

MEDIOBANCA GROUP SUSTAINABILITY PROFILE

March 2025



MEDIOBANCA

Agenda

1. Sustainability within the Group
2. Sustainability governance
3. Non-financial disclosure
4. ESG targets in the 2023-26 Strategic Plan
5. E - Environment & climate change
6. S - Social
7. G - Governance

Annex

1. Net Zero targets

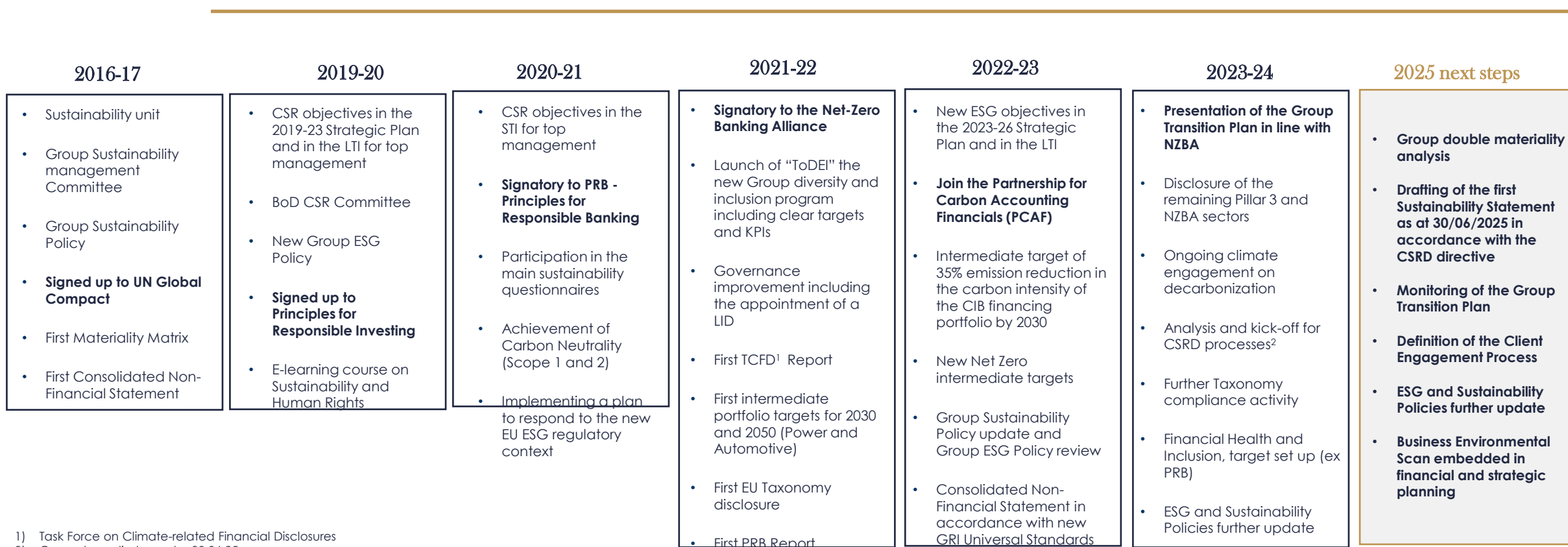


1. Sustainability within the Group

Group Sustainability: from compliance to strategy

1. Sustainability within the Group

INTEGRATING SUSTAINABILITY INTO CORPORATE STRATEGY

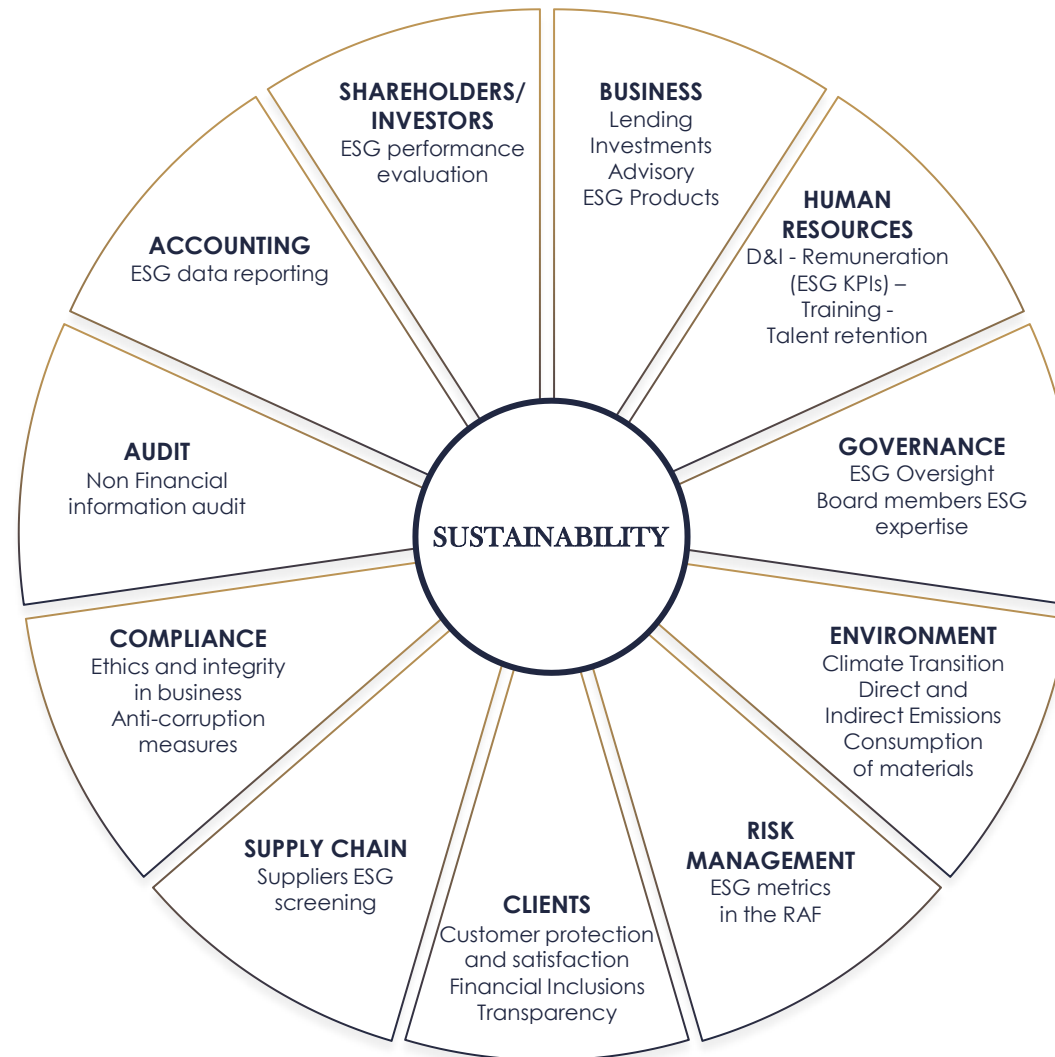


1) Task Force on Climate-related Financial Disclosures

2) Compulsory disclosure by 30.06.25

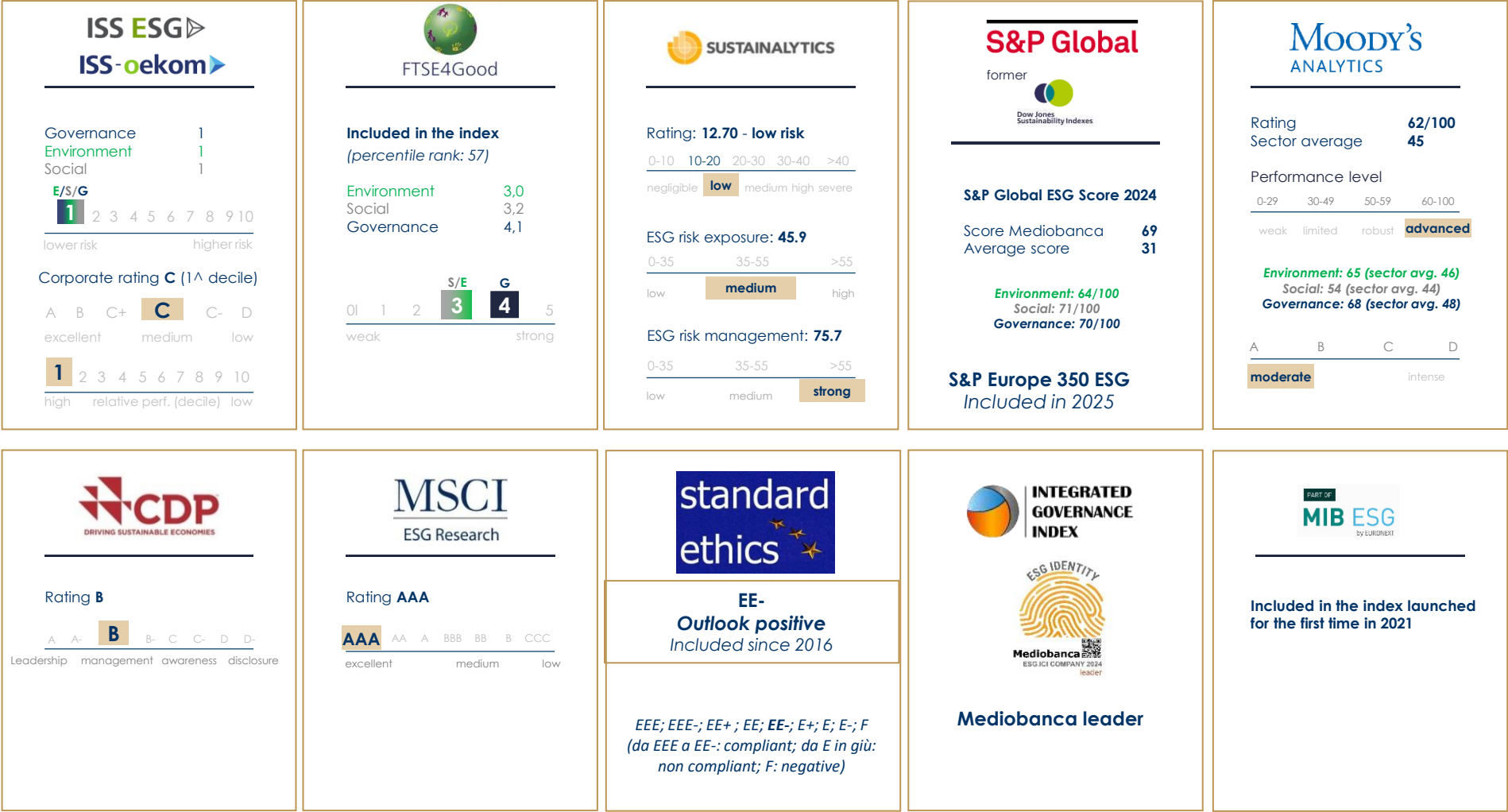
Sustainability embedded across the whole Group organization

1. Sustainability within the Group



ESG ratings and indexes

Mediobanca is included in several ethical indexes, and participate in various sustainability questionnaires



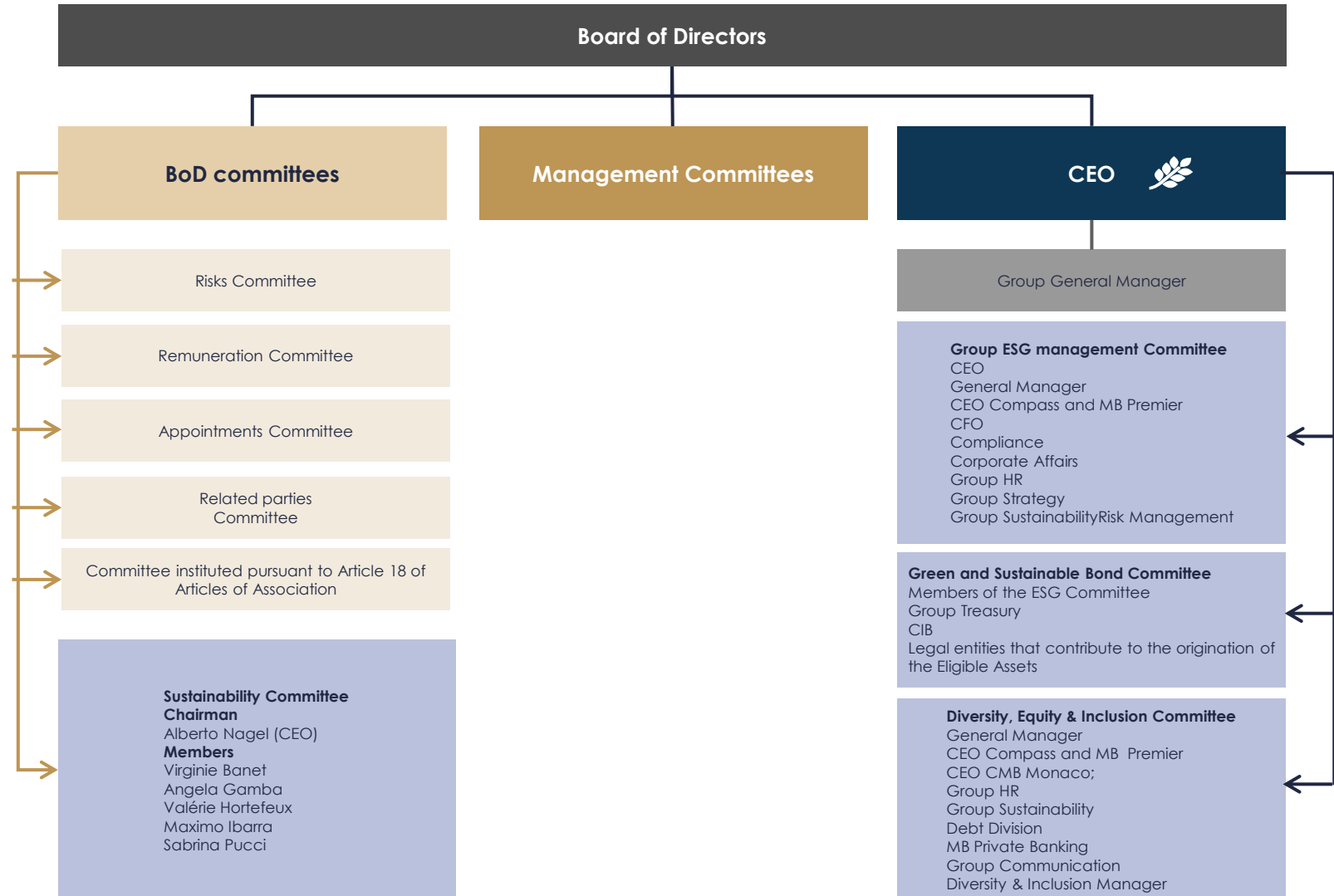


2.

Sustainability Governance

Board of Directors and Committees

- **CEO in charge of sustainability**
- **Sustainability Committee** (including the CEO and 5 independent BoD members): has responsibility for prior analysis of sustainability issues to be submitted to the BoD
- **Group ESG Management Committee:** remains responsible for defining policies and implement practices within the Group
- **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:** approves and validates the pool of Green, Social and Sustainability Assets, and has powers to exclude assets as well
- **Diversity, Equity and Inclusion Committee:** has the responsibility to strengthen the Mediobanca Group's commitment to issues of diversity, equity and inclusion, and to promoting the development of an inclusive



International principles and standards

In recent years the Mediobanca Group has signed up to the most important international principles and standards



UN Global Compact principles



17 UN Sustainable Development Goals (SDGs)



UN Principles for Responsible Investment



UN Principles for Responsible Banking ("PRB")



Net-Zero Banking Alliance



Task Force on Climate-related Financial Disclosures (TCFD)



Partnership for Carbon Accounting Financials (PCAF)¹

Sustainability
policy



ESG policy

¹) In February 2022 Mediobanca was the first listed Italian bank to join the Partnership for Carbon Accounting Financials (PCAF), so reiterating its commitment to tackling climate change with the objective of achieving net zero by 2050. PCAF is a global partnership of financial institutions that work together to develop and implement an harmonized approach to assess and disclose the GHG emissions associated with their loans and investments.

Set of Policies related to sustainability issues at group level

We want to build a responsible business that integrates sustainability principles into all business activities
Policies and objectives, the governance system, and engagement with stakeholders form the basis of our commitment



The Group Sustainability Policy, in line with the principal international standards and declarations, is sub-divided into five areas held to be priorities with the objective of driving improvement in the Group's conduct and direct impact

Bribery & corruption

We are committed to conducting our business in accordance with the highest ethical standards and we do not tolerate any form of corruption

Human rights

We believe that respect of human rights is a fundamental prerequisite to our own sustainability

Financial health and inclusion

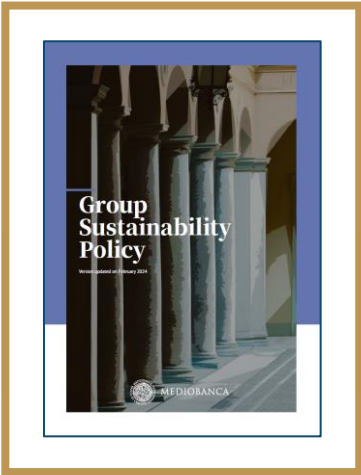
We pursue a business model that is respectful of the financial health of our clients, and we promote the inclusion of the more vulnerable classes of society

Diversity, equity & inclusion

We promote diversity as a value that forms the basis of personal growth and cultural and professional enrichment

Environment & Climate Change

We are sensitive to the need to protect the environment, and climate change, as the primary resource of human well-being



The Policy, which defines the guidelines for integration of ESG criteria in lending, investment and advisory activities, is based on a combination of:

- **Positive screening** based on precise inclusion criteria to identify companies that are committed to ESG issues
- **Negative screening** through use of exclusion criteria, to identify companies involved in specific activities which therefore cannot be taken into consideration for lending, investment and advice processes

The Group has also structured these criteria different for the various areas of activity, and set out specific sector guidelines

Biodiversity

Do not finance and invest in activities that are performed in protected areas or areas of high biodiversity value

Excluded materials

Do not support the production, process, and/or sale of goods such as tropical timbers, palm oil and endangered species. Commitment to phase out tobacco production by 2026

Defence & arms

Set out exclusion policies regarding controversial weapons such as biological weapons, chemical weapons, and cluster bombs

Forestry

Set out policies regarding unacceptable activities such as those performed in protected areas, uncertified timber exploitation, and illegal deforestation

Agriculture, farming and fishing

Policies regarding the activities such as deep-sea trawling, excessive use of pesticides and fertilizers, and poor water management

Mining

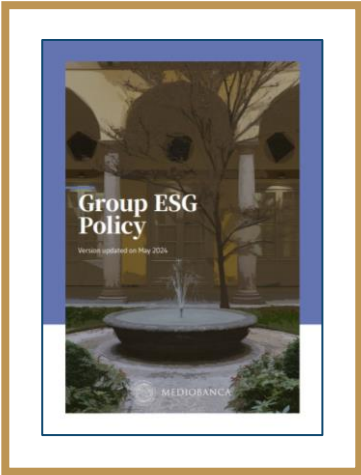
Policies regarding the mining, processing, and sale of resources such as coal, asbestos, diamonds and minerals

Energy

Policies regarding coal-fired plants, oil & gas exploration, and nuclear fuel. 10% revenue threshold for companies in coal and non-conventional oil & gas. Commitment to coal phase-out by 2030

Infrastructure & transport

Do not finance projects located in areas of high biological or social value and counterparties adopting unsustainable practices



Mediobanca Group Diversity, Equity and Inclusion Code

The Mediobanca Group Diversity, Equity and Inclusion Code represents the clear and formal statement of the Mediobanca Group in relation to the mission and strategy on DEI issues with a view to defining guidelines for the adoption of practices and initiatives that promote the spread of diversity and inclusion within the organization

Target

The Group's strategy takes into **account different dimensions of diversity** with a specific focus on the differences of gender, generations and skills

Elements of application

- **Culture:** fostering an inclusive leadership style
- **People management:** adoption of a transversal approach that impacts all the different areas of the organization
- **Work-life balance**
- **Internal and external communication and engagement**

KPI

- The Group has defined and communicated specific KPIs in terms of gender diversity, monitoring their achievement
- Monitoring the path of cultural change with periodic analysis of the Corporate climate on diversity and inclusion issues

Remediation

- The Mediobanca Group commits to prevent any behaviour, abuse, harassment or threat
- Specific internal complaint modalities are indicated, including whistleblowing

Governance

- Diversity and Inclusion Manager
- Diversity, Equity and Inclusion Committee

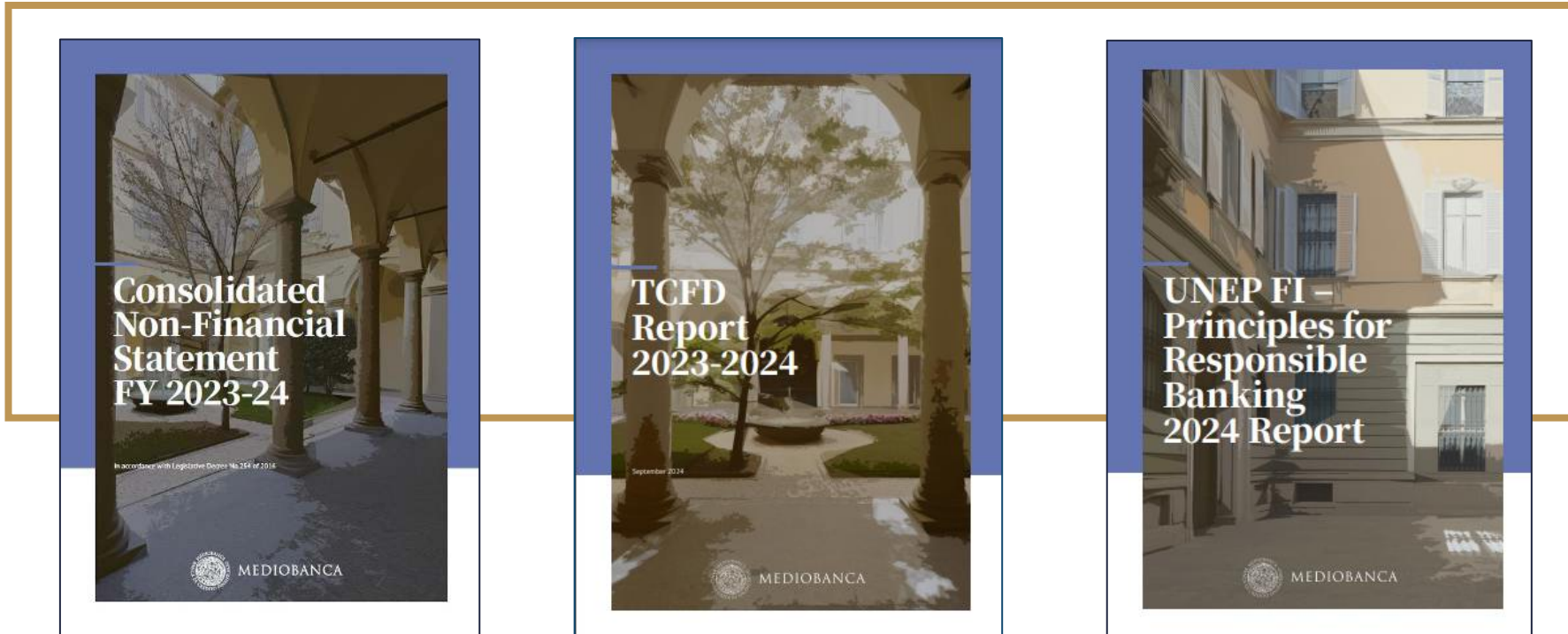




3.

Non-Financial Disclosure

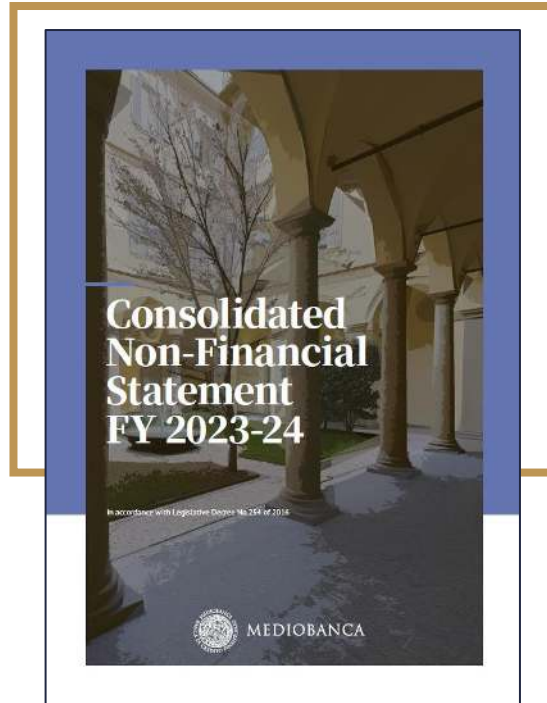
All the sustainability activities are illustrated in our dedicated reporting, the main component of which is the **Consolidated Non-Financial Statement**, complete with information on EU Taxonomy eligibility, accompanied, for the second year running, by the **TCFD Report**, on climate-related and environmental issues, plus, for the first time this year, a separate report on the results achieved based on the **Principles for Responsible Banking**



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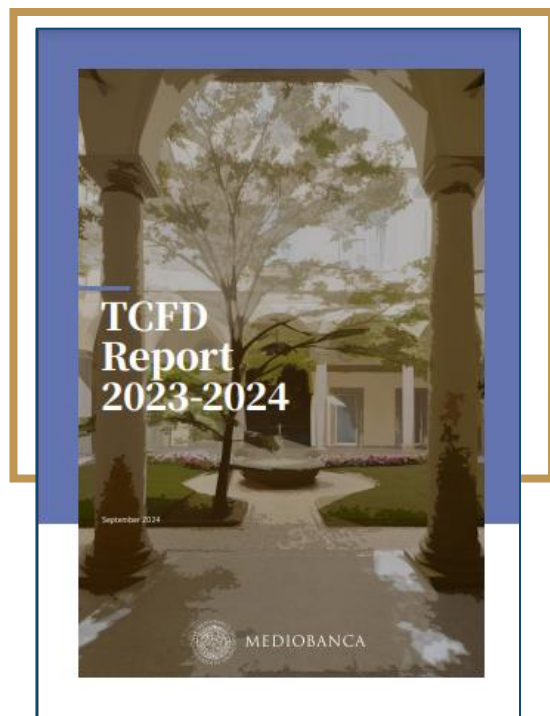
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https://www.mediobanca.com/static/upload_new/tcf/tcfd_report_2024.pdf



- The Consolidated Non-Financial Statement contains information on topics related to the **environment, social issues, staff, respect for human rights** and **the fight to tackle bribery and corruption**. Such information helps the reader to understand the activities performed by the Group, its performance, results and the impact produced by it
- The CNFS, which has been published annually by the Mediobanca Group since FY 2017-18, is compiled in accordance with the provisions of **Italian Legislative Decree 254/2016** and the GRI – Global Reporting Initiative framework which, as from this year entails the mandatory adoption of the new **GRI Universal Standards** based on the “**in accordance**” option
- The GRI updated in 2021 introduces a revised concept of **materiality** in order to focus attention on the most relevant external impacts that can be generated by an organization
- Material issues are defined as issues that have the most significant impacts in economic, environmental and social terms (the latter including with reference to human rights)
- The CNFS is subject to **limited assurance** by E&Y
- As from FY 2021-22, the CNFS has also included the **Taxonomy** reporting required by Regulation (EU) No. 852/2020
- The Group's **first Sustainability Statement** is being prepared, to be included in the Review of Operations 2024-25, which will comprise much of the information previously published in the CNFS and the TCFD Report

Mediobanca has confirmed its commitment to transparently disclose information on its environmental impact through the Task Force on Climate Related Financial Disclosures – TCFD Report



Governance

- Disclosure of the developments aimed at improving the integration of risks and opportunities
- Summary of the initiatives to spread awareness on climate-related issues within the Group
- Overview of how climate KPIs are integrated into the compensation incentive plan

Strategy

- Release of the first Group's Transition Plan
- Inclusion of business cases in order to highlights the climate-related opportunities of the Group

Risk management

- Information on climate risk materiality map implemented during FY 2023-24 and results for the various risk classes
- Stress test methodologies and Risk Appetite Framework – RAF, including additional climate risks related KRIs

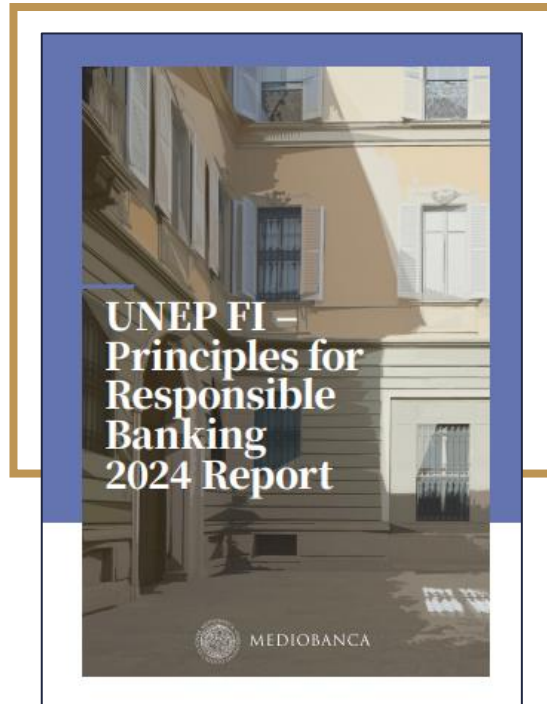
Metrics and target

- Disclosure of all sector specific targets to comply with the NZBA commitment
- Results of the analyses carried out to verify the alignment of the Group's portfolio with Net-zero targets
- Update of the Carbon footprint of the portfolio (financed emissions) for all asset classes

Principles for Responsible Banking – PRB Report

By signing the Principles for Responsible Banking – PRB in May 2021, Mediobanca committed to aligning its business model with the United Nations Sustainable Development Goals within four years of adhering

- Update on Bank's alignment to the six Principles in which the protocol is articulated (alignment; impact; clients & customers; stakeholders; governance & target setting; transparency & accountability)
- The Report provides visibility on the activities and initiatives implemented in the 2023-24 fiscal year with particular regard to the identified priority impact areas



Identification of the areas on which the Group may have a positive and/or negative impact

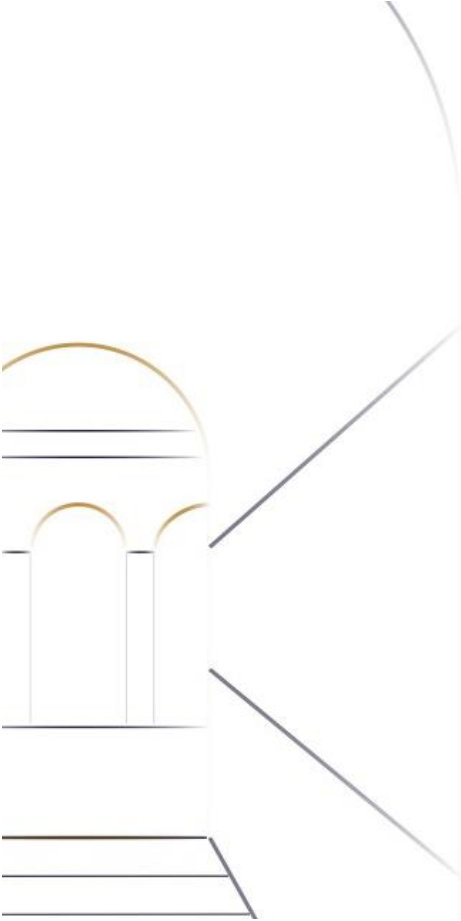
- **Methodology and scope:** impact analysis re-performed using the UNEPFI tool
 - Expansion of corporate portfolio analysis scope (MBFACTA and SelmaBipiemme Leasing exposures included)
 - More accurate analysis of Compass and Mediobanca portfolios (in terms of products and client types)

Climate

- The materiality analysis confirmed the relevance of climate issues
- The 2024 Report provides details on progress with the setting of all targets for NZBA and Pillar 3 purposes and reporting on portfolio emissions and decarbonization targets published in the previous report

Financial health and inclusion

- The materiality analysis confirmed the relevance of financial health and inclusion
- The 2024 Report provides details on progress made on
 - Identification of the most vulnerable/least represented groups and priority areas for action in line with national priorities
 - Reporting on the objectives of the 2023-26 plan in terms of social products and training
 - Commitment to launch a training programme on health and financial inclusion issues for all employees



4. ESG targets in the 2023-26 Strategic Plan

Established responsible business approach

4. ESG targets in the 2023-26 Strategic Plan

ENVIRONMENT		30/06/2024	Target 30/06/2026
	Financed emissions intensity (tCO ₂ /M€)	down 9,8% ¹	down 18% vs baseline (down 6% per year)
	Interim sector targets for Net Zero Banking Alliance (NZBA)	NZBA new targets: oil & gas, chemical & steel and shipping ²	All interim sector targets for NZBA
	Carbon neutrality on own emissions	Carbon neutrality confirmed	Carbon neutrality on own emissions
	Renewable energy at Group level	100% Group level	100% Group level
SOCIAL		30/06/2024	Target 30/06/2026
	Female members of MB Key Function Holders ³ Female executives Women out of total hires Advancement rate	20% 20.2% 39.6% 18% women vs 16% men	>30% >20% >50% Parity
	Employees trained in ESG	84%	100%
	Support to projects with social and environmental impact	>€7m	>€20m cumulated by 2026
	Procurement expenses screened with ESG criteria	65%	70%
	Sustainability bond issuances	1 issuance (€ 500m Sustainability SNP in Sept. 2023)	At least 2 within 2026

1) In the CIB loan book, excluding Specialty Finance, vs 2021 emissions intensity (tCO₂/M€). The >20 reported reduction is an estimate based upon intensity data as at 31 December 2023 and 31 March 2024.
2) All NZBA targets are now set (no/limited exposure to coal mining, agriculture and real estate).
3) Key Function Holders: Group top management.

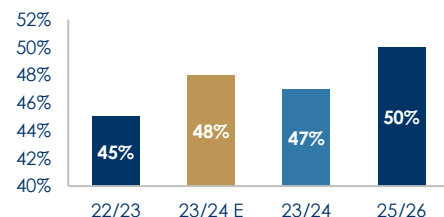
Structured ESG offerings across all divisions

4. ESG targets in the 2023-26 Strategic Plan

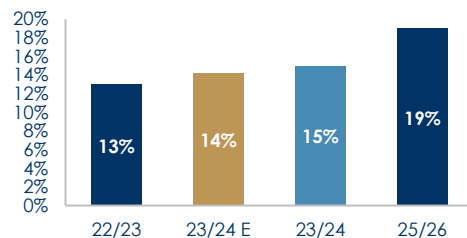
ESG OFFERING

Wealth Management

- **+ 7 qualified funds¹ from the baseline**
(expected +3 YoY - cumulated target of 9 funds)
- **>50% qualified funds² in clients' portfolio as at 30/06/24** (%out of total)



- **14% share of green mortgages in new production**

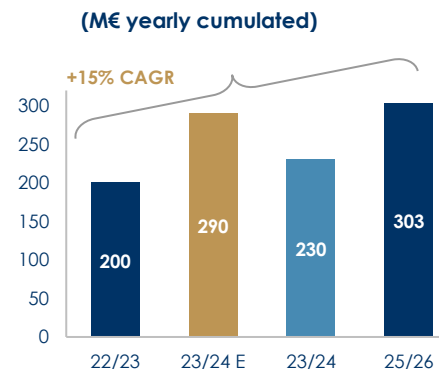


ESG Expertise

- **100% Financial Advisors trained ESG**
(2026 target achieved)
- **100% Wealth Financial Advisors certified in ESG by EFPA by June 2026**
(>65% FAs trained ESG as at 30/06/2024)

Consumer Finance

- **€ 290m ESG consumer loans new production**

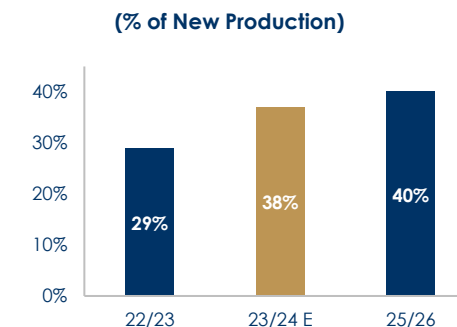


Customer financial health

- **≥ 35mln emails containing tips on green/financial education sent to clients by Compass**
(10m mails already sent as at 30/06/2024))

Corporate & Investment Banking

- **Lending: 38% Corporate ESG loans in new production³ bearing ESG or ESG Linked features as at 30/06/2024**



- **ESG DCM: 46% of all MB-bookrun public bonds bearing ESG or ESG Linked features as at 30/06/2024**
(on track to achieve 50% in 2026)

Transition engagement

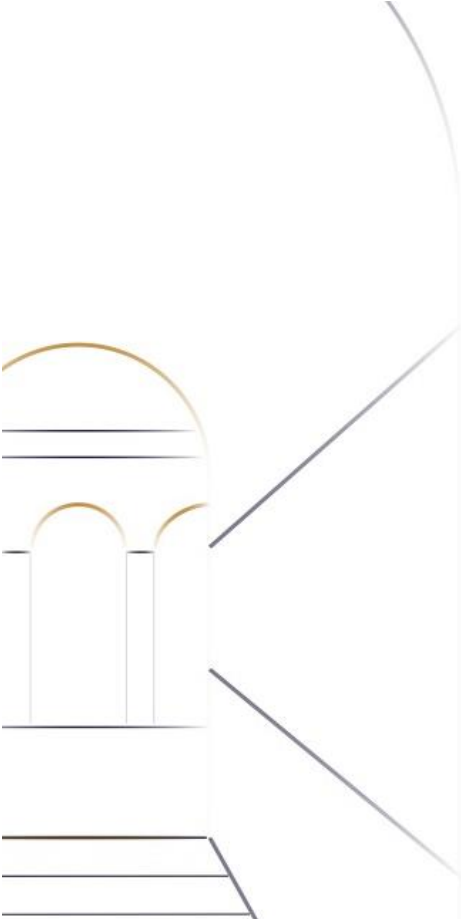
- **Engagement** with clients to assist them in their **decarbonization** pathway

ESG CULTURE



MEDIOBANCA

1) Number of ESG qualified funds (SFDR Articles 8&9 funds) manufactured by the Group Asset Managers. In particular 6 new funds have been launched, and 1 fund has been "upgraded."
 2) % of ESG qualified funds (SFDR Articles 8&9 funds) out of total funds in clients' portfolio
 3) Cumulative figures over the 1 July 2023- 30 June 2026 period



5. E – Environment & Climate Change

Strong commitment towards environment and climate change

The Group, aware of the impact deriving from its activities, intends to manage the risks and rise to the challenges deriving from changes in the environmental scenario that could impact on the development of its business, promoting initiatives intended to limit the impacts generated

To improve environmental performance three areas have been identified

Reduction of direct impact

- Energy savings
- Using electricity 100% from renewable sources
- Maintaining carbon neutrality for own emissions (Scope 1 and Scope 2)
- Promoting sustainable mobility

Supporting the energy transition

- Offering clients solutions, products and advisory services to support them in the climate transition

Reduction of indirect impact

- Climate and environmental factors increasingly integrated into risk management, lending and investment processes
- Achievement of carbon neutrality by 2050, with an interim target of a 35% reduction in financed emissions intensity for the CIB loan book by 2030
- Supplier selection processes based also on ESG criteria



Transition Plan

In an evolving European regulatory environment on sustainability issues, the financial sector is being pushed to adopt tools to **set and monitor climate targets**, including **enabling transition plans for Net-Zero goals**.

In November 2021, **Mediobanca joined the Net-Zero Banking Alliance**, confirming its intention to play an active role in the green transition.

In adhering to this initiative, Mediobanca committed to **align its credit and investment portfolios to net-zero emissions by 2050 or sooner**, and to publish a **Transition Plan** within 12 months of the publication of the first sector targets.

Integrating sustainability into its strategy, the Group has included several **ESG goals** in its **Strategic Plan 2023-26** "One Brand-One Culture," including achieving **carbon neutrality by 2050**

Furthermore, in line with its commitment to the Net-Zero Banking Alliance, **the Group is presenting its Transition Plan for the first time.**

To implement the Group Transition Plan, the Bank has **adopted the Glasgow Financial Alliance for Net-Zero (GFANZ) framework**, based on three cornerstones:

1. Strategic Plan 2023-26 "One Brand - One Culture"
2. Integration of activities into the ESG Programme.
3. Remediation actions required by the regulator, ESG investors, and market best practices.

The Plan includes synergistic and cross-divisional measures in the **short, medium and long term**.

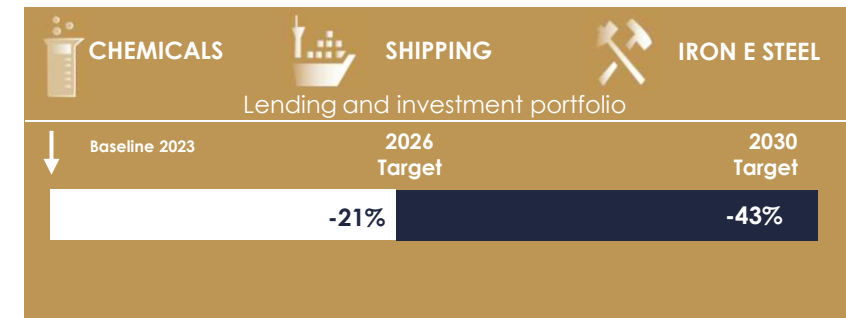
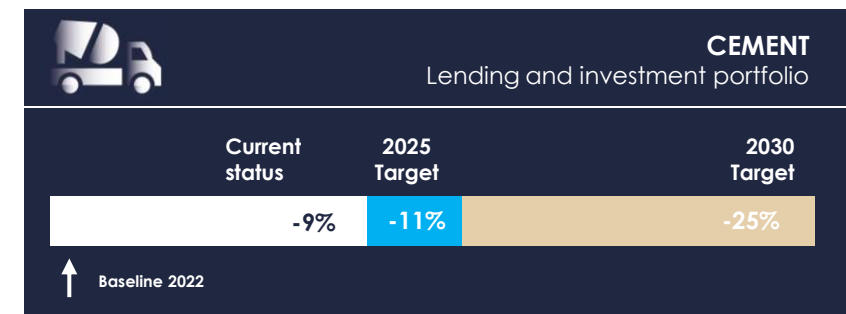
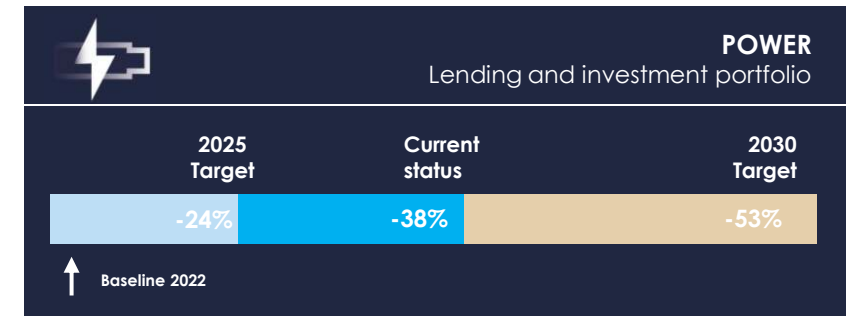
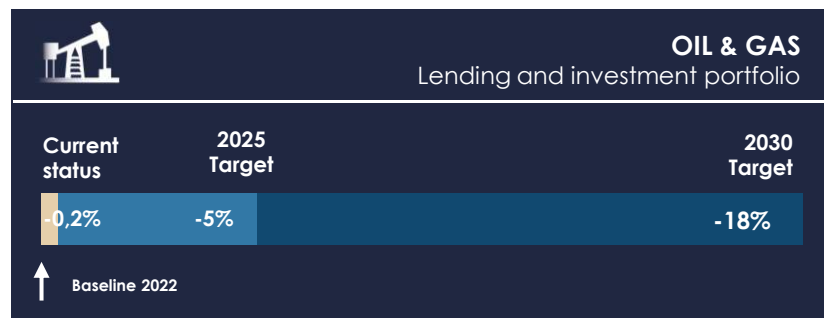
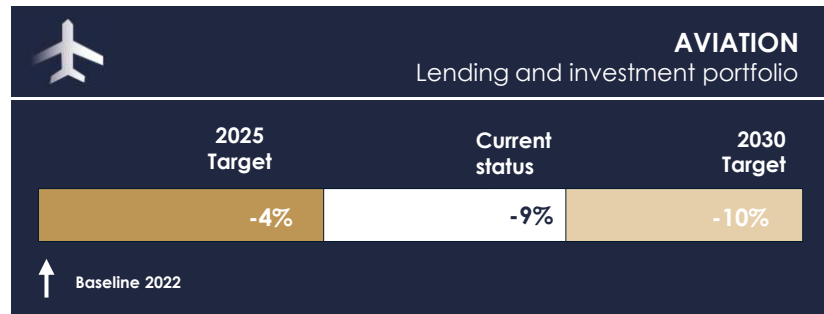
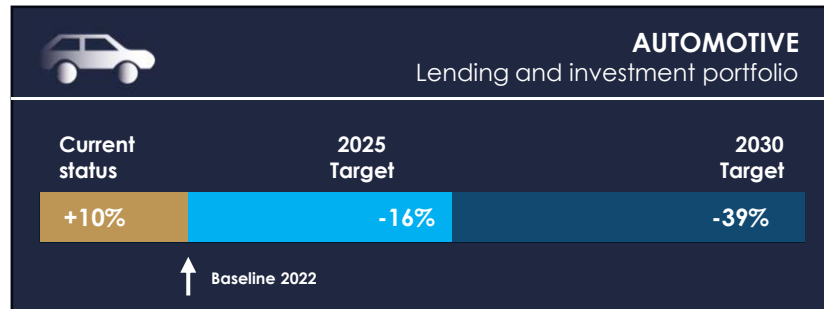
Structure of the Transition Plan according to the GFANZ framework



→ 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.

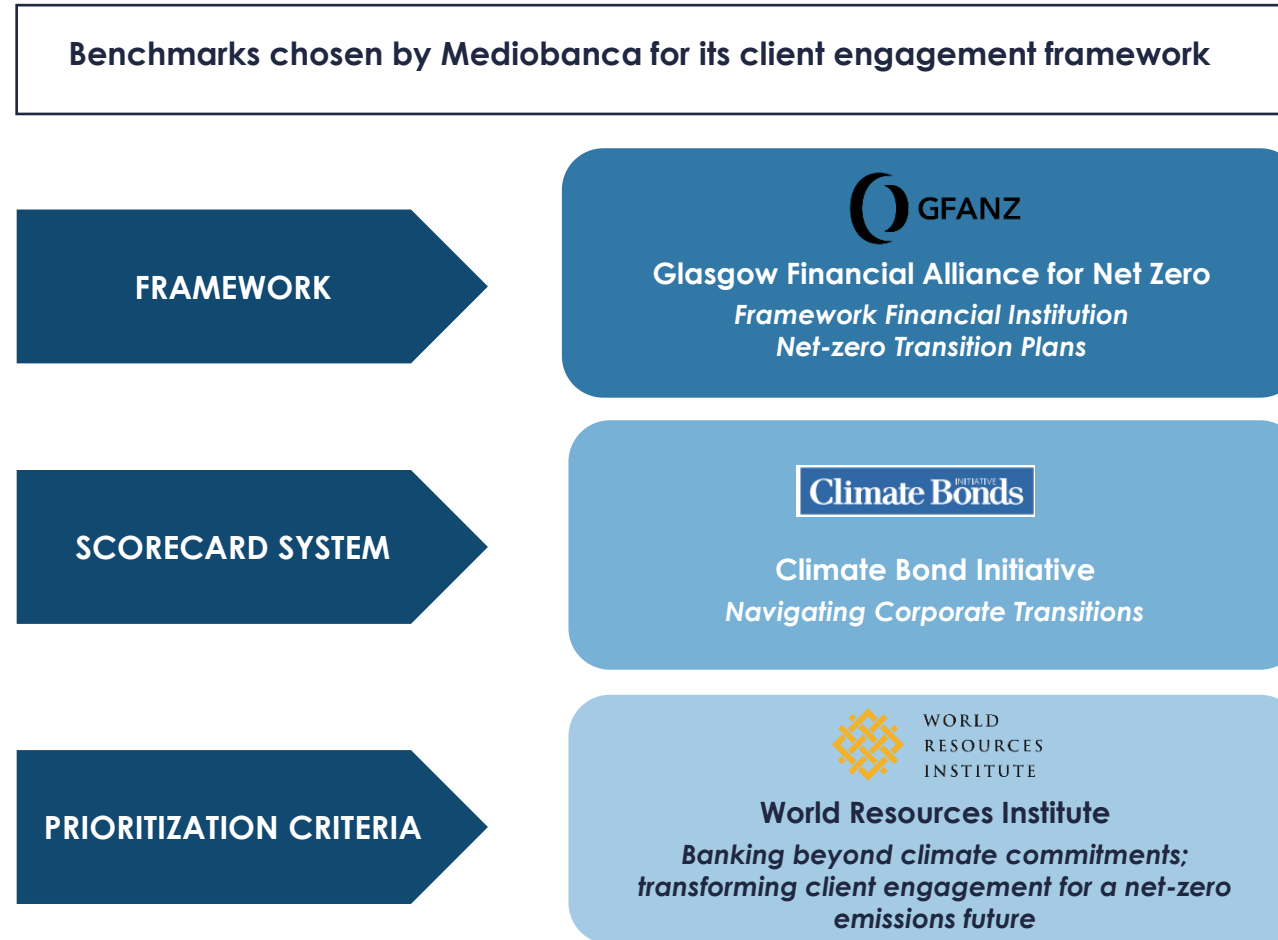


Progress toward sectoral goals



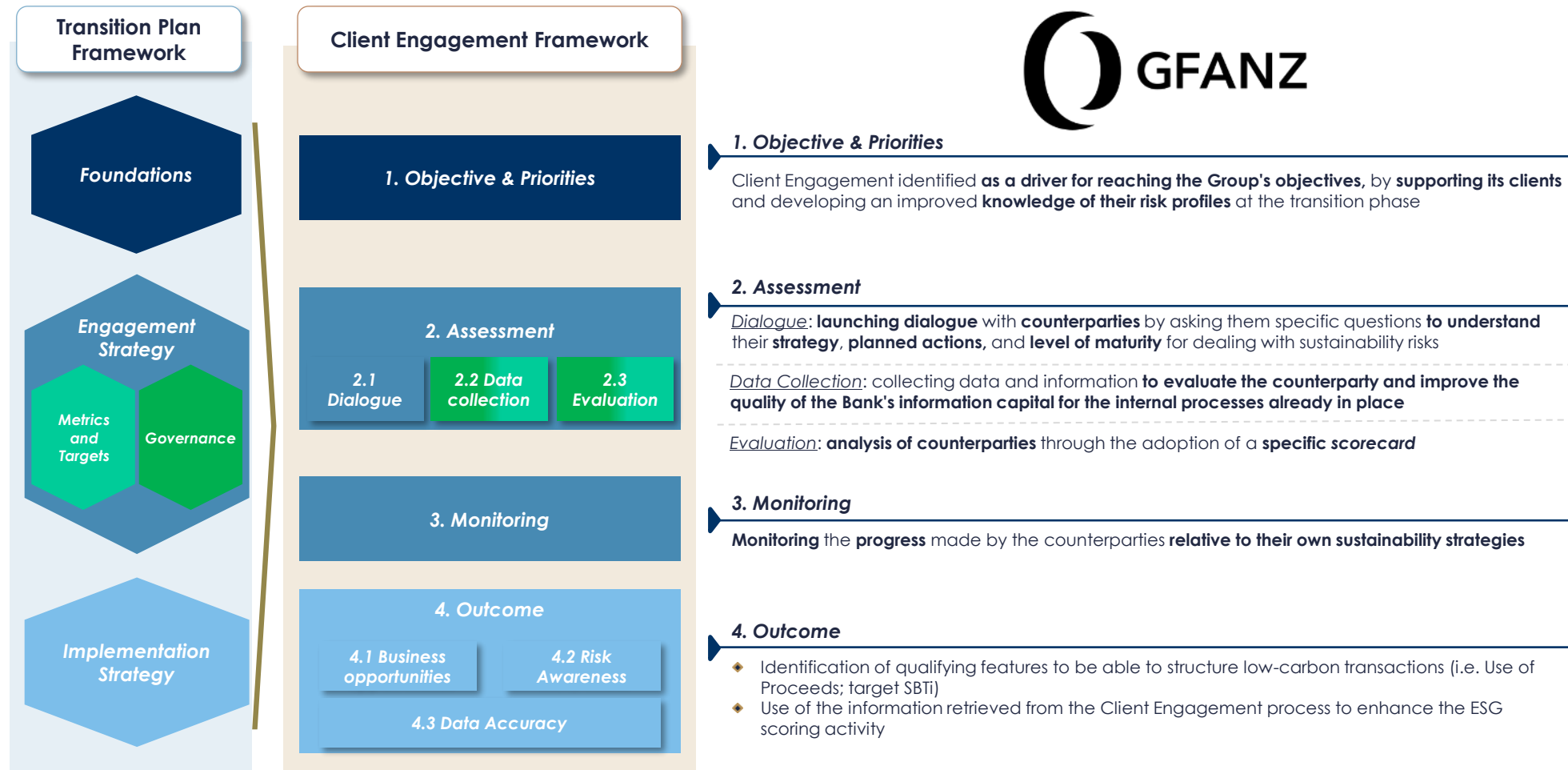
Client engagement

Mediobanca has launched a process to reinforce its client engagement activities selecting a reference framework, customizing it to reflect the best sector practices, and adapting it to the Bank's business model



Definition of client engagement framework

The Group will make reference to the framework proposed by the GFANZ guidance (Glasgow Financial Alliance for Net Zero), which it used to define the transition plan published in September



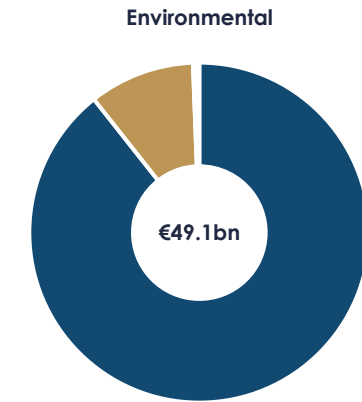
INVESTMENT AND LENDING PORTFOLIO HEATMAP

- ESG Risk of the **wholesale banking lending** (committed exposure) and **investment** portfolio (~49bn as at 30/06/24) regularly assessed through an **ESG heatmap**
- This proprietary methodology initially identifies the portion of the portfolio which is **potentially subject to ESG risk** (including climate related risk) on the basis of the macro/sub economic sector¹
- The **heatmap is then recalibrated** incorporating single name assessment of the counterparties in portfolio, to quantify the riskiness level of a given sector according to the active exposures
- As of 30 June 2024, MB portfolio shows a **very limited (0.1%)** portion of the portfolio is **exposed to high environmental risk**, 88% is subject to low/neglectable risk and the rest is subject to medium environmental risk

CLIMATE RISK IN THE RISK APPETITE FRAMEWORK

Mediobanca has identified some metrics to promote responsible business activities, maintaining a low profile in terms of exposure to climate risk:

- The ESG Heatmap is used to identify the **maximum acceptable level of exposure to counterparties with high environmental risk** among Risk Appetite triggers applicable to the proprietary wholesale banking lending and investing portfolio
- A specific monitoring metrics on the financed emission intensity of the proprietary wholesale banking lending portfolio has been included in the RAF to start measuring the related transition risk
- Mediobanca Premier has introduced a physical risk trigger and a transition risk monitoring KPI related to mortgage portfolio (respectively capping and monitoring the share of total mortgages granted in the quarter secured by properties in high and extremely high- risk areas and having energy class A or B)

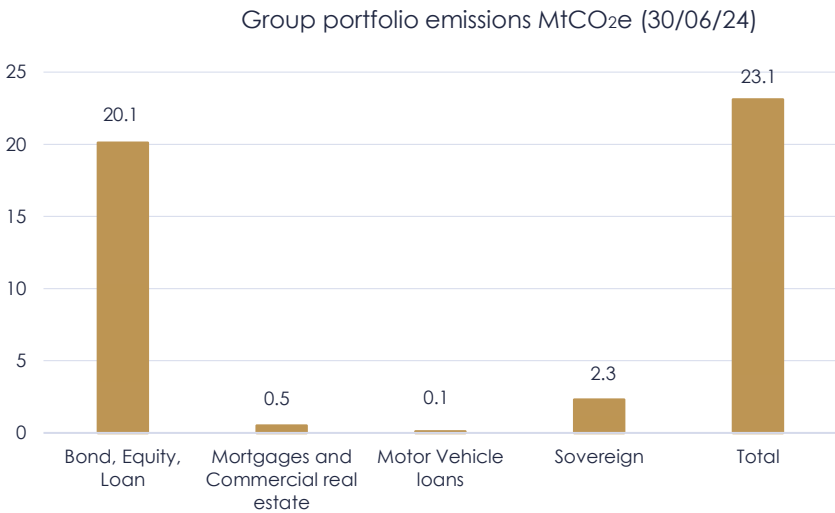
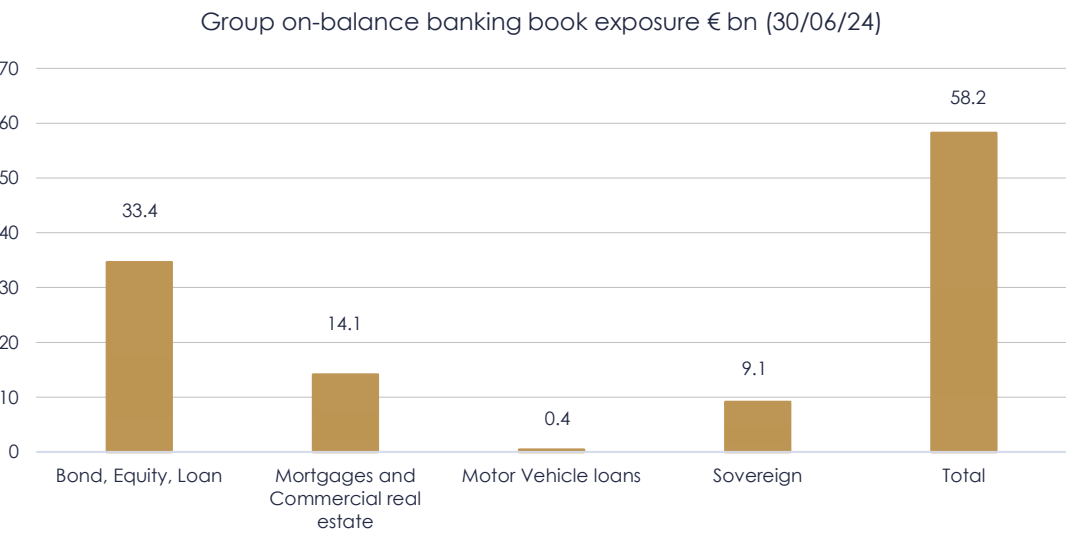


■ Low Risk 88% ■ Medium Risk 12% ■ Negligible Risk 0,3% ■ High Risk 0,1%

Investment and loans portfolio: heatmap after re-calibration

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.

With respect to the previous FY, reporting of financed emissions has been extended to the whole Group on-balance banking book exposure (€58.2bn at 30 June 2024), considering Corporates (loans and investments), Households and Sovereign¹



Corporates and Sovereign represent respectively approx. 87% and 10% of the emissions, with only the other 3% relating to mortgages and motor vehicles.

As of June 30, 2024, emissions related to the Group's Corporate portfolio (bonds, equity, and loans) have been quantified: while the stock² has slightly increased compared to the exposure as of 06/30/23 (from 55 billion euros to 58 billion euros), total absolute emissions have significantly increased from 9.4 to 23.1 MtCO₂eq, mainly due to increased reporting of Scope 3 emissions by Corporate counterparties, particularly a limited number of companies with energy-intensive products that have calculated the "Use of Sold product" category.



1) The scope of the analysis was enlarged from last year's PCAF categories "Listed equity and corporate bonds" and "Business loans and unlisted equity", to also comprehend "Commercial real estate", "Mortgages", "Motor vehicle loans" and "Sovereign Debt", for which PCAF methodology was only published in December 2022.
2) In terms of Gross Carrying amount.

The Mediobanca Group is committed to limiting the impact on the environment generated by its operations, through:

- Ongoing monitoring and improvement of environmental efficiency, with reference in particular to the consumption of resources, including electricity, paper and water
- Developing initiatives to improve energy management, such as procuring energy from renewable sources and through the use of innovative, lower-impact technologies and solutions
- Improving its waste management
- Prior assessment of the environmental impact of the new processes, new systems/equipment, and structural and organizational changes
- Mobility management initiatives to reduce emissions due to commuting

PAPER 99%

Of the A4 office paper used is FSC-certified (100% in Italy)

100%

Energy from renewable sources

143 MWh

Reduction in electricity consumptions thanks to the Replacement of light fittings with LED lightbulbs

Direct and indirect emissions (2023-24)



2,546 tonn CO₂

Scope 1 emissions

56 tonn CO₂

Scope 2 emissions (market based)

4,076 tonn CO₂

Scope 3 emissions

2,602 tons of CO₂eq

Scope 1 and 2 emissions neutralized for FY 2023-2024)

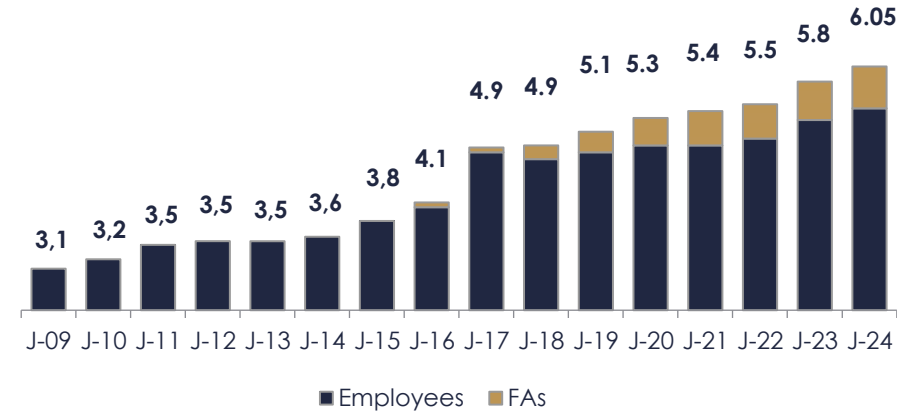


6. S - Social

Group staff stably growing with no involvement in restructuring/downsizing

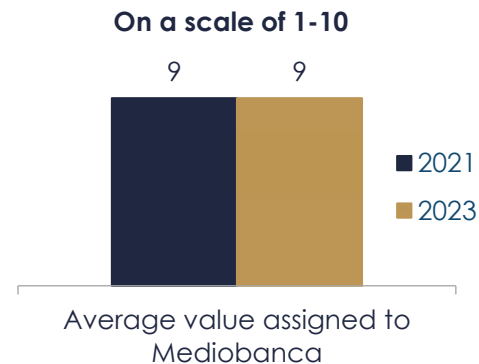
Group headcount stably growing, now over 5.4k people, due to the following factors:

- 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 branches shrinkage with no need for restructuring
- Managing, attracting, developing and retaining talent is at the heart of MB-s HR strategy



Strong employee satisfaction: 83% of MB's workforce are satisfied

- **Routine staff engagement analysis** (survey + focus groups) to gauge employee satisfaction levels. Results inform HR priorities and strategies
- First survey carried out in 2017, and since then **once every two years**. The last survey was conducted in 2024
- **TeamUp4Good** digital sports initiative to increase engagement and a sense of belonging, involving all Group companies in Italy and abroad



Values assigned for the main indicators remain positive



Diversity, Equity and Inclusion

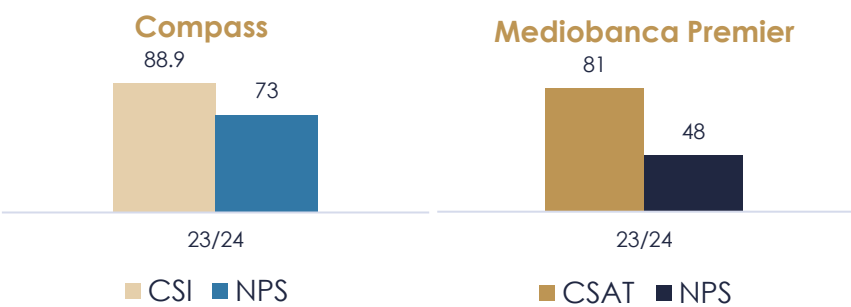
- **The toDEI project**, launched by the CEO, is a further step towards achieving sustainable growth
- While **gender diversity** is only one expression of diversity, it was identified as a key priority area at Mediobanca
- **Ambitious diversity KPIs** have therefore been set for the first time and have been included in the 23-26 BP targets
- Recent adoption of the **Diversity, Equity and Inclusion Code**, which sets out our approach in terms of objectives, strategies and practices

OBJECTIVE	KPIs	As of 30/06/2024	To be	
			End of industrial Plan (2026-27)	End of industrial Plan (2030-31)
Consolidate female representation in top management and executive positions	% of female members of Mediobanca Key Function Holders	 20%	 >30%	 >40%
	% of female "executives"	 20.2%	 >20%	 ~35%
Established gender recruiting inflows	% of female on total hiring	 ~40%	 >50%	 ~50%
Ensure balanced and fair advancement & remuneration processes	Advancement rate	 18%  16%	 Parity	 Parity

The Group assigns the highest importance to managing and maintaining satisfactory relations with its clients through maintaining constant contact with them, in order to be able to adapt the product offering swiftly to any changes in their needs and expectations and thanks to high-level advisory services and a full range of credit products ranging from the simplest and most traditional forms of credit to the most sophisticated solutions available on financial markets.



MAIN PROGRAMMES	DESCRIPTION
Acceleration of innovation in CIB	Innovation plan to bolster the business's competitiveness through data valorization, AI-based automation and cutting-edge platforms
Digitally-guided CF	Enhancement of digital offering with new channels (e.g. BNPL), new products (e.g. instant lending), and expansion in international markets
Data valorization platform	Consolidation of the Group's data management platform to improve business development, encourage cross-selling and integration of ESG factors, as well as meet regulatory requirements using real-time analysis and AI



Information Security Awareness programme
Specific **awareness communications** on the **main cyber threats**, and **guidelines for the use of digital channels**



The Group has identified three areas of action in the selection of projects to be developed

ENVIRONMENT AND LOCAL

The Group recognizes the importance of protecting the environment as a primary resource for the well-being of current and future generations



CULTURE, RESEARCH AND INNOVATION

The Mediobanca Group's commitment to culture and research demonstrates an awareness of its corporate social responsibility in civil and social areas as well as financial areas, and that its mission is not solely for economic purposes



SOCIAL INCLUSION

The Mediobanca Group is convinced that an inclusive society should be based on mutual respect and solidarity, ensuring equal opportunities and a decent lifestyle for all



7. G - Governance

Board of Directors

- **The current BoD 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 process
- **Size:** 15 Directors
- **Separate Chair and CEO**
- **Lead Independent Director (LID)** with clear responsibilities
- **Strong independent representation:** @80%
- **Continuity in BoD composition** to steward the 2023-26 Strategic Plan
- **Balanced combination of expertise**, including strengthened international experience and profiles in areas other than legal and economic
- **Good gender diversity** (women @47%)



Remuneration policy

- **Adequate pay mix** to attract and retain talent while fostering sustainable and long-term approach
- **Variable compensation strongly related to results:**
 - **mandatory deferral policy**¹
 - **significant equity component**
 - **risk-adjusted**²
 - **cap:** applied to mitigate risk appetite
 - **claw back**³
 - **malus conditions applied**
- **Severance for Executives and MRT:** 24 months of rem. capped at €5mln



AGM 28 October 2023

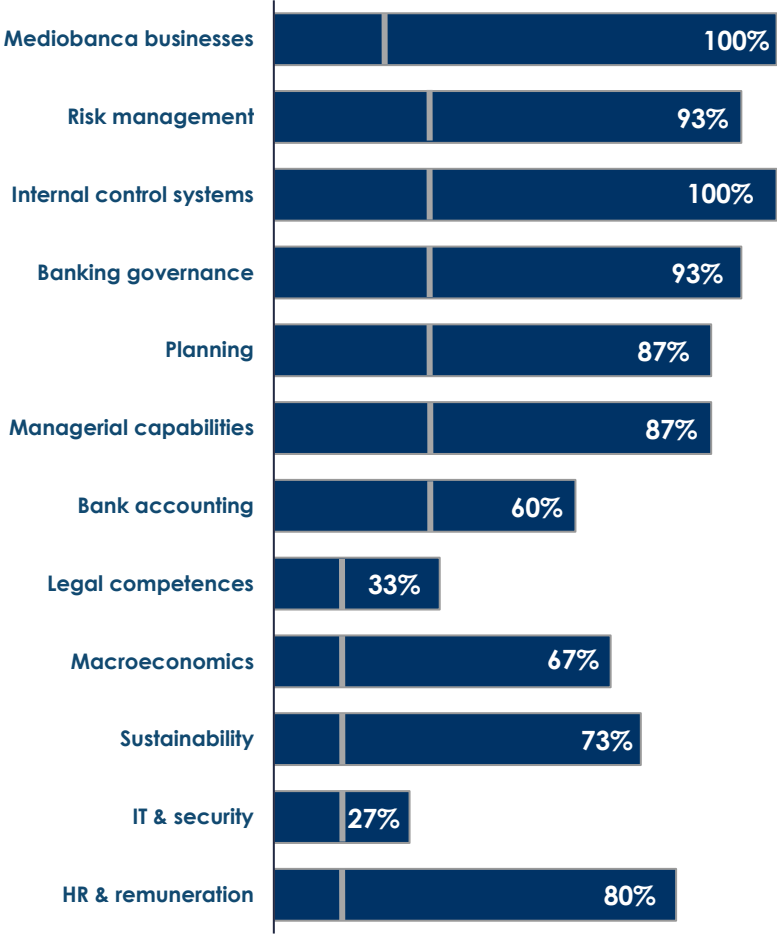
- **The new BoD, responsible for delivering the “One Brand - One Culture” strategic plan, was appointed by shareholders at the AGM held on the 28th of October 2023**
- The term of office of the BoD will expire with the approval of the financial statements for FY 2025-26
- A **New Long-Term Incentive Plan** has been approved featuring:
 - 50% of total variable compensation (vs previous @20%) for Group CEO and General Manager delivered all in equity
 - Inclusion of other key Group strategic resources
 - 20% assigned to ESG KPI weighting
- Launch of the first **Employee Share Ownership Plan** to foster engagement and ownership at all levels

BoD comprised of diverse skills and strong experience

Board members

Renato Pagliaro Chair Established Board leader with track record of strategic delivery and oversight. 1957 / Italian / 2007 ● A	Alberto Nagel CEO Strategic leader, responsible for strong performance and growth. 1965 / Italian / 2007 ● S #	Francesco Saverio Vinci GM-Executive Experienced Group manager, with experience holding key functions in various departments. 1962 / Italian / 2007 ●
Angela Gamba Lead Independent Director Experience in corporate finance, equity investments and financial management. Experience in listed companies. 1970 / Italian / 2017 ● S A #	Vittorio Pignatti Morano Deputy Chair Independent NED Accomplished private equity and investment banking professional. 1957 / Italian / 2018 ● R Re #	Sabrina Pucci Deputy Chair Independent NED Business administration professor and expert in insurance sector with strong experience in listed companies. 1967 / Italian / 2023 ● Re A S
Mana Abedi Independent NED Wealth and investment banking professional with knowledge of risk, compliance and change management. 1968 / Iranian / 2023 ● Re	Virginie Banet Independent NED Financial markets expert, with indepth expertise in M&A, sustainability and listed companies governance. 1966 / French / 2020 ● P S	Laura Cioli Independent NED Experience as senior executive in Media, Financial Services, and Energy companies. 1963 / Italian / 2020 ● R A
Marco Giorgino Independent NED Finance and risk management professor with considerable board experience listed companies. 1969 / Italian / 2023 ● R #	Valérie Hortefeux Independent NED Experienced private banker with a background in marketing and communications. 1967 / French / 2017 ● A S	Maximo Ibarra Independent NED Top Telco executive with broad experience in digitalization, marketing and customer centricty. 1968 / Colombian / 2018 ● Re S
Sandro Panizza Independent NED Strong financial services professional with experience in wealth management and insurance. 1958 / Italian / 2023 ● R P #	Laura Penna Independent NED Strong banking professional with experience in impact finance, strategy and innovation. 1965 / Italian / 2023 ● R P	Angel Vilà Boix Independent NED Accomplished executive with a track record of holding CFO, COO and Chief Strategy Officer roles. 1964 / Spanish / 2023 ● P Re

MB Board skills matrix



An individualized skills matrix is available here
www.mediobanca.com/static/upload_new/med/0001/mediobanca-post-agm-presentation_en_4.pdf

% minimum target established in the Report on the qualitative and quantitative Composition of the BoD 2023

FY25CEO Scorecard - MB Group growth and ESG

Non-financial ESG and CSR objectives, including in the form of projects, are also an integral part of the scorecard, linked to the role of the CEO as “enablers” of Environmental, Social and Governance initiatives to support value creation for society (e.g. in the areas of human capital, social responsibility, and innovative content).

FINANCIAL OBJECTIVES	TOTAL WEIGHTING 85%	KPI TARGET = 75% FIXED SALARY	Δ KPI OUT- PERFORMANCE =85% FIXED SALARY
RORWA Banking Activity: Profit before Taxes (PBT) Group Banking Activities/Banking RWAs <i>Optimization of return on RWAs allocated to banking activities</i>	25%	Vs. budget/plan	+11% target
Gross Non-Performing Loans (NPL Ratio) <i>Focus on asset quality</i>	15%	Vs. budget/plan	+5% target
Total Revenues (€m) <i>Focus on Group total revenues</i>	20%	Vs. budget/plan	+4% target
Capital Generation (bps) <i>Focus on growth in the Group's capital position through profit generation</i>	15%	Vs. budget/plan	+2% target
ESG objectives	10%	Vs. budget/plan	
a) Loans with ESG characteristics as percentage of total new loans in Corporate Banking (CIB)	3.3%		+27% target
b) Incidence of ESG disbursement on new retail production (Consumer Finance – WM Premier)	3.3%		+6% target
c) Percentage of SFDR Article 8/9 Funds and ETFs in Mediobanca Premier and Mediobanca Private Banking client portfolios	3.3%		+3% target

NON-FINANCIAL/QUALITATIVE OBJECTIVES	TOTAL WEIGHTING 15%	KPI TARGET = 10% FIXED SALARY	Δ KPI OUT- PERFORMANCE =15% FIXED SALARY
Our People ESG objectives to support diversity and inclusion, develop skills and promote engagement a) toDEI initiatives implemented b) Mediobanca Academy c) Employee engagement (YoY trend in participation)	7.5%	Evaluation scale Not achieved Partially achieved Target achieved Fully achieved	
Our Community ESG objectives to support value creation for society (linked to the Mediobanca Group's CSR): a) Sustainability initiatives (no.) b) Third sector initiatives c) Support for social initiatives with Group staff volunteering (YoY trend in participation)	7.5%	Evaluation scale Not achieved Partially achieved Target achieved Fully achieved	
Total scorecard	100%	KPI TARGET= 85% FIXED SALARY	Δ KPI OUT-PERFORMANCE = 100% FIXED SALARY

https://www.mediobanca.com/static/upload_new/rem/remunerazione24_en-26-settembre-2024.pdf

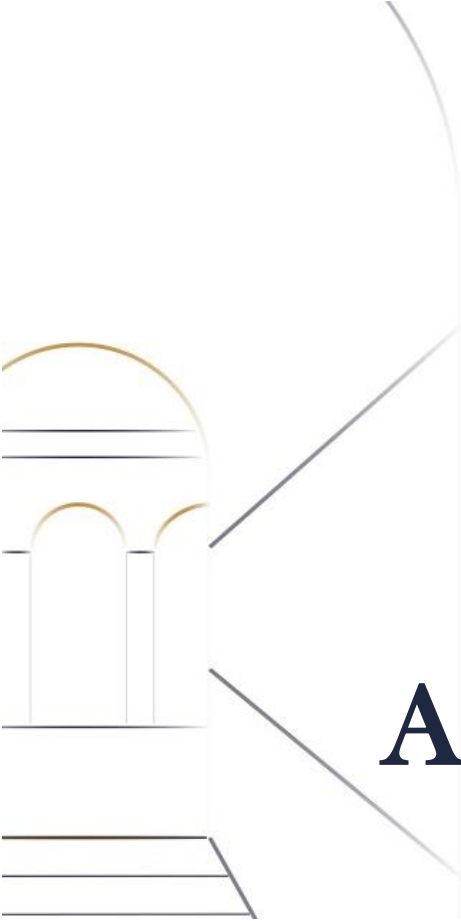
LTI ESG indicators 2023–2026

Provision has been made for two quantified and measurable ESG objectives to be included among the KPIs for the scorecards forming part of the new 2023-26 Long Term Incentive Plan, in which the objectives have a total weight of 20% (10% each)

- Climate Change: % reduction in the portfolio's carbon intensity (portfolio decarbonization)
- Diversity & Inclusion: % of women in management positions at Group level

				Assessment criteria		
		KPI	Weight	Threshold KPIs	KPIs	% fixed salary - annual basis - Plan horizon for CEO
20% - ESG KPIs	Climate Risk Related	% reduction in portfolio carbon intensity (portfolio decarbonization) ¹	10%	Max and/or >	> -22%	100%
				BTW Target and Max	-18% / -22%	85% - 100% linear interpolation
				Plan Target	-18%	85%
				BTM Min and Target	- 16% / -18%	65% - 85% linear interpolation
				Below Minimum	<-16%	0
	D&I (toDEI) Human Capital	% women executives at Group level	10%	Max and/or >	> 23%	100%
				BTW Target and Max	20%-23%	85% - 100% linear interpolation
				Plan target	20%	85%
				BTM Min and Target	19% - 20%	65% - 85% linear interpolation
				Below Minimum	< 19%	0

Equivalent ESG indicators about Climate Change and D&I are included among those that will entitle staff to have their shares matched as part of the Employee Share Ownership and Coinvestment Scheme in force over the 2023-26 Strategic Plan horizon



Annex 1.

Net Zero targets

Portfolio Coverage

During FY 2023-24 we have progressed in our portfolio alignment exercise, refining the methodology, enlarging the scope to include the entire Group, and continuing to cover additional carbon intensive sectors as identified by Pillar III¹ and NZBA³

Group Portfolio (Template 3 Pillar III)	30.06	89,511€ m²	100%
Sectors in scope (Template 3 Pillar III)		4,609€ mln²	100%
Quota under analysis		3,906€ mln²	85%

Sector	% volume (out of total ptf)	Exposure (€bn)	SDA Method	GEVA Method	Overall coverage
Automotive	31%	1.44	48.1%	34.4%	82.5%
Power	17%	1.14	42.5%	40.8%	83.4%
Aviation	6%	0.26	6.7%	86.6%	93.3%
Cement	2%	0.91	33.2%	61.5%	94.7%
Oil & Gas	17%	0.77	32.5%	60.3%	92.7%
Chemical	24%	1.01		88.5%	88.5%
Shipping	1%	0.08		58.0%	58.0%
Iron & Steel	2%	0.09		26.6%	26.6%

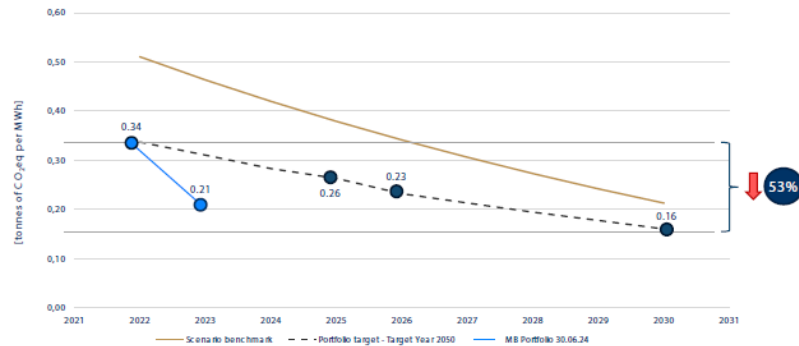
1) Only operations associated with sectoral codes subject to Pillar III reporting were considered, according to Annex EBA.

2) Values used for Finrep reporting.

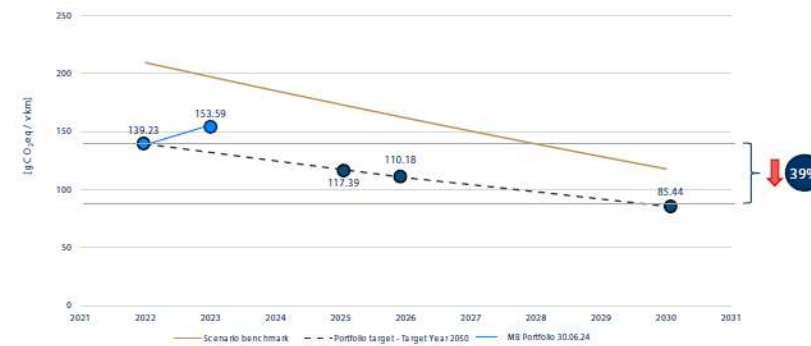
3) In some of the sectors (agriculture, coal mining, and commercial and residential real estate) the Group currently has no or negligible exposure

Net Zero targets – Sectoral Decarbonization Approach (SDA)¹

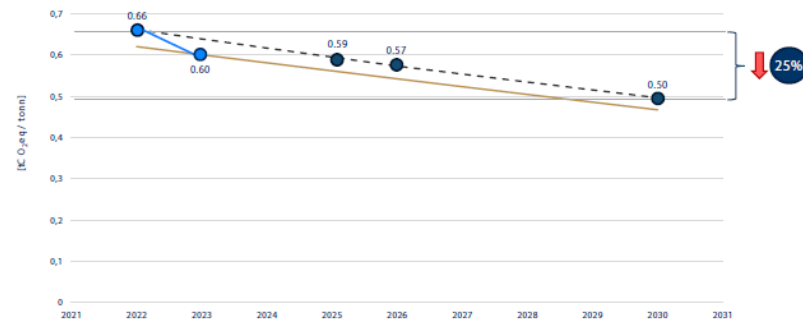
POWER				
Target Metric	Baseline (2022)	2025 target	Intermediate target (2030)	% Reduction 2022-2030
tCO ₂ eq/MWh	0.34	0.23	0.16	53%



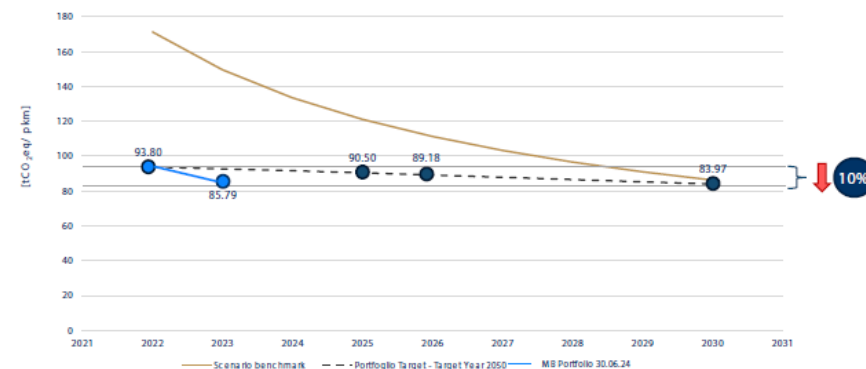
AUTOMOTIVE				
Target Metric	Baseline (2022)	2025 target	Intermediate target (2030)	% Reduction 2022-2030
gCO ₂ eq/vkm	139.23	110.18	85.44	39%



CEMENT				
Target Metric	Baseline (2022)	2025 target	Intermediate target (2030)	% Reduction 2022-2030
tCO ₂ eq/ tonnn	0.66	0.57	0.50	25%



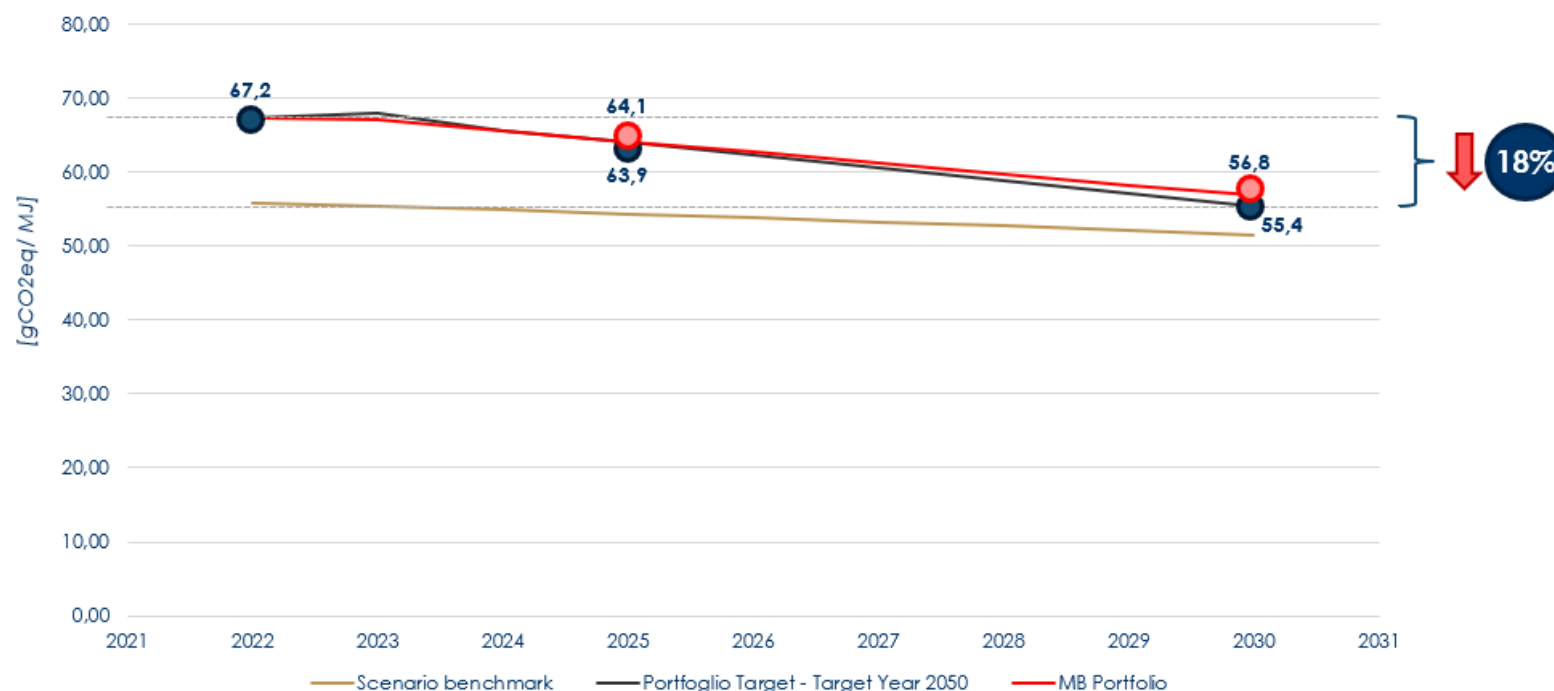
AVIATION				
Target Metric	Baseline (2022)	2025 target	Intermediate target (2030)	% Reduction 2022-2030
tCO ₂ eq/pkm	93.80	89.18	84.0	10%



1) The Sectoral Decarbonization Approach (SDA) is a Science Based Targets (SBTi) methodology, that offers a science-based approach to measuring and setting carbon-intensity targets based on global efforts to reduce emissions. By using specific metrics tailored to each sector, the SDA captures the varying rates at which different sectors and economic activities transition towards decarbonization in alignment with the Paris Agreement. As far as emission scopes concerns, this methodology only considers the most relevant portion of emissions generated by the counterparty depending on the sector to which it belongs.

Net Zero targets – Sectoral Decarbonization Approach (SDA)

This is the only new sector covered in 23-24 by the SDA method, so the Group set this target with the same baseline as the other SDA targets in 22-23 to ensure better comparability. Below is the trend of CO₂ intensity suggested by the NZE 2050 scenario for the Oil & Gas sector and the trend of the Mediobanca target. To align with the Net Zero 2050 scenario, O&G counterparts will need to **reduce their current level of emissions intensity by 18 percent by 2030**.

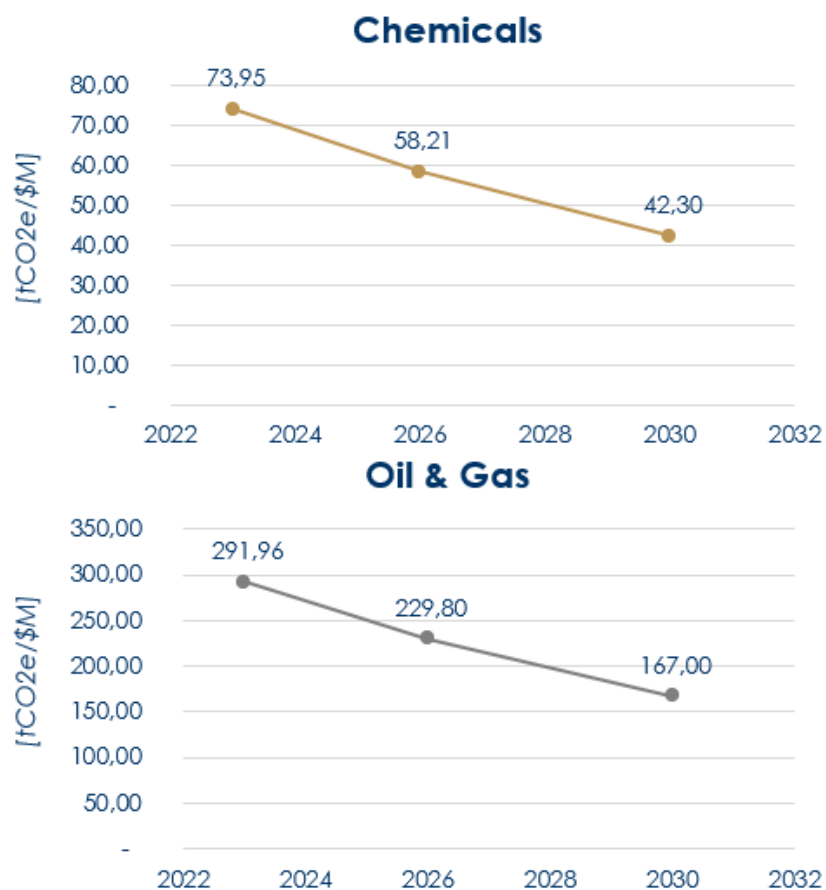


The Group's emissions intensity at baseline exceeds the value of the global baseline. However, the proximity of the 2030 target to the IEA scenario shows that the targets of the counterparts included in the SDA analysis (and in the Mediobanca portfolio) are more ambitious in the short and medium term than the values in the 2030 scenario.



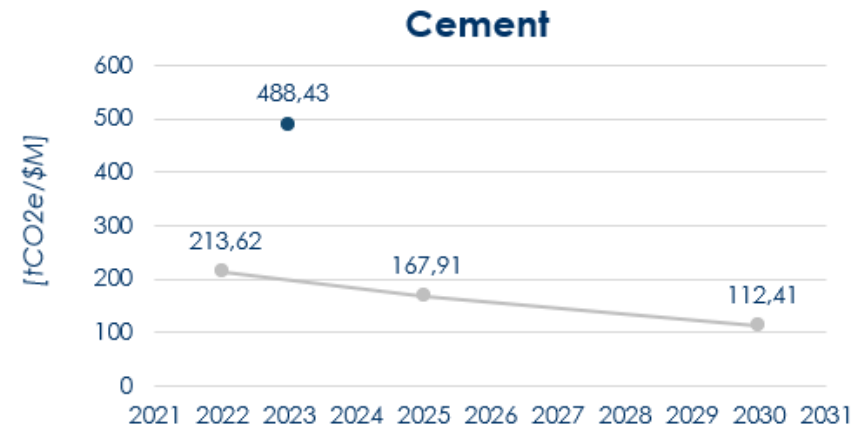
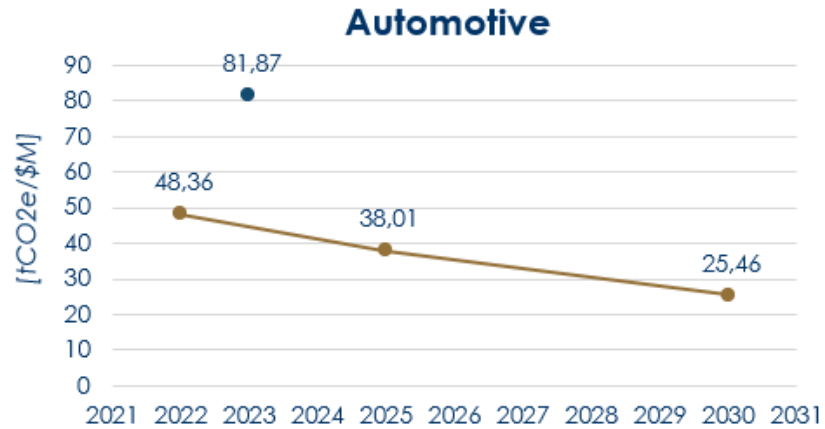
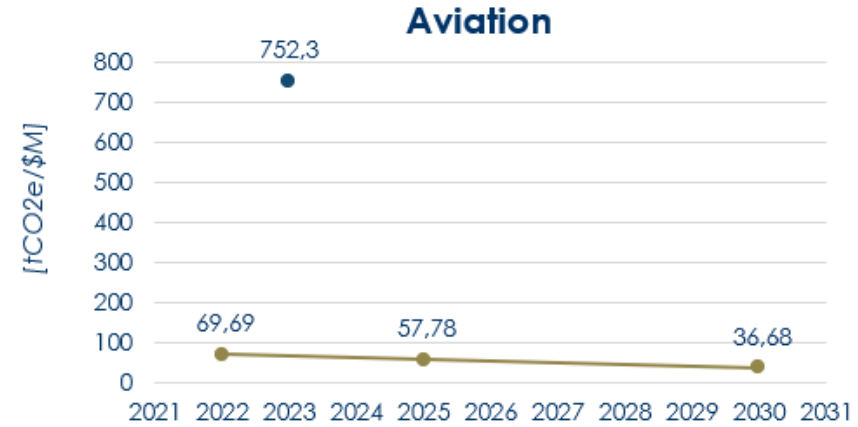
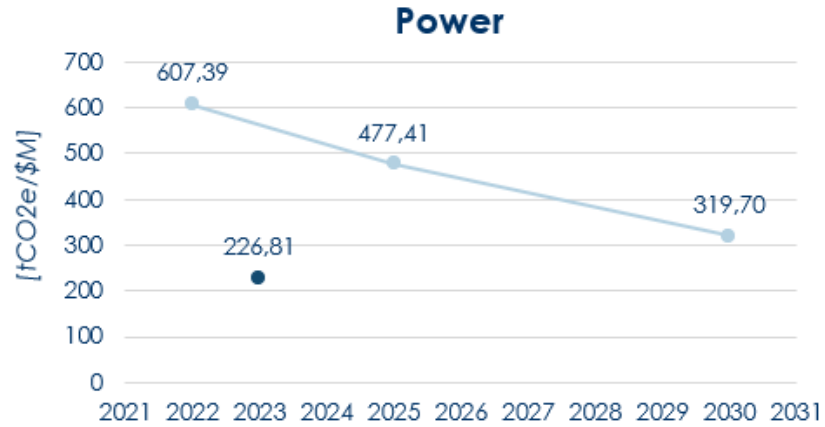
Net Zero targets - GHG gas emissions per unit of value added (GEVA) approach¹

Below is the estimated trend using the GEVA method. Specifically, in line with the methodology considered, a constant annual reduction rate of 7.7 percent from 2022 to 2030 for the Mediobanca portfolio was applied to counterparties (not eligible for the SDA method). The GEVA method predicts, for all four sectors, an overall GHG emission reduction rate (Scope 1 + Scope 2) of about 47 percent by 2030



¹⁾ The method was developed based on available standards and benchmarks for setting economic intensity targets from recognized scenario benchmarks. Specifically, in calculating the economic intensity of emissions, available standards and regulations require that EVIC or Counterparty Revenues be used as the denominator. Mediobanca has opted to use revenues as, in accordance with the TEG. In addition, the use of this denominator is required by SBTi, which prefers the use of revenue as it is more consistent with the definition of GDP (used in the scenario benchmark). The result of applying this methodology is thus a reduction in emissions relative to the company's financial performance (e.g., one ton of CO2e per unit of revenue). Regarding emission perimeters, the Group chose to include Scope 1 and 2 emissions for this methodology. In order to best meet the EBA's Pillar III requirements, the methodology was updated and aligned with the annual reduction estimated by the IEA NZE 2050 scenario: an overall reduction in emissions (before CDR contribution) relative to GDP of about 47.3 percent in 2030 compared to 2022 levels, which corresponds to a cumulative annual reduction of 7.7 percent. This update was applied to all GEVA targets set in previous years and to all new targets set during this fiscal year.

Net Zero targets - GHG gas emissions per unit of value added (GEVA) approach¹



¹⁾ In order to best meet the EBA's Pillar III requirements, the methodology was updated and aligned with the annual reduction estimated by the IEA NZE 2050 scenario: an overall reduction in emissions (before CDR contribution) relative to GDP of about 47.3 percent in 2030 compared to 2022 levels, which corresponds to a cumulative annual reduction of 7.7 percent. This update was applied to all GEVA targets set in previous years and to all new targets set during this fiscal year.

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