



Ordinary business

Report by Board of Directors on item no. 4 on the agenda

Insurance policy covering civil liability for members of the Group legal entities' governing bodies

Dear shareholders,

At the annual general meeting held in October 2004, the shareholders of Mediobanca adopted a resolution to take out an insurance policy covering the civil liability of the members of Mediobanca's governing bodies (Board of Directors, Statutory Audit Committee and General Manager) including the insured parties' legal and other advisory expenses, but excluding liability deriving from fraudulent misconduct and fines handed down by supervisory authorities. In October 2016, shareholders again authorised the extension of such insurance cover to include the members of the governing bodies of all legal entities forming part of the Mediobanca Group, and setting a maximum annual premium of €450,000.

The pandemic crisis has exacerbated the worsening of market conditions for financial institutions, with high premium increases (estimated at 30%-40%), narrowing of coverage through the introduction of less favourable clauses and exclusions, an increase in deductibles and a drastic reduction in the insurance capacity on offer (withdrawal of several insurance companies from the market). In order to comply with the existing cap on expenditure in this area, the maximum coverage of the policy has been cut in recent years, from €50m to €19m. The upward trend in premium costs is still in progress, however, and it is reasonable to expect that there will be further increases. The Board has analysed the situation in depth, noting that the claims-to-premiums ratio in recent years has been around 20%. The conclusion reached is that it is advisable to increase the coverage, while making provision for suitable excess and caps to ensure the amount of the premium remains under control.

The Board's proposal is thus to increase the authorized premium to a maximum of €800,000.

Resolutions submitted to the approval of shareholders as ordinary business in Annual General Meeting

Dear Shareholders,

In view of the foregoing, you are hereby invited to adopt the following resolution:

- 1) To renew authorisation to execute an insurance policy covering the civil liability (and related legal and advisory expenses) of the members of the governing bodies of all legal entities forming part of the Mediobanca Group vis-à-vis third parties, deriving from non-fraudulent conduct in breach of the obligations deriving from the law or intrinsic to their duties, with the exclusion of liabilities arising from fraudulent conduct and fines handed down by the supervisory authorities, at a maximum aggregate annual cost of €800,000.



MEDIOBANCA



- 2) To authorise the Board of Directors, and on their behalf the Chief Executive Officer and Group General Manager, jointly and severally, with the right to sub-delegate such powers, to implement the foregoing resolution.

Milan, 23 September 2021

The Board of Directors