

**ENGLISH TRANSLATION FOR COURTESY PURPOSES ONLY. IN CASE OF DISCREPANCIES BETWEEN THE ITALIAN VERSION AND THE ENGLISH VERSION, THE ITALIAN VERSION SHALL PREVAIL**

**INFORMATION DOCUMENT**

**CONCERNING THE 2023-2025 LTI PLAN  
SUBMITTED FOR APPROVAL TO THE ORDINARY SHAREHOLDERS' MEETING OF 18  
APRIL 2023 IN A SINGLE CALL**

**(drawn up pursuant to Art. 84-bis of CONSOB Regulation No. 11971/1999, as subsequently amended).**

## DEFINITIONS

The following definitions are used in this Information Document.

<b>“Shareholders’ Meeting”</b>	The ordinary Shareholders’ Meeting of the Bank called for 18 April 2023, in single call, to resolve, among other things, on the motion to approve the 2023-2025 LTI Plan, pursuant to Art. 114- <i>bis</i> of the Consolidated Finance Act and the Supervisory Provisions.
<b>“Shares”</b>	Indicates the ordinary shares of Banca Mediolanum held by it.
<b>“Bank” or “Banca Mediolanum”</b>	Banca Mediolanum S.p.A., with registered office in Basiglio Milano 3, Palazzo Meucci - Via Ennio Doris.
<b>“Beneficiaries”</b>	The actual beneficiaries of the Plan, who will be identified by the Board of Directors of the Bank, upon the proposal of the Committee, among the Potential Beneficiaries once the attainment of the Conditions of Access has been verified, as well as the attainment of the Performance Objectives over the three-year performance period of reference
<b>“Borsa Italiana”</b>	Borsa Italiana S.p.A. with registered office in Milan, Piazza degli Affari, no. 6.
<b>“Bonus”</b>	The bonus that will be paid to each Beneficiary in the amount, on the terms and conditions set out in the Plan, partly in cash ( <i>cash</i> ) and partly in financial instruments ( <i>equities</i> ).
<b>“Corporate Governance Code”</b>	The Corporate Governance Code of Listed Company of Borsa Italiana.
<b>“Committee” or “Remuneration Committee”</b>	The Remuneration Committee of the Bank.
<b>“Board of Directors”</b>	The Board of Directors of the Bank.
<b>“Subsidiaries”</b>	Jointly, <b>(i)</b> the Bank’s subsidiaries that fall within the Mediolanum Banking Group pursuant to Art. 23 of the Consolidated Banking Act and <b>(ii)</b> the other subsidiaries of the Bank pursuant to Art. 2359, paragraph 1, of the Italian Civil Code even if they do not belong to the Mediolanum Banking Group.
<b>“Assignment Date”</b>	The date of delivery of the Bonus to the Beneficiaries.
<b>“Information Document Date”</b>	The date of approval of the Information Document by the Board of Directors of the Bank on 7 March 2023.

<b>“Recipients”</b>	Indicates <b>(i)</b> the executive directors of Banca Mediolanum and/or of the Subsidiaries and <b>(ii)</b> the parties who have a permanent employment relationship at the management level with the Banca Mediolanum and/or other Group companies, assuming, in both cases, they can be classified as Key Personnel.
<b>“Supervisory Provisions”</b>	The “ <i>Supervisory Provisions for banks</i> ”, Bank of Italy Circular no. 285, 17 December 2013.
<b>“Information Document”</b>	This information document drawn up pursuant to Art. 84-bis of the Issuers’ Regulation and consistent (also in the numbering of its Paragraphs) with the guidelines contained in Layout 7 of Annex 3A of the Issuers’ Regulation.
<b>“Euronext Milan”</b>	The Electronic Equity Market organised and managed by Borsa Italiana S.p.A. (Euronext Group).
<b>“Group”</b>	Jointly, the Bank and the Subsidiaries.
<b>“Key Personnel”</b>	The “key personnel” pursuant to the Supervisory Provisions and the 2023 Group Remuneration Policies
<b>“Phantom Shares”</b>	Measurement unit providing a virtual representation of an ordinary share of the Bank, to be settled in cash with the payment of the Bonus in Cash, subject to the conditions being met, under the terms and with the procedures set forth in the Plan.
<b>“2023-2025 LTI Plan” or the “Plan”</b>	The motion to adopt the long-term incentive and retention plan of Banca Mediolanum, “ <i>2023-2025 LTI Plan</i> ”, approved by the Board of Directors of Banca Mediolanum on 7 March 2023, on proposal of the Committee of 27 February 2023, which shall be submitted for approval to the Shareholders’ Meeting of the Bank pursuant to Art. 114- <i>bis</i> of the Consolidated Finance Act and the Supervisory Provisions.
<b>“2023 Group Remuneration Policies” or “2023 Remuneration Policies”</b>	The remuneration policies of the Group for 2023, which shall be submitted for approval to the ordinary Shareholders’ Meeting of Banca Mediolanum (in its capacity of parent company of the Mediolanum Banking Group) called for 18 April 2023 in single call as second item on the agenda, in compliance with the Supervisory Provisions.
<b>“Potential Beneficiaries”</b>	The potential beneficiaries of the Plan, identified by the Board of Directors of the Bank, upon proposal of the Committee, within the category of Recipients.

**“Bonus in Cash”**

The monetary amount (gross of any tax, contribution and social security payments) that shall be paid to the Chief Executive Officer of the Bank in the amount, on the terms and under the conditions specified in the Plan.

**“Issuers’ Regulation”**

Regulation adopted by CONSOB with resolution no. 11971/1999 as subsequently amended.

**“Consolidated Banking Act”**

Italian Leg. Decree no. 385/1993, as subsequently amended.

**“Consolidate Finance Act”**

Italian Leg. Decree no. 58/1998, as subsequently amended.

**“Unit”**

Indicates the right given to the Beneficiary to receive, free of charge, as the case may be, (i) Shares in the ratio of no. 1 (one) Share for each no. 1 (one) Unit accrued, (ii) with particular reference to the Chief Executive Officer of the Bank, Phantom Shares, all under the terms and according to the procedures set forth in the Plan.



## INTRODUCTION

This Information Document, drawn up pursuant to Art. 84-*bis* of the Issuers' Regulation and consistently (also in the numbering of its paragraphs) with the indications in Layout 7, Annex 3A, of said Issuers' Regulation, concerns the motion to adopt the long-term incentive and retention plan of Banca Mediolanum, "2023-2025 LTI Plan" approved by the Board of Directors of Banca Mediolanum on 7 March 2023, on proposal of the Remuneration Committee of 27 February 2023.

The 2023 Group Remuneration Policies shall also be submitted for approval to the Ordinary Shareholders' Meeting of Banca Mediolanum (the parent company of the Mediolanum Banking Group) called for 18 April 2023, in a single call, in compliance with the Supervisory Provisions as the 4<sup>th</sup> item on the agenda of that Shareholders' Meeting.

This motion to adopt the Plan shall be submitted for approval to the ordinary Shareholders' Meeting of the Bank called for 18 April 2023 in single call as 4<sup>th</sup> item on the agenda. Therefore:

- (i) this Information Document was drawn up exclusively based on the content of the motion to adopt the Plan approved by the Board on 7 March 2023, on proposal of the Committee of 27 February 2023;
- (ii) any reference to the Plan in this Information Document must be understood as referring to the motion to adopt the Plan itself.

This Information Document shall be updated, if necessary and within the terms and with the procedures prescribed by current legislation, should the motion to adopt the Plan be approved by the Shareholders' Meeting of the Bank and in compliance with the content of the resolutions passed by the Shareholders' Meeting itself and by the bodies and/or parties responsible for implementing the Plan.

Note that the Plan is to be considered of "particular significance" pursuant to Art. 114-*bis*, Par. 3, of the Consolidated Finance Act and Art. 84-*bis*, Par. 2, of the Issuers' Regulation, since it is reserved to executive directors of the Bank and the Subsidiaries and other key management of the Bank.



## 1. RECIPIENT PARTIES OF THE PLAN

### 1.1 Indication by name of the recipients who are members of the board of directors or of the management board of the issuer of the financial instruments, of the parent companies of the issuer and of the companies it directly or indirectly controls.

Within the category of the Recipients referred to in this Paragraph, on 7 March 2023, the Board of Directors, with the favourable opinion of the Remuneration Committee of 27 February 2023, identified, subject to the approval of the Plan by the Shareholders' Meeting, a total of no. 8 Potential Beneficiaries selected as "Top key people" of the Group, including:

- Mr. Massimo Doris, in his capacity as Chief Executive Officer of Banca Mediolanum;
- Mr. Igor Garzesi, in his capacity as Chief Executive Officer of Banco Mediolanum.

### 1.2 The categories of employees or collaborators of the issuer of financial instruments and of the parent companies or subsidiaries of said issuer.

Within the category of the Recipients referred to in this Paragraph, on 7 March 2023, the Board of Directors, with the favourable opinion of the Remuneration Committee of 27 February 2023, identified, subject to the approval of the Plan by the Shareholders' Meeting, a total of no. 6 Potential Beneficiaries selected as "Top key people" within the Group's top management (excluding the persons already named in Paragraph 1.1 above).

### 1.3 Indication by name of the parties who benefit from the plan belonging to the following groups:

#### a) *general managers of the issuer of financial instruments*

The General Manager of the Bank, Mr. Gianluca Bosisio, is the Potential Beneficiary identified by the Board of Directors on 7 March 2023, with the favourable opinion of the Committee of 27 February 2023, subject to the approval of the Plan by the Shareholders' Meeting, within the category of Beneficiaries referred to in this Paragraph.

#### b) *other key management of the issuer of financial instruments that is not a "smaller" issuer pursuant to Art. 3, paragraph 1(f) of Regulation no. 17221 of 12 March 2010, if during the year they have received total remuneration (obtained by adding the monetary remuneration and the financial instrument-based remuneration) greater than the highest total remuneration awarded to members of the board of directors, or the management board, and to the general managers of the issuer of financial instruments;*

There are no Potential Beneficiaries identified within the category of Recipients referred to in this Paragraph.

#### c) *natural persons controlling the issuer of shares who are employees or provide collaboration services within the issuer of shares.*

Not applicable, since there are no natural persons controlling the Bank who are Recipients of the Plan.

### 1.4 Description and numerical indication, separated by categories:

#### a) *of key management other than those specified under a) and b) of paragraph 1.3;*

Within the category of Recipients referred to in this Paragraph, on 7 March 2023, the Board of Directors, with the favourable opinion of the Committee on 27 February 2023, identified, subject to the approval of the Plan by the Shareholders' Meeting, a key manager of the Bank.



b) *in the case of "smaller" companies, pursuant to Art. 3, paragraph 1 (f) of Regulation no. 17221 of 12 March 2010, the indication by aggregate of all key management of the issuer of financial instruments;*

Not applicable since Banca Mediolanum does not qualify as a "smaller" company, pursuant to Art. 3, paragraph 1 (f) of Regulation no. 17221 of 12 March 2010.

c) *of any other categories of employees or collaborators for whom differentiated characteristics of the plan have been provided for (e.g. senior managers, managers, white-collar personnel, etc.)*

Not applicable, since there are no categories of employees for whom differentiated characteristics have been provided for in the Plan.

## **2. THE REASONS JUSTIFYING ADOPTION OF THE PLAN**

### **2.1 The objectives to be reached by assigning plans**

The Plan is an instrument aimed at incentivizing Potential Beneficiaries against specific financial and non-financial targets, linked to the Group's ESG business and sustainability strategy over three-year performance period 2023-2025. The Plan also aims at facilitating the retention of key personnel, which is a factor of strategic interest for the Bank.

Therefore, in line with consolidated practice at the Italian and international level, the Bank – also as parent company of the Group– believes that the Plan can help extending the time horizons of the decision-making process of the workforce (long term perspective), while encouraging the alignment of the interests of the latter with those of the shareholders in a medium-long term horizon. Notably, the purpose of the Plan is:

- (i) to motivate and retain the top management and the personnel of the Bank / Group believed to be key because of special responsibilities and/or skills, as well as having a high impact on the growth of the business and the governance of the Bank and the Group in a long-term perspective;
- (ii) to link a relevant component of the variable remuneration of the Beneficiaries of the Plan to the achievement of certain corporate performance and corporate sustainability targets, to be assessed over a multi-year future time period, to align the interests of the Beneficiaries to the pursuit of the priority objective of creating value for the shareholders in a long-term perspective, through a careful management of corporate risk and the pursuit of multi-year programmes and projects.



The Plan is an instrument added to the remuneration package of the top key people, which creates an independent incentive mechanism that takes into account the specific position held and skill set of each Potential Beneficiary as value added in the supervision and support of the achievement of objectives that are strategic for the Bank and the Group.

### 2.1.1 Additional Information

The Plan is based on the achievement of specific access conditions and performance objectives – described in paragraph 2.2 below – over a three year time horizon (2023-2025) and envisages, in the event of their achievement, the payment of the Bonus to be paid partly in cash (*cash*) and partly in financial instruments (*equity*), in portions of respectively 48% and 52% of the total amount of the accrued Bonus that will be paid according to the payment mechanisms illustrated in greater detail below.

Recognition of the portion of the Bonus in financial instruments takes place through the free assignment to Potential Beneficiaries of Units to receive, also free of charge, as the case may be:

- (i) Shares in the ratio of no. 1 Share for each no. 1 Unit accrued;
- (ii) with particular reference to the Chief Executive Officer of the Bank, Phantom Shares.

It should be noted that : (i) a portion equal to 60% of the Bonus is subject to a Deferment Period lasting a total of 5 years, during which the Bonus will be released on a pro-rata criterion on an annual basis; (ii) a further portion of the Bonus (equal to the remaining 40%) is recognised up-front. The portion of the Bonus recognised in financial instruments (equity), for both the up-front portion and the deferred portion, is also subject to a Retention Period of 1 year, all as better described in Paragraph 2.2 below.

### 2.2 Key variables, also in the form of performance indicators considered for the purpose of assigning financial instrument-based plans

#### *Access Conditions and Performance Objectives*

Access to the Bonus is conditional to the achievement of certain Group performance objectives, which the Company's Board of Directors, or the body and/or parties appointed by this, shall verify, after receiving the opinion of the Committee.

Notably, the Plan provides, among other things, for the assignment to the Beneficiaries of Bonus to be conditional on the achievement in each year in the reference three-year period (i.e. in each of the years 2023, 2024 and 2025) of the following performance conditions which perform "gate" functions and are, in any case, consistent with the "*Risk appetite Framework*" (RAF) (the "**Access Conditions**"):

- a surplus of capital over and above the capital requirements set for the Mediolanum financial conglomerate; and
- a liquidity coverage ratio (LCR) greater than 100%;
- a "Risk adjusted return on risk adjusted capital" ("RARORAC") equal to or greater than 0%;
- a Total Capital Ratio (TCR) higher than the coefficient of binding capital, provided annually by the Bank of Italy, set at the consolidated level.

The assignment to the Beneficiaries of the Bonus is also conditional on the achievement in the





reference three-year period (i.e. the years 2023, 2024 and 2025) of other performance conditions (“**Performance Objectives**”) based on the indicators specified below, defined by the Board of Directors – with the positive opinion of the Remuneration Committee – in line with the business strategy of the multi-year plan to 2025. is given a different weight on the total maximum level (i.e. 100%) of the Bonus paid to each Beneficiary, as illustrated in the 2023 Remuneration Policies, and reported below:

- CET1 *ratio* – weight: 20%;
- Dividends (from profits) per share<sup>1</sup>: DPS (cumulative over the three-year period) – weight: 20%;
- Cost/Income – weight 20% (average of the three-year period);
- NPL on total lending (average of the three-year period) – weight: 15%;
- ESG (*Environmental Social Governance*) Indicators, as better detailed in Section I of the 2023 Report on remuneration policy and compensation paid – weight: 25%.

For the purposes of determining the Bonus to be paid to each Beneficiary, a calculation system has been devised that takes into account the negative divergence with respect to each Performance Objectives as well as the respective weight. This calculation system provides for: (i) a minimum level of the Performance Objectives, under which the right to the payment of the Bonus is forfeited, and a maximum level of the Performance Objectives, on the achievement of which a right is accrued to the payment of the pre-established maximum amount of Bonus for each Beneficiary; as well as (ii) progressive percentages of achievement of the Performance Objectives, associated to the calculation of the amount of Bonus to be granted to each Beneficiary, established by the Board of Directors, on proposal of the Committee, taking into account the percentage weight of each.

The maximum overall incidence of the individual Bonus as a percentage of the fixed remuneration is 150% (i.e. 50% for each performance year of the Plan).

The Bonus is paid to the Beneficiaries according to the payment scheme illustrated in paragraph 4.6.2 of the 2023 Remuneration Policies, and reproduced herein.

<sup>1</sup> For the purpose of the Plan, dividends declared from time to time will be considered.

	Instruments	Cash	Holding Period (1 year)					
	2026	2027	2028	2029	2030	2031	2032	
Performance Accrual	Equity 20% (up-front) Cash 20% (up-front)	Equity 20% (up-front) Equity 7% (deferred I) Cash 5% (deferred I)	Equity 7% (deferred I) Equity 7% (deferred II) Cash 5% (deferred II)	Equity 7% (deferred II) Equity 6% (deferred III) Cash 6% (deferred III)	Equity 6% (deferred III) Equity 6% (deferred IV) Cash 6% (deferred IV)	Equity 6% (deferred IV) Equity 6% (deferred V) Cash 6% (deferred V)	Equity 6% (deferred V)	
Total	40%	12%	12%	12%	12%	12%	-	

Without prejudice to the provisions of this Paragraph 2.2 and Paragraph 4.8 below, the delivery of the Bonus to the Beneficiaries shall be also subject to the continuation of the relationship between the Beneficiary and the Bank or the other Group companies from the Assignment Date to the the date of the verification of the Access Conditions and the Performance Objectives, until the date, as the case may be, of delivery of the *cash* component or the assignment of the financial instruments (*equity*) at the end of the Retention Period, unless otherwise resolved by the Board of Directors, after receiving the opinion of the Committee.

**Deferment Period and Retention Period**

A 60% share of the Bonus is subject to a Deferment Period of 5 years during which the Bonus shall be released once a year on a pro rata basis.

A further portion of the Bonus (the remaining 40%) is paid up-front.

The portion of the Bonus recognised in financial instruments (*equity*), both up-front and deferred, is also subject to a Retention Period of 1 year. It should also be noted that, consistently with the regulatory provisions and the incentive practices adopted by the Group to date, the payment of the portions of the Bonus subject to the Deferment Period shall be subject to the maintenance, during the Deferment Period, of (i) objective conditions of capitalisation, capital and liquidity and risk-adjusted value creation - similarly to the Access Conditions established with the function of gate; and (ii) subjective conditions, which shall be communicated to the Beneficiaries (“**Maintenance Condition**”).



### *Malus Mechanism*

The Plan provides for “malus mechanisms” that, among other things, can reflect the levels of performance net of the risks actually assumed or obtained and capital risks and take into account individual conduct. More specifically, in order to ensure the stability of the performance conditions over time, the payment of the Bonus shall be subject to the absence of disciplinary measures for fraudulent conduct or conduct entailing gross negligence initiated by the Beneficiary from the Assignment Date until the end of the Retention Period.

### *“Claw Back” Mechanism*

The Plan provides for a “claw back” mechanism, which entitles the Bank to demand, for 5 (five) years from the disbursement of the individual portion (up-front or deferred), the full or partial reimbursement of the Bonus paid out, if the Beneficiary is found to be responsible for one of the following: (i) conduct resulting in a significant loss for the Bank or any Group company or the Group in general or clients; (ii) infringement of the obligations under Art. 26 of the Consolidated Banking Act or, when the Beneficiary is an interested party, Art. 53, Par. 4 et seq. of the Consolidated Banking Act, or obligations concerning remuneration and incentive; (iii) other behaviours not compliant with legal, regulatory and by-law provisions as well as applicable codes of ethics or conduct, if any, in the cases envisaged; (iv) fraudulent conduct or gross negligence to the detriment of the Bank or any Group company or the Group in general.

#### **2.2.1 Additional information**

As stated in Paragraph 2.2 above, the characteristics of the Plan (Access Conditions, Performance Objectives, Deferment Period, Retention Period, Malus Mechanisms, “Claw back” Mechanism) are set out in implementation of the Supervisory Provisions and the 2023 Remuneration Policies.

#### **2.3 Elements at the foundation of determining the extent of the financial instrument-based remuneration, i.e. the criteria for its calculation**

The maximum number of Shares or, as the case may be, Phantom Shares, attributable to each Beneficiary of the Plan (corresponding to the maximum number of Units that may be assigned) shall be determined by dividing the portion in financial instruments (*equity*) of the Bonus accrued according to the achievement of the Access Conditions and the level of achievement of the Performance Objectives, by the average price, understood as the arithmetic average of the prices of Banca Mediolanum share on Euronext Milan, in the 30 stock market trading days before the date of the Shareholders’ Meeting called to approve the financial statements at 31 December 2025.

As mentioned above, with specific reference to the Chief Executive Officer of Banca Mediolanum S.p.A. - in consideration of the latter’s subjective condition - the Units granted to him will entitle him to receive, again free of charge, Phantom Shares instead of Shares; therefore, with reference to the latter, the component in financial instruments of the Bonus accrued on the basis of the achievement of the Access Conditions and the level of achievement of the Performance Objectives, once the Retention Period (as defined below) has elapsed, shall be settled in cash through the payment (again free of charge) of a cash sum (gross of any tax, contribution and social security payments) to be calculated as specified below

The Phantom Shares accrued under and for the purposes of the Plan shall be settled with the payment of the Bonus in Cash calculated on the basis of the number of Phantom Shares accrued

under the Plan, multiplied by the market value of the Bank's ordinary shares calculated using the arithmetic average of the prices of the Bank's ordinary shares on Euronext Milan in the 30 stock market trading days before the end of the Retention Period. If the Bank's shares are no longer listed, the Bonus in Cash shall be conventionally calculated by taking as the basis of the calculation the normal value of the shares pursuant to Art. 9 of Presidential Decree no. 917 of 22 December 1986.

### **2.3.1 Additional Information**

The number, as the case may be, of Shares or Phantom Shares to be awarded to each Beneficiary is set taking into account the factors indicated in Paragraph 2.3 above and the conditions indicated in Paragraph 2.2 above.

### **2.4 The reasons at the root of any decision to assign remuneration plans based on financial instruments not issued by the financial instrument issuer, such as financial instruments issued by subsidiaries, parent companies or companies third-party to the group; if the above-mentioned instruments are not traded in the regulated markets, information on the criteria used to determine the value assignable to them**

Not applicable.

### **2.5 Assessments regarding significant tax and accounting implications that affected definition of the plans**

There are no significant accounting and tax implications that have affected the definition of the Plan.

### **2.6 The support, if any, of the plan by the special Fund for creating incentives for the workers to invest in companies pursuant to Art. 4, paragraph 112 of Italian Law no. 350 of 24 December 2003**

The Plan will receive no support from the special Fund for creating incentives for the workers to invest in companies pursuant to Art. 4, paragraph 112 of Italian Law no. 350, 24 December 2003.

## **3. PROCEDURE FOR APPROVAL AND TIMEFRAME OF OPTION AWARD**

### **3.1 Scope of powers and functions delegated to the board of directors by the shareholders' meeting in order to implement the plan**

On the proposal of the Committee of 27 February 2023, on 7 March 2023, the Board of Directors, resolved, among other things, with the abstention of the directors concerned, to submit the Plan to the approval of the Shareholders' Meeting.

The Shareholders' Meeting shall resolve on the Approval of the Plan and grant to the Board of Directors all necessary or appropriate powers to execute the Plan, notably (by way of example but not limited to) all powers



to identify Potential Beneficiaries, carry out the awarding to the Potential Beneficiaries, and perform any act, fulfilment of obligation and formal requirement, and notification necessary or appropriate to manage and/or implement the Plan itself, including the related regulation.

### **3.2 Indication of the parties appointed to administer the plan and their function and responsibility**

Pursuant to the Plan, the Board of Directors shall have all necessary or appropriate powers to execute the Plan, notably, all powers to identify the Beneficiaries, carry out the awarding to the Potential Beneficiaries, and perform any act, fulfilment of obligation and formal requirement, and notification necessary or appropriate to manage and/or implement the Plan itself, including its regulation. The Board of Directors may delegate its powers, duties and responsibilities for the execution and application of the Plan to the Chairman, the Chief Executive Officer and the Vice Chairman, jointly or severally, being understood that any decision related and/or concerning the management and/or implementation of the plan towards a Beneficiary who is an executive director of Banca Mediolanum shall remain within the exclusive competence of the Board of Directors. The adoption of the regulation of the Plan and all relevant amendments and/or integrations are in any case the responsibility of the Board of Directors in collective form.

The Committee will perform advisory and proposal-making functions for implementing the Plan pursuant to the Supervisory Provisions and the principles contained in the 2023 Group Remuneration Policies and the Corporate Governance Code.

### **3.3 Any existing procedures for reviewing the plans, also in connection with any changes in the basic objectives**

If one-off or unforeseeable events concerning the Bank – by way of an example, but not limited to, one-off transactions such as mergers, spin-offs, capital increases, or other transactions with similar effects on equity or on the ownership structure of the Group, as well as in the case of a change of control pursuant to Art. 93 of the Consolidated Finance Act and Art. 23 of the Consolidated Banking Act (even if an obligation to launch a public takeover bid does not arise) – the Board of Directors, following the favourable opinion of the Committee and the completion of the procedure specified for related party transaction (where applicable), might assess the option to make to the Plan the amendments and/or integrations and/or adjustments necessary to ensure its implementation, all this in the interest of the Bank and in compliance with the objectives of the plan itself.

Furthermore, in the case of unforeseeable special exceptional circumstances during the reference three-year period of the Plan (i.e. 2023, 2024 and 2025) that have a significant impact on the business, without prejudice to the malus and claw back mechanisms regulated by the Plan, the Board of Directors may carry out, at the end of this three-year period, an assessment – based on qualitative as well as quantitative elements, taking into account, by way of example but not limited to, the value created for the shareholders, the achievement of other management KPIs included in the business plan (such as AUM, Net Inflows), the performance with respect to the competitors and the market context – which might result in the reduction of up to 50% of the Bonus or its increase for a total maximum value of 20%. It is understood that: (i) the final total maximum value of the Bonus



cannot in any case exceed 100% of the value originally specified and notified to the Beneficiaries; and (ii) this right shall be exercised by the Board of Directors, with the favourable opinion of the Committee and following the completion of the procedure specified for related party transactions (where applicable).

The Board of Directors may make any amendment or supplement to the regulation of the Plan (once this is approved) deemed useful or necessary to better pursue the objectives of the Plan, taking into account the interests of the Beneficiaries and Bank, adopting the most expedient methods.

**3.4 Description of the methods through which the availability and awarding of the financial instruments on which the plans are based are calculated (e.g. free awarding of shares, capital increases with right of option, purchase and sale of treasury shares excluded).**

The Plan provides for the free assignment to the Beneficiaries of Units entitling them to receive, again free of charge, ordinary shares of Banca Mediolanum treasury shares, at a ratio of 1 Share for each 1 Unit accrued.

The Company shall make available to the Beneficiary all the Shares to which he/she is entitled following the vesting of the Units under the terms and conditions that shall be set forth in the regulations of the Plan.

As regards, in particular, the Chief Executive Officer of Banca Mediolanum, the Plan does not provide for the awarding or purchase of ordinary shares of the Bank on behalf of the latter, but rather the payment of the Bonus component in financial instruments in the form of Phantom Shares that will be settled through the payment of the Bonus in Cash.

**3.5 The role played by each director in determining characteristics of the above-mentioned plans; any recurrence of situations of conflict of interest involving the directors concerned**

The characteristics of the Plan to be submitted to the approval of the Shareholders' Meeting pursuant to Art. 114-bis of the Consolidated Finance Act and the Supervisory Provisions were defined by the Board of Directors in collective form, with the abstention of the directors concerned.

The resolutions of the Board of Directors were passed on the basis of the proposal formulated by the Committee.

**3.6 For the purposes of what is required by Art. 84-bis, paragraph 1, the date of the decision taken by the competent body to propose approval of the plans to the shareholders' meeting and the proposal, if any, of the remuneration committee**

The Board of Directors approved the motion to adopt the Plan on 7 March 2023, with the abstention of the directors concerned, on the proposal of the Committee of 27 February 2023.

**3.7 For the purposes of what is required by Art. 84-bis, paragraph 5(a), the date of the decision taken by the competent body regarding assignment of the instruments and the proposal, if any, to the aforesaid body formulated by the remuneration committee**

On 7 March 2023, the Board of Directors, with the favourable opinion of the Remuneration Committee of 27 February 2023, identified, subject to the approval of the Plan by the Shareholders' Meeting, the Potential Beneficiaries of the Plan.



**3.8 The market price, recorded on the above dates, for the financial instruments on which the plans are based, if traded in regulated markets**

The official market price of Banca Mediolanum ordinary share recorded on 27 February 2023 and on 7 March 2023 was equal, respectively, to Euro 9.10 And 9.322.



**3.9 In the case of plans based on financial instruments traded in regulated markets, in which terms, and according to which methods, the issuer takes into account the possible concurrence in time between the following when identifying the time frame for assigning instruments to implement plans:**

- (i) said awarding or any decisions taken regarding the remuneration committee, and**
- (ii) the disclosure of information deemed material pursuant to Art. 17 of the regulation (EU) no. 596/2014; e.g. if said information is:**
  - a. not already public and able to positively influence the market prices, or**
  - b. already published and able to negatively influence the market prices.**

Under the Plan, the allotment of Units to Beneficiaries shall be free of charge. The Units, once vested on the terms and conditions set out in the Plan, entitle the Beneficiaries to conversion, also free of charge, into Shares or Phantom Shares, as the case may be.

Any disclosure of inside information would not be relevant, in particular, with regard to the Chief Executive Officer of Banca Mediolanum that, based on the mechanism of the Plan, does not receive shares of the Bank.

For information on the criteria used to calculate the maximum number of Units/Shares/Phantom Shares that can be awarded to each Beneficiary of the Plan, as well as on the criteria used to settle, please refer to Paragraph 2.3 above.

#### **4. THE CHARACTERISTICS OF THE ASSIGNED INSTRUMENTS**

##### **4.1 The description of the forms in which the financial instrument-based remuneration plans are structured**

The Plan is based on the awarding without consideration to the Beneficiaries of Units that, under the terms and conditions of the Plan described in Paragraph 2.2 above, give the right to receive, as the case may be, Shares or Phantom Shares in a number calculated using the criteria specified in Paragraph 2.3 above.

The Plan also provides for the Bank's right - to be exercised by resolution of the Board of Directors, after consulting the Committee - to pay to the Beneficiaries a cash sum (the "**Replacement Sum**"), in lieu of and in substitution for the Shares, also in cases of conversion of the Units assigned to executive directors of the Bank other than the Chief Executive Officer of the Bank, or to executive directors of the Subsidiaries, as well as in cases in which it is impossible to assign the Shares to the Beneficiaries or in any other special cases established by the Board of Directors. In all the aforementioned cases, the Replacement Sum will be calculated on the basis of the arithmetic average of the official prices of the Bank's ordinary shares recorded on Euronext Milan during the 30 (thirty) trading days preceding the end of the Retention Period. If the shares of the Bank are no longer listed on Euronext Milan, the Replacement Sum will be calculated on the basis of the normal value of the shares in accordance with Art. 9 of Presidential Decree no. 917 of 22 December 1986.

##### **4.2 Indication of the actual implementation period of the plan, also with reference to any different planned cycles**

The 2023-2025 LTI Plan is a closed plan with a three-year performance period.

Pursuant to the Plan, the Board, after receiving the opinion of the Committee, may resolve, at one [or] several times during 2023, the participation of the Potential Beneficiaries to the Plan. The Board





of Directors might also identify, after receiving the opinion of the Committee, other Potential Beneficiaries, also in 2024 in predefined time windows and with the procedures specified by the Board, after receiving the opinion of the Committee, being understood that, in this case, the reference performance period in which the Access Conditions and the Performance Objectives must be met shall be of two years (“accrual period”).

Following the accrual of the Units, under the terms and conditions specified in Paragraph 2.2 above, the Bank shall make available to the Beneficiary as the case may be, the Shares or the Phantom Shares in a number determined using the criteria indicated in Paragraph 2.3 above.

#### **4.3 The term of the plan**

The Plan shall be effective from the approval by the ordinary Shareholders’ Meeting (called for 18 April 2023 in single call).

#### **4.4 The maximum number of financial instruments, also in the form of options, assigned every tax year in connection with the parties identified by name or with the specified categories**

At the Information Document Date, the estimated maximum total number of Shares to be allocated to service of the Plan is 275,571.

#### **4.5 The methods and the implementation clauses of the plan, specifying whether actual awarding of the instruments is subject to the occurrence of conditions or to the attainment of certain results, including performance; descriptions of these conditions and results**

As regards the methods and implementation clauses of the Plan, please refer to the content of the single paragraphs of this Information Document and, in particular, to Paragraphs 2.2 and 2.3 above.

#### **4.6 Indication of any availability restrictions weighing on the assigned instruments or on the instruments coming back from the year of the options, with particular reference to the terms within which subsequent transfer to the same company or to third parties is allowed**

The Units are personal, non-transferable and cannot be sold inter vivos and they cannot be pledged or given as guarantee to the Bank, the other Group companies or third parties. In general, they cannot be the object of any type of contract, including derivative contracts. The allotment of Units during the validity of the Plan shall not give any right or expectation to the allotment of Units in subsequent years, nor to the maintenance of the relationship between the Recipients and the Bank, or the Subsidiary, which shall continue to be governed in accordance with the applicable rules under applicable laws. Units may only be converted into Shares of the Bank by the Beneficiaries, except as provided for in the case of death or disability of the Beneficiary.

There are no restrictions on the transfer of the Shares allocated to the Beneficiary following the conversion of the Units accrued.

The Phantom Shares are personal, non-transferable and cannot be sold inter vivos, and they cannot be pledged or given as a guarantee to the Bank, the other Group companies or third parties. In general, they cannot be the object of any type of contract, including derivative contracts.

The virtual delivery of the Phantom Shares gives to the Chief Executive Officer none of the rights of shareholders; it shall give no right or expectation to the awarding of Phantom Shares in later years, or to a continuation of the existing relationship between the Chief Executive Officer and the Bank, or between the Chief Executive Officer and other Group companies, which will continue to be regulated by the relevant legal provisions in force.



After being accrued pursuant to the Plan, the Phantom Shares shall be settled with the payment of the Bonus in Cash directly to the Chief Executive Officer or, in the case of death or disability of the latter, respectively to the heirs and/or these or of their successors in title or legal representatives.

**4.7 The description of any cancellation conditions in connection with awarding of the plans should the recipients carry out hedging transactions allowing any prohibitions to sell the awarded financial instruments, or the financial instruments coming back from the year of said options, to be neutralised**

Not applicable. We refer in any case to the provisions of Paragraph 2.2 above in regard to the claw back mechanism and Paragraph 3.3 in regard to the qualitative assessment that might be carried out by the Board at the end of the reference three-year period of the Plan.

**4.8 The description of the effects caused by termination of employment**

The Plan provides for the accrual of the Bonus due to the Beneficiaries to be subject to the continuation of the relationship between the Beneficiary and the Bank, or the Subsidiary, from the Assignment Date to the assignment of the financial instruments, at the end of the retention period (“vesting period”), unless otherwise resolved by the Board of Directors, after receiving the opinion of the Committee.

The regulation of the Plan shall also govern specific rights to which the Beneficiaries are entitled in the event of termination of the relative relationship due to “bad leaver” or “good leaver” hypothesis, according to the usual incentive plan practice.

**4.9 Indication of any other causes to cancel plans**

Except as indicated in the previous Paragraphs, there are no causes for the cancellation of the Plan.

**4.10 Grounds relating to any provision for a “redemption” of the financial instruments covered by the plans by the company, established in Art. 2357 et seq. of the Italian Civil Code; the beneficiaries of the redemption, indicating if it is reserved to only particular categories of employees; the effects of the termination of employment on said redemption**

No “redemption” clauses for the financial instruments object of the Plan are provided for by the Bank, without prejudice to the provisions of Paragraph 2.2. above in regard to the “claw back” mechanism and Paragraph 3.3 in regard to the qualitative assessment that might be carried out by the Board at the end of the reference three-year period of the Plan.

**4.11 Any loans or other facilities planned to be granted for the purchase of the shares pursuant to Art. 2358 of the Italian Civil Code**

Not applicable.

**4.12 Indication of valuations on the expected charge for the company as at the date of relevant awarding, as can be calculated based on already defined terms and conditions, by total amount and in connection with each instrument of the plan**

At the Information Document Date, the Units have not yet been assigned to the Potential Beneficiaries identified on 7 March 2023, by the Board of Directors, with the positive opinion of the Committee of 27 February 2023, subject to the approval of the Plan by the Shareholders’ Meeting.

**4.13 Indication of any diluting effects on the capital caused by the remuneration plans**



The Plan will not cause any diluting effects on the share capital of Banca Mediolanum, since it is based on the allocation of the Bank's ordinary treasury shares (see Paragraph 3.4 above).

#### **4.14 Any restrictions set for exercising the voting right and for assigning property rights**

The Plan does not provide for any restrictions set for exercising the voting rights and for assigning property rights.

#### **4.15 If the shares are not traded in regulated markets, all information helpful for fully measuring the value assignable to them.**

Not applicable because the ordinary shares of Banca Mediolanum are listed on Euronext Milan.

#### **4.16 Number of financial instruments underlying each option**

The Plan is not a stock option plan.

#### **4.17 Deadline for options**

The Plan is not a stock option plan.

#### **4.18 Timing (e.g. valid exercise periods) methods (US/European) and exercise clauses (e.g. knock-in and knock-out clauses)**

The Plan is not a stock option plan.

#### **4.19 The option strike price or the methods and criteria for determining it, with particular regard to: a) the formula for calculating the strike price in connection with a certain market price (fair market value) (e.g.: strike price equal to 90%, 100% or 110% of the market price), and b) the methods for determining the market price taken as reference for determining the strike price (e.g. last price of the day prior to awarding, average of the day, average of the last 30 days, etc.)**

The Plan is not a stock option plan.

#### **4.20 If the strike price is not equal to the market price calculated as indicated under point 4.19.b (fair market value), reasons for this difference**

The Plan is not a stock option plan.

#### **4.21 Criteria on the basis of which different strike prices between various parties or various categories of recipient parties are envisaged**

The Plan is not a stock option plan.

#### **4.22 If the financial instruments underlying the options are not traded in the regulated markets, indication of the value assignable to the underlying instruments or the criteria for determining said value**

The Plan is not a stock option plan.

#### **4.23 Criteria for the adjustments made necessary following extraordinary transactions on the capital and other transactions that involve the change in the number of underlying instruments (capital increases, extraordinary dividends, grouping and division of the underlying shares, merger or demerger, transactions of conversion into other share categories, etc.)**

The Plan is not a stock option plan.

#### **4.24 Financial instrument-based remuneration plans (table)**



Table No. 1 provided for by paragraph 4.24. of Layout 7 of Annex 3A to the Issuers' Regulation will be provided in the manner and within the terms indicated in Article 84-*bis*, paragraph 5, letter a) of the same Regulation.