



MEDIOBANCA

BOARD INVESTOR AND PROXY ADVISOR ENGAGEMENT POLICY

June 2022



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1 Introduction

Mediobanca (the “Bank”, or the “Company”) assigns importance to engaging with institutional investors and other market operators. As promoted by Shareholder Rights Directive II, establishing and maintaining ongoing relationships with shareholders through dialogue carried out by proper, transparent and diversified means, is a key aspect of ensuring mutual understanding between the parties, to the benefit of the Group’s sustainability not only in earnings but also in ESG (environmental, social and governance) terms.

Similar sentiments are expressed by the Corporate Governance Code in its January 2020 version. The Code requires the management body in its management body to promote dialogue with investors in the forms considered most appropriate, adopting a policy for addressing all shareholders. Similar considerations are also contained in the Bank of Italy’s Supervisory Instructions on Corporate Governance (cf. Circular No. 285/2013, Part I, Title IV, Chapter 1 - Section V).

This Policy, which was adopted by the Board of Directors at a meeting held on 22 June 2022, at the Appointments Committee’s proposal, has been drawn up having regard to the guidance contained in the I-SDX principles compiled by Assogestioni, which were sent to the Bank in January 2022.



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2 Subject and recipients of the Policy

The subject of the Policy is the process by which the Board of Directors engages with investors, defined as existing and potential shareholders (the “Investors”) and with proxy advisors (the “Proxy Advisors”).

The Policy lays down the means of the engagement, in compliance with the legal provisions, identifying the interlocutors, the subjects for discussion, and the process for managing the requests.

Ordinary investor relations and strategic development activities, which are carried out by the Group Investor Relations and Strategic Development unit (“Investor Relations”) are not covered by this Policy. For such activities, reference should be made to the relevant section of the Corporate Governance Report available on the Bank’s website.

Engagement activities in connection with Annual General Meetings are also not included in the scope of this Policy, as they are subject to the regulations laid down in Italian Legislative Decree 58/98 (the “Italian Finance Act”).

The Policy is published on the Bank’s official website.



3 Means of engagement

3.1 Form of engagement

The dialogue can take place: i) on the initiative of the Investors or the Proxy Advisor (reactive engagement) according to the rules described below; ii) on the initiative of the Bank (proactive engagement) if it intends to understand the stance of the Investors and Proxy Advisors on specific issues.

3.2 Parties responsible for engagement

The Board of Directors:

- ◆ Draws up the engagement Policy and monitors to ensure it is applied correctly in practice;
- ◆ Receives timely reporting on significant contents of engagement;
- ◆ Taking due account of the results of the engagement activities carried out, reviews the effectiveness and adequacy of the Policy on a regular basis, and updates it accordingly.

The Chairman of the Board of Directors and the Chief Executive Officer, with the support of the Investor Relations and Group Governance units, are responsible for managing engagement, and, depending on their respective responsibilities:

- ◆ Assess the contents of any requests for engagement and decide whether or not to accept them, establishing the means and timescales for follow-up and whether to involve first and foremost the Lead Independent Director, if appointed, in the engagement or other Directors according to their roles and the heads of the company units with responsibilities for such areas;
- ◆ Ensure that the engagement takes place in accordance with the regulations on handling information and on disclosure and confidentiality;
- ◆ Propose engagement at the Bank's own initiative (proactive engagement) on specific issues to the Board of Directors.

Any Directors who receive requests for engagement send them to the Chairman, Chief Executive Officer, and the Investor Relations unit in a timely manner before engaging in any form of communication or providing any feedback.

3.3 Subjects covered in engagement

The subjects on which the Bank assesses whether or not to agree to proposals for engagement can involve exclusively matters for which the Board of Directors is responsible, namely as follows:

- ◆ Business model, strategic direction and risk appetite;
- ◆ The Group's business and financial strategic plans;
- ◆ Financial and non-financial results;
- ◆ Corporate governance issues, including the composition of the Board of Directors and the appointments process;



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- ◆ Internal control and risk management system;
- ◆ Remuneration and incentivization policies;
- ◆ Transactions of strategic, earnings, capital or financial relevance;
- ◆ Capital structure;
- ◆ Dividend policy;
- ◆ Strategic directions and policies in the area of sustainability (ESG).

3.4 Requests for engagement

Requests for engagement ("reactive engagement") must be addressed in writing to the Investor Relations unit via the appropriate section of the Bank's website. Such requests must include the following information:

- ◆ The subject or subjects it is proposed to discuss;
- ◆ An idea of the applicant's position and/or stance on the subject for discussion;
- ◆ The reasons why it is felt that direct engagement with the Board is necessary, stating the other forms of dialogue which the applicant has attempted previously;
- ◆ The persons intending to take part in the engagement, including specification of their role within the organization and their contact details.

The Policy does not apply to requests made by investors on subjects unrelated to their investment and/or their role as investor.

3.5 Managing requests

The Investor Relations unit sends any requests for engagement received to the Chairman and the Chief Executive Officer who decide whether or not to agree to them. Requests are also sent for information to the Lead Independent Director, if appointed, and to the Chief Governance Officer. In special cases, depending on the importance of the subject, the requests may be passed to the Board of Directors for assessment.

The Chairman and the Chief Executive Officer, with the support of the Investor Relations and Group Governance units, plus any other units possibly responsible, assess:

- ◆ If the subject is relevant to the issues raised for the engagement;
- ◆ If the request regards subjects already presented and/or disclosed to the market (e.g. annual and interim financial statements, annual statement on corporate governance and ownership structure, Remuneration Policy and Report, Consolidated Non-Financial Statement, etc.), or has already been discussed with the applicant or with other Investors or Proxy Advisors;
- ◆ Whether there are other requests for engagement on the same subject, and the possible interest of other Investors and Proxy Advisors in the subject for discussion in the engagement;
- ◆ The result of the votes held on the subject in previous Annual General Meetings;



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- ◆ The effective relevance of the engagement and the possibility of establishing constructive dialogue on the issue;
- ◆ The existence of a situation of conflict of interest, even only potential, on the part of the applicant vis-à-vis the Bank;
- ◆ Whether or not the applicant has its own commitment and investment policies, and how they have voted;
- ◆ Compliance with the applicable regulations on managing information.

Any compatibility issues raised by the engagement versus the regulations in force, with reference in particular to the provisions on management of inside information and the lists set up for specific relevant information, are assessed with the support of the Compliance unit, without prejudice to the obligations regarding the disclosure of inside information to the market and the restrictions on selective disclosure.

Having regard to the factors listed above and the Bank's own interests, the Chairman and the Chief Executive Officer, with the support of the Investor Relations unit, assess whether to conduct the engagement by one or other of the following means:

- ◆ One-way, i.e. the applicants merely present the issues they want to raise with the Bank, or two-way, i.e. with a bilateral exchange of information and opinions;
- ◆ One-to-one, in which a meeting is held between the Bank and an applicant, or collective, i.e. with more than one applicant participating.

The Investor Relations unit will respond to the applicant, informing them of the means and timescales according to which the engagement will be carried out, plus other operational details. If the request is not upheld, the applicant will be informed that their request has been rejected and, if necessary, the reasons why.

3.6 Carrying out the engagement

In carrying out the engagement, the Bank complies with the highest standards in terms of transparency and proper conduct. Meetings exclusively regard the subjects previously notified and agreed between the company and the applicants. If additional subjects for discussion are proposed by the applicant during the meeting, the company may decide to suspend the meeting, for further enquiries to be made, or alternatively to bring it to an end.

The meetings with the applicants are normally attended by the Chairman and/or the Chief Executive Officer, depending on the issues discussed, who may invite other members of the Board of Directors (Lead Independent Director, if appointed, chairpersons or members of other committees), if their participation in the meeting is considered useful, or alternatively they may invite other management members who are heads of the company offices with responsibility for the relevant areas. The Lead Independent Director participates in meetings relating to governance issues. The Investor Relator usually also participates in such meetings, as does the Chief Governance Officer depending on the subject discussed.

Any supporting documentation for the meetings will be prepared in conjunction with the Chairman and the Chief Executive Officer with the contribution of the units involved, Investor Relations and Compliance in particular.



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4. Monitoring and reporting flows

The Chairman, in accordance with the Chief Executive Officer and any other Directors possibly involved, in relation to the subjects for discussion, ensures that the Board of Directors is informed at the earliest possible meeting regarding any issues raised by the Investors /Proxy Advisors, and regarding the results and main contents of the engagement, as well as of any requests for engagement that are not accepted.

The contents of the Policy and the Board of Director's assessment of its adequacy are contained in the Annual Statement on Corporate Governance and Ownership Structure.

The Policy will be revised and adapted each time it is considered necessary. Provided that the Board of Directors is responsible for the Policy and its approval, revision and update, non-substantial and/or minor changes are made directly by the Investor Relations and Group Governance units.