



# MEDIOBANCA

**ONE BRAND - ONE CULTURE**  
**2023 ANNUAL GENERAL MEETING**

Milan, 27 September 2023



MEDIOBANCA

# DISCLAIMER

*Il presente documento rientra nell'ambito della documentazione messa a disposizione del pubblico in relazione all'Assemblea degli Azionisti di Mediobanca 2023.*

*Con riferimento al punto 2 dell'ordine del giorno di parte ordinaria, relativo alla nomina del Consiglio di Amministrazione, l'Emittente, anche in qualità di Proponente, ha avviato una sollecitazione di deleghe ex artt. 136 e ss. del D.lgs. 24 febbraio 1998 n. 58.*

*Il Prospetto e il modulo di delega relativi alla sollecitazione sono disponibili sul sito internet [www.mediobanca.com](http://www.mediobanca.com) (sezione Governance / Assemblea degli Azionisti / Assemblea 2023). Si precisa che, ai sensi dell'art. 138, comma 2 del Regolamento Consob n. 11971 del 14 maggio 1999, l'Emittente in quanto anche Promotore è tenuto ad esercitare il voto anche in modo non conforme alle proprie proposte.*

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*This document constitutes part of the documentation made available to the public in connection with Mediobanca Annual General Meeting 2023.*

*With reference to item no. 2 on the agenda as ordinary business, relating to the appointment of Board of Directors, the Issuer, also in its capacity as Promoter, has promoted a voting proxy solicitation pursuant to Articles 136ff of Italian Legislative Decree no. 58 dated 24 February 1998.*

*The Prospectus and the related proxy form concerning the solicitation are available on the Issuer's website [www.mediobanca.com](http://www.mediobanca.com) (section Governance /General Meetings/General Meeting 2023). Pursuant to Article 138(2) of Consob Regulation No. 11971 dated 14 May 1999, it should be noted that the Issuer acting also as Promoter is obliged to exercise the vote even if it does not reflect the actual proposals.*

# EXECUTIVE SUMMARY

## RECORD PERFORMANCE FROM STRATEGIC DELIVERY

- ◆ In the past decade Mediobanca has continually delivered on its strategy and targets, demonstrating **robust revenue growth and attractive higher-than-industry returns for shareholders**. Stakeholders have also benefitted, evidenced by **sustained progress on key ESG targets**.
- ◆ Mediobanca's business model has **transformed from a holding company to a specialized financial group**, and the Group's governance has evolved to improve board effectiveness and minority shareholder representation.
- ◆ Strategic development and delivery has been managed by an **experienced management team**, led by CEO, Alberto Nagel, with **support and independent oversight** of the outgoing Mediobanca Board.

## ONE BRAND - ONE CULTURE

- ◆ Today, the Group's mission is to become a **pre-eminent Wealth Manager** through a holistic model that leverages the distinctive Investment Banking Franchise, Brand and People: **ONE BRAND – ONE CULTURE**.
- ◆ The new Business Plan (announced in May 2023) was welcomed by the market, recognizing the Group's ambition to continue providing shareholders with **strong returns** and a **strategic commitment to sustainability**.

## 2023 AGM

- ◆ At the 2023 AGM, shareholders will vote on the **renewal of the Board of Directors**, as well as several other items, such as the approval of shareholder distributions, and executive remuneration policies.
- ◆ **Approval of Dividend, Buyback with Cancellation and Interim Dividend [Item: 1b + 4 + Ex. Agenda Item 1 & 4]**
  - ◆ The Group's **dividend of €0.85** is to be approved, as well as the first tranche of the Business plan **share buyback program (€1bn in 3Y)**, and introduction of an **Interim Dividend**.
- ◆ **Election of the Board of Directors [Item 2.b]:**
  - ◆ As in 2020, the outgoing Board has presented a slate resulting from a **robust process overseen by the Lead Independent Director<sup>1</sup> and the Appointments Committee**.
  - ◆ The slate builds upon the ongoing improvements made to Mediobanca's governance, **prioritizing independence and diversity**, and ensuring **strong profiles to enable effective oversight**.
- ◆ **Remuneration [Item 5a-e]:**
  - ◆ The Remuneration Policy has been strengthened to incorporate **shareholder feedback**, align with **best practice** and **increase transparency** around Mediobanca's approach to executive remuneration.
  - ◆ An **Employee Share Ownership Plan (ESOP)** is introduced to foster engagement and ownership at all levels.

1) Angela Gamba, who was appointed to the Board from the minority list submitted by Assogestioni, was appointed as Lead Independent Director after the 2020 AGM.

# ADDITIONAL RESOURCES

In addition to this presentation, Mediobanca has published several related documents which supplement this content

## LATEST FINANCIAL RESULTS AND STRATEGIC GUIDELINES

Strategic guidelines BP2023-26 – “One Brand-One culture”

[https://www.mediobanca.com/static/upload\\_new/med/0000/mediobanca-group---presentation-strategic-guidelines-23-26.pdf](https://www.mediobanca.com/static/upload_new/med/0000/mediobanca-group---presentation-strategic-guidelines-23-26.pdf)

FY23 results analyst presentation

[https://www.mediobanca.com/static/upload\\_new/ana/analyst-fy23-results-presentation.pdf](https://www.mediobanca.com/static/upload_new/ana/analyst-fy23-results-presentation.pdf)

Annual accounts and report as at 30 June 2023

[https://www.mediobanca.com/static/upload\\_new/ann/annual-report-30-june-2023.pdf](https://www.mediobanca.com/static/upload_new/ann/annual-report-30-june-2023.pdf)

## REMUNERATION AND GOVERNANCE

Group remuneration policy and report 2023

[https://www.mediobanca.com/static/upload\\_new/ite/item-5a-b--agm-report-remunerazione23\\_eng.pdf](https://www.mediobanca.com/static/upload_new/ite/item-5a-b--agm-report-remunerazione23_eng.pdf)

Remuneration executive summary 2023

[https://www.mediobanca.com/static/upload\\_new/rem/rem-policy-presentation-21-sept-23-final.pdf](https://www.mediobanca.com/static/upload_new/rem/rem-policy-presentation-21-sept-23-final.pdf)

Report on the qualitative and quantitative composition of the BoD

[https://www.mediobanca.com/static/upload\\_new/rep/report-qq-bod-2023.pdf](https://www.mediobanca.com/static/upload_new/rep/report-qq-bod-2023.pdf)

## SUSTAINABILITY

Consolidated non-financial statement FY 2022-23

[https://www.mediobanca.com/static/upload\\_new/non/non\\_financial\\_statement\\_2023.pdf](https://www.mediobanca.com/static/upload_new/non/non_financial_statement_2023.pdf)

TCFD report 2022-2023

[https://www.mediobanca.com/static/upload\\_new/tcf/tcf\\_report\\_2023.pdf](https://www.mediobanca.com/static/upload_new/tcf/tcf_report_2023.pdf)

UNEP FI – Principles for responsible banking 2023 report

[https://www.mediobanca.com/static/upload\\_new/prb/prb\\_report\\_2023.pdf](https://www.mediobanca.com/static/upload_new/prb/prb_report_2023.pdf)

# Agenda

## **Section 1. Mediobanca at a Glance**

Business Overview

Delivery & Performance

## **Section 2. Strategic Direction**

## **Section 3. Current Governance Structure**

## **Section 4. 2023 AGM**

## **Section 5. Closing remarks**

## **Annex**



MEDIOBANCA

# MEDIOBANCA

## A STORY OF DISTINCTIVENESS, GROWTH, AND VALUE

In the past decade Mediobanca has continually delivered on its strategy and targets, growing and reshaping over time, with robust revenue growth and attractive, higher-than-industry returns.

Mediobanca's mission today is to become a pre-eminent Wealth Manager through a holistic model that leverages on its distinctive IB Franchise, Brand and People:



**ONE BRAND – ONE CULTURE**

Mediobanca will continue to focus on superior sustainable growth, innovation and stakeholder remuneration remaining anchored to **one-of-a-kind** “school of responsible banking” firmly rooted in the Bank's traditions and robust and accountable governance system

**Revenue**  
+16% YoY

**€3.3bn**

**DPS**  
+13% YoY

**€0.85**

**FY23 CET1<sup>1</sup>**  
700bp above  
requirement

**15.9%**

**10Y TSR<sup>2</sup>**  
vs 65% of EU banks

**+324%**

1) CET1 fully loaded pro-forma including permanent benefit from Danish Compromise

2) Total Shareholder Return is a measure of value creation combining share price accretion and dividend reinvestment

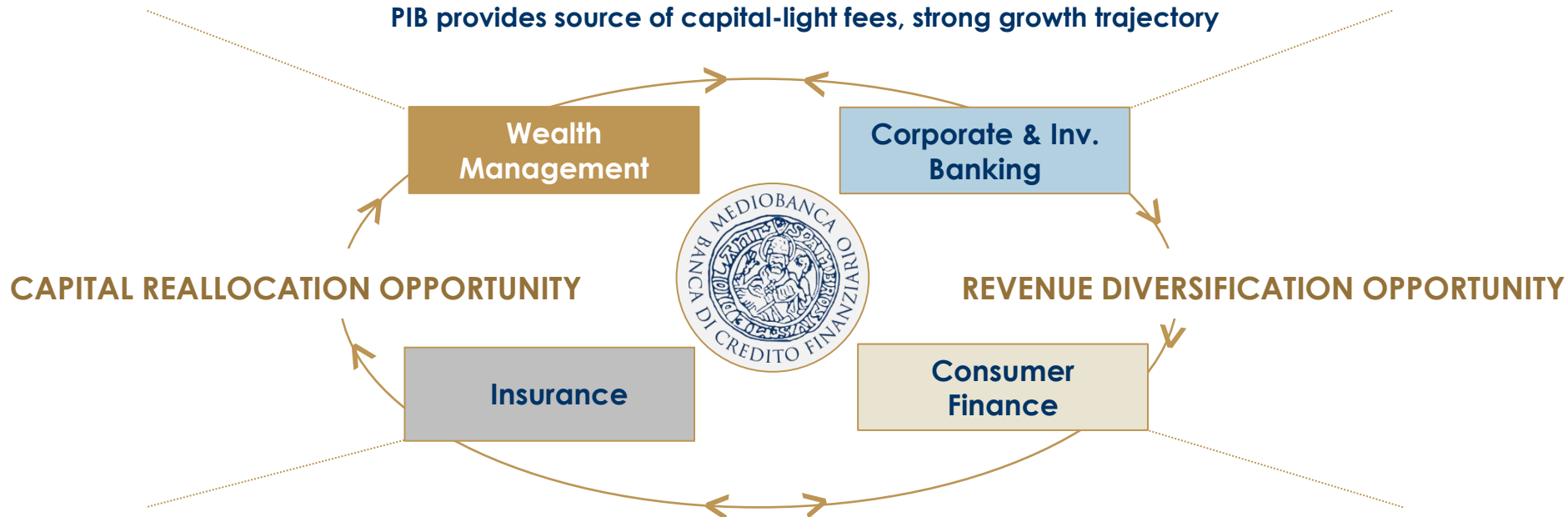
# SPECIALIZED AND EFFECTIVE BUSINESS MODEL FOLLOWING TEN YEARS OF GROWTH AND RESHAPING

## MEDIOBANCA AS THE “GO-TO” BANK FOR ENTREPRENEURS AND CORPORATES

Top positioning as Italian Private Investment Bank (“PIB”)

Leading offering in terms of value added, sophisticated PIB Solutions for Private & Corporates

PIB provides source of capital-light fees, strong growth trajectory



## HIGH RETURN, HIGH RESILIENCE BUSINESSES, PROVIDING A ROBUST CORE OF REVENUES & PROFITS

Top positioning in Consumer Finance (“CF”) and Insurance (“INS”)

CF provides a source of net interest income, strong funding and CoR efficiency within the MB Group

INS provides a stable, uncorrelated return and capital efficiency for the MB Group

# COLLECTIVE GROWTH OPPORTUNITIES REALISED

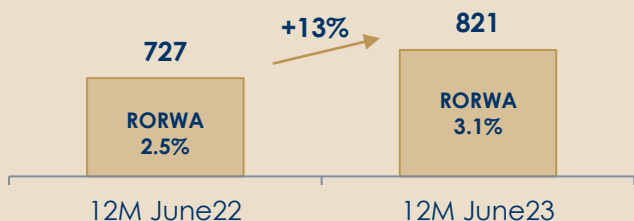
## BALANCING THE GROUP'S EXPOSURE TO DIVISIONAL RISKS

### WM: Double-Digit Growth Driver

NII - 44%

Fees - 55%

(WM revenues, €m, 12M)



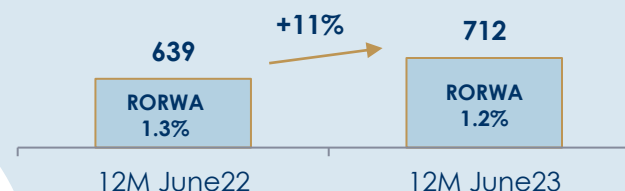
### CIB: Solid Client Business, Trading Up

NII - 40%

Fees - 41%

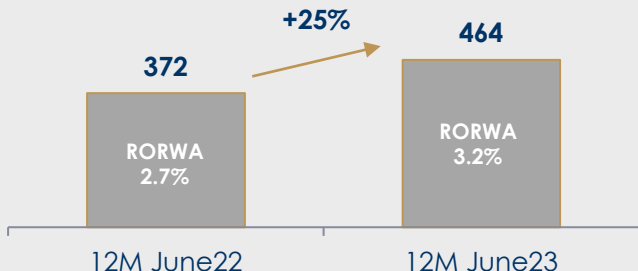
Trading 19%

(CIB revenues, €m, 12M)

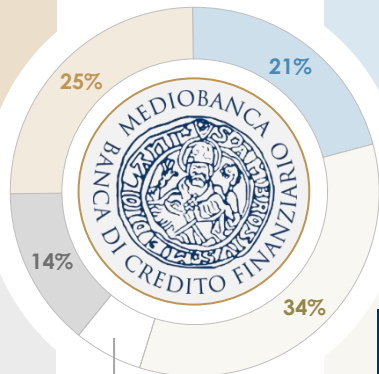


### INS: STRONG GROWTH

(INS revenues, €m, 12M)



FY23 Group Revenue Breakdown



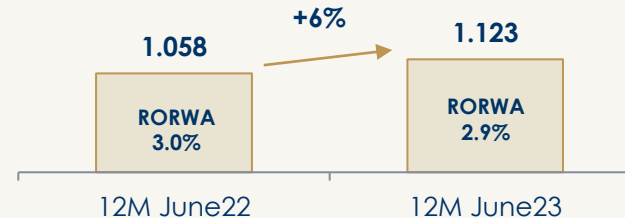
Holding Function

### CF: Growth Driven by Volume

NII - 88%

Fees - 12%

(CF revenues, €m, 12M)

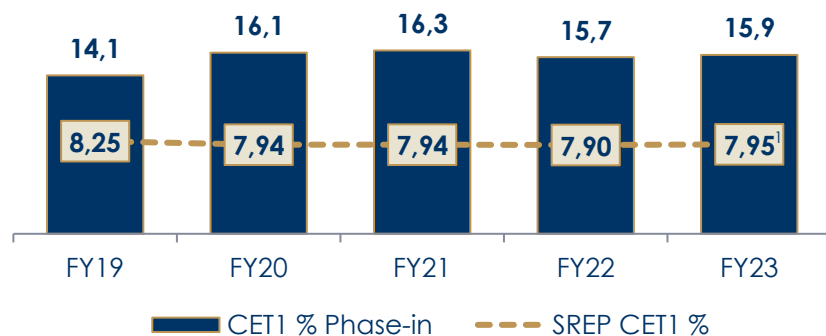




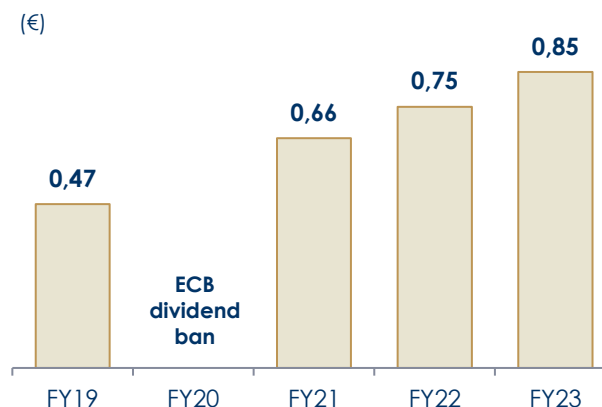
# SUCCESSFUL STRATEGIC EXECUTION

## ENABLING ATTRACTIVE SHAREHOLDER REMUNERATION

**Solid capital base:** CET1 ratio well above requirements, Danish compromise seen as permanent



**DPS up to €0.85 (↑ 13% YoY)**  
70% cash pay-out



**Revenues** €3.3bn vs. BP23 target of €3.0bn

**GOP risk adj.** €1.6bn

**EPS** €1.21 (€1.42 adj.) vs. BP23 target of €1.10

**ROTE** 13% vs. BP23 target of 11%

**Capital Returns** Total = €2.2bn  
In line with BP23 target

**FY24** 70% cash dividend pay-out  
plus ~€200m SBB proposal<sup>2</sup>

YoY: 12m June23 / 12m June22; QoQ: 3m June23 / 3m Mar23

9

- The requirement does not include the Countercyclical Buffer of 0.07% as at 31/03/2023
- Treasury share buyback and cancellation scheme involving up to 3% of the share capital, subject to authorization by shareholders in AGM and by the ECB. Given the number of treasury shares currently owned by the Bank (8.5 million), the new buyback will involve 17 million shares currently in issue (equal to approx. 2% of the company's share capital).



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# DISCIPLINED APPROACH TO M&A

## STRONGLY PERFORMING, SUGGESTING BOLDER AMBITION ON AVAILABLE GROWTH OPPORTUNITIES

- ◆ **Criteria for M&A:** strong industrial rationale, capital-light businesses that are an excellent fit for MB in terms of culture, ethics and business approach
- ◆ **Several bolt-on acquisitions made in order to enhance core businesses with strong capital discipline:**  
~ 150bps of CET1 invested, ~€20bn TFAs and ~€300m revenues added to MB Group

### Bolt-on acquisitions



# ROBUST SUSTAINABILITY PERFORMANCE REALIZED THROUGH TARGET DELIVERY AND RECOGNIZED EXTERNALLY

## Business Plan 2019-23 ESG Targets Met

Further to exceeding financial targets, Mediobanca achieved broad success across sustainability targets in key strategic areas.



Investment	People	Operations

## Active member of some of the most important initiatives

## Recognition by Ratings & Indices

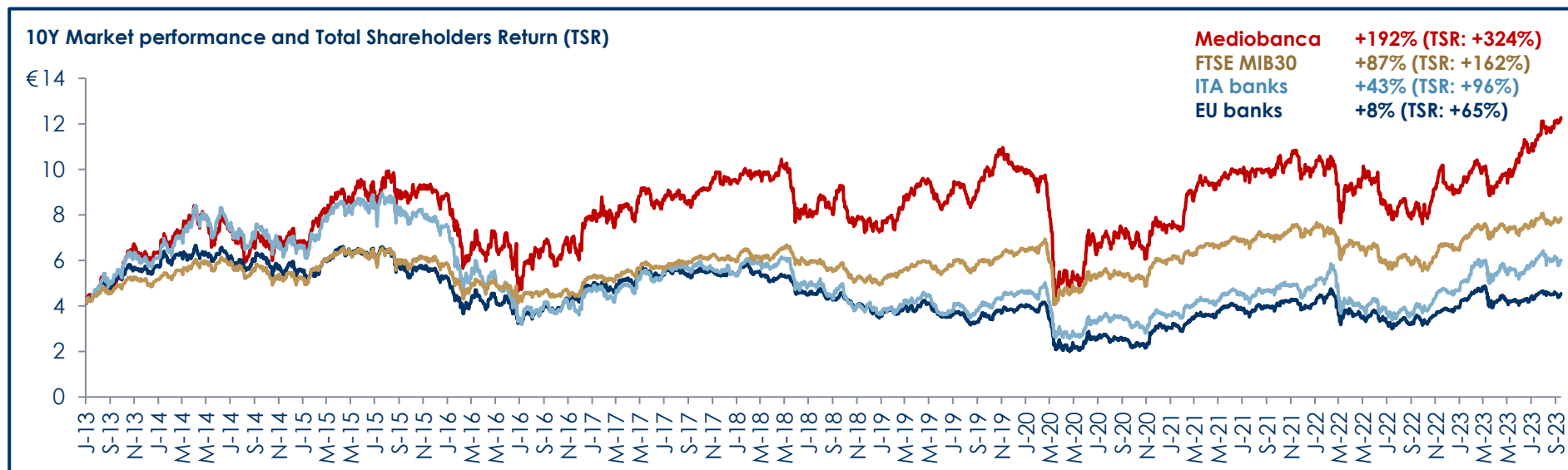
 <b>AA</b>	 <b>C (Prime)</b>	 <b>14/100 (LOW RISK)</b> Top 9% of the industry	 Constituent of MIB ESG Index	 <b>Score: 61</b> Average: 32
 <b>62/100</b> Sector average: 45	 <b>C</b>	 <b>S&amp;P Global</b> S&P Europe 350 ESG 2023 Sustainability Yearbook	 <b>FTSE4Good Index</b> <b>63rd Percentile</b>	 <b>Bloomberg Gender Equality Index</b> (5th Year Running)



# OUTPERFORMING THE SECTOR IN FINANCIAL TERMS

## LONG-TERM SHARE PRICE OUTPERFORMANCE (TSR +324%)...

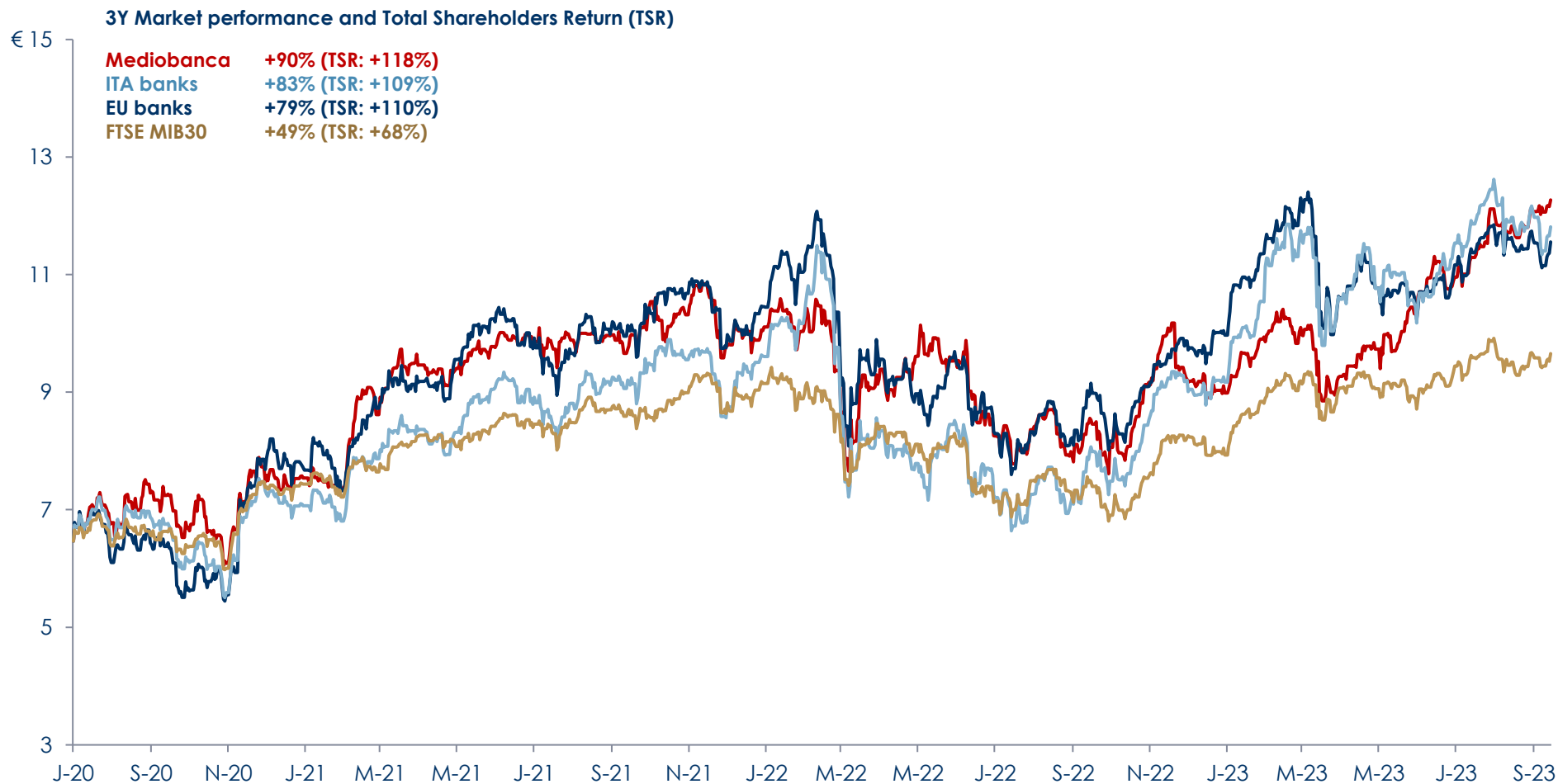
Last 10Y performance	MEDIOBANCA	ITALIAN BANKS <sup>1</sup> avg	EUROPEAN BANKS <sup>1</sup> avg
Revenues (10Y CAGR <sup>2</sup> )	+7%	+1%	+2%
Net interest income / fees (10Y CAGR <sup>2</sup> )	+6% / +7%	0% / +2%	+2% / +2%
PBT (10Y CAGR <sup>2</sup> )	+14%	n.m.	+7%
Employees (10Y CAGR <sup>2</sup> )	+4%	-2%	0%
FL CET1 ratio pf <sup>2</sup>	15.9%	13.6%	13.0%
ROTE adj. <sup>2</sup>	13%	10%	11%
Cost/income ratio <sup>2</sup>	43%	54%	58%



- 1) Source: Nasdaq IR Insight, MB Securities for CET1 ratio, ROTE adj. and C/I ratio Peer group: ITA (Intesa Sanpaolo, Unicredit, Banco BPM, BPER Banca), EU (BNP Paribas, Société Générale, Bankinter, CaixaBank, Banco de Sabadell, Banco Santander, BBVA, Deutsche Bank, UBS, KBC)
- 2) 10YCAGR June 13/23 Mediobanca, Dec 13/22 peers. Other figures at June 23 for Mediobanca, Dec 22 peers



# OUTPERFORMING THE SECTOR IN FINANCIAL TERMS AS WELL AS IN THE LAST BUSINESS PLAN CYCLE



# Agenda

**Section 1. Mediobanca at a Glance**

**Section 2. Strategic Direction**

BP2023-26: One Brand - One Culture

BP2023-26: Targets

**Section 3. Current Governance Structure**

**Section 4. 2023 AGM**

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**Annex**



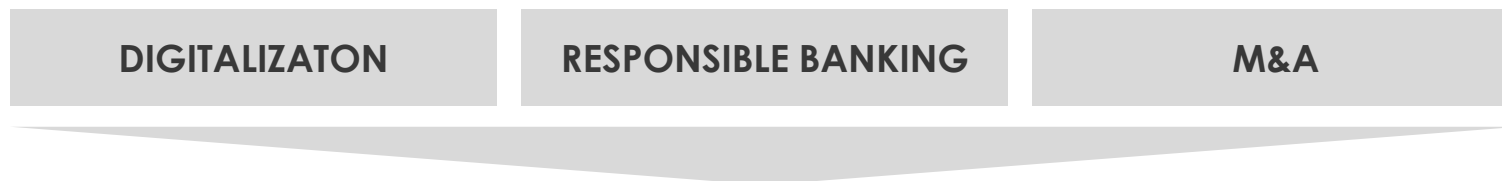
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# BUSINESS PLAN 2023-26

## ONE BRAND - ONE CULTURE



Strategic Enablers



### Delivery for Shareholders:

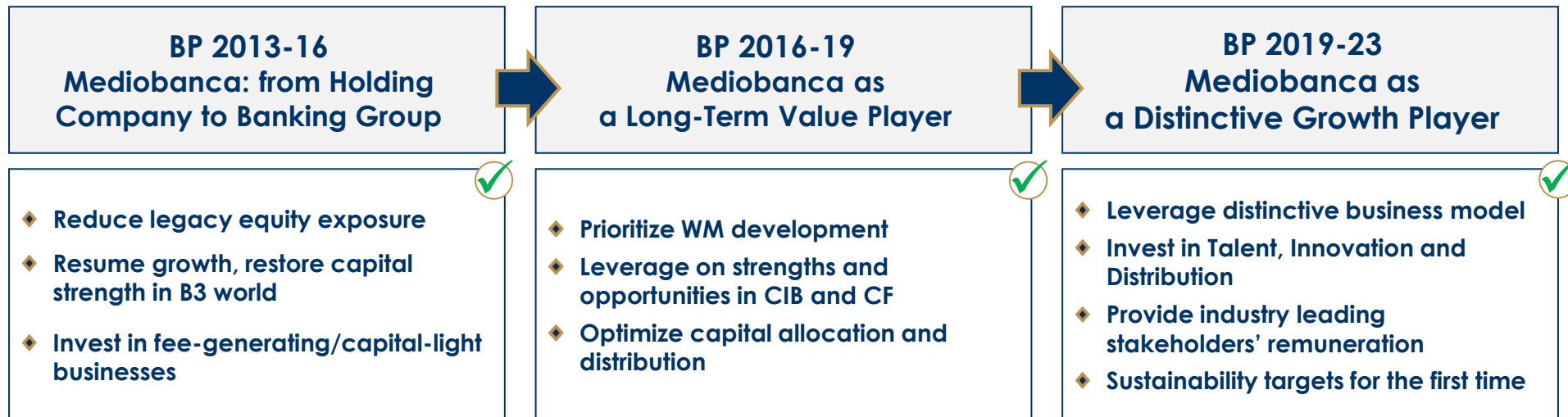


### Delivery for Stakeholders:



# BUILDING ON THE LAST DECADE

## WHERE THE GROUP HAS UPSCALED SIGNIFICANTLY IN TERMS OF DIMENSION AND BUSINESS MODEL





# AMBITIOUS TARGET SETTING

## RELYING ON AN ESTABLISHED TRACK RECORD OF DELIVERY AND PROGRESSING STRATEGIC DEVELOPMENT

	<b>BP 2013-16</b> Mediobanca: from Holding Company to Banking Group	<b>BP 2016-19</b> Mediobanca as a Long-Term Value Player	<b>BP 2019-23</b> Mediobanca as a Distinctive Growth Player	<b>BP 2023-26</b> Mediobanca: <b>ONE BRAND – ONE CULTURE</b>
<b>Revenue</b>	€1.6bn to €2bn	up to €2.5bn	up to €3.3bn	up to €3.8bn
<b>Net Profit</b>	up to €0.6bn	> €0.8bn	up to ~€1.0bn	EPS up to €1.8ps (from €1.21 in FY23)
<b>ROTE</b>	7%	10%	13%	~15%
<b>CET1</b>	12%	14%	15.9%	> 14.5%
<b>Capital Distribution</b>	Total = €0.5bn	Total = €1.3bn	Total = €2.2bn	Total = €3.7bn
<b>Strategic Development</b>	€1.5bn equity disposals	Founded Wealth Management	Growth push with focus on Wealth Management	Become a pre-eminent Wealth Manager

# STRONG MARKET REACTION TO BP23-26

## RECOGNISING STRATEGIC AMBITION AND TRUST IN EXECUTION

### Brokers - Confidence in Strategy and Management

Jefferies

*"MB's new business plan meets our call for evolution, shifting the focus to lower capital-absorbing business..."*

citi

*"We see this plan as the first one through which the group can fully exploit all the groundwork of last decade both organically and via bolt-on deals"*

INTESA SANPAOLO

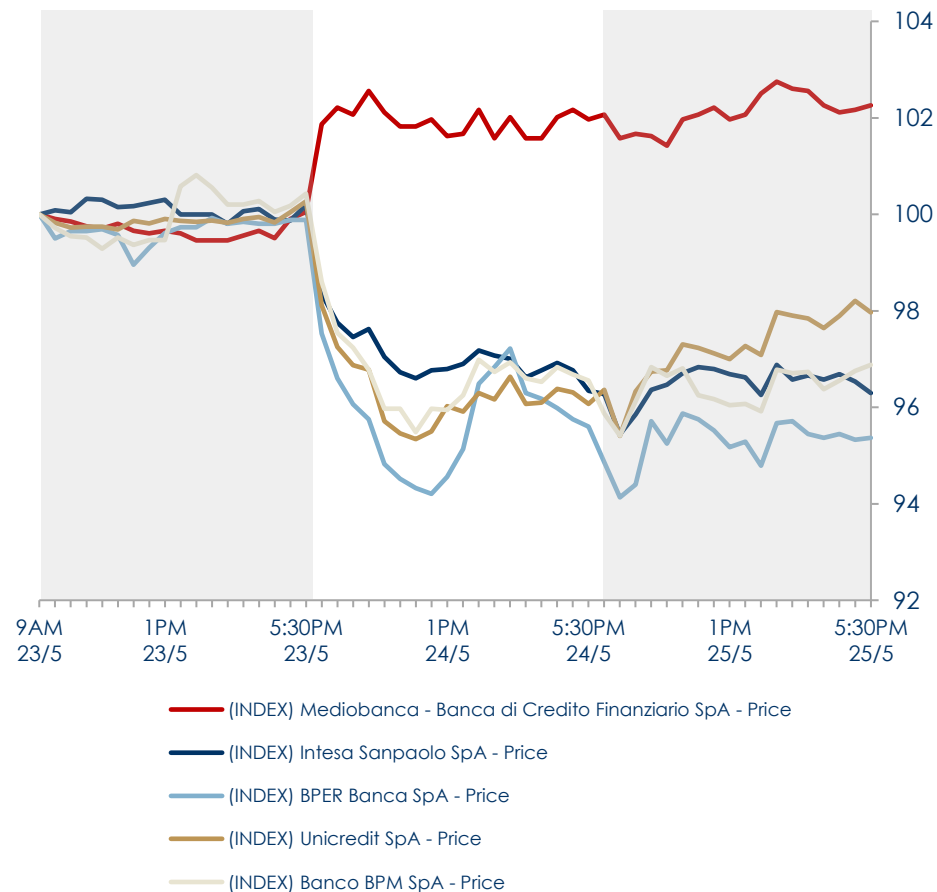
*"Mediobanca management has demonstrated to be able to overdeliver its targets"*

EQUITA

*"MB has an excellent track record in terms of achieving targets... Given the management's positive track record in delivering the Plan, we believe the market would be disappointed if current management is not reconfirmed."*

Text made bold by Mediobanca

### Market Reaction – Positive Response to Announcement



## DEVELOPED TO BE EXECUTED BY EXPERIENCED EXECUTIVES SUPPORTED BY THE OVERSIGHT OF THE BOARD OF DIRECTORS

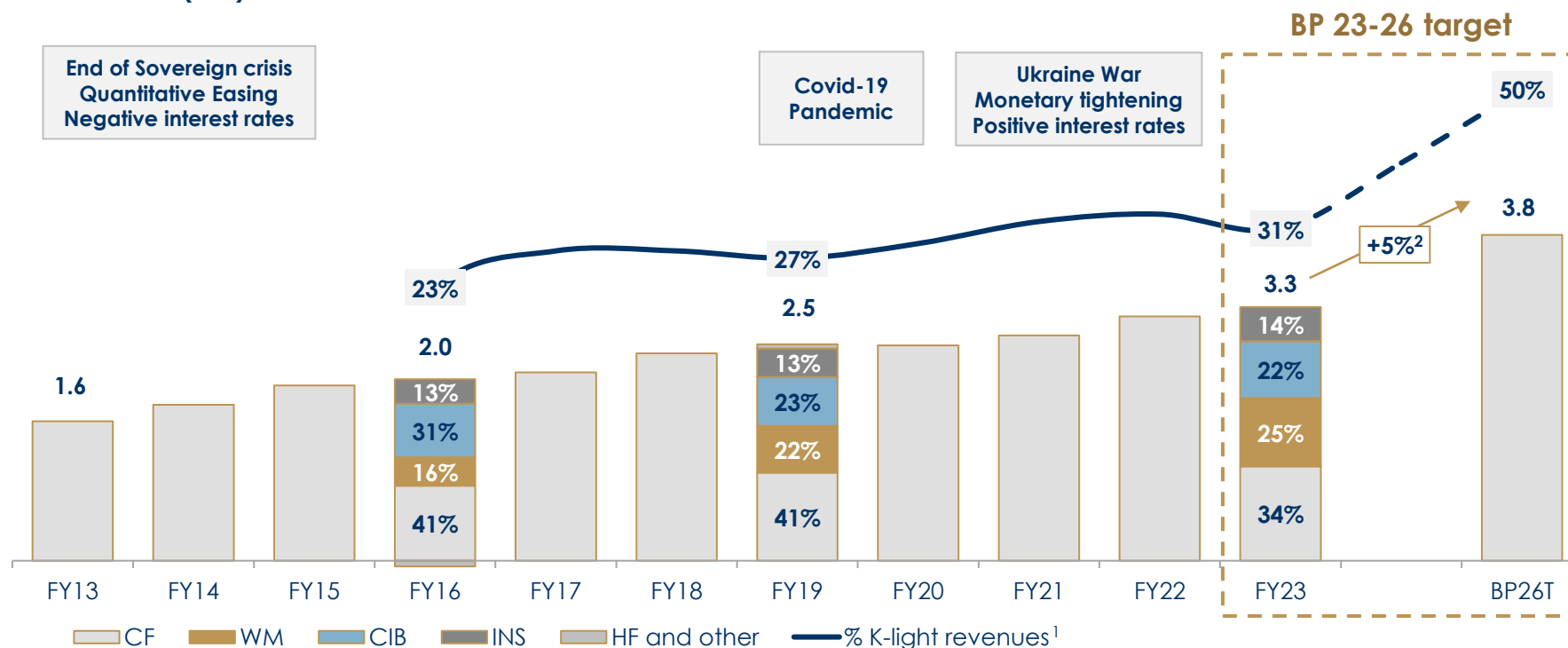
Mediobanca's strategic vision, and strong delivery against communicated targets, has been driven by an executive team led by **CEO, Alberto Nagel**. This executive team has benefitted from **continuity** aided by the **stability** of the governance structures of the Group.

The ambition of the **business model transformation** and **disciplined execution** has been a result of this strong collaborative relationship between the executive team and the Board of Directors.



# BP 2023-26 TARGETS - AMBITIONS SET FOR NEXT 3Y: REVENUES UP TO €3.8BN AFTER DOUBLING IN LAST 10Y DESPITE CRISIS AND CHALLENGING MACRO

## Revenues trend (€bn)

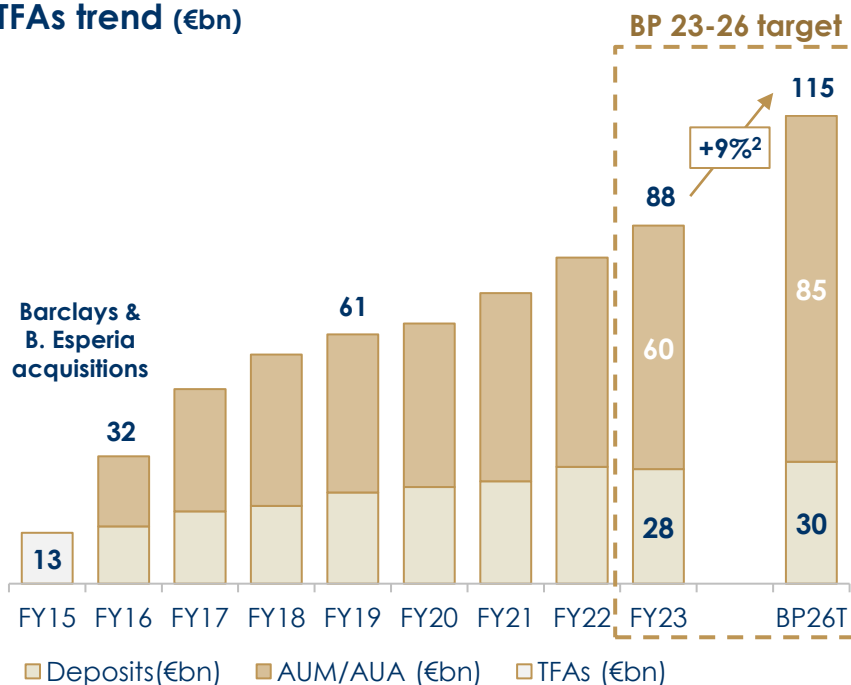


◆ In the last decade, Mediobanca has doubled its revenues to €3.3bn (6% CAGR) exceeding original targets. New BP 2023-26 set €3.8bn revenue target (5% CAGR 23-26)

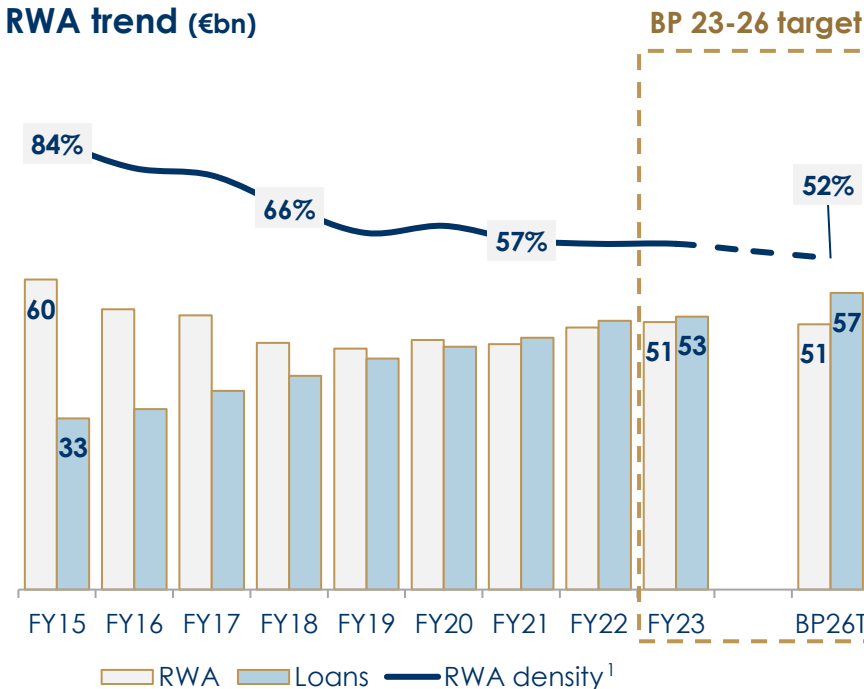
- ◆ All business segments have been enlarging, contributing positively to growth and profitability
- ◆ Revenue quality enhanced by Diversification and growing contribution from capital-light activities (from ~30% to ~50%)

## BP 2023-26 TARGETS - AMBITIONS SET FOR NEXT 3Y: WITH FOCUS ON WM AND VALUE-DRIVEN ASSET GROWTH

### TFAs trend (€bn)



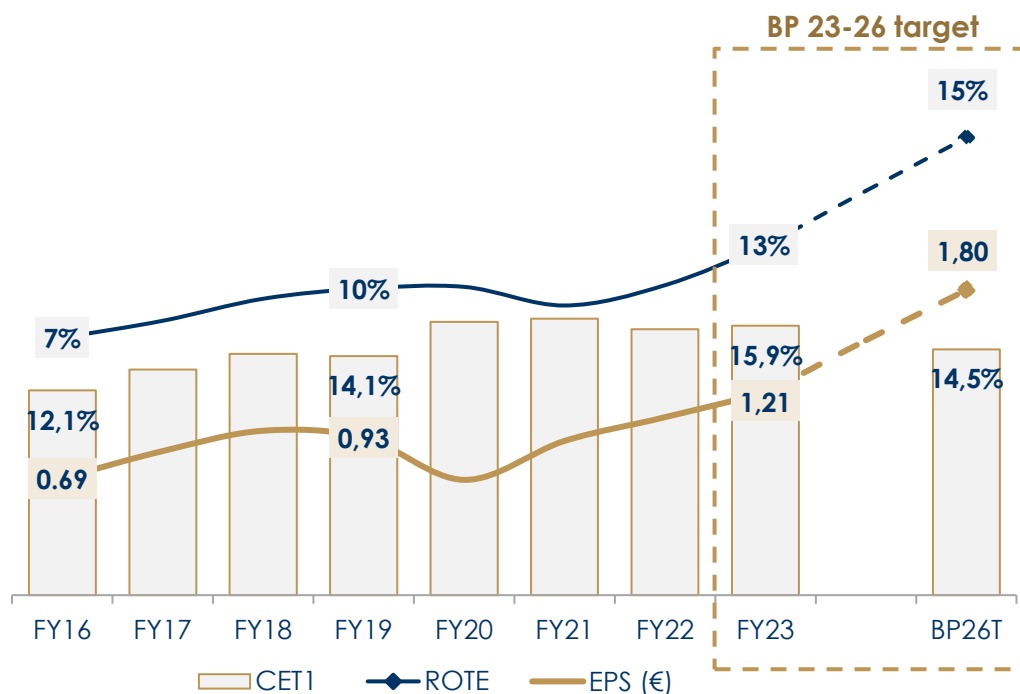
### RWA trend (€bn)



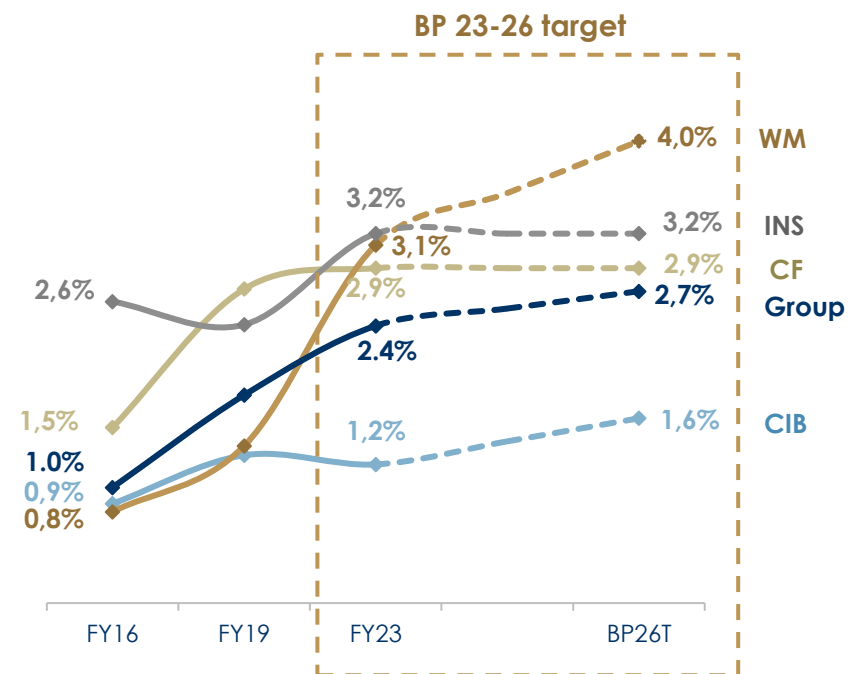
- ◆ Since 2016, when Mediobanca effectively entered in the WM business, TFAs have almost tripled (to €88bn) due to MB Private-Investment Banking model adoption, significant investment in distribution and acquisitions
- ◆ In the last 10Y MB loan book increased by 5% 10YCAGR to €53bn, with RWA down (from €60bn to €51bn) and RWA density reducing from 84% to 56% due to ongoing capital absorption optimization
- ◆ BP23-26 set €115bn target for TFA (9% CAGR), 75% driven by AUM/AUA (€85bn, 13% CAGR) and ongoing optimization of loan book growth (up to €57bn), enabling to keep RWA flat over BP horizon (density down to 52%)

# BP 2023-26 TARGETS - AMBITIONS SET FOR NEXT 3Y: INCREASING OUR EARNINGS AND PROFITABILITY ON A SOUND CAPITAL BASE...

### CET1 ratios, ROTE and EPS trend (% , €)



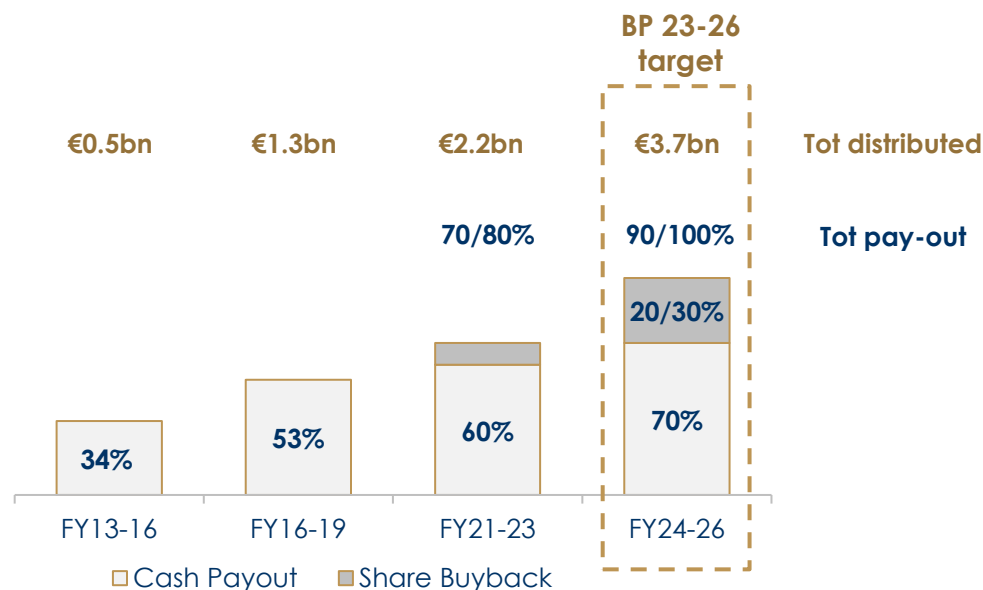
### RoRWA trend (%)



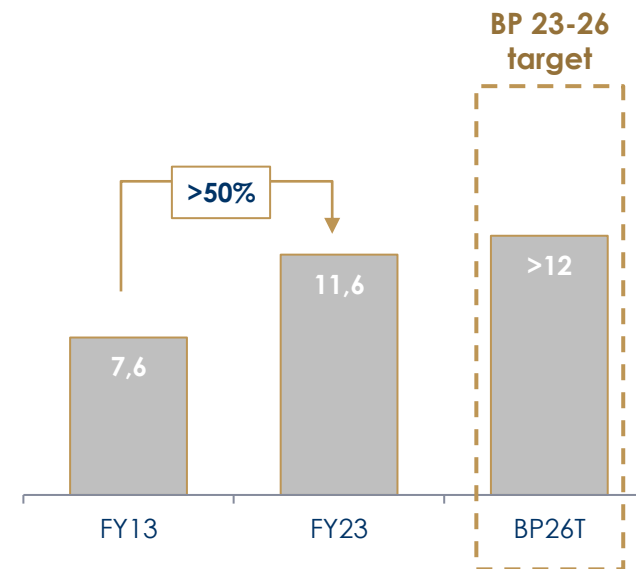
- ◆ Capital generation has enabled solid CET1 ratios, without capital increases
- ◆ Earnings per share increasing steadily due to a combination of organic growth, acquisitions and share buybacks
- ◆ Profitability ramping up sustainably, mainly driven by WM

# BP 2023-26 TARGETS - AMBITIONS SET FOR NEXT 3Y: BOOSTING SHAREHOLDER REMUNERATION €3.7BN DISTRIBUTED OVER 3Y, UP 70%

### Total payout and distribution trend (%)



### TBVPS<sup>1</sup> trend (€)



- ◆ **Next 3Y: cumulative shareholder remuneration up 70% to €3.7bn**
- ◆ **In next 3Y total payout at 90/100% with:**
  - ◆ **€2.7bn cumulative cash, with 70% cash dividend payout**
  - ◆ **€1bn cumulative share buyback<sup>1</sup> to be spread over three years (with amount fixed annually)**
- ◆ **Interim dividend from FY24:** 70% of 1H earnings to be paid in May 2024, 70% of 2H earnings to be paid in Nov 2024

# BP 2023-26 TARGETS - AMBITIONS SET FOR NEXT 3Y: CONTINUING A LONG-STANDING RESPONSIBLE APPROACH TO BANKING WITH NEW GROUP SUSTAINABILITY TARGETS



Factors	Targets	New Targets vs BP19-23
Climate Transition	<b>Net Zero</b> financed emissions by <b>2050</b>	Yes
	<b>-35% financed emissions intensity</b> by <b>2030</b> (-18% by 2026)	Yes
	<b>Interim sector targets</b> for Net Zero Banking Alliance released by <b>2024</b> <sup>1</sup>	Yes
	<b>Phase-out</b> from <b>coal</b> by <b>2030</b> <sup>2</sup>	Yes
	<b>Carbon neutrality</b> on own emissions	-
	<b>100% renewable energy</b> at Group level	-
Human Capital	<b>Launch of the first Employee Share Ownership Plan</b> to foster engagement and ownership at all levels	Yes
	<b>100% employees trained in ESG</b>	-
	<b>&gt;30% female members of MB Key Function Holders</b> <sup>3</sup>	Yes
	<b>&gt;20% female executives</b>	Yes
	<b>&gt;50% women out of total hires</b>	-
Responsible Banking	<b>Parity in advancement rate</b>	Yes
	<b>Incorporating more "Climate &amp; Environment" metrics into risk management processes</b> such as RAF, ICAAP and Stress testing	Yes
	<b>&gt;€20m support to projects with social and environmental impact</b>	-
	<b>Stop lending to/investing in tobacco</b> <sup>2</sup>	Yes
	<b>70% of procurement expenses screened with ESG criteria</b>	-
	<b>At least 2 sustainable bonds</b>	-
	<b>Full adoption of Tax Control Framework</b> for all the Group Italian banks	-

**20% of Group CEO and General Manager's Long-Term Incentive pay determined on meeting Sustainability KPIs<sup>4</sup>**  
while the proportion of long-term equity compensation comprising half of the total variable remuneration (vs previous @20%)

- 1) No exposure to coal mining and agriculture. Four sector targets published by September 2023 (Automotive and Power already published; Cement and Aviation will be added). The remaining NZBA sectors will be disclosed by September 2024
- 2) In CIB lending (excluding Specialty Finance) and proprietary investment portfolio in all markets
- 3) Key Function Holders: Group senior management
- 4) Two proposed KPIs to be included in the 2026 LTI: % of female executives; reduction in financed emissions intensity



# Agenda

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**Section 2. Strategic Direction**

**Section 3. Current Governance Structure**

Governance Evolution

Incumbent Board Governance

**Section 4. 2023 AGM**

**Section 5. Closing remarks**

**Annex**

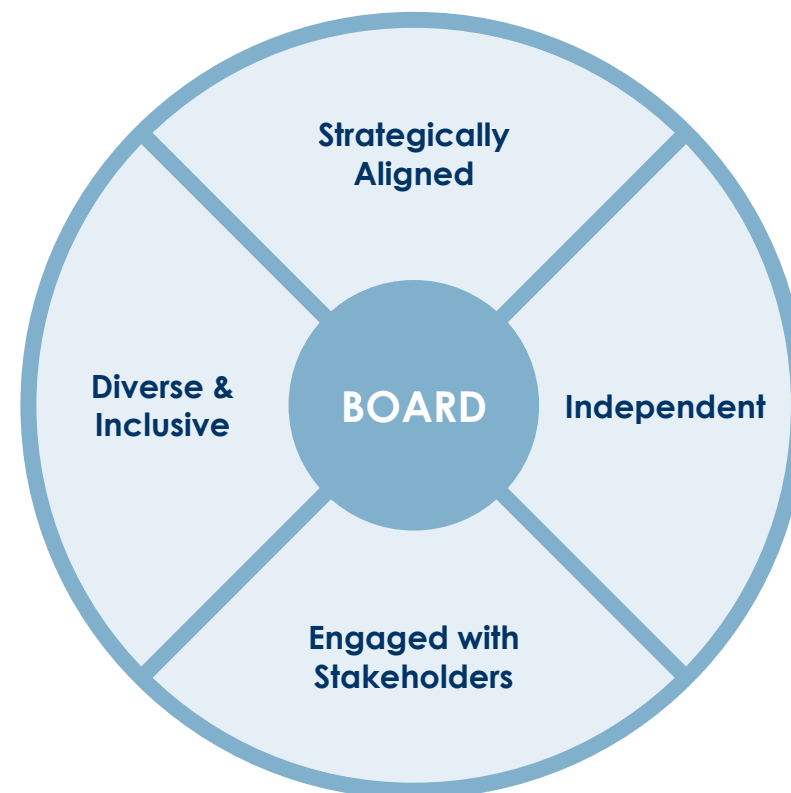


MEDIOBANCA

## GOVERNANCE AT MEDIOBANCA EVOLVING FROM A HOLDING COMPANY TO SPECIALIZED FINANCIAL GROUP

Mediobanca's governance evolved in line with the Group's strategic transformation, simplifying, strengthening and improving its positioning. The Board has continuously improved its functioning to meet the expectations of its global shareholder base and aligning further to global peers.

- ◆ **Strategically Aligned**: the competences and governance framework are designed to fully support strategic development and executive oversight.
- ◆ **Independent**: through iterative development, and the introduction of roles such as the Lead Independent Director, Mediobanca continues to strengthen independent oversight and leadership.
- ◆ **Engaged with Stakeholders**: shareholders, as well as other key stakeholder groups are provided with increasing opportunity to engage in the strategic development of the Group, including on sustainability issues.
- ◆ **Diverse & Inclusive**: reflective of the highly diverse Board, Mediobanca aims to match or exceed diversity targets within the domestic banking industry.



Mediobanca qualifies among the largest and most complex banks, and as such is subject to prudential supervision by the **European Central Bank (ECB)**

# POSITIVE GOVERNANCE MOMENTUM

## EVIDENCED THROUGH PROGRESSIVE PRACTICES AND ARTICLE AMENDMENTS

### 2018

- ◆ **Fix maximum board size** to 15
- ◆ > 25% of Board members must be **independent**
- ◆ **3 majority independent committees:** (1) Appointments, (2) Risk and (3) Remuneration
- ◆ **One minority list director** shall be a member of at least one of the committees
- ◆ Board members are required to devote **adequate time to duties**

### 2020

- ◆ **Outgoing Board list** submitted for the first time.
- ◆ **Remove condition** that the CEO and General Manager must be selected from **Group Employee Directors**.
- ◆ **Independence criteria strengthened for NEDs** to make criteria fully aligned with the new version of the Corporate Governance Code for listed companies published in 2020.

### 2021

- ◆ Removal of restrictions on having members of Group management represented on the Board, allowing:
  - ◆ **20%** of board members from **minority lists**;
  - ◆ **one board member** to be appointed in representation of **institutional investors**; and
  - ◆ **reduction in the minimum number of votes** required for a Director to be appointed from the second minority list (5% to 2% of share capital).

### 2022

- ◆ **A Shareholder-Director Engagement Policy was adopted**, with the aim to ensure a healthy shareholder base and facilitate ongoing constructive dialogue with the market.
- ◆ A **Lead Independent Director** position created to further strengthen the independent leadership (a role that is expected to be **maintained with the new Board**).

# IMPROVEMENTS BENEFITTING STAKEHOLDERS

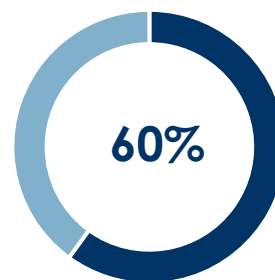
## STRENGTHENED COMPOSITION AND EFFECTIVE FUNCTIONING

### Governance Practices Aligned with Market Expectations

Majority Independent Board	✓
Majority Independent Committees	✓
Transparent Nomination Process	✓
Separate Chair and CEO	✓
Lead Independent Director	✓
Established Succession Planning	✓
Accountability Preserved in Refreshment	✓
Regular Meetings of Independent Directors <sup>1</sup>	✓
Focused on Diversity	✓
Independent Board Evaluation	✓
Committee Focused on Sustainability	✓
Engaged with Shareholders	✓
Ongoing Training <sup>2</sup>	✓
No Over-Boarded Director	✓

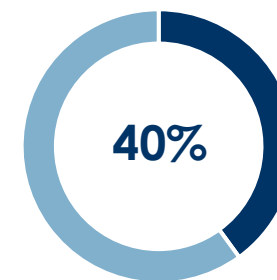
### A Board comprised of independent and diverse profiles...

◆ A Board that provides strong **independent oversight**



**9 of 15**  
independent  
per  
Article 19 of  
Mediobanca's  
Articles

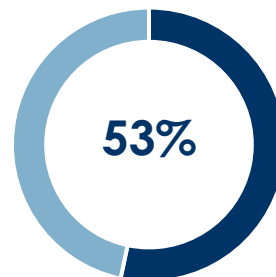
◆ ... and values all dimensions of diversity.



**6 of 15**  
members are  
women

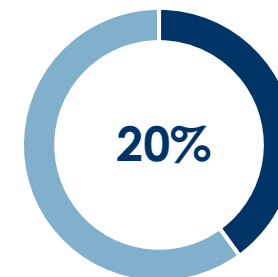
### ...that bring fresh and international perspectives

◆ A Board that is open to **fresh perspectives...**



**8 of 15**  
members  
have been  
appointed in  
the last 7  
years

◆ ...and an international view to add value to the debate.



**3 of 15**  
members are  
non Italian

1) Three meetings during the period under review

2) Trainings conducted during the period under review included: digital Euro; technology and the disruption of the European banking model; implications of developments in technology in the cyber-security area; sustainability issues of relevance to the Group's main areas of operations; geopolitical scenarios.

# INCUMBENT MEDIOBANCA BOARD



**Renato Pagliaro**  
Non-Executive Chair



ISS	Glass Lewis	Frontis
Non-Ind	Non-Ind	Non-Ind

Male / Italian / 66 / 2007



**Maurizia A. Comнено**  
Vice-Chair

ISS	Glass Lewis	Frontis
Non-Ind	Non-Ind	Non-Ind

Female / Italian / 75 / 2014



**Laura Cioli**  
Independent NED



ISS	Glass Lewis	Frontis
Ind	Ind	Ind

Female / Italian / 60 / 2020



**Valérie Hortefeux**  
Independent NED



ISS	Glass Lewis	Frontis
Ind	Ind	Ind

Female / French / 55 / 2017



**Elisabetta Magistretti**  
Non-Independent NED



ISS	Glass Lewis	Frontis
Non-Ind	Non-Ind	Non-Ind

Female / Italian / 76 / 2011



**Alberto Nagel**  
CEO



ISS	Glass Lewis	Frontis
Non-Ind	Non-Ind	Non-Ind

Male / Italian / 58 / 2007



**Virginie Banet**  
Independent NED



ISS	Glass Lewis	Frontis
Ind	Ind	Ind

Female / French / 57 / 2020



**Maurizio Costa**  
Independent NED



ISS	Glass Lewis	Frontis
Ind	Ind	Ind

Male / Italian / 74 / 2014



**Maximo Ibarra**  
Independent NED



ISS	Glass Lewis	Frontis
Ind	Ind	Ind

Male / Colombian / 54 / 2018



**Vittorio Pignatti-Morano Campori**  
Independent NED



ISS	Glass Lewis	Frontis
Ind	Ind	Ind

Male / Italian / 66 / 2018



**Francesco S. Vinci**  
General Manager

ISS	Glass Lewis	Frontis
Non-Ind	Non-Ind	Non-Ind

Male / Italian / 60 / 2007



**Maurizio Carfagna**  
Independent NED



ISS	Glass Lewis	Frontis
Ind	Non-Ind	Non-Ind

Male / Italian / 75 / 2014



**Angela Gamba**  
Lead Independent Director



ISS	Glass Lewis	Frontis
Ind	Ind	Ind

Female / Italian / 53 / 2017



**Alberto Lupoi**  
Independent NED



ISS	Glass Lewis	Frontis
Ind	Ind	Ind

Male / Italian / 53 / 2017



**Gabriele Villa**  
Executive Director

ISS	Glass Lewis	Frontis
Non-Ind	Non-Ind	Non-Ind

Male / Italian / 59 / 2017

## Assogestioni Nominees

**Committees:**



## FEATURES OF THE GOVERNANCE SYSTEM: NON-EXECUTIVE LEADERSHIP



**Renato  
Pagliaro**  
Chair

*Renato Pagliaro has been the Non-Executive Chair of the Board since 2010.*

### ◆ **The main duties of the Non-Executive Chair include:**

- ◆ Call and chair Board meetings, and ensure that Directors are provided with adequate information regarding the items on the agenda
- ◆ Ensure sufficient time is given for discussing all items, and giving priority to issues of strategic relevance and guaranteeing that the debate is effective
- ◆ Ensure that the corporate governance system runs smoothly, guaranteeing due balance between the powers of the executive team
- ◆ Ensure that the self-assessment process is completed effectively, and corrective measures developed to address shortcomings are implemented



**Angela  
Gamba**  
LID

*The LID role was created to strengthen the independent leadership.*

*Angela Gamba, from the minority Assogestioni slate, has held the role since 2022.*

### ◆ **The Lead Independent Director's (LID) core duties include:**

- ◆ Convene and preside over meetings of the independent Directors
- ◆ Serve as a point of contact within the Board to co-ordinate the independent Directors' requests and contributions
- ◆ Work with the Chairman to ensure that the Directors receive exhaustive information flows in a timely manner
- ◆ Oversee the board evaluation process (supported by an external consultant), as well as the report on the optimal qualitative and quantitative composition of the Board
- ◆ Participates in meetings with investors on governance issues, as provided by the S-D Engagement Policy.
- ◆ Perform any other duties that may be assigned by the Board, particularly on strategic issues and/or extraordinary transactions

# FEATURES OF THE GOVERNANCE SYSTEM: MINORITY SHAREHOLDERS' INVOLVEMENT IN CORE GOVERNANCE ACTIVITIES

## Board-Level Committees

- ◆ **All board-level Committees contain at least one appointee from the minority Assogestioni list.**
- ◆ **Alberto Lupoi**, appointed from the Assogestioni slate, sits on the **Appointments Committee** (as well as the Remuneration Committee). Alongside the **LID's direct involvement**, this gave both shareholder appointees direct view of the 2023 outgoing Board slate development.
- ◆ **Angela Gamba**, also appointed from the Assogestioni slate, is **Chair of the Risk Committee**, which is charged with risk management (including ESG risks), the internal control system, accounting and financial reporting.
- ◆ Given the growing strategic importance of sustainability factors in our business and to our shareholders, Mediobanca set up the Board-level CSR Committee (reinforcing the existing Sustainability Committee at management level). **Angela Gamba sits on the CSR Committee.**

## Effectiveness Assessment

- ◆ The Board assessment is performed annually with the assistance of an external consultant, and **was led by the Lead Independent Director, (appointed from the Assogestioni minority slate).**
- ◆ The 2023 assessment determined the following:

### Board Functioning

The results shows a generally positive appraisal of the issues considered, as well as appreciation for the methods by which the Board works.



### Areas for Improvement

The verdict on the initiatives taken to address the areas for improvement identified during the previous self-assessment exercise was positive.



## Minority Slate Board Representation

Recent Article amendments mean that minority slate appointees will now make up 20% of board seats. Therefore, on Mediobanca's new Board (of 15 members), if the Board Slate receives the highest number of votes, 3 seats will be for minority slate nominees. Institutional investors are therefore guaranteed a seat<sup>1</sup>.

# Agenda

**Section 1. Mediobanca at a Glance**

**Section 2. Strategic Direction**

**Section 3. Current Governance Structure**

**Section 4. 2023 AGM**

Shareholders' Remuneration

Mediobanca Board Slate

Remuneration

**Section 5. Closing remarks**

**Annex**



MEDIOBANCA



# 2023 ANNUAL GENERAL MEETING

## INTRODUCTION AND AGENDA OVERVIEW

### Introductory Message



#### Mediobanca encourages the participation of all shareholders to the 2023 Annual General Meeting.

Shareholders will be asked to approve several proposals including the appointment of the Board of Directors for the three-year term to 2026 as well as the new Long-Term Incentive ("LTI"). This term will mirror the duration of the Business Plan 2023-26 which was announced by the outgoing Board in May 2023.

After its introduction in 2020, the 2023 AGM continues the international best practice of the outgoing Board submitting a nominee slate for consideration. During the outgoing Board's mandate, the Group continued its transformational change, as well as progressing further improvements to the governance system.

Mediobanca has published specific explanatory documents relating to each upcoming proposal, particularly on the submission of the outgoing Board's slate. These can be found on Mediobanca's [website](#).

### Agenda Overview

The 2023 Annual General Meeting Agenda contains regular items for approval - **Group financial statements (including the dividend allocation), and Remuneration** – as well as resolutions related to **measures on the Share Capital, and Appointment of the Board of Directors, and the Statutory Audit Committee**.

Mediobanca would like to draw shareholders' particular attention to proposals related to:

TO BE APPROVED  
AT AGM23

1

#### **Approval of Dividend, Buyback with Cancellation and Interim Dividend:**

Shareholders are asked to approve the allocation of profit for the year and distribution of dividend; as well as the necessary authority to commence the planned buyback and introduce the interim dividend.  
**(Ordinary Agenda Item: 1b & 4, Extraordinary Agenda Item 1 & 4)**

2

#### **Appointment of Board of Directors:**

Shareholders are asked to appoint the Board for the next three years. As in 2020, the outgoing Board has presented a list of 15 nominees.  
**(Ordinary Agenda Item: 2b)**

3

#### **Remuneration:**

Shareholders are asked to approve routine pay proposals, a new LTI plan, and unique proposals like the Employee Share Ownership Plan.  
**(Ordinary Agenda Item: 5a-e)**

**The full 2023 AGM Agenda is included in the Annex**

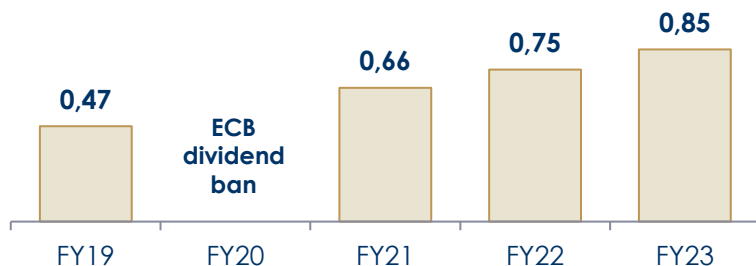
# 1. APPROVAL OF DIVIDEND, BUYBACK<sup>1</sup> AND INTERIM DIVIDEND

## VISIBLE GROWTH AND VALUE CREATION FOR SHAREHOLDERS

**TO BE APPROVED AT AGM23**

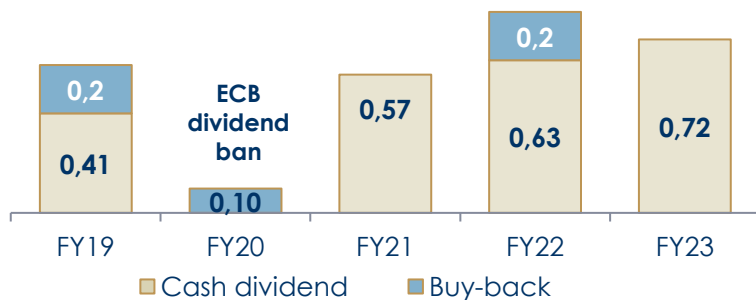
**FY23 DPS: up to €0.85**  
(up 13% YoY)

(€)



**Shareholder remuneration trend**  
(FY23: 70% cash pay-out)

(€bn)



**FY24 Shareholders' remuneration guidance and new features**

**TO BE APPROVED AT AGM23**

Cash dividend pay-out

**~70%**

+

Share Buy Back<sup>1</sup>

**~€200m**

**TO BE APPROVED AT AGM23**

**Introduction of the interim dividend from FY24**

70% pay-out of 1H earnings to be paid in May 2024, 70% pay-out of 2H earnings to be paid in Nov 2024

**New share buyback scheme**

Up to 17 million shares (2% of the share capital), currently worth approx. €200m, to be bought and cancelled

1) Treasury share buyback and cancellation scheme involving up to 3% of the share capital, subject to authorization by shareholders in AGM and by the ECB. Given the number of treasury shares currently owned by the Bank (8.5 million), the new buyback will involve 17 million shares currently in issue (equal to approx. 2% of the company's share capital)

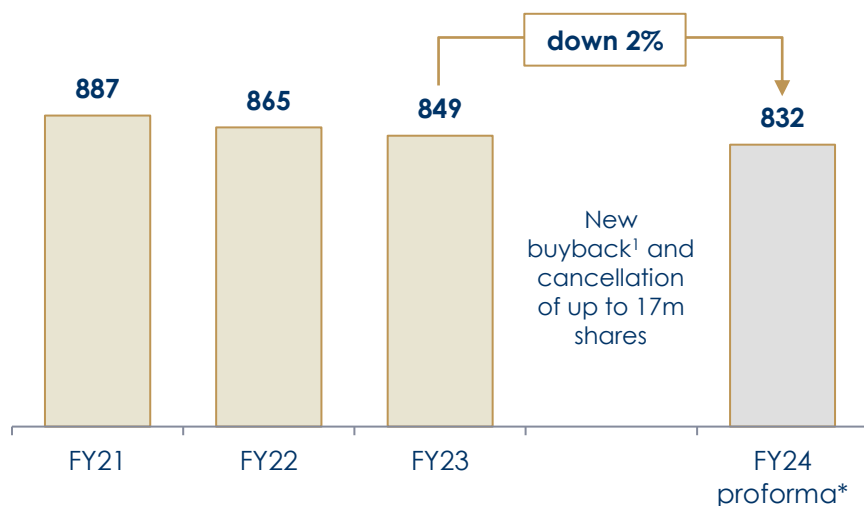


# 1. APPROVAL OF DIVIDEND, BUYBACK<sup>1</sup> AND INTERIM DIVIDEND

## SHARE BUY-BACK TO UPLIFT EPS AND DPS AND INTERIM DIVIDEND TO NORMALIZE CASH-FLOWS

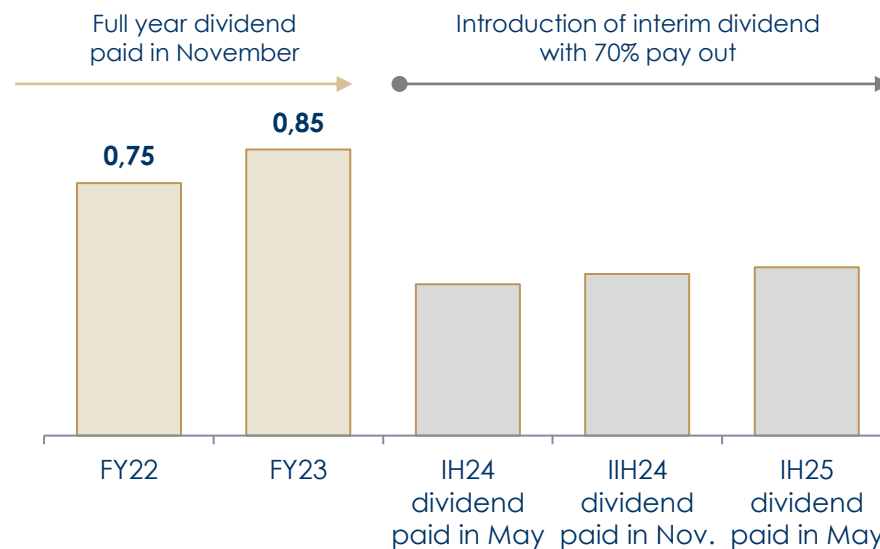
Outstanding shares as at June 24 expected to decrease by 2%, contributing to uplift FY24 EPS and DPS by 2%

(n° mln)



Introduction of interim dividend to normalize cashflows (70% H earnings pay-out, payments in May and Nov.)

(€)



### ◆ The proposed buyback and cancellation of up to 17m shares:

- ◆ would drive a 2% growth in EPS and DPS
- ◆ **is the first tranche** (amount approx. €200m) **of the €1bn cumulative share buyback** included in the new BP23/26 Shareholders' remuneration target

### ◆ Introduction of interim dividend (70% pay-out calculated on half year earnings) to normalize cash-flows to shareholders

TO BE APPROVED  
AT AGM23

## 2. ELECTION OF THE BOARD OF DIRECTORS THE SUBMISSION OF AN OUTGOING BOARD SLATE

- ◆ Mediobanca's Board submitted its first outgoing board slate in 2020 reflective of its **diverse shareholder base and ensuring greater stability in its governance structure**. Mediobanca's Articles have allowed for this since 2008 when Mediobanca switched from a two- to one-tier board.
- ◆ Despite Mediobanca beginning this practice only in the last election cycle, **the submission of outgoing board slates in the banking sector in Italy is well founded:**
  - ◆ In the FTSE MIB, over half of companies which submit an outgoing board slate are Banks.
  - ◆ It is Mediobanca's view that the outgoing Board is in **the best position to identify its optimal qualitative and quantitative composition**, as well as **having a deep understanding of the business, shareholder sensitivities, organizational structure, risk and opportunities**.
  - ◆ Importantly, the process allows for **continuity in pursuing a strategic direction that has been welcomed by the market** and assures **stability of the group corporate governance structure**.
  - ◆ Due to the **considerable majority** with which the previous outgoing board slate was supported in 2020, and the **positive feedback** that Mediobanca has received from institutional shareholders, the Board has evaluated to maintain such practice in order to preserve the profitability and the risk profile of the Group.



In January 2022, following a market consultation, **CONSOB (the Italian financial markets authority) officially issued some guidance on the submission of a slate by the outgoing Board ([link](#))**.

# VOTO DI LISTA - EXPLAINER

## What is the Voto Di Lista system?

- ◆ Italian listed companies subscribe to the “Voto di Lista” system to appoint nominees to the Board of Directors.
- ◆ Under this system, one or a series of slates are submitted by shareholders with a certain level of holding, or by the outgoing board, to a periodic annual general meeting.
- ◆ These slates are voted by shareholders with the condition that only one slate can be supported. There is no individual Director election.
- ◆ Slates can be any size - up to the board size decided upon by the outgoing board - and company articles will designate a certain minority of seats to slates presented which do not reach the most support.
- ◆ Once voting is complete, the new board is formulated through a series of rules based on the company's articles. Therefore, provided there is more than one slate presented, the new board will be composed of a hybrid between slates presented.

## How is Voto di Lista applied at Mediobanca?

- ◆ Mediobanca's outgoing Board has resolved upon a board size of 15 members.
- ◆ 20% of board seats will be allocated to the slate(s) that do not receive the most votes - three seats (out of 15).
- ◆ Mediobanca resolved in 2021 that at least one seat would be awarded to the list submitted by Institutional Investors, if the list reached a 2% support level. Given the filing requirements for a list, this seat is effectively reserved for the Institutional Investors delegate even if there are more than two slates presented.
- ◆ Other characteristics of the Board:
  - ◆ **Independence:** at least 50% of the Board\*
  - ◆ **Gender diversity:** at least 2/5 of the seats assigned to the least represented gender.
  - ◆ **Maximum Age Thresholds:** Directors (75), Chair (70), and CEO (65)
  - ◆ **ECB's powers** include the right to make recommendations or set conditions in the decisions regarding **fit & proper assessments**

## 2. ELECTION OF THE BOARD OF DIRECTORS

### MEDIOBANCA 2023 BOARD SLATE - KEY ATTRIBUTES

1

#### RESULT OF A ROBUST AND TRANSPARENT PROCESS

- ◆ Process led by Appointments Committee overseen by the LID, assisted by an independent external consultant.
- ◆ Robust self-assessment and active engagement to determine appropriate profiles for the board slate.
- ◆ Transparent and timely publication of information to shareholders.

2

#### ACCOMPLISHED SKILL PROFILES TO OVERSEE EXECUTION OF BP 23-26

- ◆ Strong links established between nominee expertise and the new business plan, as well as core competencies maintained.
- ◆ Extensive experience on public company boards, with track records that pursued shareholder value creation.

3

#### POSITIVE REFRESHMENT WHICH MAINTAINS LEADERSHIP CONTINUITY AND PRESERVATION OF ACCOUNTABILITY

- ◆ 58% of non-executive nominees on the slate would be new to the Mediobanca Board.
- ◆ Diversity improved by increasing the level of female representation and doubling the number of non-Italian profiles.
- ◆ Retention of highly experienced European banking leaders who lead the strategic ambitions of the Group.
- ◆ Balance adequate refreshment for new perspectives with retaining profiles that delivered for stakeholders and preserving accountability for previous decisions made.

## 2. ELECTION OF THE BOARD OF DIRECTORS

### ROBUST PROCESS FOR FORMULATING THE OUTGOING BOARD SLATE

The process is explained  
in full in the Annex

#### Preparatory Stage

Determine  
and Publish  
Process<sup>1</sup>

Self-assessment and  
report on optimal  
qualitative and  
quantitative Board  
composition



Published:  
17-Apr

Process for the Submission  
of the List of the Board of  
Directors

#### Determination of Needs

Determine  
number and  
profile of new  
directors<sup>1</sup>

Identification of  
potential candidates  
and candidate  
interviews



Published:  
04-Sep

Report on the Qualitative and  
Quantitative Composition of  
the Board of Directors

#### Selection and Approval

Approval of list of  
candidates



Published:  
21-Sep

List of Candidates

#### Board

◆ Approval of Key Documents and  
remedial actions

◆ Examination of the candidate profiles

◆ Approval of the final  
candidate list and report

#### Appointments Committee<sup>2</sup>

◆ Preparation of Key Documents and  
determining remedial actions

◆ Determination of the candidate  
short-list and interviews

◆ Proposal of the final short-list  
and review of the AGM  
report

#### LID

Appointed from the  
Assogestioni slate

◆ Monitoring transparency and  
objectivity of the process

◆ Assisting the Appointments Committee with the determination and  
finalisation of the candidate short-list to make up the Board slate.

#### Engagement:

In the steps for determining and approving the process for appointing the outgoing Board slate, carried out an engagement activity with all relevant stakeholders, including individual investors, to canvas opinions.

## 2. ELECTION OF THE BOARD OF DIRECTORS

### OUTGOING BOARD SLATE

**TO BE APPROVED  
AT AGM23**



Established board leader with track record of strategic delivery and oversight.

Male / Italian / 66 / 2007



Experienced private banker with a background in marketing and communications.

Female / French / 55 / 2017



Accomplished private equity and investment banking professional.

Male / Italian / 66 / 2018



Renowned finance professor and risk manager with considerable public board experience.

Male / Italian / 54



Experienced manager with expertise in HR management, transformation and culture.

Female / Italian / 61



Strategic leader of the Group's management team responsible for strong performance and growth.

Male / Italian / 58 / 2007



Experienced Group manager, with experience holding key functions in various departments

Male / Italian / 60 / 2007



Accomplished executive with a track record of holding CFO, COO and Chief Strategy Officer roles.

Male / Spanish / 59



Wealth and investment banking professional with knowledge of risk, compliance and change management

Female / British / 54



Expert within the Financial Services and Payments industry, with an international background

Female / British / 58



Experience as top executive in Media, Financial Services, and Energy companies.

Female / Italian / 60 / 2020



Strong banking professional with experience in impact finance, strategy and innovation.

Female / Italian / 57



Financial markets expert, with deep expertise in M&A, sustainability and public company governance.

Female / French / 57 / 2020



Top Telco executive with broad experience in digitalization, marketing and customer centricity.

Male / Colombian / 54 / 2018



Senior executive in the Telco sector, experienced in digital transformation and growth.

Male / Italian / 56

#### Independent Nominees



## 2. ELECTION OF THE BOARD OF DIRECTORS PRIORITIZING INDEPENDENCE, DIVERSITY, EXPERIENCE, AND REFRESHMENT

### BOARD SIZE

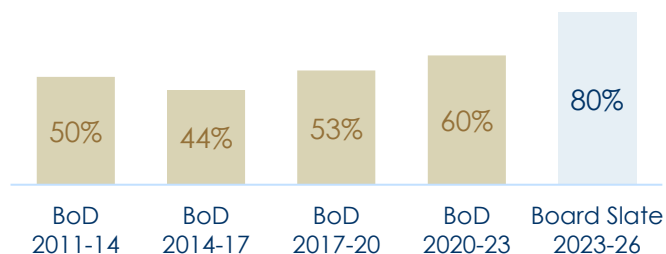
- ◆ For 2023, the Board has resolved to maintain the same size of board (15), and according to new Article provisions, now with an enhanced portion assigned to minority lists – 3 seats.
- ◆ The Board decided to keep a 15-seat board recognising the effective execution of board duties with this size. The size is within limits recommended by regulators and broadly in line with European peers.

### Minority Representation

According to the Articles of Association 20% of board seats will be allocated to minorities with **1 seat effectively guaranteed to Institutional Investor seat**<sup>1</sup> (see slide 36)

### Independence

- ◆ The Board's slate further increases the level of independence.



### Refreshment

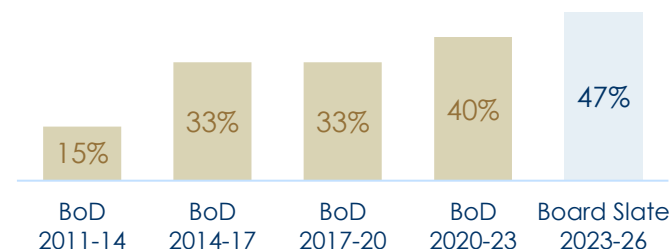
- ◆ New independent nominees provide refreshed perspective.



**7 of 12**  
independent  
nominees are  
NEW

### Gender Diversity

- ◆ Meeting gender diversity targets since 2020.



### Internationality

- ◆ Non-Italian profiles doubled to increase the global approach to business



**6 of 15**  
members are  
non Italian

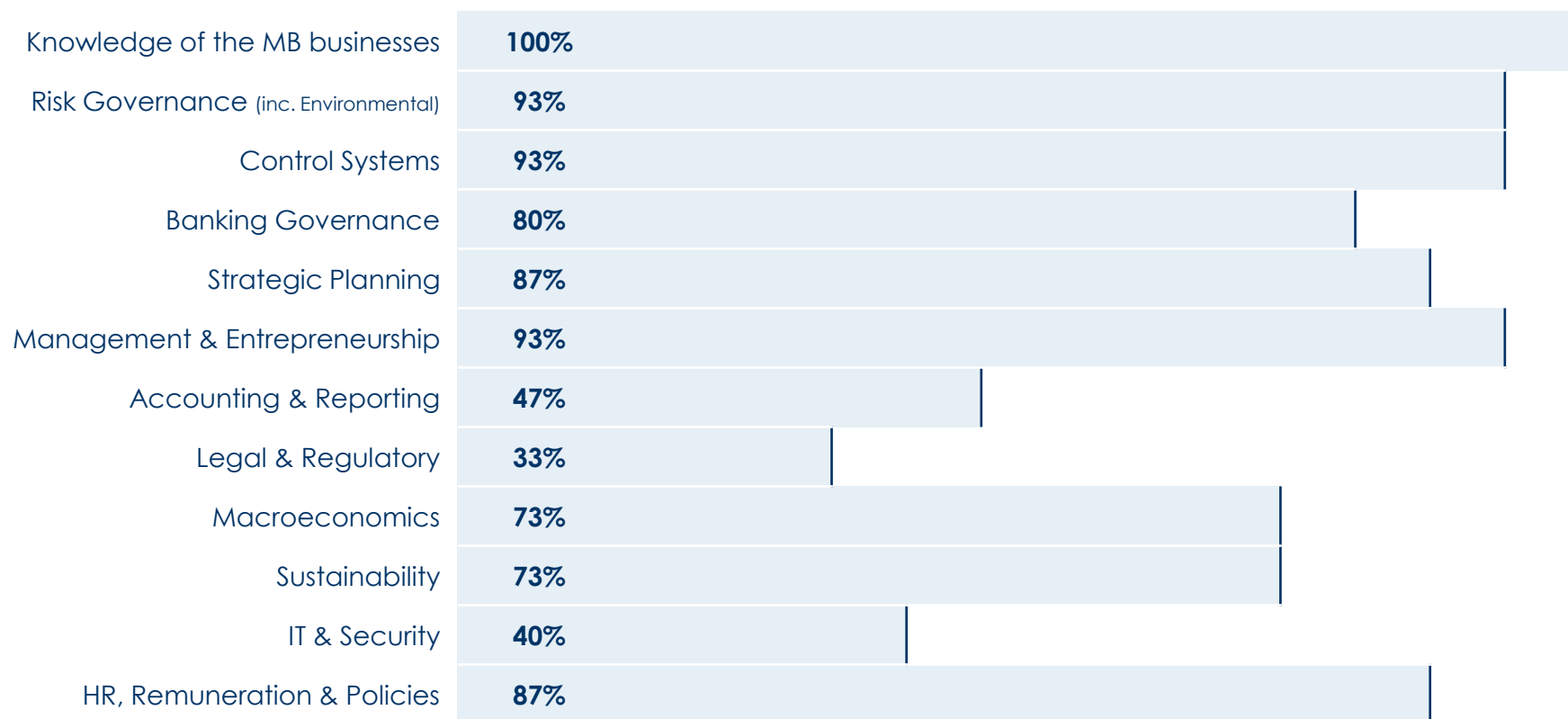
1) Provided the list proposed by Institutional Investors receives at least 2% of vote support.

## 2. ELECTION OF THE BOARD OF DIRECTORS

### SKILLS AND EXPERIENCE ORIENTED TOWARD MEDIOBANCA'S NEXT STRATEGIC CHAPTER

The competencies of the outgoing Board slate were evaluated against the skills and experience determined in the formal candidate selection process. In qualifying the skills and experience, consideration was given to: candidates' professional experience, experience gained during their tenure at Mediobanca, as well as other board seats.

**The following matrix was produced in the process with the support of an external consultant.**



### 3. REMUNERATION EXECUTIVE SUMMARY

#### FY23 – BUSINESS ACHIEVEMENTS AND REMUNERATION HIGHLIGHTS

##### BUSINESS RESULTS

- ◆ **Strongest results ever posted** in terms of revenues (€3.3bn), earnings (above €1bn), and profitability (ROTE 13%)
- ◆ **2019-23 Business Plan** strategy and targets **significantly exceeded**
- ◆ Mediobanca Group's **ESG profile and commitment improved**
- ◆ Shareholders' remuneration: DPS up 13% YoY, total pay-out ~70%

##### PAY FOR PERFORMANCE

- ◆ The **notable improvement in** divisional **performance** led to **bonus pools increasing**
- ◆ **Sustainable pay for performance** from a long-term perspective
- ◆ **All Gateways met:** Capital and liquidity ratios enhanced as defined in the Risk Appetite Framework and Positive Group Gross Operating Profit

##### CEO'S REMUNERATION

- ◆ **Overall achievement of 2023 annual scorecard KPIs** for the STI
- ◆ **LTI 19-23 targets** were met **in line with the results delivered**

#### REMUNERATION POLICY – WHAT'S NEW

Remuneration Policy was strengthened to align with the latest set of rules and best practices and to increase transparency and clarity around Mediobanca's approach to executive remuneration. Shareholder feedback was also considered.

- ◆ **New 2023-26 Long Term Incentive Plan**, subject to the approval by shareholders at the 2023 Annual General Meeting (AGM), linked to the new Strategic Plan
  - ◆ **Paid 100% in equity**
  - ◆ **CEO paymix (STI:LTI): 50:50 (vs 80:20 previously)**
- ◆ **Full disclosure** of the 2019-2023 LTIP KPIs achievement, and the 2023 annual STI scorecard
- ◆ **Further quantitative disclosure** regarding the Group's positioning in terms of ESG KPIs, Gender Pay Gap and Equal Pay Gap
- ◆ **Launch of the 2023-26 Employee Share Ownership Plan** subject to approval by shareholders at the 2023 AGM

### 3. REMUNERATION

#### PRACTICES ALIGNED WITH THE INTERESTS OF ALL STAKEHOLDERS PROMOTING A STRONG PAY FOR PERFORMANCE CULTURE

Mediobanca's pay practices are continuously under review ... Driven by best practice and feedback from investors

Independent Remuneration Committee	
Strong Pay-for-Performance Alignment	
Engagement with Investors and Proxy Advisors	
CEO's Base Salary Maintained Since 2011	
Variable Remuneration Capped	
Performance Measures and Targets Linked to BPs	
Disclosure of STI Targets (ex-post)	
Disclosure of LTI Targets (ex-ante)	
ESG KPIs Included/Evaluated in STI and LTI	
Relative KPIs Considered for LTI	
Deferral for STI and LTI Payments	
Severance Capped	
Shareholding Guidelines	
Clawback and Malus Provisions	
Anti-Hedging Policy	
Employee Share Ownership Plan	

**Mediobanca engages in constructive dialogue with investors and proxy advisors on pay-related topics to identify areas to improve upon.**

Changes to the pay design as well as increased disclosures over the years **is reflective of Mediobanca's responsiveness to feedback received.**

Specifically, vote results are carefully analyzed to understand any motivations for dissent. Despite receiving strong support from all institutional investors, the Remuneration Committee actively adapts the design to ensure maximum alignment with the interests of all stakeholders, for example:

- Increase the weighting of long-term incentives in the pay mix
- Employee Share Ownership Plan (ESOP)

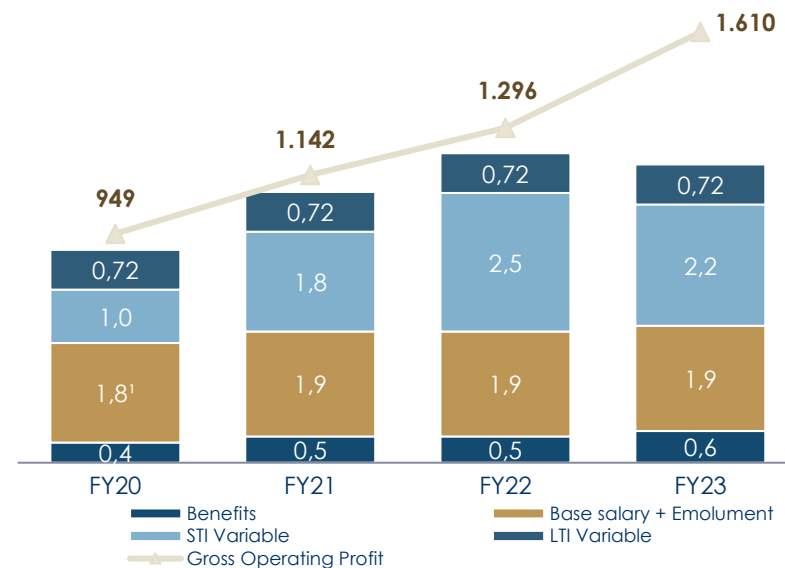
### 3. REMUNERATION

## FY23 CEO TOTAL REMUNERATION EVOLUTION REFLECTING A STRONG PAY-FOR-PERFORMANCE TREND AND LONG-TERM SUSTAINABILITY

#### CEO - FY23 STI scorecard

PARAMETER	WEIGHT	KPI target/max	FY23	ASSESSMENT
Gross ROAC adj. Banking activities	30%	24.7% / 28,5%	30.7%	EXCEEDED
Cost of risk	20%	45bps / 41bps	52bps	BELOW
Net Interest Income	20%	1,525m / 1,570m	1,801m	EXCEEDED
Fee Income	20%	880m / 945m	844m	BELOW
Financial ESG targets	10%			EXCEEDED
- CIB Loan book with ESG/Green features		2,000m / 2,580m	2,793m	
- WM/Consumer ESG new production		310m / 360m	490m	
- ESG funds in clients' portfolio (WM Premier)		55% / 61%	71%	
- ESG funds in clients' portfolio (WM Private)		13% / 14.25%	15%	
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)



- ◆ **Base salary for the CEO remained constant since 2011.**
- ◆ **2023 STI Scorecard Assessment** – Based on the results of the STI scorecard, **the BoD assigned a short-term variable remuneration of € 2.194 million to the CEO, equal to 1.22x the fixed remuneration**
- ◆ **LTI 2019-2023 Assessment:** in view of the **overachieved 19-23 Plan's KPIs** (see section 6), the BoD assigned the **full amount accrued equal to 40% of CEO's gross annual salary for each of the four years of the Plan** for a total of €2.880 million (€0.720m x 4 years)
- ◆ **Stock ownership requirement:** CEO is required to reinvest in Mediobanca shares and retain for his entire mandate an amount equivalent to 200% of his fixed remuneration. As at June 2023, CEO retains shares 15x his fixed remuneration
- ◆ **CEO / STAFF PAY RATIO** - 2023 CEO's gross total compensation / average gross total compensation for Group staff members approx. 61x (vs 49x last year)

### 3. REMUNERATION

#### FY24 CEO STI SCORECARD AND PAYMIX

#### MB GROUP GROWTH AND ESG

#### CEO – FY24 STI Scorecard

Financial KPIs	WEIGHT	KPI target 75% fixed salary	Δ KPI out perf. 90% fixed salary
<b>Gross RORWA adj. Banking activities</b> <i>Optimization of return on RWAs allocated to banking activities</i>	30%	Vs. Budget	7% target
<b>Cost of risk</b> <i>Focus on cost of risk</i>	20%	Vs. Budget	6% target
<b>Banking Revenues</b> <i>Focus on revenues from banking businesses (WM, CF, CIB and Treasury/HF)</i>	20%	Vs. Budget	2% target
<b>Total Fees</b> <i>Focus on capital-light revenues</i>	20%	Vs. Budget	2% target
<b>Financial ESG targets</b>	10%	Vs. Budget	
- % of loans with ESG characteristics of new Corporate (CIB) production	2.5%		29% target
- ESG loans to retail customers (Consumer - WM Premier)	2.5%		14% target
- Art. 8 and Art. 9 products (Funds and ETF) in the WM Premier customer portfolio	2.5%		3% target
- Art. 8 and Art. 9 products (Funds and ETF) in the MB private customer portfolio	2.5%		5% target
<b>Our People</b>		non-financial BoD evaluation	
<b>Our Community</b>		non-financial BoD evaluation	

#### Non-financial targets - BoD evaluation

CEO - Non-Financial Targets 2023/2024	Assessment of Achievement
<b>Our People</b>	
Focus on ESG initiatives related to diversity and inclusion, skills development, engagement:	
<ul style="list-style-type: none"> <li>◆ ToDEI: post survey 23 and Gender Certification projects</li> <li>◆ Engagement survey - Move Beyond 23-24</li> <li>◆ Mediobanca Academy</li> <li>◆ TeamUP4 Good 2024</li> </ul>	<ul style="list-style-type: none"> <li>◆ <b>Not achieved</b></li> <li>◆ <b>Partially achieved</b></li> <li>◆ <b>Achieved</b></li> <li>◆ <b>Overachieved</b></li> </ul>
<b>Our Community</b>	
Focus on ESG initiatives related to social responsibility of the Group:	
<ul style="list-style-type: none"> <li>◆ Project «Insieme»</li> <li>◆ Financial Education – Program «Conta sul Futuro»</li> <li>◆ Social volunteering Group employees</li> <li>◆ Initiative «Refugees Women (UNHCR)»</li> </ul>	<ul style="list-style-type: none"> <li>◆ <b>Not achieved</b></li> <li>◆ <b>Partially achieved</b></li> <li>◆ <b>Achieved</b></li> <li>◆ <b>Overachieved</b></li> </ul>

**2024 Paymix  
and remuneration  
opportunity**





**€ 1,800,000 Fixed  
salary<sup>1</sup>  
all cash upfront**

**Max € 1,800,000  
2024 STI  
47% cash – 53% equity  
5 years deferred**

**Max € 1,800,000  
2023-2026  
pro rata LTI  
100% equity  
5 years deferred**

### 3. REMUNERATION

#### THE NEW LONG TERM INCENTIVE PLAN: 2023 - 2026

Elements	Indications
Performance evaluation time horizon	N° 3 fiscal years from FY 2023/2024 to FY 2025/2026, consistent with Strategic Plan 23 - 26
LTI Group Recipients 	<ul style="list-style-type: none"> <li>◆ Mediobanca <b>CEO and GM</b></li> <li>◆ Cluster 3 Group MRT – Key business unit managers</li> <li>◆ Cluster 5 Group MRT – Selected top managers of the Group</li> <li>◆ Other <b>Group resources relevant to the achievement of the Plan's objectives</b></li> </ul>
Pay Mix STI/LTI 	<ul style="list-style-type: none"> <li>◆ Proposed pay mix (on an annual basis):               <ul style="list-style-type: none"> <li>◆ <b>CEO / GM Mediobanca 50% STI - 50% LTI</b></li> <li>◆ Others : approximately 80% STI - 20% LTI, differentiated on an individual basis (of the overall variable target estimated at the beginning of the plan)</li> <li>◆ To comply with the 2:1 cap approved by the Shareholders' Meeting, redefine short-term plans annually on an individual basis</li> </ul> </li> </ul>
Gateways	<p>Those under the Remuneration Policies, assessed over the Plan period as follows:</p> <ul style="list-style-type: none"> <li>◆ verification at the closing date in each financial year for the capital adequacy and liquidity indicators in the RAF;</li> <li>◆ in aggregate at the end of the Plan for income indicators.</li> </ul>
KPI 	<ul style="list-style-type: none"> <li>◆ <b>Integrated scorecard Financial KPIs (70%), financial and non-financial ESG KPIs (20%), TSR (10%).</b></li> <li>◆ KPIs are selected from Plan targets, linked to value creation objectives: capital, risk-adjusted profitability, growth, and ESG</li> </ul>
Disbursement mode 	In accordance with the deferral schemes of the current Remuneration Policies adapted taking into account an <b>all-equity payment</b> (60% deferred over five-year and four-year time horizons). The value of the MB share is determined based on the normal value of the Mediobanca stock in the 30 days prior to the approval of the 23-26 Strategic Plan by the BoD (May 23, 2023 - namely €9.822)
Malus and Clawback	Malus and clawback as per the Remuneration Policies

# Agenda

- Section 1. Mediobanca at a Glance**
- Section 2. Strategic Direction**
- Section 3. Current Governance Structure**
- Section 4. 2023 AGM**
- Section 5. Closing remarks**

**Annex**



MEDIOBANCA



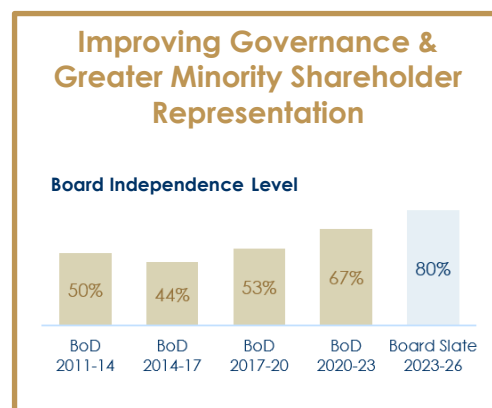
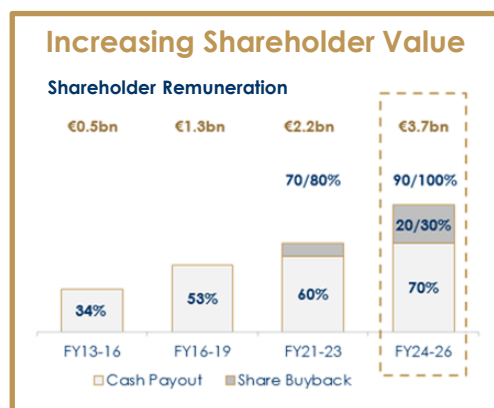
# CLOSING REMARKS

Mediobanca encourages the participation of all shareholders to the 2023 Annual General Meeting and would like to draw shareholders' particular attention to proposals related to:

TO BE APPROVED  
AT AGM23

- 1 Approval of Dividend, Buyback with Cancellation and Interim Dividend:** Shareholders are requested to approve the allocation of profit for the year and distribution of dividend; as well as the necessary authority to commence the planned buyback and introduce the interim dividend.  
(Ordinary Agenda Item: 1b and 4, Extraordinary Agenda Item 1 and 4)
- 2 Appointment of Board of Directors:** Shareholders are requested to appoint the board for the next three years. As in 2020, the outgoing Board has presented a list of 15 nominees.  
(Ordinary Agenda Item: 2b)
- 3 Remuneration:** Shareholders are requested to approve routine pay proposals, the periodic LTI plan, and unique proposals like the Employee Share Ownership Plan.  
(Ordinary Agenda Item: 5a-e)

Support for these proposals will recognize the track record of value creation which Mediobanca has delivered and endorse the Group's mission today under the leadership of an experienced executive team and overseen by a Board formulated to deliver.



**Strong & Clear Accountability**

Independent Remuneration Committee	✓
Base Salaries (CEO) Maintained Since 2011	✓
Variable Remuneration Capped	✓
Performance Measures and Targets Linked to BPs	✓
Disclosure of STI Targets (ex-post)	✓
Disclosure of LTI Targets (ex-ante)	✓
ESG KPIs Included/Evaluated in STI and LTI	✓
Relative KPIs Considered for LTI	✓
Deferral for STI and LTI Payments	✓
Severance Capped	✓
Shareholding Guidelines	✓
Clawback and Malus Provisions	✓
Anti-Hedging Policy	✓
Employee Share Ownership and Co-Investment Plan	✓

# Agenda

**Section 1. Mediobanca at a Glance**

**Section 2. Strategic Direction**

**Section 3. Current Governance Structure**

**Section 4. 2023 AGM**

**Section 5. Closing remarks**

## **Annex**

1. 2023 AGM Agenda
2. Director Biographies
3. Supplemental Remuneration Information
4. 2023 TCFD Report



MEDIOBANCA

# AGENDA: 2023 ANNUAL GENERAL MEETING

## ORDINARY BUSINESS

- 1 **Financial statements as at 30 June 2023**, Board of Directors' review of operations and external auditors' report; report by the Statutory Audit Committee
  - 1.a **Approval of financial statements for the year ended 30 June 2023**
  - 1.b **Allocation of profit for the year and distribution of dividend**
- 2 **Appointment of Board of Directors** for 2024-26 three-year period
  - 2.a Establishment of number of Directors
  - 2.b Appointment of Directors
  - 2.c Establishment of their annual remuneration
- 3 **Appointment of Statutory Audit Committee** for 2024-26 three-year period
  - 3.a Appointment of Committee members and Chairperson
  - 3.b Establishment of their annual remuneration
- 4 Proposed **authorization to buy and dispose of treasury shares**
- 5 **Remuneration**
  - 5.a Group Remuneration Policy and Report: Section I – **Mediobanca Group Remuneration Policy FY 2023-24**
  - 5.b Group Remuneration Policy and Report: resolution not binding on Section II – **Group Remuneration Report FY 2022-23**
  - 5.c **2023-24 incentivization system** based on financial instruments (annual performance share scheme)
  - 5.d **Long-Term Incentive (LTI) Plan 2023-26** based on financial instruments
  - 5.e **Employee Share Ownership and Co-investment Plan 2023-26** ("ESOP 2023-26") for Mediobanca Group Staff

## EXTRAORDINARY BUSINESS

- 1 **Cancellation of treasury shares** with no reduction of share capital; Article 4 of the company's Articles of Association to be amended accordingly and related resolution
- 2 **Authorization** to the Board of Directors pursuant to Article 2443 of the Italian Civil Code **to increase the Company's share capital free of charge through the issue of up to 3 million ordinary shares to be reserved to Mediobanca Group employees who are recipients of the Long-Term Incentive Plan 2023-26** included as item no. 5 d) on the agenda as ordinary business. Amendment to Article 4 of the company's Articles of Association and related resolutions
- 3 **Authorization** to the Board of Directors pursuant to Article 2443 of the Italian Civil Code **to increase the Company's share capital free of charge through the issue of up to 1 million ordinary shares to be reserved for use in connection with the Employee Share Ownership Plan 2023-26** included as item no. 5 e) on the agenda as ordinary business; amendment to Article 4 of the company's Articles of Association be amended accordingly and related resolutions
- 4 Proposal to amend Article 33 of the company's Articles of Association (interim dividend); related resolutions

# Agenda

**Section 1. Mediobanca at a Glance**

**Section 2. Strategic Direction**

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MEDIOBANCA

# OUTGOING BOARD SLATE

## INDIVIDUAL PROFILES

		Role	Independent <sup>1</sup>	Age	Gender	Nationality	Tenure
#1	Renato Pagliaro	Chair-D <sup>2</sup>		66	M	Italian	16
#2	Alberto Nagel	CEO-D <sup>2</sup>		58	M	Italian	16
#3	Laura Cioli	NED	Y	60	F	Italian	3
#4	Valerie Hortéfeux	NED	Y	55	F	French	6
#5	Francesco Saverio Vinci	Executive		60	M	Italian	16
#6	Laura Penna	NED	Y	57	F	Italian	NEW
#7	Vittorio Pignatti-Morano Campori	NED	Y	66	M	Italian	5
#8	Angel Vilà Boix	NED	Y	59	M	Spanish	NEW
#9	Virginie Banet	NED	Y	57	F	French	3
#10	Marco Giorgino	NED	Y	53	M	Italian	NEW
#11	Mana Abedi	NED	Y	54	F	British	NEW
#12	Maximo Ibarra	NED	Y	54	M	Colombian	5
#13	Simonetta Iarlori	NED	Y	61	F	Italian	NEW
#14	Mimi Kung	NED	Y	58	F	British	NEW
#15	Stefano Parisse	NED	Y	56	M	Italian	NEW

## Renato Pagliaro

Chair of the Board (Designate)



Mr. Pagliaro is a seasoned banking professional who spent over 40 years working in various functions of the Mediobanca Group.

Mr. Pagliaro joined the bank in 1982 as a business analyst, and later became in charge of the Equity Investments and M&A division of the Bank. Prior being appointed as the Chairman of the Board of Directors in 2010, Mr. Pagliaro was a Deputy General Manager, as well as a Secretary to the Board of Directors.

<b>Age</b>	66
<b>Gender</b>	M
<b>Nationality</b>	Italian
<b>First Elected</b>	2007

### Headline Skills:

Knowledge of MB Businesses

Risk Governance

Banking Governance

### Other Board Experience

- ◆ Between 1997 and 2013, Mr. Pagliaro served on several boards of public companies:
  - ◆ Snia BPD,
  - ◆ La Fondiaria Assicurazioni,
  - ◆ RCS MediaGroup,
  - ◆ Telecom Italia, and
  - ◆ Pirelli

## Alberto Nagel

Chief Executive Officer (*Designate*)



<b>Age</b>	58
<b>Gender</b>	M
<b>Nationality</b>	Italian
<b>First Elected</b>	2007

### Headline Skills:

Knowledge of MB Businesses

Risk Governance

Management & Entrepreneurship

Mr. Nagel began working for Mediobanca in 1991. He has spent his entire career with the Bank, taking on positions of increasing responsibility to become Managing Director in July 2007.

In the 1990s Mr. Nagel was involved in the main Italian privatizations covered by Mediobanca, some of the largest M&A deals, and the consolidation between the main Italian co-operative banks.

Since becoming CEO, Mr. Nagel has presided over a sustained period of value creation, executing a series strategic plans which have transformed Mediobanca into a specialized financial group.

### Other Board Experience

- ◆ Mr. Nagel served as Statutory Auditor of Assicurazioni Generali from 1996 until 2004, when he became Director of the company. In 2010 Alberto Nagel was appointed Deputy Chairman of Assicurazioni Generali.
- ◆ Mr. Nagel also served as a Director of Banca Esperia from 2000 until 2012 and was a member of the Board of the Italian banking association (Associazione Bancaria Italiana, or "ABI") from 2007 to 2012.
- ◆ Alberto Nagel is Chairman of Messier & Associés.

## Laura Cioli

Independent Non-Executive Director



<b>Age</b>	60
<b>Gender</b>	F
<b>Nationality</b>	Italian
<b>First Elected</b>	2020

### Headline Skills:

Planning & Capital Allocation  
Management & Entrepreneurship  
IT & Security

Ms. Cioli has served in various executive roles at multinational companies operating in media, telecommunications, energy, financial services and management consulting.

Ms. Cioli started her career as a management consultant at Bain & Company, after which she moved to executive roles at Vodafone Italy, Eni, and Sky, where she was the COO.

Since then she held various CEO roles, in companies such as CartaSi (now Nexi), RCS MediaGroup, GEDI Gruppo Editoriale, and SIRTl

### Other Board Experience

- ◆ Ms. Cioli is currently a non-executive director and a member of the Remuneration Committee at Sofina.
- ◆ Previously, she has been on several other boards, including:
  - ◆ Autogrill,
  - ◆ Brembo,
  - ◆ Pirelli,
  - ◆ Telecom Italia, and
  - ◆ World Duty Free.



## Francesco Saverio Vinci

General Manager



<b>Age</b>	60
<b>Gender</b>	M
<b>Nationality</b>	Italian
<b>First Elected</b>	2007

### Headline Skills:

Knowledge of the MB businesses  
Management & Entrepreneurship  
Planning & Capital Allocation

Mr. Vinci has spent over 25 years working for Mediobanca.

Since joining, he assumed responsibilities for the Financial Markets area (including funding, treasury, ALM, trading and capital markets activities for both equity and fixed-income products).

Mr. Vinci then was a member of the Management Board (when Mediobanca had a dualistic governance system adopted in 2007) and held directorships at various Mediobanca Group companies, such as Banca Esperia or CheBanca!.

He then was appointed General Manager of the Mediobanca Group, a role he currently holds.

### Other Board Experience

- ◆ Mr. Vinci has served on the boards of:
  - ◆ Italmobiliare, and
  - ◆ Assicurazioni Generali
- ◆ Mr. Vinci is currently:
  - ◆ Chairman of Mediobanca SGR, and
  - ◆ Vice-Chairman of CheBanca!

## Valerie Hortéfeux

Independent Non-Executive Director



<b>Age</b>	55
<b>Gender</b>	F
<b>Nationality</b>	French
<b>First Elected</b>	2017

### Headline Skills:

Knowledge of the MB businesses

Banking Governance

Control Systems

Ms. Hortéfeux is a successful private banker with expertise in marketing and communications.

She started her career at the Radio Monte Carlo, where she held different roles in marketing and communications.

In 2005, Ms. Hortéfeux joined 1818 Private Bank where she has developed her own successful client portfolio. She also created and managed a UHNI segment department which has significantly contributed to the global PNB of the 1818 Bank.

### Other Board Experience

- ◆ Ms. Hortéfeux is currently serving on boards of: Socfinansia (where she is also the Chair of the Audit Committee), and at Compagnie de l'Odet where she is a member of Audit, Remuneration, and Nomination Committees.
- ◆ From 2014 to 2021 she was on the board of Ramsay - Générale de Santé.

## Laura Penna

Independent Non-Executive Director



**Age** 57  
**Gender** F  
**Nationality** Italian  
**First Elected** N/A

### Headline Skills:

Strategic Planning  
Sustainability  
Risk Governance

Ms. Penna is an accomplished business leader with years of experience in consulting and banking.

She started her career as a consultant at Accenture, after which she moved to UniCredit, where she headed Planning and Control. During her time at UniCredit she formed two departments – UniCredit Management Consultancy and Social Impact Banking.

Ms. Penna left UniCredit in 2022 and currently works as an independent impact consultant, leveraging on her expertise in impact finance, sustainability and ESG.

### Other Board Experience

- ◆ Ms. Penna currently serves on the board of Compass, where she is also the Chair of the Risks Committee.
- ◆ Ms. Penna previously served on several boards of UniCredit Group companies, namely, those in Poland, Turkey, and Italy.

## Vittorio Pignatti-Morano Campori

Independent Non-Executive Director



<b>Age</b>	66
<b>Gender</b>	M
<b>Nationality</b>	Italian
<b>First Elected</b>	2018

### Headline Skills:

Knowledge of the MB businesses

Banking Governance

Management &  
Entrepreneurship

Mr. Pignatti-Morano Campori is an experienced banker who acted as an advisor on some of the largest M&A transactions in Italy.

He started his career working in various banks. He was first in charge of Lehman Brothers' investment and merchant banking activities in Italy, and later his scope of responsibility expanded to the whole EMEA region, covering private equity, merchant banking, and alternative investments division.

Currently, Mr. Pignatti-Morano Campori is the Executive Chairman of Trilantic Europe, a private equity fund management company which he founded in 2008.

### Other Board Experience

- ◆ Mr. Pignatti-Morano Campori serves, moreover, on the board of:
  - ◆ Edizione,
  - ◆ Istituti Clinici Maugeri, and
  - ◆ Marex Group
- ◆ Mr. Pignatti-Morano Campori served on several boards including:
  - ◆ Lottomatica, and
  - ◆ Lehman Brothers

## Angel Vilà Boix

Independent Non-Executive Director



<b>Age</b>	59
<b>Gender</b>	M
<b>Nationality</b>	Spanish
<b>First Elected</b>	N/A

### Headline Skills:

Management & Entrepreneurship

Accounting & Reporting

Control Systems

Mr. Vilà Boix is an experienced executive who spent over 25 years within the Telco sector.

He started his career at McKinsey&Co, Citigroup and Ferrovial. Later, during his time at Telefónica he held various managerial positions such as Chief Financial and Corporate Development Officer, Chief Strategy Officer, Chief Finance Officer. He was also responsible for the M&A activities of the company in Brasil, where it became the leading operator.

Currently, Mr. Vilà Boix is the COO of Telefónica.

### Other Board Experience

- ◆ Mr. Vilà Boix served on the board of:
  - ◆ Banco Bilbao Vizcaya Argentaria (BBVA),
  - ◆ O2 Czech Republic, and
  - ◆ Telco SpA

## Virginie Banet

Independent Non-Executive Director



<b>Age</b>	57
<b>Gender</b>	F
<b>Nationality</b>	French
<b>First Elected</b>	2020

### Headline Skills:

Knowledge of the MB businesses

Banking Governance

Sustainability

Ms. Banet is a highly accomplished professional in the financial and business world.

She began her career as a financial analyst and later became an investment banker with a focus on Capital Goods and Aerospace & Defence. She held significant roles overseeing M&A activities at companies like Deutsche Bank, Airbus, and Natixis.

In 2014, she joined Ondra as a Partner (Corporate Finance Advisory) and subsequently worked at Nomura, covering top French companies. In 2019, she founded her financial consulting company, lolite Financial Consulting.

### Other Board Experience

- ◆ Ms. Banet previously served on the Supervisory Board of Vallourec.
- ◆ She currently sits on the Board of Directors of Lagardère where she also chairs the Appointments, Remunerations, and CSR Committee.
- ◆ Additionally, Ms. Banet is actively engaged in corporate social responsibility through her membership in the French Institute of Directors' (IFA) ESG Club, focusing on CSR matters and human capital challenges.

## Marco Giorgino

Independent Non-Executive Director



**Age** 53  
**Gender** M  
**Nationality** Italian  
**First Elected** N/A

### Headline Skills:

Knowledge of the MB businesses

Risk Governance

Regulatory

Mr. Giorgino is an experienced professor in Financial Markets and Institutions, with a track record of holding oversight and control roles over various financial, banking, and industrial companies.

Having spent nearly 30 years in the academia, Mr. Giorgino contributed to hundreds projects and publications in the field of finance and banking. More recently he has focused on risk management, governance, and digital innovation in financial services.

In addition to his academic roles, Marco holds various key positions in corporate governance. Furthermore, Marco is a member of the Scientific Committee of the "Luigi Martino" Advanced Training School of the Milan Association of Certified Public Accountants.

### Other Board Experience

- ◆ Mr. Giorgino held independent director roles at companies such as the Luxottica Group and GE Capital Interbanca.
- ◆ Currently, Mr. Giorgino is an independent director at Terna, where he also Chairs the Risk, Corporate Governance, and Sustainability Committee, as well as Banca Monte dei Paschi di Siena, where he is the Chairman of the Risk and Sustainability Committee, and member of the Nomination Committee .

## Mana Abedi

Independent Non-Executive Director



<b>Age</b>	54
<b>Gender</b>	F
<b>Nationality</b>	British
<b>First Elected</b>	N/A

### Headline Skills:

Knowledge of the MB businesses

Control Systems

Planning & Capital Allocation

Ms. Abedi is a senior Risk and Finance professional within the financial services industry.

Ms. Abedi started her career in Finance, but later transitioned to risk and compliance roles. She spent majority of her career at UBS, where she was the Head of the Client Vetting Group (responsible for functions, such as AML) and then the Deputy Head of Risk for Europe in the Wealth Management division, where she introduced stress management frameworks and led risk teams through new regulatory standards.

In recent years Ms. Abedi authored a book about an Iranian migrant family.

### Other Board Experience

- ◆ Ms. Abedi does not have active board experience but has worked closely with the group-level UBS Board in her senior risk management roles.



## Maximo Ibarra

Independent Non-Executive Director



<b>Age</b>	54
<b>Gender</b>	M
<b>Nationality</b>	Colombian
<b>First Elected</b>	2018

### Headline Skills:

Management &  
Entrepreneurship

IT & Security

Macroeconomics

Mr. Ibarra is renowned for his broad experience in digitization, marketing and customer centricity, acquired in executive roles at Telco companies.

In the early days of his career Mr. Ibarra held several marketing related roles at Vodafone Italy and Telecom Italia. He then held several leadership and commercial positions at companies including Benetton, FIAT and DHL. Mr. Ibarra joined Wind Telecommunications in 2004 and was appointed as CEO in 2012. He was then also a CEO of Royal KPN and, most recently, Sky Italia.

Mr. Ibarra is also a Professor of Marketing and Digital Marketing at LUISS University and LUISS Business School in Rome.

### Other Board Experience

- ◆ In 2021, Mr. Ibarra served as a Director on the Board of Centurion BidCo.
- ◆ Mr. Ibarra serves as CEO of Engineering Ingegneria Informatica and in several companies of the Group including Cybertech as Chairman.

## Simonetta Iarlori

Independent Non-Executive Director



<b>Age</b>	61
<b>Gender</b>	F
<b>Nationality</b>	Italian
<b>First Elected</b>	N/A

### Headline Skills:

Knowledge of the MB businesses

HR

Sustainability

Mrs. Iarlori is an experienced executive with expertise in people management and organization, with a background in physics.

Mrs. Iarlori started her career at IBM and Pirelli, where she worked as a scientist, and a modelling and process manager, respectively. She then worked for a few years at a consultancy, and later moved to UniCredit, where she assumed various leadership roles centered around innovation, change management, and HR. She later held similar roles at CDP and Leonardo (COO, and Chief People Organization & Transformation Officer).

Most recently, in 2022, Mrs. Iarlori founded LABS Executive, an education and consulting company.

### Other Board Experience

- ◆ Mrs. Iarlori was on boards of UniCredit Group companies in the Baltics and Hungary.
- ◆ She also sat on boards of Leonardo Companies (Leonardo Global Solutions and Leonardo UK).

## Mimi Kung

Independent Non-Executive Director



<b>Age</b>	58
<b>Gender</b>	F
<b>Nationality</b>	British
<b>First Elected</b>	N/A

### Headline Skills:

Banking Governance  
Risk Governance  
Planning & Capital Allocation

Ms. Kung is an experienced executive, with over 20 years of experience within the Financial Services and Payments sector.

Ms. Kung started her career working as an Assistant Controller in Taipei, after which she moved to the US where she worked for GE Capital and American Expert in various corporate finance and investment planning roles. She then moved to Europe where she assumed leadership and business development roles within different American Express businesses in Europe, such as Italy Country Manager of the Company.

Ms. Kung concluded her career at American Express in 2015, and since then she has been a member of various boards of big listed companies.

### Other Board Experience

- ◆ Ms. Kung is currently a director on the Board of Prysmian (where she is on the Sustainability Committee).
- ◆ Ms. Kung served as director on the Board of Poste Italiane (where she was also a member of the Nomination and Corporate Governance Committee, and the Related Parties Committee).

## Stefano Parisse

Independent Non-Executive Director



<b>Age</b>	56
<b>Gender</b>	M
<b>Nationality</b>	Italian
<b>First Elected</b>	N/A

### Headline Skills:

Knowledge of the MB businesses

IT & Security

Planning & Capital Allocation

Mr. Parisse has vast international experience as a business leader within the Telco and Technology sectors.

He started his career in consulting, after which he moved to Fastweb and Vodafone, where he held various leadership roles in marketing, business and product development, and strategy. More recently, he was also appointed as an expert within the Transformation Office within the Government's department for Digital Transformation.

Currently, Mr. Parisse is a Senior VP Business Development & General Manager EMEA at IGenius, an AI company.

### Other Board Experience

- ◆ Mr. Parisse currently sits on the Board of CheBanca! (Mediobanca Group company), where he is also a member of the Risks Committee
- ◆ Previously, he held directorships at boards of Vodafone companies in London, Luxembourg, UK, and the US.

# Agenda

**Section 1. Mediobanca at a Glance**

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**Section 4. 2023 AGM**

**Section 5. Closing remarks**

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1. 2023 AGM Agenda
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MEDIOBANCA

# CLOSURE OF THE LTI 2019 - 2023






The **record results** delivered by the Group **exceeded the targets set as part of the 2019-23 Plan** and resulted in high remuneration for all stakeholders. The final scores for the financial KPIs are shown below.

	KPI	Weight	KPIs Target Plan 2023	30 June 2023 19 -23	Assessment criteria	
					Threshold KPIs	% fixed salary - annual basis - Plan horizon for CEO
Growth	EPS Growth	33%	4%	6.8%	> 5%	40%
					4% - 5%	30% - 40%
					4%	30%
					3% - 4%	20%
					< 3%	0
Risk Adjusted Profitability	Group ROTE	34%	11%	12.7%	> 12.1%	40%
					11% - 12.1%	30% - 40%
					11%	30%
					10% - 11%	20%
					< 10%	0
Capitalization	CET 1	33%	13,5%	15.9% With shareholder remuneration of €2,2 bn over 4 years (€1,9 bn cash dividends and €0,3 bn buy back with cancellation)	> 13.5%	40%
					13% - 13.5%	20% - 40%
					< 13%	0

# LTI INDICATORS 2019 - 2023

## NON-FINANCIAL AND QUALITATIVE

Qualitative and non-financial KPIs correction has not been applied due to quantitative and financial targets being met (see previous slide); nonetheless, the indicators were still assessed and considered by the Remuneration Committee.

	KPI LTI 19-23	Assessment 30 June 2023 19 -23
<b>Corporate Social Responsibility Targets (Global Goals SDG UN)</b>	 <ul style="list-style-type: none"> <li>Average hours training up 25%</li> </ul>  <ul style="list-style-type: none"> <li>AM: 100% of new investments selected using ESG and financial criteria</li> <li>€700m to be invested in outstanding Italian SMEs</li> <li>30% increase in ESG products in clients' portfolios</li> </ul>  <ul style="list-style-type: none"> <li>€4m per annum earmarked for projects with positive social/environmental impact</li> </ul>  <ul style="list-style-type: none"> <li>Customer satisfaction: CheBanca! CSI in core segments @73, NPS @25 - Compass: CSI @85, NPS @55</li> </ul>  <ul style="list-style-type: none"> <li>Energy: 92% from renewable resources, CO<sup>2</sup> emissions to be cut by 15%; hybrid cars @90% of MB fleet</li> <li>CheBanca! green mortgages up 50%</li> </ul>	<ul style="list-style-type: none"> <li>Training hours well above target, four-year average growth of +71%</li> <li>Allocations for projects with positive social/environmental impacts were always above the annual target, with an annual average over the four-year period of more than EUR 6.5 million.</li> <li>All customer satisfaction indicators were above target (average CSI Compass @87; CBI @79; NPS Compass @57; CBI @39)</li> <li>With regards to climate-related targets in particular, it is worth noting the achievement of the percentage of AUM managed directly by the SGR and invested in instruments falling within the scope of the ESG Policy; the exceeding of targets relating to the share of renewable energy and reduction of direct emissions. In addition, the sustained growth of the trend relating to the green economy and the related subsidies also made it possible to far exceed the target of green mortgages for CheBanca!.</li> </ul>
<b>Relative Performance Total Shareholder Return</b>	<p>MB stock relative performance vs Total Shareholder Return index (TSR: assumes dividends are reinvested) for 26 leading European banks (Euro Stoxx Banks – code SX7GT-STX), of which Mediobanca is part of</p>	<ul style="list-style-type: none"> <li>In the four years covered by the Plan (1 July 2019 – 30 June 2023) the stock market performance has been positive at all times, up by 22%, outperforming the European banks index (up 21%) but underperforming the index for Italian banks (up 56%), the latter benefiting more as from 2H 2022 from the increased sensitivity to the rise in interest rates.</li> <li>MB's Total Shareholder Return (change in value of shares + dividends reinvested in MB stock) for the same period was equal to 47% (Italian banks up 79%, European banks up 44%).</li> </ul>

# LTI INDICATORS 2023 - 2026

## FINANCIAL

		Assessment criteria				
		KPI	Weight	Threshold KPIs	KPIs	% fixed salary - annual basis - Plan horizon for CEO
70% - FINANCIAL KPIs	Growth	EPS Growth	25%	Max and/or >	15.5%	100%
				BTW Target and Max	15% - 15.5%	85% - 100% linear interpolation
				Target Plan	15%	85%
				BTM Min and Target	13% - 15%	65% - 85% linear interpolation
				Below Min	13%	0
	Risk Adjusted Profitability	Group ROTE	25%	Max and/or >	15,5%	100%
				BTW Target and Max	15% - 15.5%	85% - 100% linear interpolation
				Target Plan	15%	85%
				BTM Min and Target	13% - 15%	65% - 85% linear interpolation
				Below Minimum	13%	0
	Capitalisation	CET 1 (fully loaded)	20%	Max and/or >	14%	100%
				BTW Target and Max	13.5% - 14%	85% - 100% linear interpolation
				Target Plan	13.5%	85%
				BTM Min and Target	13% - 13.5%	65% - 85% linear interpolation
				Below Minimum	13%	0



# LTI INDICATORS 2023 - 2026

## ESG / rTSR

			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) <sup>1</sup>	Max and/or >	>-22%	100%	
			BTW Target and Max	-18% / -22%	85% - 100% linear interpolation	
			Target Plan	-18%	85%	
			BTM Min and Target	- 16% / -18%	65% - 85% linear interpolation	
			Below Minimum	<-16%	0	
	D&I (toDEI) Human Capital	% women Executives among the Group	10%	Max and/or >	> 23%	100%
				BTW Target and Max	20%-23%	85% - 100% linear interpolation
				Target Plan	20%	85%
				BTM Min and Target	19% - 20%	65% - 85% linear interpolation
				Below Minimum	< 19%	0
10% - rTSR	Relative Performance Total Shareholder Return (rTSR)	Relative positioning of Mediobanca stock performance vs. Peers Banks <sup>2</sup>	10%	Max and/or >	> 90% percentile	100%
				BTW Target and Max	75%-90% percentile	85% - 100% linear interpolation
				Target Plan	75% percentile	85%
				BTM Min and Target	Median – 75% perc.	65% - 85% linear interpolation
				Below Minimum	< median	0

1) Climate emissions intensity (tCO<sub>2</sub>eq./€mil.) Purpose 1-2-3 of loans granted by the ClB division (excluding Specialty Finance) to non-financial counterparties  
 2) Over the time horizon 1/7/23 - 30/6/2026: includes the change in value of the stock and all dividends distributed during the benchmark period (subject to the implicit assumption that these dividends are reinvested in the stock itself). Peer used for the purpose of benchmarking CEO remuneration, public in the Remuneration Policy (in 2023 Policy: Barclays, BNP Paribas, Fineco Bank, Intesa Sanpaolo, Julius Baer Group, Lazard, Santander, Schroders, Société Générale, Unicredit).

# Agenda

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MEDIOBANCA

# FY23 TCFD AT A GLANCE

TCFD report

**Mediobanca confirmed its commitment to transparently disclose information on its environmental impact through the TCFD Report**

Main updates split between the pillars of the Report:



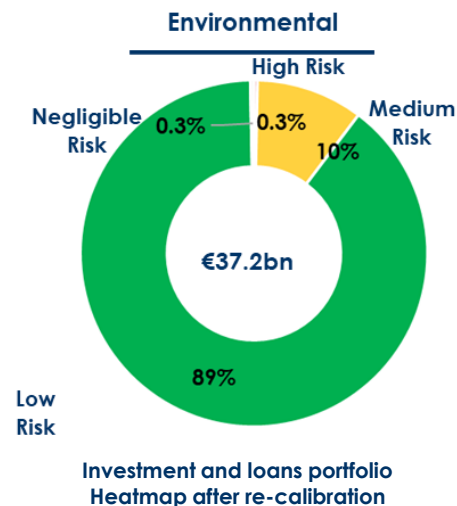
<p><b>GOVERNANCE</b></p>	<ul style="list-style-type: none"> <li>◆ New disclosure of various initiatives to disseminate climate awareness within the Group</li> <li>◆ Overview of how climate KPIs are integrated into the compensation incentive plan</li> </ul>
<p><b>STRATEGY</b></p>	<ul style="list-style-type: none"> <li>◆ Overview of the climate-related objectives contained in the new strategic plan</li> </ul>
<p><b>RISK MANAGEMENT</b></p>	<ul style="list-style-type: none"> <li>◆ Climate risk materiality map developed</li> <li>◆ Risk assessment methodologies and results with reference to the different risk classes</li> <li>◆ Stress test methodologies and Risk Appetite Framework – RAF, including additional climate risks related KRIs</li> </ul>
<p><b>METRIC AND TARGETS</b></p>	<ul style="list-style-type: none"> <li>◆ Carbon footprint of the portfolio</li> <li>◆ Results of the analyses carried out to align the Group lending and investing portfolio with the targets set by the NZBA</li> <li>◆ Additional sectoral targets (cement and aviation)</li> <li>◆ Extension of the portfolio perimeter considered for the analysis of power and automotive</li> </ul>

# RISK MANAGEMENT

TCFD report

## Investment and Lending Portfolio Heatmap

- ◆ ESG Risk of the **wholesale banking lending** (committed exposure) **and investment portfolio (~37bn as at 30/06/23)** 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 sector.<sup>1</sup>
- ◆ 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 2023**, MB portfolio shows a very limited (0.3%) portion of the portfolio is exposed to high environmental risk, 89% 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
  - ◆ **CheBanca!**<sup>1</sup> 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)
  - ◆ Conduct and compliance risk related to client's **portfolio exposure to SFDR products** is also monitored (% of AuM/AuA with low sustainability rating to **issuer with violation of UNGC/OECD principles**)

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".

# METRICS AND TARGETS - FINANCED EMISSIONS

TCFD report

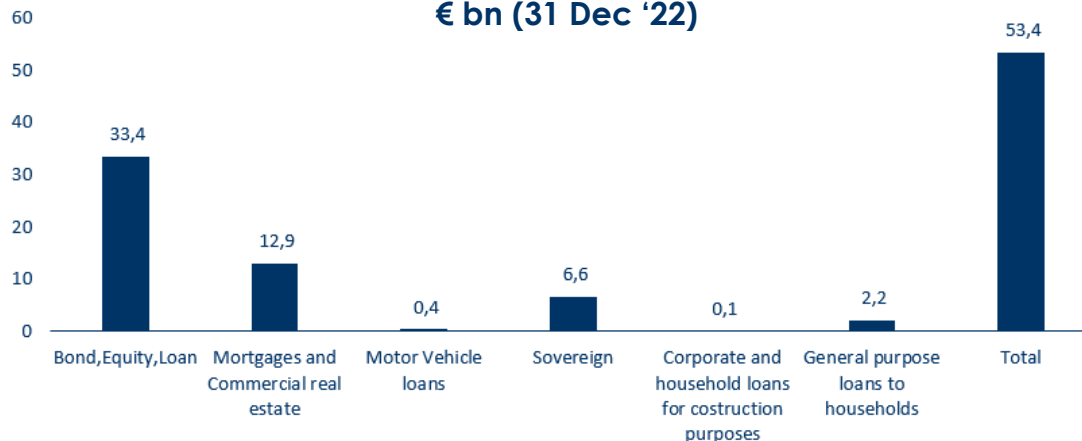
Section 3

With respect to the previous FY, another exercise was conducted to calculate the financed emissions, extending the reporting to the whole **Group on-balance banking book** exposure (55.6B€ at **31- Dec-22**), considering Corporates (loans and investments), and for the first time Households and Sovereign<sup>1</sup>.

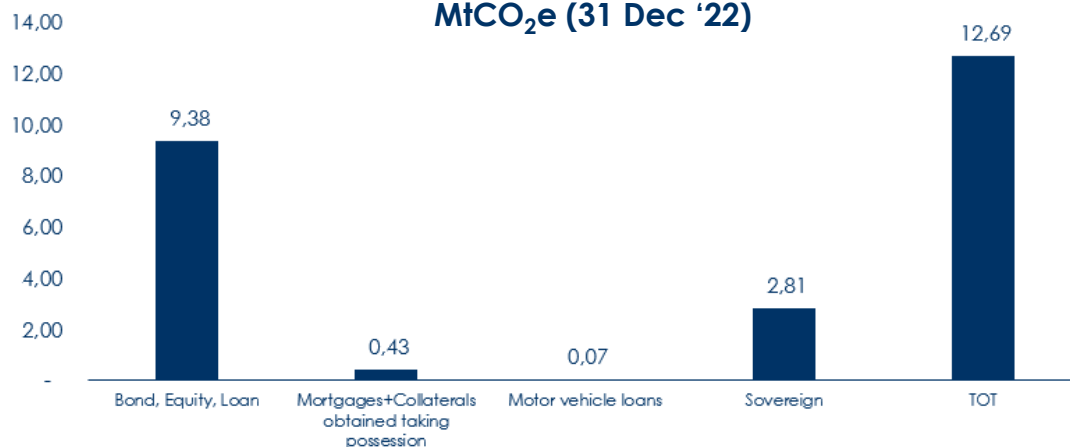
The chart “Financed emissions” provides the split of the **emissions related to the portfolio as of 31th December 2022**. Corporates and Sovereign represent respectively approx. 74% and 22% of the emission with only the remaining 4% relating to mortgages and motor vehicle.

Mediobanca also quantified the emissions related to the Group Corporate portfolio (bond, equity and loan) as of 30th June 2023: while the stock<sup>2</sup> slightly increased versus 31.12.22 exposure (from 33,44 B€ to 33,54B€), the total absolute emissions declined from 9,4 to 8,4 MtCO<sub>2</sub>e (-10.6%).

**Group on-balance banking book exposure  
€ bn (31 Dec '22)**



**Group portfolio emissions  
MtCO<sub>2</sub>e (31 Dec '22)**



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

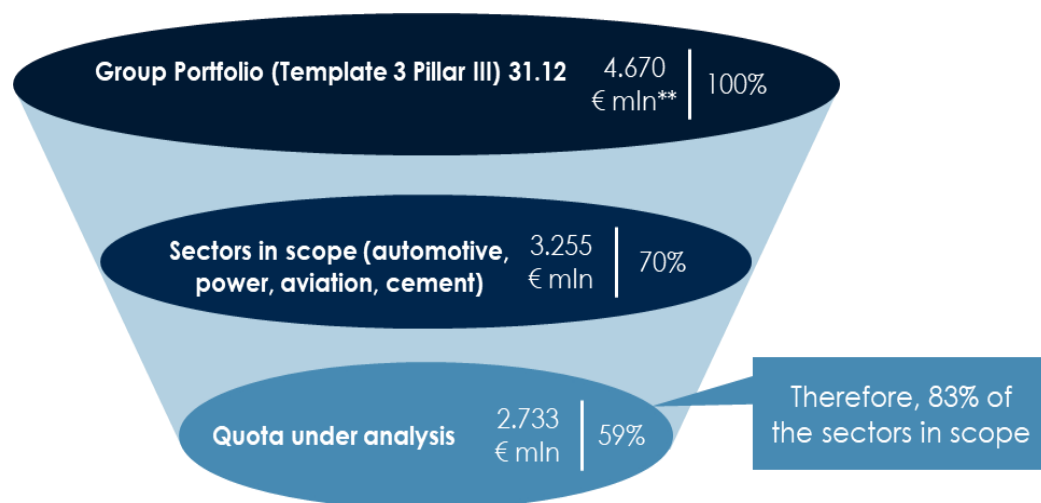


# METRICS AND TARGETS - PORTFOLIO COVERAGE

## TCFD report

During the FY we have progressed in our portfolio alignment exercise, refining the methodology, enlarging the scope to the entire Group and continuing to cover additional carbon intensive sectors as identified by Pillar III\* and NZBA.

The remaining sectors will be covered by June 2024.



Sector	% of volumes [out of total portfolio]
Automotive	35%
Power	24%
Aviation	8%
Cement	3%
Other non-covered sectors	30%

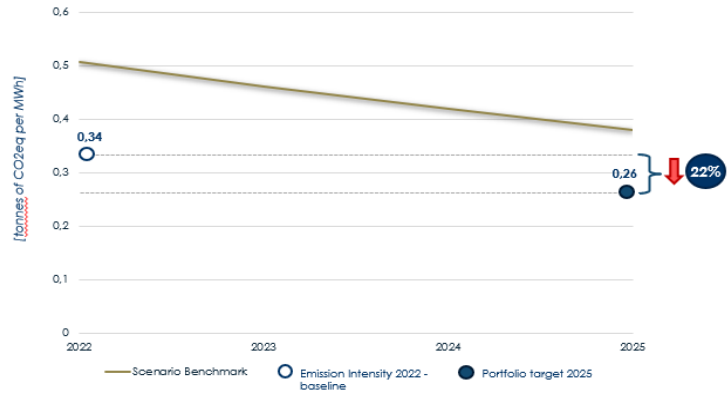


Sector	Exposure [€ mln]	SDA method	GEVA method	Total coverage
Automotive	1,616	37.4%	42.1%	79.5%
Power	1,141	28.5%	63.7%	92.2%
Aviation	358	10.2%	62.3%	72.5%
Cement	141	48.5%	49.2%	97.6%
<b>Total</b>	<b>3,255</b>			

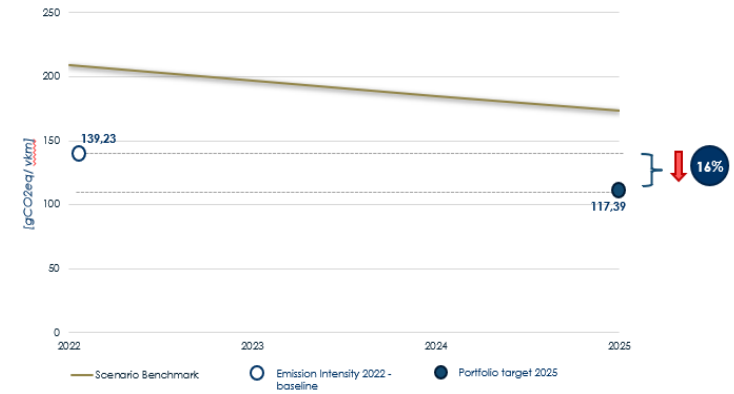
Corresponding to **59%** of the total volumes of the MB Group portfolio reported by Pillar 3 (€2,733 mln).

# (SDA<sup>1</sup>) NET ZERO EMISSION TARGETS

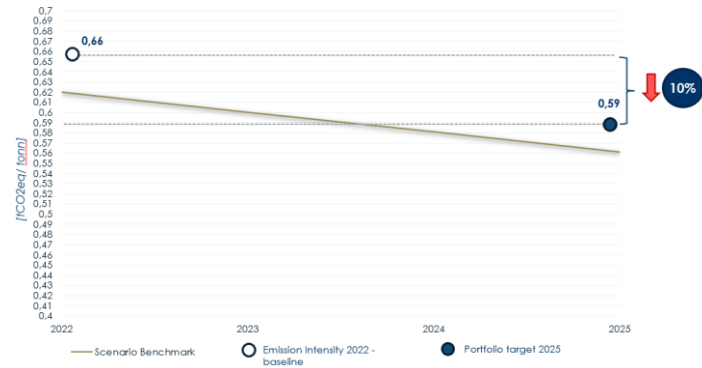
Power				
Target Metric	Baseline (2022)	2025 target	Intermediate target (2030)	% Reduction 2022-2030
tCO <sub>2</sub> eq/MWh	0.34	0.26	0.16	53%



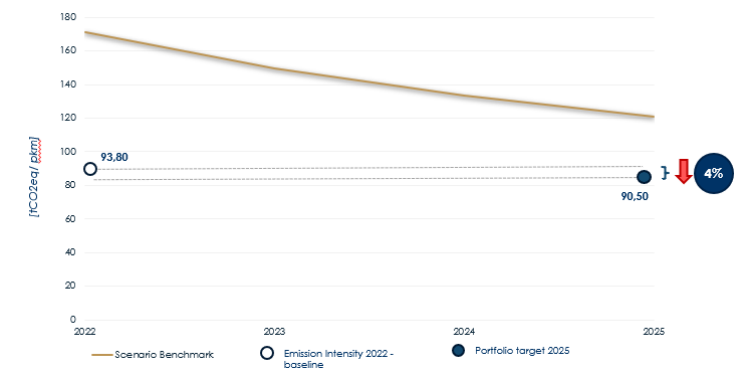
Automotive				
Target Metric	Baseline (2022)	2025 target	Intermediate target (2030)	% Reduction 2022-2030
gCO <sub>2</sub> eq/vkm	139.23	117.39	85.44	39%



Cement				
Target Metric	Baseline (2022)	2025 target	Intermediate target (2030)	% Reduction 2022-2030
tCO <sub>2</sub> eq/ tonn	0.66	0.59	0.50	25%



Aviation				
Target Metric	Baseline (2022)	2025 target	Intermediate target (2030)	% Reduction 2022-2030
tCO <sub>2</sub> eq/pkm	93.80	90.50	84.0	10%



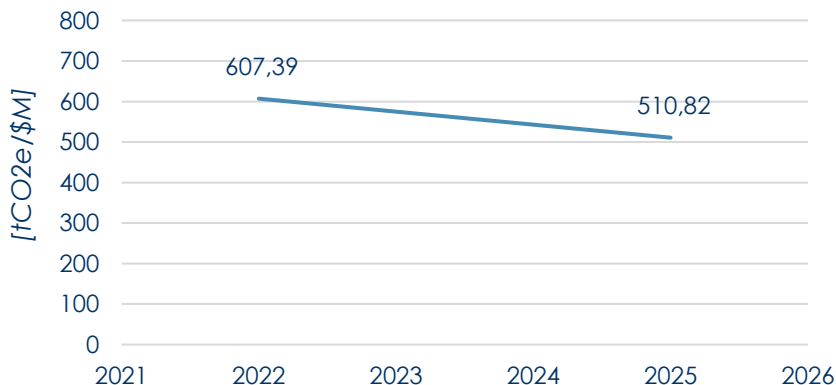
1) The Sectoral Decarbonization Approach (SDA) is a Science Based Targets (SBTi) methodology, that offers a science-based approach to measuring and setting carbon-intensity targets based on global efforts to reduce emissions. By using specific metrics tailored to each sector, the SDA captures the varying 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, i.e.: Power Generation and Aviation: Scope 1; Automotive: Scope 3 Category 11, Use of Sold Products; Cement: Scope 1 and Scope 2.



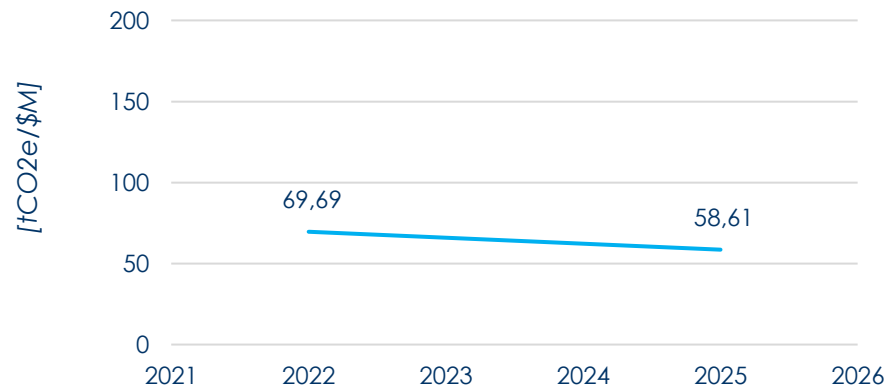
# (GEVA<sup>1</sup>) NET ZERO EMISSION TARGETS

Below the trend estimated using the GEVA method. In particular, in line with the methodology taken into consideration, a constant **annual 5.3% reduction** from 2022 to 2030 was applied to the counterparties (not suitable to SDA method) in the Mediobanca portfolio. The GEVA method foresees, for all four sectors, an **overall reduction rate of GHG emissions (Scope 1 + Scope 2) equal to 42.4% by 2030**.

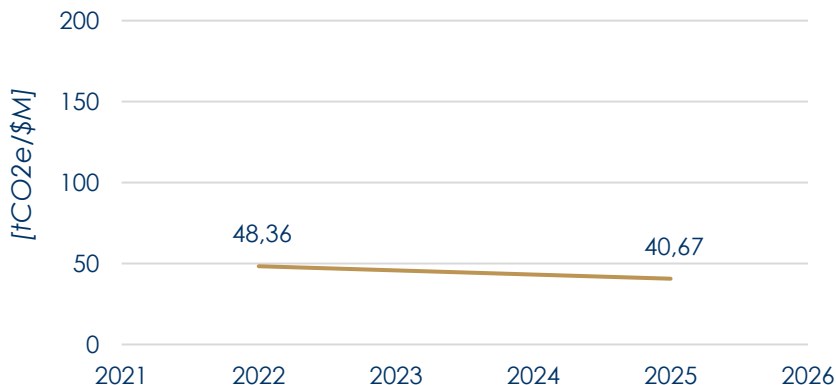
## Power



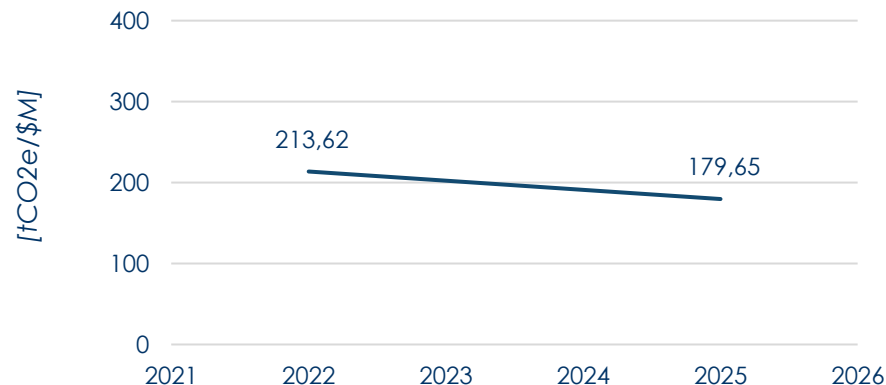
## Aviation



## Automotive



## Cement



1) The method was developed based on available standards and benchmarks for setting economic intensity targets starting from recognized scenario benchmarks. In particular, when calculating the economic intensity of emissions, the available standards and regulations require the EVIC or Revenues of counterparties to be used as the denominator. Mediobanca opted for the use of revenues since, in accordance with the TEG. Furthermore, 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 output of applying this methodology is therefore a reduction in emissions relative to the company's financial performance (e.g., one ton of CO<sub>2</sub>e per unit of revenue). Regarding emission scopes, the Group chose to include the Scope 1 and 2 emissions for this methodology.





# MEDIOBANCA

**ONE BRAND - ONE CULTURE**  
**2023 ANNUAL GENERAL MEETING**

Milan, 27 September 2023



MEDIOBANCA

# INVESTOR CONTACT DETAILS

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