

# Mediobanca Group Climate Transition Plan

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September 2025



MEDIOBANCA



# Premise

In a constantly evolving European regulatory context on sustainability issues, the financial sector is called upon to equip itself with tools to **define and monitor climate targets and enabling transition plans for Net-Zero objectives**.

Mediobanca confirms its commitment to take an active role in the ecological transition, declaring its intention to align its **credit and investment portfolios with net zero emissions by 2050 or earlier**, and to adopt a credible Transition Plan capable of clearly outlining the strategies, actions and timelines to **integrate the transition into its business and governance model**.

**Sustainability is an integral part of the company's strategy** and finds expression in the "One Brand – One Culture" Strategic Plan, which includes specific ESG objectives, **including achieving carbon neutrality by 2050**.

In September 2024, the Group published its first Transition Plan.

For the implementation of its Transition Plan, the Bank has adopted the framework of the **Glasgow Financial Alliance for Net Zero (GFANZ)**, based on three pillars:

1. The "One Brand – One Culture" Strategic Plan
2. The integration of ESG initiatives already launched internally
3. Corrective actions required by the Regulator, ESG investors or market best practices

The Transition Plan provides for synergistic and transversal interventions across the various corporate functions, divided into **short (by 30.06.26), medium and long-term time horizons** and subject to updates consistent with the evolution of the Group's strategy.



# STRUCTURE OF THE TRANSITION PLAN ACCORDING TO THE GFANZ FRAMEWORK



→ In drafting an effective and science-based Transition Plan, the **GFANZ framework** recommends implementing these **five sections** for which Mediobanca has identified **specific levers**, in line with its business model and strategy, as outlined below.



LEVERS



# CLIMATE TRANSITION PLAN

UPDATE 2025

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MEDIOBANCA



## CHOICE AND APPLICATION OF LEVERS



Mediobanca is committed to achieving zero emissions by 2050, guaranteeing offsetting for its emissions (Scope 1 and Scope2 market-based), confirming its commitment through multiple decarbonisation initiatives, including **participation in the Net-Zero Banking Alliance** and the **integration of quantitative ESG objectives into the "One Brand – One Culture" Strategic Plan**.

Below is a summary of the actions that will be implemented, for each of the levers identified.

LEVER	ACTION	OBJECTIVES SET	ACTION TO BE IMPLEMENTED	TIME HORIZON
1 - Goals and Priorities	<b>Adherence to Net-Zero goals</b> and identification of priority strategies to enable the reduction of emissions  <b>Planning activities to achieve Net-Zero goals</b> and communicating how they are integrated within the organization and <b>corporate strategy</b>	The Group has adopted the "One Brand – One Culture" Strategic Plan, including the Net-zero target by 2050   For further information, see the section E1-1 of the Group sustainability report	<b>Strengthening ESG implications and impacts in the formulation of the next Strategic Plan</b> <i>(ongoing)</i>	
			<b>Definition of KPIs targets in the BES activity</b> <i>(new)</i>	








## CHOICE AND APPLICATION OF LEVERS



The Group continues to integrate **climate and environmental variables into its financing and investment processes**, refining its **products** and **actively engaging with clients**, for example through transition-related advisory services. This approach not only adds value to clients seeking to reduce their environmental footprint but also positions Mediobanca as a leader in low-carbon finance.

A breakdown of the **actions to be implemented, for each of the levers**, is provided below.

LEVER	ACTION	OBJECTIVES SET	ACTION TO BE IMPLEMENTED	TIME HORIZON
1 - Products & Services	<b>Development of financial solutions</b> to promote investments in companies <b>committed to energy transition and sustainable business models</b> : <ul style="list-style-type: none"> <li><b>Lending Products "Climate Solutions &amp; Aligned"</b> (E.g. Green mortgages, Green Loan, Social Impact Banking, SDG-linked loans).</li> <li><b>Capital Markets Products "Climate Solutions &amp; Aligned"</b> (E.g. Green bonds, Social bonds, Sustainable bonds, Transition bonds).</li> </ul>	<b>Strategic Plan«One Brand – One Culture»</b> <ul style="list-style-type: none"> <li>At least €5 billion in ESG finance disbursed or originated in the three-year period 25-28</li> <li>Funding: At least 3 sustainable bond issuances by 2028</li> </ul> <p>For further information, see section S4-5 of the Group sustainability report</p>	<b>Evolution of the existing process</b> to map, identify and catalog transactions defined as <b>green</b> according to the bank's methodology and <b>definition of the automation process</b> <i>(new)</i>	
			Review of the process of <b>identifying green products and automation of related reporting</b> to support monitoring activities <i>(new)</i>	
			Defining <b>new solutions and "aligned" goals</b> . <i>(ongoing)</i> <ul style="list-style-type: none"> <li>Linked to products that support the achievement of the Group's decarbonization goals (e.g. Sustainability Linked Loan with SBTi-related KPIs)</li> <li>New solutions and "Climate Solutions" KPI target already in line with the transition</li> </ul>	



Short-term goal



Medium to long term goal





## CHOICE AND APPLICATION OF LEVERS



Mediobanca defines and applies targeted **policies and conditions** to **priority sectors** and **activities for combating climate change**, such as: **coal, unconventional oil and gas, and activities related to deforestation**, outlining a scope consistent with its objectives. Through these measures, Mediobanca is progressing on its path to **Net-Zero** while promoting sustainable financial practices, including through its dedicated **Energy Transition Team**.

A breakdown of the **actions to be implemented, for each of the levers**, is provided below.



LEVER	ACTION	OBJECTIVES SET	ACTION TO BE IMPLEMENTED	TIME HORIZON
1 - Products & Services	Financing conditional on <b>phasing out high-emitting assets</b> ; building a portfolio oriented towards <b>assets that have a clear transition plan</b> and establishing exclusion policies (e.g., coal, oil & gas, tobacco, mining, etc.)	<b>Strategic Plan «One Brand – One Culture»</b> <ul style="list-style-type: none"> <li>Phase-out from tobacco by 2026</li> <li>Total coal exit by 2030</li> <li>35% reduction in the carbon intensity of financing by 2030</li> </ul>	<b>Disbursement of at least €100 million of green product operations (UoP)</b> <b>(new)</b>	
	<b>Support service to clients on transition risks and coaching in transition</b>  Offering <b>financial</b> information and <b>advisory</b> services related to net-zero transition	<b>Strategic Plan «One Brand – One Culture»</b> <ul style="list-style-type: none"> <li>Corporate finance: advisory team dedicated to Energy Transition.</li> </ul>	At least 50% of transactions (annual advisory transactions announced by the Bank) to be related to energy transition issues (Energy Transition team) <b>(achieved and confirmed)</b>	



## CHOICE AND APPLICATION OF LEVERS



The Group has strengthened its internal **Fund Transfer Pricing** process, with the aim of supporting the strategic objectives of portfolio decarbonization and new ESG business volumes, whereby the defined **eligibility criteria** are linked to one or more of **the Group's strategic objectives**. In addition, in order to adequately quantify the climate and environmental risks to which the Group is exposed and to conduct the appropriate climate and environmental due diligence, Mediobanca will strengthen its **data governance and data management**. A breakdown of the **actions to be implemented, for each of the levers**, is provided below.

LEVER	ACTION	OBJECTIVES SET	ACTION TO BE IMPLEMENTED	TIME HORIZON
2- Activities & Decision Making	Changing factors in risk and expected return models to transition by adjusting credit rating and discount rate, rewarding counterparties that adopt sustainable practices	<b>ECB Plan</b> <ul style="list-style-type: none"> <li>Integration of the FTP Framework with adjustments to the curve in consideration of ESG factors (ECB Plan)</li> </ul>	Start of assessments for the <b>integration of ESG variables</b> into the risk components in the <b>pricing calculation framework</b> <i>(ongoing)</i>	
			<b>Integration</b> of ESG data and in particular <b>net-zero related data</b> into the <b>data governance and data management</b> framework, in order to support current decision-making processes <b>through appropriate automated tools</b> <i>(ongoing)</i>	



Short-term goal



Medium to long term goal



# CHOICE AND APPLICATION OF LEVERS



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LEVER	ACTION	OBJECTIVES SET	ACTION TO BE IMPLEMENTED	TIME HORIZON
2- Activities & Decision Making	Changing factors in risk and expected return models to transition by adjusting credit rating and discount rate, rewarding counterparties that adopt sustainable practices	N.A	Further actions to be implemented on monitoring processes, to be evaluated following internal developments of short-term activities	






## CHOICE AND APPLICATION OF LEVERS



Mediobanca is committed to combating climate change **by continuously monitoring sustainability metrics**, setting **internal thresholds for financed emissions**, and adjusting **risk and return models** according to the **effects of climate change**, considering both physical and transitional risks. A breakdown of the **actions to be implemented, for each of the levers**, is provided below.

LEVER	ACTION	OBJECTIVES SET	ACTION TO BE IMPLEMENTED	TIME HORIZON
2- Activities & Decision Making	Implementation of an <b>ongoing assessment and monitoring</b> and reporting system on sustainability metrics to <b>assess: transition plans and progress made</b> ; industry decarbonization pathways; <b>adoption of emission mitigation technologies</b>	N.A		
	Internal thresholds for financed emissions by implementing a monitoring system and setting internal thresholds for financed emissions	<p><b>Strategic Plan«One Brand One Culture»</b></p> <ul style="list-style-type: none"> <li>Integration of climate and environmental factors into risk management processes such as RAF, ICAAP and stress testing</li> </ul> <p><b>ECB PLAN.</b></p> <ul style="list-style-type: none"> <li>Plan Actions in the area of Risk Management</li> </ul>	<p>Strengthening exposure-based methodologies for the assessment of climate and environmental risks. The top-down approach is based on a set of drivers: transition risk, physical risk, environmental risks including air and water pollution, and water supply.</p> <p><b>(new)</b></p>	
	Changing factors in risk and expected return models to <b>transition</b> by assessing the implications of <b>climate change</b> on the Bank's financial operations and investments, considering both physical and transition risks			



## CHOICE AND APPLICATION OF LEVERS



The Bank has a **Group ESG Policy**, which also includes an exclusion criterion for coal-related activities, with the goal of achieving a **phase-out by 2030**. The Policy version updated in 2025 includes: the addition of **more structured selection criteria**; the **expansion of scope**; and the introduction of **new sectoral guidelines**.

A breakdown of the **actions to be implemented, for each of the levers**, is provided below.

LEVER	ACTION	OBJECTIVES SET	ACTION TO BE IMPLEMENTED	TIME HORIZON
3- Policies & Conditions	<b>Policies and conditions for access to funding</b>  Definition of policies and conditions to be met that apply to counterparties operating in determining highly polluting industries and activities	<b>Strategic Plan«One Brand – One Culture»</b> <ul style="list-style-type: none"> <li>Phase-out from tobacco by 2026</li> <li>Total exit from coal by 2030</li> </ul>	<b>Current policies and conditions are in line with market practices</b>  It is possible to <b>assume additions/extension</b> of the sectors to which the conditions apply: <ul style="list-style-type: none"> <li>Chemical, rubber and plastic manufacturing</li> <li>Metallurgy and non-ferrous metals</li> </ul> <b>(ongoing)</b>	
	<b>Screening activities and escalation processes</b> <ul style="list-style-type: none"> <li>Establishment of <b>screening</b> processes for counterparties operating in determining highly polluting industries and activities</li> <li>Definition of <b>escalation</b> processes</li> </ul>	N.A	Strengthening the <b>climate and environmental due-diligence process</b> , both in terms of <b>monitoring</b> (at the beginning of the client relationship and on an ongoing basis) and <b>escalation</b>  <b>(ongoing)</b>	



CHOICE AND APPLICATION OF LEVERS



**Mediobanca's engagement strategy** aims to effectively engage key stakeholders in the **transition path** towards achieving the Group's **net-zero goals**. This strategy includes co-operating with customers, financial institutions, trade associations and investors. A breakdown of the **actions to be implemented, for each of the levers**, is provided below.

LEVER	ACTION	OBJECTIVES SET	ACTION TO BE IMPLEMENTED	TIME HORIZON
1 - Clients and Portfolio Companies	Engagement with portfolio counterparties in order to: <ul style="list-style-type: none"><li>• <b>Share goals</b> with clients</li><li>• Initiate dialogue aimed at <b>raising awareness</b> of customer emission reduction</li></ul>	N/A	Achievement of at least <b>30% coverage</b> of the counterparties in the portfolio on which the client <b>engagement activity was carried out</b> (non-financial Corporate) <i>(new)</i>	



Short-term goal





Medium to long term goal



CHOICE AND APPLICATION OF LEVERS



The Mediobanca Group believes that practices of engaging in constructive, ongoing, and transparent relationships with a range of public authorities, institutions, and industry associations are necessary in order to achieve the development of positive ESG impacts and to address climate change. The various initiatives include: the **Mediobanca Research Area**, which develops analysis in collaboration with Centri Studi Tagliacarne and Unioncamere; the Group's adherence to Assogestioni's **Italian Stewardship Principles**; and its membership of the Italian Banking Association (**ABI**). A breakdown of the **actions to be implemented, for each of the levers**, is provided below.

LEVER	ACTION	OBJECTIVES SET	ACTION TO BE IMPLEMENTED	TIME HORIZON
2- Governments and the Public Sector	<b>Adhere to specific public commitments to the climate transition</b>	N/A	Provide <b>feedback</b> to consultations, individually, through trade associations, or in collaboration with other financial institutions, to consultation processes of regulators and legislators; provide feedback to <b>international bodies, multilateral organizations, and NGOs</b> <i>(ongoing)</i>	
	Develop or publicly support joint appeals to global authorities, regulators, supervisors, and standards bodies		<b>Promote the publication of research and reports</b> that highlight the need for policies to combat climate change <i>(achieved and confirmed)</i>	





CHOICE AND APPLICATION OF LEVERS



Mediobanca's **metrics and targets for achieving Net-Zero** include a set of measures to guide and monitor the execution of the Transition Plan over the **short-, medium-, and long-term horizon**. These measures focus on aligning financial activities with the zero transition of the real economy, ensuring that all investments and financial services support decarbonization efforts. A breakdown of the **actions to be implemented, for each of the levers**, is provided below.

LEVER	ACTION	OBJECTIVES SET	ACTION TO BE IMPLEMENTED	TIME HORIZON
Metrics and Goals	Aligning financial activity with Net-Zero goals.  Set, monitor, and regularly update sector goals	<b>Strategic Plan«One Brand – One Culture»</b> <ul style="list-style-type: none"><li>▪ Neutrality by 2050</li><li>▪ -35% reduction in the carbon intensity of financing by 2030</li><li>▪ 100% renewable energy at Group level</li></ul> <b>Internal initiatives 2024-25</b>  First calculation of the facilitated emissions   For further information, see PRB Report 2024-2025	<b>Development of a tool for ex-ante calculation</b> of financed emissions and sectoral targets <b>to support internal monitoring</b>  <i>(new)</i>	
			Evaluate <b>third-party validation of GHG emission targets</b> to provide stakeholders with independent assurance on the credibility of targets and data  <i>(ongoing)</i>	






# CHOICE AND APPLICATION OF LEVERS



To achieve its Net-Zero goals, Mediobanca's **climate governance** must be updated, defining **new roles and responsibilities as they emerge**. Regular reviews of the Transition Plan ensure that material updates and developments are incorporated and implementation risks are effectively managed. Short-term goals also include highlighting the Group's efforts to ensure that **compensation incentives are aligned with climate commitments**. A breakdown of the **actions to be implemented, for each of the levers**, is provided below.

LEVER	ACTION	OBJECTIVES SET	ACTION TO BE IMPLEMENTED	TIME HORIZON
1 - Roles, Responsibilities & Compensation	<b>Definition of roles</b> The Board of Directors or strategic oversight body and senior management must have <b>full ownership, oversight, and accountability for net-zero goals</b>	N.A		
	<b>Specific teams</b> should be set up for all aspects of transition plan design and implementation	<b>ECB Plan</b> <ul style="list-style-type: none"><li>• Actions envisaged by the plan in the Risk Management area</li></ul>	<b>Formalize the monitoring mechanism of the KPIs defined in the Business Environment Scan (BES)</b> <i>(new)</i>	
	<b>Remuneration and incentive policies related to the Transition Plan.</b>			



Short-term goal








Medium to long term goal



CHOICE AND APPLICATION OF LEVERS



A number of **training initiatives** were run during the financial year, **to increase skills at all levels** and the **awareness** of **Group employees** of ESG issues, in particular climate issues.  
All Group employees have been involved in introductory training activities on ESG issues, including climate change and green products.  
A breakdown of the **actions to be implemented, for each of the levers**, is provided below.

LEVER	ACTION	OBJECTIVES SET	ACTION TO BE IMPLEMENTED	TIME HORIZON
2- ESG Skills and Culture	Assessment of key <b>skills and knowledge for the transition</b>	<b>Strategic Plan«One Brand One Culture»</b>  • +15% per capita training by 2028	Offer <b>continuing education at all levels</b> (BoD and employees)  <b>(ongoing)</b>	
	<b>Provide training</b> to staff in relation to roles, considering all levels, <b>from the Board of Directors to operational management</b>		Set up <b>transparent processes to identify and improve sustainability expertise</b>  <b>(ongoing)</b>	  
	<b>Promoting cultural change</b>		Consider extending training and skills to <b>key suppliers and other partners</b> along the value chain as well  <b>(ongoing)</b>	





# MONITORING OF THE 2024 TRANSITION PLAN



The Group has achieved all the short-term objectives stated in the 2024 Transition Plan. The actions implemented in FY24-25 for each of the identified levers are shown below.

ACTIONS IMPLEMENTED
<div>1- Objectives &amp; Priorities</div> <ul style="list-style-type: none"><li>• <b>Identification of the connection between macroeconomic variables</b> and those related to <b>Climate &amp; Environmental issues</b> (having, among others, the objective of assessing the sensitivity of the balance sheet items with respect to the evolution of macroeconomic variables)</li><li>• <b>Implementation of ESG objectives and scenarios/impacts</b> within <b>financial planning</b></li><li>• <b>Consolidation of the monitoring process of ESG KPIs</b> defined within the <b>Strategic Plan</b></li></ul>
<div>1- Products &amp; Services</div> <ul style="list-style-type: none"><li>• <b>Identification and monitoring of products/assets</b> that enable the acceleration of decarbonization (e.g. SBTi, Use of Proceeds, etc.)</li><li>• Maintenance of at least 50% of transactions (annual advisory operations announced by the Bank) related to energy transition issues (Energy Transition team)</li></ul>
<div>2- Activities &amp; Decision Making</div> <ul style="list-style-type: none"><li>• <b>Definition and implementation of an ex-ante monitoring process of counterparties' transition plans:</b><ul style="list-style-type: none"><li>• Assess whether the counterparty publishes a <b>Transition Plan</b> or <b>externally verified emission reduction targets</b></li><li>• Assess whether the counterparty adheres to <b>international or sectoral initiatives</b>, such as <b>SBTi</b>, to achieve a Net-Zero target by 2050</li><li>• Where there is no public data of the counterparty, consider whether it can be obtained through a <b>direct engagement</b> process</li><li>• If the counterparty is part of a sector targeted by the Group, calculate the intensity of the financed issues and assess <b>how they may impact the sector targets published by Mediobanca</b></li></ul></li><li>• Definition of a process for periodic <b>monitoring of the counterparty's Transition Plan</b></li><li>• Definition of a <b>reporting process for the analyses carried out</b></li><li>• Strengthening RAF metrics by defining thresholds (targets, limits and triggers) and implementing a regular monitoring and follow-up process in case limits are exceeded</li><li>• <b>Integration of risk analyses</b> (Climate &amp; Environmental) <b>including science-based forward-looking projections</b></li><li>• Strengthening of the <b>Credit Risk framework</b> through the <b>inclusion of quantitative criteria for counterparty analysis</b> (from a Climate &amp; Environmental point of view)</li></ul>





## MONITORING OF THE 2024 TRANSITION PLAN



The actions implemented in FY24-25 for each of the **identified levers** are shown below.

### ACTIONS IMPLEMENTED

#### 1- Clients and Portfolio Companies

- Definition of a **process for carrying out client engagement** (e.g. identification of ownership, objectives of the different phases, methods and frequency of conducting activities)
- Establishing a **detailed plan with timelines and counterparty engagement targets** to ensure that efforts are consistent with the nature of the decarbonisation targets, by:
- Prioritization of customers subject to **industry targets**
- Definition of the **panel of customers** with whom to plan engagement activities for an initial sharing of the decarbonization objectives of the sector in which they operate
- Development of a **specific path to reduce emissions**, supporting the client in structuring debt (offering advice, experience and resources to accelerate the transition)

#### 2- Governments and the Public Sector

- **Promotion of the publication of research and reports** that underline the need for policies to combat climate change
- Promotion of a **survey on the degree of preparation of Italian mid-caps** in the manufacturing sector with respect to **Net-Zero objectives**

#### 1- Metrics and Goals

- Formalization and industrialization of an **ex ante monitoring process** of both financed emissions and sectoral targets, providing support for **calculation automation and internal monitoring tools**

#### 1- Roles, Responsibilities & Compensation

- Definition of a **process, roles and responsibilities** for activities related to the **transition plan (ownership, definition of activities and related monitoring)**
- **Definition of a broader Blue book of KPIs** aligned with the **net-zero strategy**, to be assigned to Material Risk Takers (considering the scope of responsibility and room for manoeuvre).
- Possible **identification of "secondary metrics"** for area objectives
- KPIs must have a **clear description** (taxonomy), their **own budget** (if short), and must be **measurable, monitorable and accountable**





# SECTORAL GOALS

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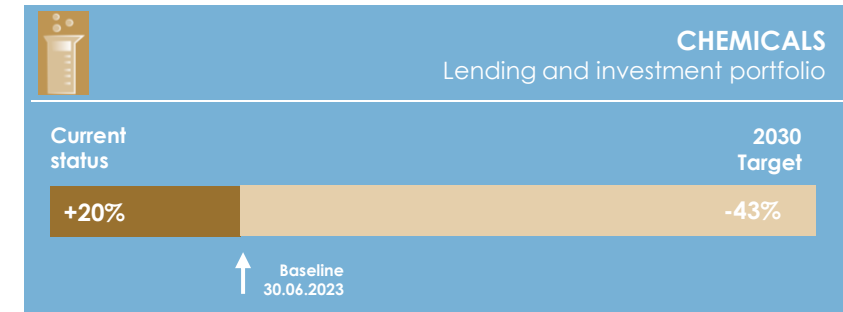
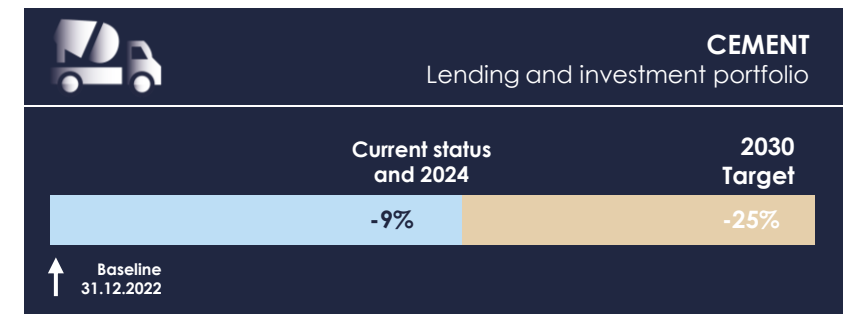
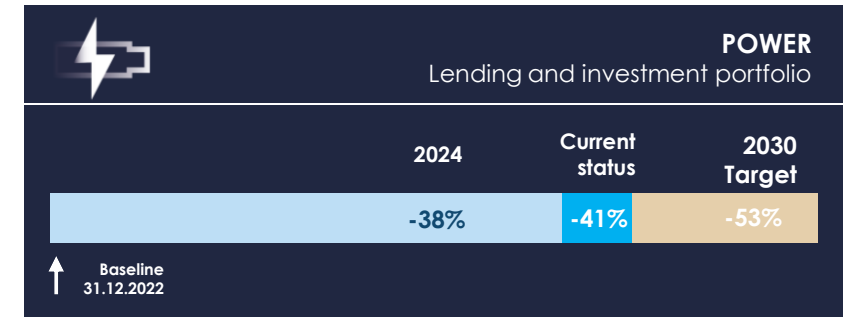
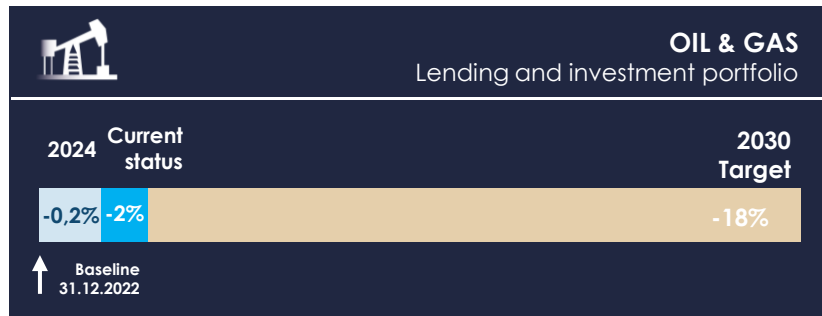
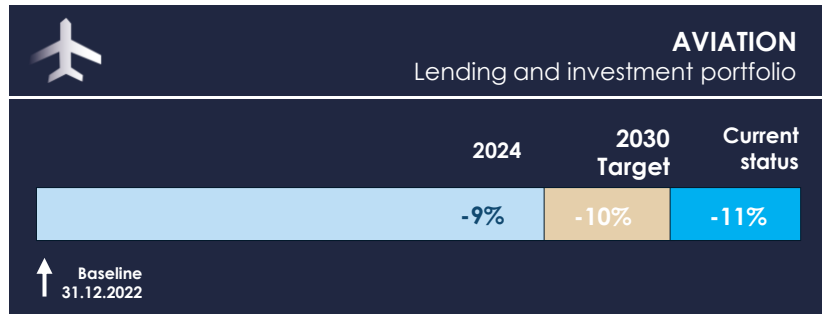
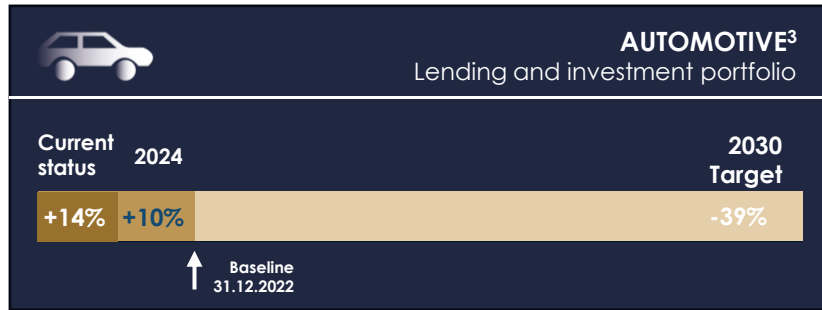




# PROGRESS TOWARD SECTORAL GOALS

SDA Target<sup>1</sup>

GEVA Target<sup>2</sup>



- 1) SDA (Sectoral Decarbonization Approach) decarbonization objectives based on sectoral physical units of measurement.
- 2) GEVA (Greenhouse gases for Value Added) objective whose methodology is based on the emission intensity deriving from the ratio of Scope 1+2 emissions and the revenues of counterparties. As at 30/06/25, the Group's exposure to the maritime transport and Aluminium and Steel sectors was negligible and generally attributable to small loans to SMEs. The Group undertakes to maintain monitoring and assess alignment with the Paris Agreement for subsequent years as well.
- 3) The increase is mainly due to the revision of the counterparties' decarbonisation targets following the postponement of the ban for endothermic engines in Europe.



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