ~23%	 >30%  >40%
	Establish gender balanced recruiting inflows	% of female "executives"	 ~16%	 >20%  ~35%
	Ensure balanced and fair advancement & remuneration processes	% of female on total hiring	 ~38%	 >50%  ~50%
	Engage all stakeholders in cultural transformation, high impact communication	Advancement rate	 10,3%  12,4%	 Parity  Parity
Effective & powerful communication	Engage all stakeholders in cultural transformation, high impact communication	Bloomberg GEI index score	 73	 ~80  >85

MEDIOBANCA SUPPORT TO THE COMMUNITY

Focus on Social - Human Capital

Section 4



We are involved in several new and running projects fostering culture, research and social inclusion

OPERA SAN FRANCESCO

€1.5m special donation to Opera San Francesco charity for specific new initiatives



TOGETHER/INSIEME

New rugby pitch inaugurated as part of the TOGETHER/INSIEME social inclusion project addressing the most vulnerable peripheral areas

MB SPORT CAMP

MB Sport Camp run for the fifth year at the Beccaria Institute (Institute for Young Offenders in Milan) to promote competition, respect for rules and fair play through sport

ENVIRONMENT AND TERRITORY

2,000 trees planted in Milan area as part of shared projects with Reteclima and Fondazione Mission Bambini

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MEDIOBANCA

MB'S BOARD OF DIRECTORS IN CHARGE UNTIL FY 2023 ...

List of Board members

Name	Age	Role	Independent*	First Election
Renato Pagliaro	65	Chairman ¹		2008
Maurizia Angelo Comneno	74	Deputy Chairman	X ³	2014
Angela Gamba	52	Director - LID	X ^{2,3,4}	2017
Alberto Nagel	57	CEO		2008
Francesco Saverio Vinci	59	GM		2008
Virginie Banet	56	Director	X ^{2,3}	2020
Maurizio Carfagna	74	Director	X ^{2,3}	2014
Laura Cioli	59	Director	X ^{2,3}	2020
Maurizio Costa	73	Director	X ^{2,3}	2014
Valérie Hortefeux	54	Director	X ^{2,3}	2017
Maximo Ibarra	53	Director	X ^{2,3}	2018
Alberto Lupoi	52	Director	X ^{2,3,4}	2017
Elisabetta Magistretti	75	Director	X ³	2011
Vittorio Pignatti Morano	65	Director	X ^{2,3}	2018
Gabriele Villa	58	Director	X ³	2017

Main features

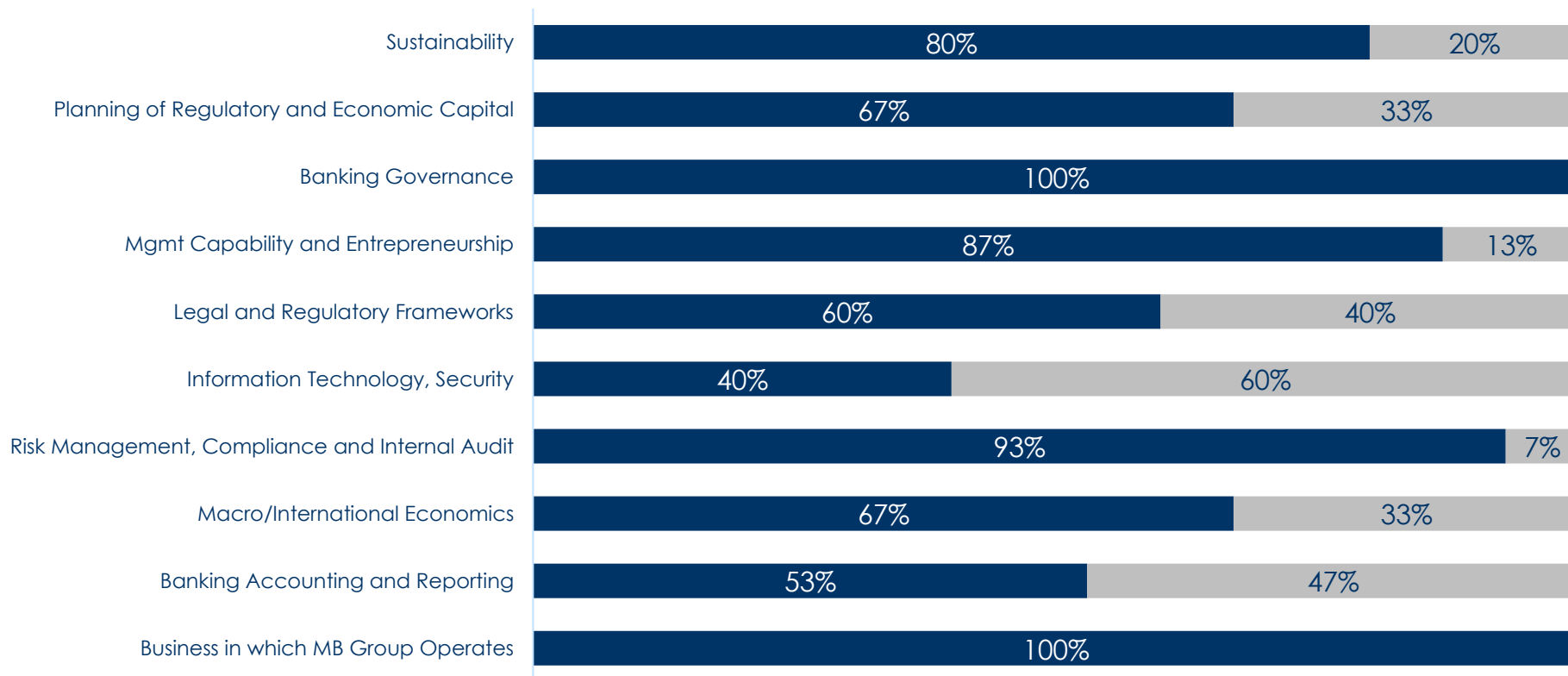
- ◆ **The current BoD** (appointed by shareholders at the AGM held in 2020, expiring with approval of the financial statements for the year ended 30/6/23), **is aligned with the best national and international practice**, complies with the regulations issued by the ECB and the Bank of Italy, and reflects the results of the self-assessment.
- ◆ **Size: 15 Directors**
- ◆ **Separate Chair and CEO**
- ◆ **Lead Independent Director (LID) with clear responsibilities**
- ◆ **Strong Independent Representation**
- ◆ **Continuity in BoD composition** to steward the 2019-23 Strategic Plan
- ◆ **Balanced combination of expertise, including strengthened international experience** and profiles in areas other than legal and economic
- ◆ **Gender diversity (@ 40%) - women are represented on all Board Committees, represent the majority of the Risks and the Corporate Social Responsibility Committees, and both the chairperson of the Risks Committee and the Lead Independent Director are women.**
- ◆ **In compliance with the Supervisory Instructions for banks on corporate governance and with the Articles of Association:** the non-executive directors who are members of the Executive Committee have been deemed to be executive directors and are therefore not members of the other intra-board committees.

1) Non-executive
 2) Independent as defined by Article 19 of the Articles of Association
 3) Independent as defined by Article 148, para. 3 of the Italian Finance Act
 4) Members appointed from the minority list (Assogestioni) -> the top shareholder did not submit a slate



... COMPRISED OF DIVERSE SKILLS AND SOUND EXPERIENCE

MB's Board Skills Matrix



An individualized skills matrix is available [here](#)

STRONG GOVERNANCE APPROACH

FULLY INTEGRATING ESG AT BOD LEVEL

Diversity and inclusion

Section 5

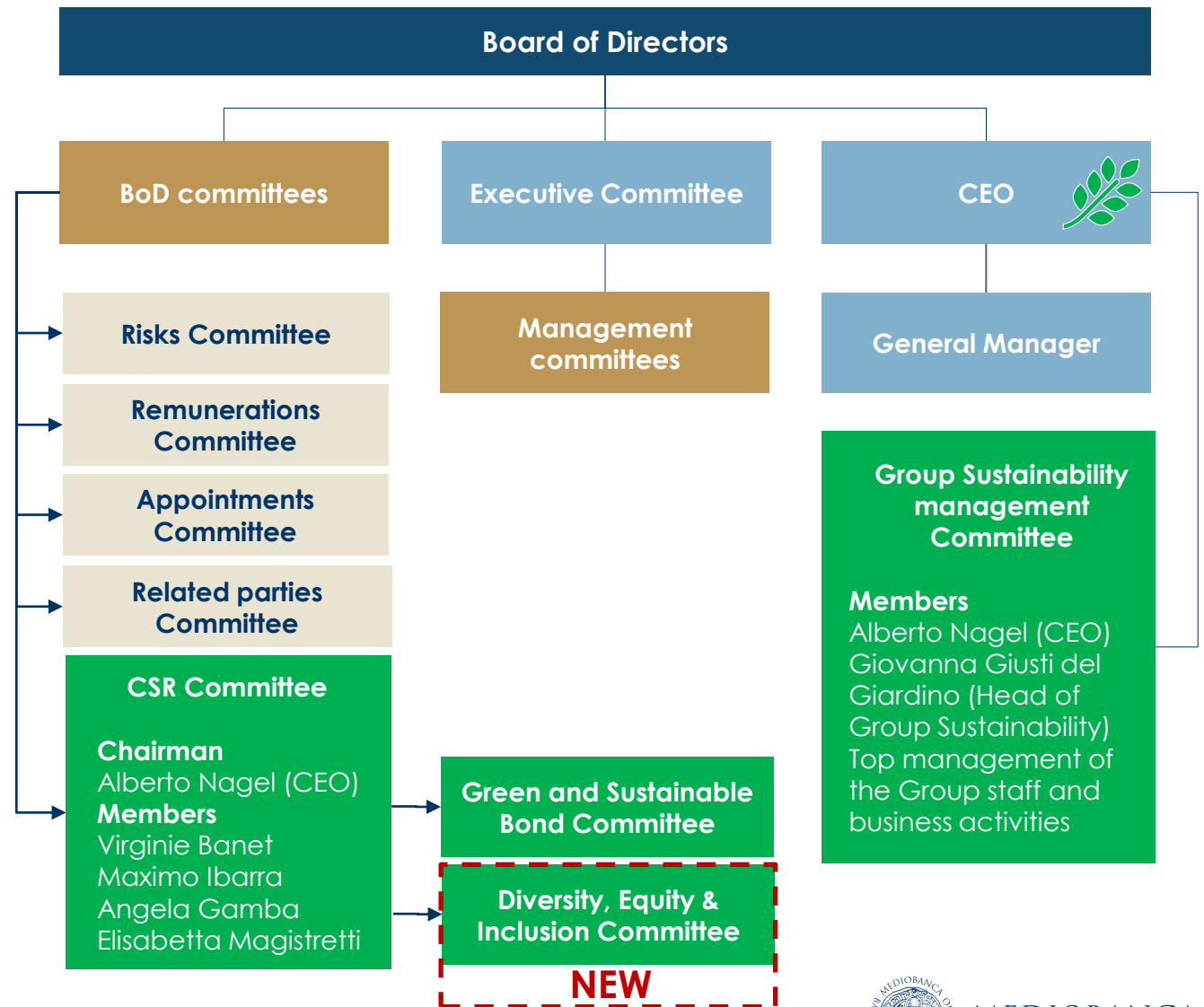
CEO in charge of sustainability.

Corporate Social Responsibility Committee (including the CEO and 3 independent BoD members) has responsibility for prior analysis of sustainability issues and ESG strategy to be submitted to the BoD.

The **Group Sustainability Management Committee** remains responsible for defining policies and implement practices within the Group

The **Risk Committee** monitors, carries out preliminary analysis, and provides support to the Board of Directors in its supervision of ESG risks, with reference in particular to the implications of climate and environmental risks on business model and strategy

Green and Sustainable Bond Committee is composed by Group Treasury, ESG team, CIB division and all relevant legal entities that contribute to the origination of the Eligible Assets



INVESTOR CONTACT DETAILS

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