

The background of the cover is a photograph of a building's courtyard. On the left, there is a large, rounded, dark green bush. In the center, a paved walkway leads towards a building with two sets of double doors. To the right, a small fountain with multiple jets of water is visible. The foreground is dominated by a large, dense bush with green leaves and small red flowers. The overall scene is well-lit, suggesting a sunny day.

Mediobanca Green and Sustainability Bond Report

September 2023



MEDIOBANCA



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1. Mediobanca's ESG Bonds Issuances

As of 30 June 2023¹, Mediobanca issued two ESG Senior Preferred Bonds for a total outstanding amount of €1b: the inaugural €500m Green Bond in September 2020 with a 7-years maturity followed by a €500m Sustainability Bond in December 2022 with 6-years maturity and callable after 5 years.

Mediobanca's inaugural green transaction, issued in September 2020, is a proceed-based transaction where funds have been used to refinance a pool of green assets selected according to the Issuer inaugural framework. The transaction generated interest from investors across Europe, with an extremely well-diversified orderbook composed by more than 220 accounts for a total size in excess of €3.5b.

The Sustainability Bond, issued in December 2022, was based on the updated Mediobanca Green, Social and Sustainability Bond Framework released in July 2022 and aligned with the ICMA's Green Bond Principles (2021), Social Bond Principles (2021) and Sustainability Bond Guidelines (2021) and recorded again a meaningful participation from the dedicated investor base as further testament of appreciation of Mediobanca's ESG effort and commitment. Order book was composed by more than 120 accounts for a total size of €1.5b.

Mediobanca Green bond and Sustainability bond aim at achieving the following Sustainable Development Goals:



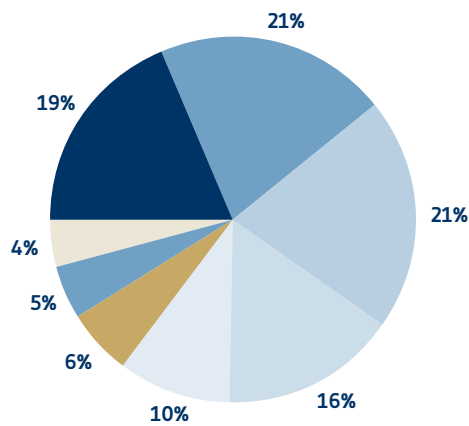
- SDG 7: Affordable and clean energy;
- SDG 10: Reduce inequalities
- SDG 11: Sustainable cities and communities;
- SDG 13: Climate action;

On an aggregate level, not Italian investors accounted for ca 80% in the two ESG transactions combined, with Germany and Austria (21%), Italy (21%), France (19%) and UK (16%) as reference markets. Funds (65%) and Banks (20%) were the main subscribers as investor type.

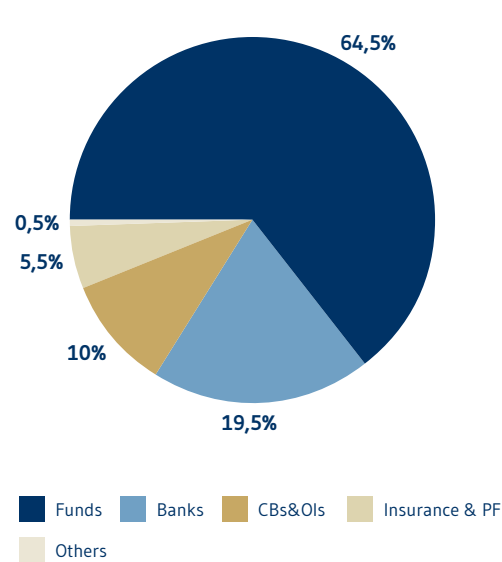
1. Reference date for this report is 30 June 2023. Data reported and categories eligibility refer to the Mediobanca Green, Social and Sustainability Bond Framework released in July 2022 and available at this link <https://www.mediobanca.com/en/investor-relations/financing-rating/green-social-and-sustainability-bond-framework.html>

	GREEN BOND (08/09/2020)	SUSTAINABILITY BOND (05/12/2022)
ISIN	XS2227196404	XS2563002653
Issue Rating (M/S/F)	Baa1/BBB/BBB	Baa1/BBB/BBB
Tenor (Y)	7	6 nc 5
IPT	Mid swap +165bps	Mid swap +225bps
Re-offer spread	Mid swap +135bps	Mid swap +195bps
Amount	€500m	€500m
Coupon/Yield	1.00% / 1.065%	4.625% / 4.658%
Over-subscription (final)	~7x	~3.2x

Allocation by Geography



Allocation by Investor Type



■ France
 ■ Ger&Austria
 ■ Italy
 ■ UK
■ Nordics
 ■ Iberia
 ■ Swiss
 ■ Others

■ Funds
 ■ Banks
 ■ CBs&OIs
 ■ Insurance & PF
■ Others

2. Framework Summary

In July 2022 Mediobanca published the “Mediobanca Green, Social and Sustainability Bond Framework”, updating the version previously in force. It was reaffirmed the strongest commitment in adhering to best market practices and operating in full transparency maximising the quality of Green, Social and Sustainability Bonds issued. Where feasible and on a best-effort basis, Mediobanca will also take into consideration the EU Taxonomy for its analysis in order to implement future developments. The updated framework broadened the scope of eligible categories if compared to the inaugural one. Over the last 12 months Mediobanca kept on showing its strong commitment towards the origination and financing of ESG eligible projects across different business lines, in particular Corporate and Investment Banking, Retail Banking, Consumer finance and Factoring.

ISS-ESG provided a second party opinion confirming the soundness and validity of the framework and Mediobanca’s overall sustainability performance².

Use of Proceeds

○ Renewable energies:

- **Solar Power and Concentrated Solar Power (CSP):** Facilities producing electricity using solar photovoltaic (PV) technology or concentrated solar power (CSP) technology.
- **Wind Power:** Facilities producing electricity from on-shore and off-shore wind power.
- **Hydropower:** Facilities producing electricity from hydro power where the power density of the electricity generation facility is above 5 W/m² or the life-cycle GHG emissions from the generation of electricity from hydropower are lower than 100gCO_{2e}/kWh.
- **Geothermal Energy:** Facilities producing electricity from geothermal energy where Life-cycle GHG emissions are lower than 100gCO_{2e}/kWh.
- **Bioenergy:** Facilities producing electricity exclusively from biomass, biogas or bioliquids and operating above 80% of GHG emissions-reduction in relation to the relative fossil fuel comparator.
- **Manufacturing of renewable energy technology components and equipment.**

○ Energy efficiency:

- **Storage of electricity:** Facilities that store electricity and return it at a later time in the form of electricity.

² https://www.mediobanca.com/static/upload_new/iss/iss-esg-second-party-opinion.pdf

- **Energy efficient retail equipment:** Selection via the application of the Italian government tax deduction scheme initially introduced by Italian Law no. 449 of Dec 1997³.

- **Energy optimization infrastructures and manufacturing of other low carbon technologies.**

Smart grid, smart meters, efficient lighting (LED), district heating and cooling and technologies featuring substantial life-cycle GHG emission savings compared to the best performing alternative on the market.

- **Sustainable mobility:**

- **Hybrid and Electric Vehicles:** Until 31 December 2025, only vehicle with tailpipe emissions lower than 50gCO₂/km are eligible.
- **Personal Mobility Devices:** Personal mobility or transport devices where the propulsion comes from the physical activity of the user, from a zero emissions motor, or a mix of the two.
- **Projects to improve sustainable mobility and related infrastructure:** Infrastructure dedicated to personal mobility or cycle logistics: pavements, bike lanes and pedestrian zones, electrical charging
- **Public and freight sustainable transportation, rail transport and related infrastructure:** Transportation vehicles, trains and wagons with zero direct tailpipe CO₂ emission.
- **Water transport:** Infrastructure enabling low carbon water transport (meeting EU Taxonomy criteria) and required for zero direct (tailpipe) CO₂ emissions water transport (electricity charging, hydrogen-based refueling).

- **Green and energy efficient buildings:**

- **Buildings with environmental standard certifications:** such as LEED (Gold or above), BREEAM (Very Good or above), HQE (Excellent or above) or equivalent comparable international certifications.
- **For buildings built before 31 December 2020:** compliance with energy efficiency class A or B; or belonging to the top 15% low carbon buildings in the region (including building with energy efficiency class C).
- **For buildings built after 31 December 2020:** the Primary Energy Demand (PED) is at least 10 % lower than the threshold set for the nearly zero-energy building (NZEB).
- **Renovation projects:** with an improvement in terms of energy efficiency of at least 30% in terms of PED.
- **Acquisition of tax incentives:** related to investments in energy efficiency renovations and improvements introduced by Italian or other EU governments. For example, measures related to Italian law decree 2020/34 (decreto rilancio) "Misure urgenti in materia di salute, sostegno al lavoro e all'economia, nonché di politiche sociali connesse all'emergenza epidemiologica da COVID-19"⁴.

- **Circular economy & Pollution prevention and control:**

- **Recycling facilities:** Recycling plants, development of technologies for full product recycling, substitution with recycled materials, material recovery, reuse maximisation and waste reduction.
- **Waste management projects:** Waste prevention and reduction. Projects related to separate collection and transport of non-hazardous waste segregated at source and intended for preparation for reuse

3. Legislative references include Art.16-bis T.U.I.R. (Dpr 917/86) (Renovations), law n. 296 of 27 Dec 2006 related to Energy Efficiency and European Directive 2010/31UE transposition via Italian Legislative Decree no. 63, of 4 June 2013.

4. <https://www.gazzettaufficiale.it/eli/id/2020/07/18/20G00095/sg>

or recycling operations.

- **Landfill gas capture:** Projects for gas capture and utilization in permanently closed landfills, where the landfill has not been opened after 8 July 2020 and methane emissions are controlled.
- **Air emissions reductions:** Projects related to direct capture of CO₂.
- **Environmentally sustainable management of living natural resources:**
 - **Environmental sustainable forestry:** Projects related to development and protection of living natural resources, land use, biodiversity and deforestation. Activities must not impact negatively world heritage sites designated by UNESCO, protected areas such as the High Conservation Value Areas, Alliance for Zero Extinction sites, Ramsar wetlands sites, areas included in IUCN Categories I-IV, rainforests or primary tropical moist forests with high conservation value or natural habitats at risk. Certificates needed related to the sustainable management of natural resources: FSC (Forestry Stewardship Council certification) or PEFC (Program for the Endorsement of Forest Certification) or equivalent certificates.
- **Sustainable water:**
 - **Water treatment, water collection and supply/distribution systems:** Projects characterised by improved efficiency in terms of energy consumption (the net average energy consumption for abstraction and treatment equals to or is lower than 0.5 kWh per cubic meter water supply).
 - **Efficient retail usage water equipment:** Selection via the application of the Italian government tax deduction scheme initially introduced by Italian Law no. 449 of December 1997 (and more recent initiatives by Italian Legislative Decree no. 63, of 4 June 2013).
- **SME financing and microfinancing:**
 - **SME financing:** Where SME are defined according to the definition of the EU Commission⁵, are located in disadvantaged areas as defined by unemployment rate or GDP per capita (vs national average) or affected by natural/public health disasters.
 - **Access to education and financial literacy:** Financial support to access education (student loans), financial support to professional training organisations, training and education infrastructures (primary, secondary schools and universities), financing training programs fostering financial education.
 - **Banking access and services to underserved or disadvantaged areas:** Projects aimed at providing Mediobanca Group banking services to population targets not currently reached or who have been experiencing a gap in terms of access to the banking system.
 - **Microcredit, young entrepreneurs, female entrepreneurs:** Loans to borrowers with no access to credit, young entrepreneurs, women entrepreneurs. Loans to vulnerable borrowers as result of natural or health disasters.

Project Evaluation and Selection

- **Green, Social and Sustainability Bond Committee:** The Green, Social and Sustainability Bond Committee is an internal panel consisting of members of Top Management⁶, the Group Treasury, the ESG team, the Corporate and Investment Banking division and all relevant legal entities and divisions

5. https://single-market-economy.ec.europa.eu/smes/sme-definition_en

6. Including Mediobanca Group Chief Executive Officer, General Manager, Chief Financial Officer and Chief Risk Officer

that contribute to the origination of Green, Social and Sustainability Assets.

The committee approves and validates the pool of Green, Social and Sustainability Assets, and has powers to exclude assets as well. It is also responsible for:

- monitoring the Green, Social and Sustainability Assets pool
- updating and maintaining the Framework
- validating the annual reporting for investors
- reviewing any external independent auditors' reports

The committee meetings occur on an annual basis.

- **Selection activity:** while final inclusion and selection is the sole responsibility of the Green, Social and Sustainability Bond Committee, the originating unit (or entity) performing the lending activity initially assesses the compliance of any project with the Eligible Categories' criteria. In particular:
 - **Corporate loans and infrastructure projects** are currently originated by Mediobanca S.p.A
 - **Mortgages** are currently originated by CheBanca!, Mediobanca Private Banking Division and CMB Monaco
 - **Consumer credit** is currently originated by Compass Banca S.p.A
 - **Leasing and factoring financing** are currently originated by SelmaBipiemme Leasing S.p.A. and MBFacta S.p.A.

The selection activity complements the existing standard investment process.

Any other legal entity of the Mediobanca Group provides relevant information and perform initial selection activity on any other asset originated and potentially eligible according to the Framework.

Reporting and External Review

Mediobanca reports annually the allocation of bonds proceeds according to framework eligible categories and information on impact and environmental benefits of projects financed.

Mediobanca has appointed an external auditor which has carried out an independent review of the use of proceeds associated with the framework categories, and adherence to the asset selection process and reporting metrics.

3. Allocation Reporting

Allocation summary

As of 30 June 2023 the size of the Green, Social and Sustainability pool is equal to €2.18bn, recording 124% increase vs June 2022⁷.

Over the FY 2022-23 a portion of our eligible pool equivalent to €242.33m repaid (€33.47m mortgages, €54.41m consumer loans and €154.45m corporate loans respectively), versus an annual growth of new financing and new eligible assets added according to the updated framework of €1.45b: €311.59m corporate loans, €463.06m retail mortgages, €374.75m consumer credit and €301.23m factoring financing.

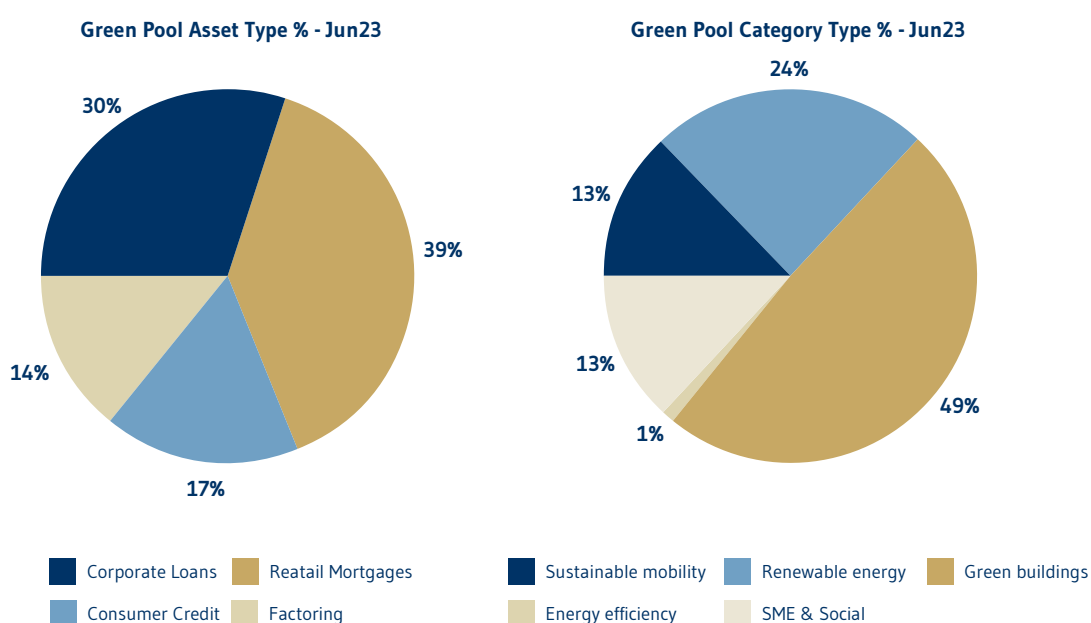
Eligible projects portfolio statistics evolved as follows:

GREEN & SUSTAINABILITY POOL ASSET TYPE (€/MLN)	JUN20	JUN21	JUN22	JUN23
Corporate Loans	344.32	388.32	503.42	660.56
Retail Mortgages	138.62	252.17	419.82	849.39
Consumer Credit	45.21	88.59	53.94	374.28
Factoring	0.00	0.00	0.00	301.24
Total	528.15	729.08	977.18	2,185.47

INCREMENTAL NEW FINANCING (€/MLN)	JUN20		JUN21		JUN22		JUN23	
	POOL	NEW FINANCING	REPAYMENTS	NEW FINANCING	REPAYMENTS	NEW FINANCING	REPAYMENTS	
Corporate Loans	344.32	44.00	0.00	129.10	14.00	311.59	154.45	
Retail Mortgages	138.62	134.25	20.70	186.74	19.09	463.05	33.48	
Consumer Credit	45.21	62.74	19.36	0.00	34.65	374.75	54.41	
Factoring	0.00	0.00	0.00	0.00	0.00	301.24	0.00	
Total	528.15	240.99	40.06	315.84	67.74	1,450.63	242.34	

⁷ The increase is calculated according to the size of the pool published in June 2022. On a like-for-like basis (i.e. using the same eligible categories of the update framework as of 30 June 22), the increase registered would be 57%.

GREEN & SUSTAINABILITY POOL CATEGORY TYPE (€/MLN)T	JUN20	JUN21	JUN22	JUN23
Sustainable mobility	211.48	277.01	234.52	284.08
Renewable energy	161.57	162.69	233.02	418.17
Green buildings	138.62	252.17	478.92	1,067.15
Energy efficiency	13.76	18.14	24.58	132.52
Sustainable water	2.72	19.07	6.14	6.71
SME & Social	0.00	0.00	0.00	276.84
Total	528.15	729.08	977.18	2,185.47



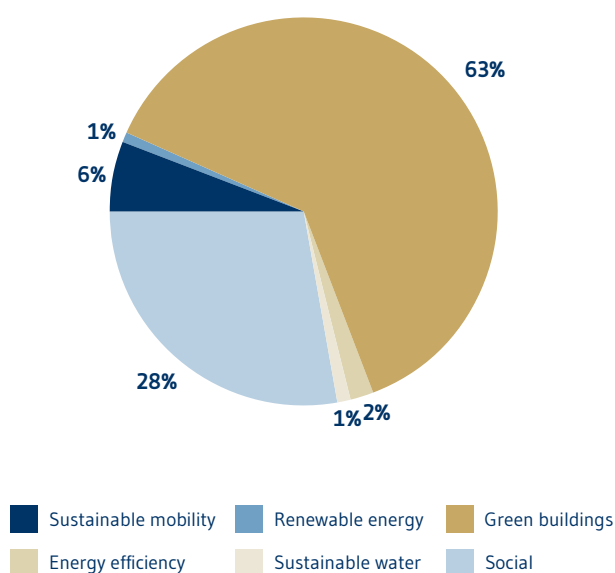
Attributable bonds proceeds invested in eligible projects are €1,000.00m.

As per bond's allocation, outstanding ESG bonds issued by Mediobanca feature an asset-type exposure to consumer credit (€374.28m), factoring (€158.66m) and retail mortgages (€467.06m).

BOND ALLOCATION ASSET TYPE (€/MLN)	JUN20	JUN21	JUN22	JUN23
Corporate Loans	344.32	344.32	344.32	0.00
Retail Mortgages	138.62	138.62	138.62	467.06
Consumer Credit	17.06	17.06	17.06	374.28
Factoring	0.00	0.00	0.00	158.66
Total	500.00	500.00	500.00	1,000.00

BOND ALLOCATION BY CATEGORY (€/MLN)	JUN20		JUN21		JUN22		JUN23	
	POOL	BOND	POOL	BOND	POOL	BOND	POOL	BOND
Sustainable mobility	211.48	200.80	277.01	204.47	234.52	197.55	284.08	59.76
Renewable energy	161.57	154.37	162.69	152.44	233.02	154.12	418.17	8.06
Green buildings	138.62	138.62	252.17	138.62	478.92	138.62	1,067.15	625.72
Energy efficiency	13.76	5.19	18.14	3.49	24.58	7.77	132.52	22.91
Sustainable water	2.72	1.03	19.07	0.98	6.14	1.94	6.71	6.71
Social	0.00	0.00	0.00	0.00	0.00	0.00	276.84	276.84
Total	528.15	500.00	729.08	500.00	977.18	500.00	2,185.47	1,000.00

Bond Allocation by Category % - Jun23



Impact Reporting

Consumer Credit

Consumer credit assets are composed by three categories:

1. Energy efficiency retail equipment
2. Sustainable mobility items for retail customers
3. SME financing and consumer credit dedicated to social and economic advancement

Energy efficiency retail equipment have been identified via the application of the Italian government tax deduction scheme initially introduced by Italian Law no. 449 of December 1997 (and more recent initiatives by Italian Legislative Decree no. 63, of 4 June 2013). The purpose of the legislative decree is to promote energy efficiency renovation by facilitating purchases of modern electric equipment, furniture and efficiency-enhancing household items.

The decree promotes the improvement of energy performance and efficiency of buildings considering overall climatic conditions. Underlying criteria are set to:

- a) improve the energy performance of buildings;
- b) improve the development, valorisation and integration of renewable sources in buildings;
- c) support energy diversification;
- d) promote the competitiveness of national industry through technological development;
- e) combine the opportunities offered by energy efficiency with the development of the construction sector with benefits to employment;
- f) achieve national energy and environmental targets;
- g) rationalize national and territorial procedures for the implementation of energy regulations to reduce costs for the public administration, businesses and households;
- h) apply the legislation in a homogeneous and integrated way across the national territory.

Sustainable mobility items for retail customers are composed by Electric and Hybrid Cars which comply with the 50 gCO₂/km tailpipe specific emissions threshold and personal mobility devices where the propulsion comes from the physical activity of the user, from a zero emissions motor, or a mix of the two.

SME financing and consumer credit dedicated to social and economic advancement are composed by

1. SME Financing in areas defined by lower GDP per capita versus national average
2. Financing dedicated to education and financial literacy
3. Consumer credit dedicated to retired people aged more than 70 years old

Mediobanca's inaugural green bond and sustainably bond have a combined exposure of €374.28m to a granular pool of eligible consumer credit categories.

Consumer credit pool details are as follows:

CONSUMER (# OF ITEMS)	JUN23
Solar Systems and Shadings	313
Domestic water softeners and filters	3,120
Domestic biomass heating systems	4,428
AC Systems (+ other Electric Equipment)	17,091
Sub-total Energy Efficiency	24,952
Electric and Hybrid Vehicles	2,437
Personal Mobility Devices	13,818
Sub-total Sustainable Mobility	16,255
Sub-total Green	41,207
SME	5,422
Education	11,285
Consumer to retired people	16,272
Sub-total Social	32,979
Total	74,186

CONSUMER (€/MLN)	JUN20	JUN21	JUN22	JUN23
Solar Systems and Shadings	0.94	0.81	0.73	0.66
Domestic water softeners and filters	2.72	5.07	6.14	6.71
Domestic biomass heating systems	10.63	11.88	12.29	7.40
AC Systems (+ other Electric Equipment)	13.76	18.14	24.58	22.91
Sub-total Energy Efficiency	28.05	35.90	43.74	37.68
Electric and Hybrid Vehicles	17.16	52.69	10.20	46.55
Personal Mobility Devices	0.00	0.00	0.00	13.21
Sub-total Sustainable Mobility	17.16	52.69	10.20	59.76
Sub-total Green	45.21	88.59	53.94	97.44
SME	0.00	0.00	0.00	60.95
Education	0.00	0.00	0.00	15.17
Consumer to retired people	0.00	0.00	0.00	200.72
Sub-total Social	0.00	0.00	0.00	276.84
Total	45.21	88.59	53.94	374.28

Average tailpipe specific emissions of the eligible auto portfolio⁸ is 11 gCO₂/km.

As of 30 June 2023, the consumer credit social financing portfolio feature the following characteristics:

SME/GEOGRAPHICAL DISTRIBUTION	# OF ITEMS	NTL OUT (€/MLN)	% OF NTL
Puglia	1,255	13.74	23%
Sicily	1,183	13.43	22%
Campania	1,108	12.33	20%
Sardinia	741	8.3	14%
Calabria	434	4.78	8%
Abruzzo	240	3.06	5%
Basilicata	172	2.31	4%
Umbria	201	2.13	3%
Molise	88	0.87	1%
Total	5,422	60.95	100%

8. As per eligible auto portfolio, the outstanding financed amount refers to 30 June 2023 but is based on the actual number of cars registered in the portfolio as of 31 March 2023.

EDUCATION/AGE	# OF ITEMS	NTL OUT (€/MLN)	% OF NTL
18 - 30	3,424	5.08	33%
31 - 40	2,110	2.79	18%
41 - 50	2,411	3.03	20%
51 - 60	2,477	3.10	20%
over 60	863	1.17	8%
Total	11,285	15.17	100%

CONSUMER TO RETIRED PEOPLE				
AGE	MONTHLY PENSION ALLOWANCE	# OF ITEMS	NTL OUT (€/MLN)	% OF NTL
70 - 75	500 - 1,000	5,378	55.58	28%
	1,001 - 1,500	5,145	81.06	40%
76 - 80	500 - 1,000	2,644	24.22	12%
	1,001 - 1,500	2,516	34.46	17%
over 80	500 - 1,000	304	2.26	1%
	1,001 - 1,500	285	3.15	2%
Total		16,272	200.73	100%

Factoring Financing

Mediobanca's outstanding ESG bonds have a combined exposure of €158.66m to a pool financing the acquisition of tax incentives related to investments in energy efficiency renovations and improvements introduced by Italian law decree 2020/34 ("Decreto Rilancio").

Such decree introduced tax deductions on the back of costs incurred for energy and/or anti-seismic redevelopment works. It applies, for pre-determined timeframes, to expenses incurred for thermal insulation interventions and other energy efficiency interventions. The measures also include seismic risk and the installation of photovoltaic systems and devices for recharging electric vehicles.

Mortgages

In 2022 Mediobanca appointed CRIF to assist in the assessment of Mediobanca's green buildings eligible portfolio, specially identifying those in the top 15% in terms of energy efficiency with reference to the Italian national market⁹; in particular, the scope of the analysis has focused on CheBanca! retail mortgages.

The analysis was carried out by firstly defining relevant criteria for the identification of eligible mortgages. Such criteria were based on evidence from the Italian national tool to collect the Energy Performance Certificates of buildings and real estate units, SIAPE¹⁰. Established by Interministerial Decree 26/06/2015, SIAPE is developed by ENEA with the primary aim of providing a detailed picture of the state of the art of the energy efficiency of the national building stock.

9. https://www.mediobanca.com/static/upload_new/med/0000/mediobanca-technical-report-crif-2022.pdf

10. <https://siape.enea.it/>

The report pointed out that:

- **Criteria based on Italian EPC** (APE – Attestato di Prestazione Energetica¹¹): according to the technical report, residential buildings labelled A, B, and C can be considered aligned to the top 15% at national level as per energy efficiency;
- **Criteria based on construction year**: 98.4% of newly built properties present an EPC equal or better to the C class.

Mediobanca's outstanding ESG bonds have a combined exposure of €467.06m to a granular pool of eligible mortgages.

As of 30 June 2023¹², the breakdown of the pool allocated to ESG bonds outstanding in terms of notionals and number of mortgages is the following:

GREEN MORTGAGES PORTFOLIO (€/MLN)	JUN23	GREEN MORTGAGES PORTFOLIO (# OF MORTGAGES)	JUN23
EPC A, B and C	382.71	EPC A, B and C	2,268
Construction Year 2016-2020	84.35	Construction Year 2016-2020	568
Total	467.06	Total	2,836

Geographical distribution of mortgages allocated to ESG bonds:

GREEN MORTGAGES PORTFOLIO - GEOGRAPHICAL DISTRIBUTION	# OF MORTGAGES	€/MLN	% OF NTL
Lombardy	1,337	242.58	52%
Lazio	417	64.43	14%
Piedmont	272	38.22	8%
Campania	157	22.07	5%
Veneto	142	24.33	5%
Puglia	124	17.59	4%
Sicily	85	10.69	2%
Sardinia	80	10.38	2%
Emilia Romagna	61	11.40	2%
Tuscany	54	8.90	2%
Abruzzo	25	3.55	1%
Calabria	24	2.60	1%
Liguria	15	2.59	1%
Trentino Alto Adige	13	2.46	1%
Marche	12	1.16	0%
Friuli Venezia Giulia	7	1.83	0%

11. Legislative Decree 48/2020 implementing Directive (EU) 2018/844

12. Figures are gross of the 2% haircut applied in the technical report

GREEN MORTGAGES PORTFOLIO - GEOGRAPHICAL DISTRIBUTION	# OF MORTGAGES	€/MLN	% OF NTL
Basilicata	5	0.70	0%
Umbria	3	0.56	0%
Molise	2	0.19	0%
Valle d'Aosta	1	0.84	0%
Total	2,836	467.06	100%

4. Mediobanca Sustainability and CSR Positioning

Growth and sustainability are two of the Group's distinctive traits. Our development strategy is based on the conviction that ethics and profits can and indeed must go hand in hand, as in the long term there cannot be economic growth without social and environmental progress as well.

Responsible, proper and transparent conduct enhances and protects reputation, credibility and consensus over time, laying the foundation to develop further sustainable business practices and create value for all stakeholders.

The Mediobanca Group prioritizes projects targeting growth in the communities in which we operate, based on our conviction that an inclusive society must be founded on mutual respect and solidarity, ensuring equal opportunities for all.

Group Sustainability is led by the Chief Executive Officer, supported by a Sustainability Committee and a dedicated Corporate Social Responsibility unit.

In September 2019 a Corporate Social Responsibility Committee was established within the Board, with responsibility for prior analysis of sustainability issues to be submitted to the Board itself.

Mediobanca has adopted a Group Sustainability Policy, sub-divided into four areas addressing specific priorities: 1. Measures to tackle bribery and corruption; 2. Human rights; 3. Diversity and inclusion; and 4. Climate change and the environment.

The Policy contributes to the strengthening and implementation of the values of ethics, integrity and responsibility as a form of respect towards people, the environment and the society as a whole. The Mediobanca Group commits to keep sustainability as an integral part of the strategy and operations of its business.

Global Commitment

Since April 2018 the Group has officially been a participant in the **United Nations' Global Compact**: an initiative based on voluntary adherence to a set of principles to promote sustainability values such as human rights.

Since September 2019 Mediobanca SGR (and more recently also RAM Active Investment and Cairn Capital) have all been signatories to the **Principles for Responsible Investment (PRI)** launched by the United Nations in 2006 aiming at promoting a sustainable and responsible approach to investment by institutional investors.

In July 2021 the Group adhered to the **Principles for Responsible Banking (PRB)**, launched in 2019 by the United Nations and designed to embed sustainability in the way banks operate with the aim of

incentivizing best practices, scientific approaches and impacts measurement of their own activities on individuals and the planet.

In November 2021 Mediobanca adhered to the **Net-Zero Banking Alliance (NZBA)** confirming our intention to play an active role in the green transition with the commitment to achieve net-zero emissions for the lending and investment portfolios by 2050, in line with the targets set by the Paris Climate Agreement.

In April 2022 the Group has adhered to the recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)** in order to represent disclosures on its own environmental impact transparently, in the form of the **TCFD Report**, which contains a preliminary quantification of the portfolio's indirect Scope 3 emissions, plus the first interim targets for indirect emissions.

Moreover, the Mediobanca Group promotes **Sustainable Development Goals (SDGs) set out in the United Nations' 2030 Agenda**, supporting and encouraging growth and development projects based on these universal principles.

ESG targets have been included in the **2023-26 Strategic Plan**¹³ and in the remuneration policy of the Group¹⁴, with specific objectives set in the Long-term Incentive Plan for senior management to encourage the creation of long-lasting value for all stakeholders.

The ESG targets are linked to eight out of seventeen SDGs. Among these, particular importance has been attributed to **Goals 7 on Affordable and clean energy and Goal 13 on Climate Action**, as the speed of change in this area risks seriously compromising future generations.



The increasing awareness of risks and opportunities relating to sustainability has also triggered a series of initiatives over the years to equip the Group to face new challenges and to adapt itself to regulatory requirements demanding climate-related and environmental risks to be integrated into governance and risk management frameworks.

13. <https://www.mediobanca.com/en/investor-relations/mediobanca-strategic-guidelines-2023-2026/mediobanca-strategic-guidelines-2023-2026.html>

14. <https://www.mediobanca.com/en/corporate-governance/remuneration/remuneration-policy.html>

5. External Assurance

Mediobanca will continue to publish an annual report until all outstanding Green and Sustainable Bonds will have matured.



6. Disclaimer

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MEDIOBANCA

Independent Auditors' report on the "Mediobanca Green and Sustainability Bond Report September 2023"

To the Board of Directors of Mediobanca S.p.A.

We were engaged to perform a limited assurance engagement on the accompanying "Mediobanca Green and Sustainability Bond Report September 2023" (the "Green and Sustainability Bond Report 2023") of Mediobanca S.p.A. (the "Bank") for the reporting period ended 30 June 2023, prepared for the purposes defined by the "Mediobanca Green, Social and Sustainability Bond Framework June 2022" (the "Green, Social and Sustainability Bond Framework").

Directors' responsibility

The Directors of Mediobanca S.p.A. are responsible for the preparation of the Green and Sustainability Bond Report 2023 in accordance with the criteria provided by the Bank's Green, Social and Sustainability Bond Framework, and for the internal controls as management determines is necessary to enable the preparation of the Green and Sustainability Bond Report 2023, that is free from material misstatement, whether due to fraud or error.

Independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1 (ISQC Italia 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent Auditors' responsibility

Our responsibility is to express a conclusion on the Green and Sustainability Bond Report 2023 based on our limited assurance engagement. We conducted our limited assurance engagement in accordance with the provisions of the standard "International Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 Revised") issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain limited assurance whether the Green and Sustainability Bond Report 2023 is free from material misstatement.

Summary of the Work Performed

The procedures we performed were based on our professional judgment and included inquiries, primarily of persons responsible for the preparation of the Green and Sustainability Bond Report 2023, inspection of documents, recalculation, agreeing or reconciling with underlying records and other evidence-gathering procedures that are appropriate in the circumstances.

Our limited assurance engagement also included:

- Interviewing the staff of the various Departments of the Bank involved in the preparation of the Green and Sustainability Bond Report 2023, in order to understand the characteristics of the interventions and projects financed and refinanced by the Green Bond and the Sustainability Bond, the procedures and management systems in place, the data collection process and evaluation of environmental performance;
- assessing the application of the eligibility criteria to projects financed and projects refinanced through the Green Bond and the Sustainability Bond as described in the Green, Social and Sustainability Bond Framework;
- assessing the tracking system for the allocation of funds raised with the Green Bond and the Sustainability Bond to finance projects and assessing that the investments are aligned with the criteria described in the Green, Social and Sustainability Bond Framework;
- analyzing the procedures for collecting, consolidating, processing and transmitting of the data relating to the sustainability indicators included in the Green and Sustainability Bond Report 2023 and obtaining limited documentary evidence.


A limited assurance engagement is substantially less in scope than a reasonable assurance engagement conducted in accordance with ISAE 3000 Revised and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement.

Conclusion

Based on the procedures we performed, nothing has come to our attention that causes us to believe that Bank's Green and Sustainability Bond Report 2023 for the reporting period ended 30 June 2023 is not prepared, in all material respects, in accordance with the criteria provided by the Bank's Green, Social and Sustainability Bond Framework.

Milano, 20 September 2023

EY S.p.A.



Davide Lisi
(Auditor)