

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURES

pursuant to Art. 123-bis of the Consolidated Finance Act
YEAR 2022



Version approved by the Board of Directors on 7 March 2023
www.bancamediolanum.it

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

CONTENTS

GLOSSARY	Page 3
INTRODUCTION	Page 5
1.0 ISSUER PROFILE	Page 6
2.0 INFORMATION ON THE OWNERSHIP STRUCTURE (ex art. 123-bis, paragraph 1, Consolidated Finance Act [CFA] AS AT 31/12/2022 and 07/03/2023	Page 9
<ul style="list-style-type: none"> a) Share capital structure (ex art. 123-bis (1)(a) CFA) b) Restrictions on the transfer of securities (ex art. 123-bis, paragraph 1, letter b), CFA) c) Significant shareholdings in capital (ex art. 123-bis, paragraph 1, letter c), CFA) d) Securities conferring special rights (ex art. 123-bis, paragraph 1, letter d), CFA) e) Employee shareholdings: mechanism for exercising voting rights (ex art. 123-bis, paragraph 1, letter e), CFA) f) Restrictions on voting rights (ex art. 123-bis, paragraph 1, letter f), CFA) g) Shareholder agreements (ex art. 123-bis, paragraph 1, letter g), CFA) h) Change of control clauses (ex art. 123-bis, paragraph 1, letter h), CFA) and statutory provisions on takeover bids (ex art. 104, paragraph 1-ter, and 104-bis, paragraph 1, CFA) i) Mandates to increase share capital and authorization to purchase treasury shares (ex art. 123-bis, paragraph 1, letter m), CFA) j) Management and coordination activity (ex art. 2497 and subsequent subparagraphs) 	
3.0 COMPLIANCE (ex art. 123-bis, paragraph 2, letter a), first part, CFA)	Page 14
4.0 BOARD OF DIRECTORS	Page 15
<ul style="list-style-type: none"> 4.1 ROLE OF THE BOARD OF DIRECTORS 4.2 APPOINTMENT AND REPLACEMENT (ex art. 123-bis, paragraph 1, letter l), CFA) 4.3 ORGANIZATION (ex art. 123-bis, paragraph 2, paragraphs d) and d-bis), CFA) 4.4 OPERATION (ex art. 123-bis, paragraph 2, letter d), CFA) 4.5 ROLE OF THE PRESIDENT 4.6 EXECUTIVE DIRECTORS 4.7 INDEPENDENT DIRECTORS AND LEAD INDEPENDENT DIRECTOR 	
5.0 MANAGEMENT OF COMPANY INFORMATION	Page 62
6.0 INTERNAL COMMITTEES OF THE BOARD (ex art. 123-bis, paragraph 2, letter d), CFA)	Page 63
7.0 SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS - APPOINTMENTS COMMITTEE	Page 65
<ul style="list-style-type: none"> 7.1 SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS 7.2 APPOINTMENTS AND GOVERNANCE COMMITTEE 	
8.0 REMUNERATION OF DIRECTORS – REMUNERATION COMMITTEE	Page 72
<ul style="list-style-type: none"> 8.1 REMUNERATION OF DIRECTORS 8.2 REMUNERATION COMMITTEE 	
9.0 INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT – CONTROL AND RISK COMMITTEE	Page 81
<ul style="list-style-type: none"> 9.1 CHIEF EXECUTIVE OFFICER 9.2 RISK AND CONTROL COMMITTEE 9.3 MANAGER OF THE INTERNAL AUDIT FUNCTION 9.4 ORGANIZATIONAL MODEL ex Legislative Decree 231/2001 9.5 AUDITING COMPANIES 9.6 EXECUTIVE RESPONSIBLE FOR FINANCIAL REPORTING AND OTHER COMPANY ROLES AND FUNCTIONS 9.7 COORDINATION BETWEEN THE PARTIES INVOLVED IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM 	
10.0 DIRECTORS' INTERESTS AND TRANSACTIONS WITH RELATED PARTIES	Page 105
11.0 BOARD OF STATUTORY AUDITORS	Page 108
<ul style="list-style-type: none"> 11.1 APPOINTMENT 11.2 ORGANISATION AND OPERATION (ex art. 123-bis, paragraph 2, paragraphs d) and d-bis), CFA) 	
12.0 RELATIONS WITH SHAREHOLDERS	Page 120

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13.0 SHAREHOLDERS' MEETINGS (ex art. 123-bis, paragraph 1, letter l) and paragraph 2, letter c), CFA)	<i>Page 122</i>
14.0 FURTHER CORPORATE GOVERNANCE PRACTICES (ex art. 123-bis, paragraph 2, letter a), second part, CFA)	<i>page 125</i>
15.0 CHANGES SINCE THE CLOSING OF THE REFERENCE YEAR	<i>page 125</i>
16.0 CONSIDERATIONS ON THE LETTER OF THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE	<i>page 125</i>

ANNEXES

Annex 1: Paragraph on the "Main characteristics of the existing risk management and internal control systems in connection with the financial disclosure process" pursuant to Art. 123-bis, paragraph 2(b) of the CFA

Annex 2: Summary of Banca Mediolanum's compliance with the specific recommendations of the Corporate Governance Code

GLOSSARY

Code/Corporate Governance Code: the Corporate Governance Code for listed companies - prior to the Corporate Governance Code - approved in its latest version in July 2018 by the Corporate Governance Committee and promoted by Borsa Italiana SpA, ABI, Ania, Assogestioni, Assonime and Confindustria.

Corporate Governance Code/CG Code: the *Corporate Governance Code* of listed companies approved in January 2020 by the *Corporate Governance Committee* and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria.

Italian Civil Code: the Italian Civil Code.

Board: the Issuer's Board of Directors.

D.M 169/2020: DECREE 23 November 2020, No. 169 - Regulation on eligibility requirements and criteria to the performance of the assignment of the business exponents of the banks, the financial intermediaries, MGIs, electronic money institutes, payment institutions and depositor guarantee schemes. (OJ General Series No 310, 15.12.2020)

Supervisory Provisions: the supervisory provisions for the banks (particularly Bank of Italy Circular no. 285 of 17 December 2013 and subsequent updates).

Issuer/Company: the securities issuer to whom the Report refers.

Year: the year to which the Report refers (2022).

Merger: the merger by incorporation of Mediolanum S.p.A. into Banca Mediolanum S.p.A. which took effect from 30 December 2015

MAR: Market Abuse Regulation - (EU) Regulation no. 596/2014

MIB ESG: ESG index (Environmental, Social and Governance)

MTA: the Electronic Equity Market organised and managed by Borsa Italiana S.p.A.

Euronext Milan: regulated market for medium and large capitalisation companies

The Plan of Corporate Governance: document drawn up at consolidated level pursuant to Circular No 285 of 17 December 2013 of the Banca di Italia explaining the reasons that make the chosen model of administration and control the most suitable to ensure the efficiency of management and the effectiveness of controls, describes the specific choices relating to the organisational structure, shareholders' rights, financial structure, and ways of managing conflicts of interest.

CONSOB Issuers' Regulation or Issuers' Regulation: the Regulation CONSOB issued with resolution no. 11971 of 1999 (as later amended) on the question of issuers.

Regulation of the Board of Directors and Internal Committees: Regulation of Banca Mediolanum approved by the Board of Directors on 27 January 2021 and last updated at the meeting of 22 June 2021.

CONSOB Stock Market Regulations: the Regulation CONSOB issued with resolution no. 20249 of 2017 on markets.

CONSOB Related Parties Regulations: the Regulation CONSOB issued with resolution no. 17221 of 12 March 2010 (as later amended) on the question of transactions with related parties.

Report: this report on corporate governance and ownership structures drawn up by Banca Mediolanum in accordance with article 123-bis of the CFA.

Consolidated Banking Act/TUB: Italian Legislative Decree no. 385 of 1 September 1993.

Consolidated Finance Act/TUF: Italian Legislative Decree no. 58 of 24 February 1998.



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INTRODUCTION

Banca Mediolanum S.p.A. drew up this Report in order to explain the characteristics of the organisation of its corporate governance and ownership structures for the year 2022.

This Report is available on the website at www.bancamediolanum.it in the Section Governance, Corporate Documents, as well as on the eMarket Storage authorized storage mechanism at www.emarketstorage.com, and is drawn up pursuant to art. 123-bis of the CFA according to the format released by Borsa Italiana S.p.A. in January 2022.

Particular reference is made to the information relating to the Corporate Bodies (Board of Directors, Internal Board Committees and Board of Statutory Auditors), the Report indicates the situation as at 31 December 2022, unless otherwise specified.

The Report is submitted to the independent auditors, for the purpose of the checks and the opinion of consistency pursuant to art. 123-bis, paragraph 4, of the Consolidated Finance Act. The results of the activities carried out by the independent auditors are provided in the report prepared by the latter, in accordance with the law, and attached to the Bank's 2022 financial statements.

1.0 ISSUER PROFILE

The purpose of Banca Mediolanum S.p.A. is attracting savings and granting credit in its various forms. With observance of the provisions in force, it may carry out all transactions and banking and financial services, including the exercise of securities intermediation, and all other transactions instrumental and however connected with attaining the corporate purpose.

Banca Mediolanum also falls within the definition of "large company" - with non-concentrated ownership - as defined by the Corporate Governance Code presenting a market capitalisation of more than EUR 1 billion on the last open market day of each of the three preceding calendar years from 31 December 2020.

Banca Mediolanum S.p.A., whose listed securities have also been part of the MIB ESG index (Environmental, Social and Governance Index, launched by Euronext and Borsa Italiana, which combines measurement of economic performance with ESG impacts) since 18 October 2021, has long undertaken a process of awareness of the role of responsible enterprise, through its commitment to doing business in a way that respects people and the environment, placing the Customer in a central position and pursuing the development of the community in which the company is inserted.

Sustainability is an essential part of Mediolanum's values and culture, with the objective of developing a solid and sustainable business in the long term. This commitment is demonstrated by the desire to generate added value for all stakeholders, the success of which ensures the sustainability of the Group's business.

With a view to greater transparency linked to sustainability issues, as well as in light of the importance given to the assessments of sustainability performance by stakeholders, investors and non-investors, Banca Mediolanum responsibly chooses to measure business decisions, analysing all impacts (economic and otherwise) that they have on each ESG factor. These decisions are then made public by the individual international sustainability raters and are available on the website www.bancamediolanum.it in the Sustainability Section.

Vision, Mission and Values are also illustrated in the Consolidated Non-Financial Declaration as at 31.12.2021, drawn up pursuant to Leg. Decree 254/2016 and published together with the Annual Financial Report as at 31.12.2021 also on the website in the Corporate Governance Section, item 2022 Shareholders' Meeting.

The Consolidated Non-Financial Declaration as at 31.12.2022 will be made available within the legal period in the same Section of the Bank's corporate website relating to the 2023 Shareholders' Meeting.

The information on Sustainability of Banca Mediolanum S.p.A. is available on the website www.bancamediolanum.it in the Sustainability Section.



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As at 28 June 2022, Banca Mediolanum became a signatory and official member of UNEP FI (United Nations Environment Program Finance Initiative) or the United Nations Environment and Finance Program. The signed commitment is an important step towards the alignment of the banking sector with the United Nations Paris Agreement on climate change and the Sustainable Development Goals (SDGs). This participation represents an important manifestation of Banca Mediolanum with respect to sustainability issues, not only from an environmental but also from a social point of view.

The Company is organised according to the “traditional” type of administration and control model pursuant to Arts. 2380-*bis* et seq. of the Italian Civil Code, with the Shareholders’ Meeting, the Board of Directors with administrative functions, a Board of Statutory Auditors with administration control functions and the Independent Auditors to whom the auditing task is entrusted.

On the basis of the in-depth assessment, this model was considered the best suited to ensure the efficiency of the management and the effectiveness of the controls, also considering the costs connected with the adoption and functioning of the selected system.

This system ensures perusal of the objectives of sound and prudent management and the requirement to balance powers and make an adequate distinction between the strategic supervision, management and control functions indicated by the supervisory rules.

The Board of Directors guides the Company by pursuing its sustainable success, first of all by approving the Group’s guidelines for economic and financial planning. In the area of long-term planning, the Group identifies the relevant areas of sustainability and defines a plan for achieving the defined objectives, taking into account long-term value creation for the benefit of the shareholders and taking into account the interests of other stakeholders. At least on an annual basis, the Board of Directors monitors the state of achievement of the objectives defined in the Multi-Annual Plan, defining the short-term objectives (annual budgeting). (Paragraph 4.1)

The Board of Directors is also responsible for integrating the sustainability objectives within the areas i) of the Internal Control and Risk Management System (Section 9) and ii) into the compensation policies (Section 8).

The Board of Directors has chosen to entrust the Risk Committee with the task of supporting the Board of Directors on sustainability issues related to the exercise of the company’s activities and its interaction with all stakeholders, assessing - inter alia - and before the Board of Directors, the Sustainability Report (Paragraph 9.2).

Starting from 30 December 2015, the Bank took on the qualification of Parent Company of the Mediolanum Banking Group entered in the Bank Group Registry, at the same time also taking on the qualification of Parent Company of the Mediolanum Financial Conglomerate with banking its prevailing activity.

Since it listed its ordinary shares on the MTA (now Euronext Milan) organised and managed



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by Borsa Italiana S.p.A., Banca Mediolanum is considered, with reference to the Bank of Italy provisions on corporate governance (Title IV, Chapter 1, Section I of the Supervisory Provisions), to be a larger-sized bank, or one with more complex operations.

Effective from 1 January 2022, the European Central Bank (ECB), as the competent authority, directly supervises Banca Mediolanum S.p.A. - as significant supervised Entity at the highest level of consolidation - and subsidiaries such as Banco Mediolanum S.A. (Spain) and August Lenz & Co. (Germany) which is no longer part of the Mediolanum Banking Group as of November 7, 2022. BCE recognised the exit from the Banking Group by decision of February 16, 2023. Banca d'Italia it remains the competent Supervisory Authority for the remaining companies of the Banking Group that are not part of the Group supervised by the BCE..

The Issuer, in its capacity as Parent Company of the Mediolanum Banking Group, pursuant to Art. 61, paragraph 4 of the Consolidated Banking Act, issues instructions to the group members also taking into account the European regulatory environment for banking supervision (Single Supervisory Mechanism of the ECB) to execute instructions given by the Bank of Italy in the interest of the Group's stability as part of its management and coordination activity.

2 INFORMATION ON THE OWNERSHIP STRUCTURE (pursuant to art. 123-bis, paragraph 1, Consolidated Finance Act [CFA] AS AT 31/12/2022 and 07/03/2023

a) Share capital structure (ex art. 123-bis (1)(a) CFA)

The Company's subscribed and paid-up share capital at 31 December 2022 is EUR 600,451,903.40 divided into 742,920,891 shares without a nominal value indication, while at the date of this Report the subscribed and paid-up capital is EUR 600,458,203.40, divided into 742,983,891 shares without a nominal value.

For share-based incentive plans (stock options, stock grants, etc.) involving increases, even free of charge, in the share capital, please refer to the documentation currently being published on the website www.bancamediolanum.it in the Corporate Governance Section under Other Corporate Documents as well as the Report on remuneration policies being published on the same website in the Shareholders' Meeting Section.

There are no shares of a category other than the one mentioned.

b) Restrictions on the transfer of securities (ex art. 123-bis, paragraph 1, letter b), CFA)

There are no restrictions on transfer of securities.

c) Significant shareholdings in capital (ex art. 123-bis, paragraph 1, letter c), CFA)

The situation regarding the parties that directly or indirectly have more than 3% interest in the subscribed and paid-in share capital of Banca Mediolanum S.p.A., represented by shares with voting right according to the entries in the shareholders' register, supplemented by the communications received and other information available, is described in Table 1 below:

TABLE 1: INFORMATION ON OWNERSHIP STRUCTURES AS AT 7 MARCH 2023

SHARE CAPITAL STRUCTURE				
	No. of shares	No. of voting rights	Listed (specify markets) / not listed	Rights and obligations
Ordinary shares (specifying whether voting rights may be increased)	742,983,891	742,983,891	Euronext Milan	
Inside shares	/	/		
Multiple-voting shares	/	/		
Other categories of shares with voting rights	/	/		

Savings shares	/	/		
Convertible savings shares	/	/		
Other categories of shares with no voting rights	/	/		
Other	/	/		
SIGNIFICANT INTERESTS IN THE CAPITAL				
Registrant	Direct shareholder	Share % of ordinary capital	Share % of voting capital	
Silvio Berlusconi	Fininvest S.p.A.	30.12	9.999 (*)	
FINPROG ITALIA SPA	FINPROG ITALIA SPA	26.287	23.174	
Tombolato Lina	T - INVEST SRL	6.844	6.844	
	Tombolato Lina (usufruct with voting rights)	3.113	3.113	
	Tombolato Lina (usufruct without voting rights)	3.113	0	
LINA SRL	LINA SRL	3.176	3.176	

(*) Following the administrative procedure initiated by the Bank of Italy, the European Central Bank informed, by decision of 25/10/2016, to oppose the acquisition by Fininvest Spa of a qualified shareholding in Banca Mediolanum Spa. As indicated by the Bank of Italy in the proposal for a decision sent to the European Central Bank, this decision entails the suspension of voting rights regarding the share in excess of 9.999% of the participation held by Fininvest Spa in Banca Mediolanum Spa.

d) Securities conferring special rights (ex art. 123-bis, paragraph 1, letter d), CFA)

No securities giving special control rights were issued.

The By-laws of the Issuer do not contain provisions regarding increased voting rights pursuant to Art. 127-quinquies of the Consolidated Finance Act.

e) Employee shareholdings: mechanism for exercising voting rights (ex art. 123-bis, paragraph 1, letter e), CFA)

There is no employee share ownership system.

b) Restrictions on voting rights (ex art. 123-bis, paragraph 1, letter f), CFA)

There are no voting right restrictions.

g) Shareholder agreements (ex art. 123-bis, paragraph 1, letter g), CFA)

Doris Family Agreement

On 20 December 2017, Ennio Doris, Lina Tombolato, Massimo Doris and Annalisa Doris, on

the one side, and FINPROG ITALIA S.p.A. ("FINPROG" previously Fin. Prog. Italia S.A.p.A. di Ennio Doris & C.), T-Invest S.r.l. and Snow Peak S.r.l., on the other, signed a shareholders' agreement - tacitly renewed on 20 December 2020, up to 2023 - containing several significant shareholders provisions pursuant to Art. 122 of the Consolidated Finance Act (the "Shareholders' Agreement") aimed at regulating the exercising of the voting right pertaining to the Banca Mediolanum shares held by the parties on the significant matters covered by the Bank's shareholders' meeting, and the restrictions to transfer shares of the Bank and of the T-Invest S.r.l. and Snow Peak S.r.l. vehicles, all as better explained in the essential information on the Shareholders' Agreement published pursuant to Art. 130 of the Consolidated Finance Act on the Bank's website ("Shareholding Structure" Section).

On 21 November 2018, by means of a press release issued by Banca Mediolanum on behalf of the Doris family, information was given on the fact that the members of the Doris Family - and, in particular, Mr Ennio Doris, Ms Lina Tombolato, Mr Massimo Antonio Doris and Ms Annalisa Sara Doris - initiated the amendment of voting agreements on the shares held by them, respectively in FINPROG and in Banca Mediolanum S.p.A., in fulfilment of the aforementioned shareholders' agreement signed by the aforementioned parties on 20 December 2017.

On 13 November 2019, due to the transfer of Banca Mediolanum shares by certain members of the Shareholders' Agreement in fully owned companies, the following joined the Shareholders' Agreement: (i) the company Lina S.r.l., fully owned by Mr Ennio Doris; and (ii) the company FiveFlowers S.r.l., fully owned by Annalisa Sara Doris.

The shareholders' agreements contained in the Shareholders' Agreement did not change.

As noted on 20 December 2020, the Shareholders' Agreement was tacitly renewed for a period of a further three years and therefore, up to 20 December 2023, all in accordance with the provisions set out by said Shareholders' Agreement (the "2020 Renewal").

Following the passing of Mr. Ennio Doris on 24 November 2021, the right of usufruct (with vote) of Ennio Doris on Banca Mediolanum shares and FINPROG shares were transferred on the same date to his spouse Lina Tombolato for "right of increase" pursuant to art. 678 c.c., in compliance with the provisions of the usufruct agreements. To supplement its communication of 30/11/2021 the partner Lina S.r.l. informed the Company on 28/2/2022 that the succession of the assets of Mr Ennio Doris, who died on 24 November 2021, has not yet been settled, with Massimo Antonio Doris and Annalisa Sara Doris as beneficiaries.

On 12 October 2022, Massimo Antonio Doris and Annalisa Sara Doris - as sole heirs of Mr Ennio Doris and following the resignation of Ms Lina Tombolato - appointed a common representative for the exercise of their rights relating to the equity investments held jointly by the same in the companies LINA S.r.l. and FinProg Italia S.p.A.

On 9 November 2022, Ms Lina Tombolato, as usufructuary with voting rights, and Fin.Prog., as bare owner without voting rights, signed a usufruct amending agreement on 23,130,000 shares of Banca Mediolanum (representing 3.1134% of the share capital), by virtue of which

Ms Lina Tombolato assigned, free of charge, the right to vote on these shares to the bare owner Fin.Prog.

The essential information, last updated as at 31 December 2022, relating to the shareholders' agreements contained in the Shareholders' Agreement are published, pursuant to Article 130 of the Issuers' Regulation, on Banca Mediolanum's website at www.bancamediolanum.it in the "Shareholders" Section.

h) Change of control clauses (ex art. 123-bis, paragraph 1, letter h), CFA) and statutory provisions on takeover bids (ex art. 104, paragraph 1-ter, and 104-bis, paragraph 1)

The Issuer and its subsidiaries have neither stipulated nor are party to significant agreements that take effect, are amended or lapse in the case of change of control of the company.

The By-laws of the Bank does not contemplate provisions with reference to the provisions pursuant to Art. 104, paragraph 1-ter of the Consolidated Finance Act in derogation of the regulations of the *passivity rule* provided for by Art. 104, paragraphs 1 and 1-bis, of the Consolidated Finance Act. It is also reported that the Issuer's By-laws do not provide for application of the neutralisation rules contemplated by Art. 104-bis, paragraphs 2 and 3 of the Consolidated Finance Act.

i) Mandates to increase the share capital and authorisations to purchase treasury shares (ex art. 123-bis, comma 1, letter m), CFA)

As regards the mandates for share capital increases pursuant to Art. 2443 of the Italian Civil Code, please refer to Art. 6 of the Issuer's Articles of Association, which can be found on the storage mechanism of Spafid Connect S.p.A. at www.emarketstorage.com and on the www.bancamediolanum.it website in the Corporate Governance Section under Corporate Governance Documents".

Said mandates service previous stock option plans promoted by the incorporated Mediolanum S.p.A.

The Shareholders' Meeting of the Issuer on 7 April 2022 approved the establishment of new 2022 Performance Share Plans, which, in keeping with the already existing plans, will be implemented through the free assignment of rights to receive, again for nil consideration, ordinary shares held by the Bank itself. The provision of ordinary Banca Mediolanum shares to be reserved for the service of the 2022 Performance Share Plans consists of treasury shares held by the Bank.

It should be noted that there are no plans to submit a new proposal for authorisation to purchase treasury shares to the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2022).

In this regard, it should be noted that the Issuer at 31 December 2022 holds No. 4,858,190 of treasury shares equivalent to 0.6539% of the share capital.

l) Management and coordination activity (ex art. 2497 et seq. of the Italian Civil Code)

The Issuer is not subject to management and coordination activity.

Please note that:

- the information required by article 123-bis, paragraph 1, letter i) ("the agreements between the company and the directors ... providing compensation in the event of resignation or dismissal without due cause or if their employment relationship ceases as a result of a takeover bid") are contained in the Remuneration Section of the Report (Paragraph 8.1);
- the information required by article 123-bis, first paragraph, letter l), first part ("the rules applicable to the appointment and replacement of directors ... if different from the laws and regulations applicable in addition") are explained in the Section of the Report dedicated to the Board of Directors (Paragraph 4.2);
- the information required by Article 123-bis, first paragraph, point l), second part ("the applicable rules ... to the amendment of the articles of association, if they are different from those applicable by way of supplementary laws and regulations") are explained in the Section of the Report dedicated to the shareholders' meeting (Paragraph 13).

3 COMPLIANCE (ex art. 123-bis, paragraph 2, letter a), first part, CFA)

Banca Mediolanum SpA has approved since 23 September 2015 and with effect from the listing on 30 December 2015, its adherence to the Corporate Governance Code for listed companies.

The Company adheres to the Corporate Governance Code –which replaces the previous Corporate Governance Code – starting from 1 January 2021 by adopting the appropriate resolutions in order to adjust its corporate governance system to the principles and recommendations contained within the Corporate Governance Code, according to the principle of "*comply or explain*".

In this regard, please refer to the document attached to this Report, which summarises Banca Mediolanum's compliance with the specific recommendations of the Corporate Governance Code (Annex 2).

The Corporate Governance Code is available on the webpage <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>

The Company also established that when there are transactions that have a significant strategic, economic, capital or financial impact for it, the subsidiaries submit the transaction to the Board of Directors of the Parent Company Banca Mediolanum S.p.A.

As at the date of this Report, the Issuer falls within the "*significant*" category of banks for the purposes of single European supervision (Section 1.0)

The Issuer and its subsidiaries are not subject to non-Italian legal provisions that affect the corporate governance structure of the Issuer.

4.0 BOARD OF DIRECTORS

4.1 Role of the Board of Directors

The Board is the body responsible for company management, guiding the Issuer by pursuing its sustainable success. In this context, the Company Board functions as the strategic supervision body and is assigned the function of directing the management of the company, with the task of defining the Issuer and Group strategies in line with the pursuit of sustainable success, monitoring their implementation. Additionally, the same defines and approves the guidelines applied to the Internal Control System, ensures that it is consistent with the defined strategic policies and risk appetite, and that it has the ability to manage any change occurring in corporate risks and their interactions; (Section 1.0)

The body must ensure governance of the risks to which the Bank is exposed, promptly identifying the sources, possible dynamics and necessary controls.

In addition, it is called upon, in particular, to:

- i) approve the Bank's organisational and corporate governance structure, ensuring the clear distinction of tasks and functions and prevention of conflicts of interest;
- ii) approve the accounting and reporting systems;
- iii) oversee the Bank process of public information and communication; iv) to ensure effective dialectic communication with the management function and with the key company functions and to check the choices and decisions they have made over time.

Lastly, the Board of Directors promotes, in the most appropriate forms, dialogue with shareholders and other stakeholders relevant to the Issuer (Section 12).

With a view to strengthening the Governance model in the ESG area, the Regulation of the Board of Directors and Board Committees was recently updated, with the integration of a better formalisation of the role of the Board of Directors, specifying in greater detail the role of strategic guidance of the Board with reference to sustainability issues and integration of environmental, social and governance (ESG) factors. In the collective exercise of the strategic supervision function, the Corporate Governance Project and the Regulation of the Board of Directors - last approved by the Board of Directors on 8 February 2023 - expressly provide that the Board, in addition to the responsibilities assigned to it by Art. 23 of the Articles of Association (see below as last approved with Extraordinary Shareholders' Meeting held on 7 April 2022), in particular

- definition and approval of:
 - the business model, being knowledgeable of the risks to which this model exposes the Bank and understanding of the methods through which the risks are recorded and assessed, also taking into account the objectives of sound and sustainable creation of value for all stakeholders;
 - the strategic policies, integrating in them the environmental, social and governance (ESG) factors, and periodically reviews them in connection with the evolution of the

- company's activity and the external context, in order to ensure their effectiveness over time;
- the risk objectives, the tolerance threshold (where identified) and the risk governance policies. In particular, it defines the nature and level of risk compatible with the Company's long-term objectives, including in its assessments all elements that may be relevant to the Company in terms of sustainable success;
 - the criteria for coordinating and managing Companies of the Banking Group, and for determining criteria for executing instructions of the Bank of Italy;
 - to approve, review and update the recovery plan, as well as its amendment and updating at the request of the Supervisory Authority;
 - to adopt, at the request of the Supervisory Authority, the changes to be made to the business, organisational structure or corporate form of the bank or banking group, and any other measure that is necessary to achieve the objectives of the recovery plan, as well as to eliminate the causes for an early intervention, without prejudice to the Assembly's competence in this matter;
 - to decide the adoption of a measure provided for in the recovery plan or to refrain from adopting a measure in the circumstances;
 - to approve a policy for the promotion of diversity and inclusiveness;
 - the guidelines applied to the internal control system, ensuring that they are consistent with the strategic policies and risk appetite set forth and are able to identify any change occurring in corporate risks and interactions among the same;
 - the criteria for identifying the most important transactions to submit to the prior scrutiny of the risk control function.
- it approves:
 - the establishment of the corporate control functions, their tasks and responsibilities, the coordination and cooperation methods to be adopted, the information flows among these Functions and between the functions and other corporate bodies;
 - the risk management process and assesses its compatibility with the strategic guidelines and risk governance policies;
 - the policies and assessment processes of the company's activities, and in particular of the financial instruments, checking their constant adequacy; it also establishes the maximum limits to the Bank's exposure to financial instruments or products of uncertain or difficult assessment, including verification that the price and the conditions of the transactions with the customers are consistent with the business model and the risk strategies;
 - the process for developing and ratifying internal risk measurement systems not used for regulatory purposes and periodically assesses their correct functioning;
 - a document, disseminated to all the involved structures, that defines the tasks and responsibilities of the various control bodies and functions, the information flows

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- among the different functions/bodies and between these and the corporate bodies and, if the control areas show some potential overlaps or allow for the development of synergies, the coordination and collaboration methods that can ensure a correct interaction among all the functions and bodies with control responsibilities, avoiding overlaps or gaps;
- the process for the approval of new products and services, the launch of new activities and the entry into new markets;
 - the corporate policy on outsourcing corporate functions and approves the decision to proceed with outsourcing of essential or important functions and the annual reports on the controls performed on the important essential functions or outsourced control departments, on any shortcomings possibly found and on the consequent corrective actions adopted, prepared by the internal audit function with the support of the control body;
 - a code of ethics, implemented to mitigate the operational and reputation risks of the Bank and to promote the spread of a proper risk and internal controls culture, with which the members of the corporate bodies and employees are required to comply.
 - the internal system for reporting infringements;
 - where the Bank is subject to it, the stress testing programme, as outlined in the "Guidelines on Entities Stress Testing" (EBA/GL/2018/04);
 - the corporate governance project, with the favourable opinion of the control body;
 - the AMD (Maximum Amount Available), after consulting the control function body, if the Company should not observe the joint capital reserve requirement;
 - amendments to the main internal regulations except in the cases provided for in those regulations;
- defines the corporate governance system of the Company and the structure of the Group it heads and assesses the adequacy of the organisational, administrative and accounting structure of the Company and its strategically important subsidiaries, particularly as regards the internal control and risk management system (please refer to the detailed informations contained in Section 9);
 - pursues sustainable success;
 - decides on the taking on and disposal of strategic equity investments;
 - appoints and revokes the General Manager, except in cases of appointment by the Shareholders' Meeting, pursuant to Art. 2396 of the Italian Civil Code;
 - appoints and revokes the managers of the control functions, after consulting with the Board of Statutory Auditors;
 - after consulting with the board of statutory auditors, appoints the executive responsible for financial reporting;
 - decides on the formation of the committees within the corporate bodies;
 - with a specific resolution, establishes the classification, assessment and management criteria for the impaired exposures, as well as the units in charge;

- processes, submits to shareholders' meetings, and re-examines, at least on an annual basis, the remuneration and incentive policy and responsibility for its correct implementation; it approves the outcomes of any exclusion procedure of the most significant personnel and periodically reviews the relative criteria. It also ensures that the remuneration policy is adequately documented and accessible within the corporate structure and that the consequences of any violations of regulations or codes of ethics or conduct are known to staff;
- defines the remuneration and incentive systems at least for the following parties: the executive directors; the general managers; the general co-managers; the vice general managers and similar figures; the managers of the major lines of business, corporate functions or geographical areas; those who report directly to the bodies with strategic, management and control supervision function; the managers and personnel of a higher level of the corporate control functions. It particularly ensures that said systems are consistent with the Bank's overall decisions in terms of taking on risks, strategies, long-term objectives, corporate governance and internal controls structure;
- ensures that:
 - the Bank's structure is consistent with the activity carried out and with the business model adopted while avoiding the creation of complex structures not justified by operational purposes;
 - the internal control system and the corporate organisation are always consistent with the principles set out in the Supervisory Provisions and that the corporate control functions meet the requirements and comply with all provisions of the law (including the Supervisory Provisions). If any gaps or anomalies emerge, it promptly promotes the adoption of the appropriate corrective measures and assesses their efficacy, also over time through appropriate follow-up procedures;
 - implementation of the RAF is consistent with the approved risk objectives and tolerance threshold (where identified); periodically assesses the adequacy and effectiveness of the RAF and the compatibility between the actual risk and the risk objectives;
 - the strategic plan, the RAF, the ICAAP/ILAAP, the stress testing programme (if the Bank is subject to it), the budgets and the internal control system are consistent and integrated, also bearing in mind the evolution of the internal and external conditions in which the Bank operates;
 - on proposal of the Management Committee, and subject to assessment by the Risk Committee, the Contingency Funding and the Recovery Plan in all its parts and all updates, amendments and supplements;
 - the quantity and allocation of the capital and liquidity held are consistent with the risk appetite, the risk governance policies and the risk management process;

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- at least on an annual basis, approves the planning of the activities including the *audit* plan prepared by the Internal Audit function, and reviews the annual reports prepared by the corporate control functions;
- with reference to the ICAAP/ILAAP process, it defines and approves the general guidelines of the process, ensures it is consistent with the RAF and promptly adapts them to significant changes in the strategic lines, organisational structure and the operational context of reference; it promotes full use of the results of the ICAAP/ILAAP for the company's strategic purposes and decisions taken;
- regarding credit and counterparty risks, it approves the general lines of the risk mitigation techniques of the management system that monitors the entire acquisition, assessment, control and realisation of the risk implementation instruments used;
- periodically checks that the choices made retain their validity over time, approves the substantial changes to the system and sees to the overall supervision of its proper operation;
- establishes the frequency, in any case no more than quarterly, with which the delegated bodies must report to the board on the activity carried out for the mandates given to them during the year;
- reviews and approves the long-term plan of the Company and the Group, also on the basis of the analysis of the issues that are relevant for the generation of long-term value;
- monitors, on a regular basis, the implementation of the long-term plan and assesses the general performance of operations, particularly taking into consideration the information received from the delegated bodies and periodically comparing the results attained with those scheduled;
- resolves on the transactions of the Company and of its Subsidiaries, when they have considerable strategic, economic, equity or financial importance for the Company itself; for this reason, it establishes general criteria to identify the transactions of considerable importance;
- at least once a year the Board of Directors assesses the adequacy of the system of internal controls, as well as the system for risk management in relation to company characteristics and the assumed risk profile, in addition to its efficacy;
- after consulting with the Board of Statutory Auditors, assesses the results shown by the independent auditors in the letter of suggestions and in the report and additional report for the Board of Statutory Auditors;
- with the support of the Risk Committee, carries out supervisory functions regarding the adequacy of powers and resources assigned to the executive responsible and the actual observance of the administrative-accounting procedures;
- in order to ensure the proper management of corporate information, adopts, on the proposal of the Chairman in agreement with the Chief Executive Officer, a procedure for

the internal management and external disclosure of documents and information concerning the Company, with particular reference to inside information.

The body is also responsible:

- for keeping up a liquidity level consistent with the risk exposure tolerance threshold;
- for defining strategic guidelines, governance policies and management processes pertaining to the specific risk profile. For this purpose:
 - defines the liquidity risk tolerance threshold, considered the maximum risk exposure allowed, according to the criteria set out in the Supervisory Provisions;
 - it approves:
 - the methodologies the Bank uses to assess the liquidity risk exposure;
 - the main assumptions underlying the stress scenarios;
 - the attention indicators used to activate emergency plans;
 - the emergency plan to activate in case of market crises or specific situations of the Bank (*Contingency Funding Plan – CFP*);
 - the principles regarding definition of the pricing system for internal transfer of the funds, in observance of the regulatory criteria (including those under Supervisory Provisions), ensuring that the function assigned to drawing up the aforesaid system is independent from the operational functions;
 - defines the policies for classifying indirect investments in equity for supervisory purposes, after consulting with the Board of Statutory Auditors;
 - defines the internal policies on equity investments in non-financial companies, after consulting with the Board of Statutory Auditors.

With reference to the Bank's information system:

- it approves the information system development strategies in consideration of the evolution of the sector of reference and consistent with the existing and future structure of the business sectors, processes and organisation; in this context, it approves the reference model for the architecture of the information system;
- approves the IT security policy;
- approves the guidelines concerning selection of the personnel with technical functions and acquisition of systems, software and services, including utilization of external suppliers;
- promotes the development, sharing and updating of ICT knowledge within the company;
- is informed at least annually about the adequacy of the services provided and the support of these services to the development of company operations, in relation to the costs incurred;
- is promptly informed in the event of serious issues for the company's business arising from incidents and malfunctioning of the information system;

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- approves the organizational and methodological reference framework for IT risk analysis, and promotes the appropriate utilization of information on technological risk within the ICT function and integration with the risk measurement and management systems (in particular operational, reputation and strategic risks);
- approves the IT risk appetite, with regard to internal services and those offered to customers, in accordance with the risk objectives and the reference framework for determining the risk appetite at corporate level;
- is informed at least annually about the cyber risk situation as far it refers to risk appetite.

Furthermore, with reference to the Shareholders' Meeting:

- ensures that a manager appointed to management of relations with the shareholders is identified and periodically assesses the advisability of going forward with the establishment of a company structure assigned said function;
- proposes to the shareholders' meeting for its approval a regulation specifying the procedures to follow in order to allow orderly and functional carrying out of the shareholders' meetings while at the same time guaranteeing the right of each shareholder to speak on the items on the agenda;
- if deemed necessary to define a corporate governance system that is more suitable to the company's needs, it formulates reasoned proposals to be submitted to the Shareholders' Meeting on the following subjects: a) choice and characteristics of the corporate model (traditional, "one-tier", "two-tier"); b) qualitative and quantitative composition; c) detailed administrative and equity rights of the shares; d) percentages established for the exercise of the prerogatives protecting minority investors.

The distribution of duties is in actual fact aimed at allowing the Board of Directors to concentrate on the goal of creating value for the shareholders.

In compliance with sector regulations and with a view to creating value, the Board has reserved the following duties (art. 23 of the Articles of Association, as amended by resolution of the Extraordinary Shareholders' Meeting of 7 April 2022 on the subject of powers and responsibilities of the Board of Directors):

1. *The Board of Directors shall be entitled to all powers for the ordinary and extraordinary management of the Company, and shall be empowered to carry out all acts deemed appropriate for the achievement and implementation of the company purpose, to the exclusion only of those specifically reserved by law to the General Meeting.*
2. *It is the sole responsibility of the Board of Directors, in addition to the provisions of primary and secondary regulations in force at the time:*
 - *to define the overall governance structure and to approve the guidelines of the bank's organisational structure;*
 - *to approve the accounting and reporting systems;*
 - *to supervise the bank's public information and communication process;*

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- *to ensure effective dialectic communication with the management function and with the key company functions and to check the choices and decisions they have made over time;*
 - *to determine general management policies, including the decisions pertaining to the guidelines and strategic transactions and industrial and financial plans;*
 - *to approve and amend the main internal regulations;*
 - *to appoint and revoke the General Manager, except in cases of appointment by the Shareholders' Meeting, pursuant to Art. 2396 of the Italian Civil Code;*
 - *to appoint and revoke the Managers of the Internal Audit, Conformity and Risk Control functions;*
 - *to take on and dispose of equity investments that alter the group's composition;*
 - *to set up committees or commissions with advisory or coordination functions, including the Risk Committee, the Appointments Committee and the Remuneration Committee, whose functioning must be regulated by special board regulations;*
 - *to determine criteria for coordinating and managing companies of the banking group, and for determining criteria for executing instructions of the Bank of Italy;*
 - *to approve, review and update the recovery plan, as well as its amendment and updating at the request of the Supervisory Authority;*
 - *to adopt, at the request of the Supervisory Authority, the changes to be made to the business, organisational structure or corporate form of the bank or banking group, and any other measure that is necessary to achieve the objectives of the recovery plan, as well as to eliminate the causes for an early intervention, without prejudice to the Assembly's competence in this matter;*
 - *to decide the adoption of a measure provided for in the recovery plan or to refrain from adopting a measure in the circumstances;*
 - *to approve a policy of diversity and promotion of inclusiveness*
3. *Without prejudice to the provisions of Art. 15.2 of these by-laws, the Board of Directors is responsible for adopting resolutions concerning:*
- *merger in the cases provided for by Art. 2505 of the Italian Civil Code, within the legal limits;*
 - *the setting up or closing of company branches, and the setting up, transfer and closing of branches and agencies;*
 - *indication of which directors represent the Company;*
 - *the reduction of capital if the shareholder withdraws;*
 - *adaptations of the by-laws to regulatory provisions;*
 - *the issue of non-convertible bonds within the limits set by the current pro temporary primary and secondary regulations.*

With reference to the main activities carried out by the Board of Directors in 2022, the following should be noted in particular: (i) strengthening of the Governance model in the ESG



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area and the management interventions to promote implementation of the strategic guidelines in the coordinated management of business processes aimed at achieving full integration of sustainability issues (ESG) into the Group's business model; (ii) the approval of a Green Senior Preferred Bond issue program.

The Board of Directors has drawn up the budget for the same year as well as the multi-year planning. Quarterly it examines the relevant business performance data file for the reference quarter, which shows the relevant commercial variables of Banca Mediolanum and subsidiaries against their respective budget targets valid for 2022.

During the year, the Board approved the 2021 draft financial statements, the accounting documents for the period (Interim Report on Operations and Interim Financial Report), as well as the periodic review of operations;

The Board at its meeting on 20 January 2022, and most recently at its meeting on 8 February 2023, approved the Corporate Governance Project" for the Mediolanum Banking Group as required by the Banca di Italia Circular no. 285 dated 17 December 2013 and subsequent updates (Supervisory provisions for banks).

The Plan was drawn up on a consolidated basis and illustrates the reasons that make the administration and control model chosen the most suitable to ensure efficient management and effective controls, describing the specific choices relating to the organisational structure, shareholder rights, the financial structure, and how to manage conflicts of interest. With reference to the Parent Company Banca Mediolanum S.p.A., the Plan describes the linking methods between the corporate bodies and functions of the various Banking Group components, with specific focus on the relative governance and control system profiles, and provides information on the organisational structures adopted for its Subsidiaries. The depth of the analysis for the Subsidiaries was classified on the basis of the principle of proportionality and specific criteria that consider size/organisational type profiles or profiles related to the riskiness produced by the individual companies of the Banking Group.

Please note that during its meeting of 2 March 2022, the Board of Directors of the Bank resolved to submit several amendments to the By-laws in order to adopt Update No. 35 of 2 July 2021 to the 'Supervisory Provisions for banks, Circular No. 285 of 17 December 2013' on corporate governance (Part One, Title IV, Chapter 1) to the approval of the Shareholders' Meeting of 7 April 2022. More specifically, Update no. 35 - aimed at strengthening the governance structures of banks and better aligning the provisions with the evolution of the national and European regulatory framework - has expanded the non-delegable powers of the body with strategic oversight function. The Extraordinary Shareholders' Meeting of 7 April 2022 resolved to amend art. 23 of the Articles of Association regarding the powers and responsibilities of the Board of Directors.

As regards information on the additional responsibilities of the Council in relation to: its composition, operation, appointment and self-assessment; remuneration policy; internal control and risk management system, please refer to the respective Sections of this Report.

Please note that the Board of Directors of 18 March 2021 approved the "Policy governing the management of the dialogue with the Shareholders in general", and in particular the principles that guide this dialogue, the prevailing methods and the issues that are its subject, and during the year the policy was not amended (Section 12).

4.2 Appointment and replacement (ex art. 123-bis, paragraph 1, letter l), CFA)

The statutory provisions that currently regulate the appointment and replacement of the Directors are contained in Art. 17 of the Articles of Association.

- which is set out below:

Article 17)

1. *The Company is administered by a Board of Directors made up of from seven to fifteen directors who must have the requisites demanded by the current pro tempore primary and secondary regulations, and by the codes of conduct drawn up by regulated market management companies or by trade associations that the Company belongs to (hereinafter also the "Codes of Conduct") are can be re-elected. Of them a number corresponding to at least the minimum provided for by the current pro temporary primary and secondary regulations must have the independence requisites prescribed herein (hereinafter also the "Independent Directors").*
2. *Before appointing them, the Shareholders' Meeting determines the number of members of the Board and the term in office, in observance of the legal time limits.*
3. *The directors of the Company are appointed by the Shareholders' Meeting on the basis of lists in which the candidates must be indicated in a number no higher than fifteen, each matched to a progressive number.*

A candidate can be on one list only, under penalty of being ineligible for election.

Those shareholders due the voting right that, alone or together with other shareholders, represent at least the percentage of the share capital set by the National Commission for the Companies and the Stock Market are entitled to present the lists.

Ownership of the percentage of share capital is determined regarding the shares that are registered to the shareholders on the day on which the list is lodged with the Company, with reference to the share capital subscribe on the same date.

The relevant certification can be notified to the Company also after lodging the list provided that it arrives by the deadline set for publication of the lists by the Company.

The Company allows the shareholders planning to present the lists to lodge them via at least one means of remote communication, according to the methods that will make the Shareholders' Meeting convocation notice public and that allow lodging shareholders to be identified.

The equity interest required for presentation of the lists of candidates to elect the Board of Directors is specified in the convocation notice of the Shareholders' Meeting called to resolve the appointment of this body.

- 4. A shareholder can neither submit nor vote more than one list, even if through intermediaries or trust companies. The shareholders belonging to the same group - meaning the parent company, the subsidiaries and the companies subject to common control - and the shareholders that have signed a shareholders' agreement pursuant to Art. 122 of Italian Legislative Decree no. 58/1998 concerning the issuers' shares cannot present or vote more than one list, even if through intermediaries or trust companies.*
- 5. In order to observe the minimum number of Independent Directors pursuant to paragraph 1 above of this article, each list must identify a minimum number of candidates on it, calculated based on the total number of candidates specified therein who have the independence requisites provided for by the current pro tempore primary and secondary regulations.*

In order to ensure a balance between genders in conformity with the current pro tempore primary and secondary regulations, each list containing a number of candidates equal to or greater than three must provide for the presence of candidates of both genders so that a number of candidates at least equal to what was established by applicable laws and regulations belong to the less represented gender.

- 6. The lists are lodged with the Company by the twenty-fifth day before the date of the Shareholders' Meeting called in first or single convocation to resolve on the appointment of the members of the Board of Directors and made available to the public at the registered office, on the website and with other methods provided for by the National Commissions for the Companies and the Stock Market with regulations at least twenty-one days before the date of the Shareholders' Meeting.*

The lists are completed with:

- a) information on the identity of the shareholders who have submitted the lists, with the total percentage of interest held specified;*
- b) a declaration of the shareholders other than those who hold, also jointly, a controlling interest or relevant majority interest, certifying the absence or existence of relations connecting them with the latter, in observance of what is provided for in Art. 147-ter of Italian Legislative Decree no. 58/1998 and Art. 144-quinquies, paragraph one of CONSOB Resolution no. 11971/1999 (hereinafter also "Issuers' Regulation");*
- c) an exhaustive report on the personal and professional characteristics of the candidates, a statement of the same candidates certifying they have the requisites required by law and their acceptance of the candidacy and on them having independence requisites, should this be the case, set out in Art. 148, paragraph 3 of Italian Legislative Decree no. 58/1998 and, in necessary, further requisites required by the current pro tempore primary and secondary regulations and by the Codes of Conduct.*

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The lists submitted without observing the forgoing provisions are not submitted to voting.

7. *Before opening the voting, the Chair of the Shareholders' Meeting reads any statements provided under letter b) above and asks those attending the Shareholders' Meeting who have not lodged or contributed to lodging lists to declare any connection relations as defined above.*

Should a party connected to one or more shareholders of reference have voted for a minority list, the existence of this connection relationship becomes significant only if the vote has been crucial for the election of the director.

8. *At the end of the voting the votes obtained from the lists are divided by progressive whole numbers from one to the number of directors to elect, without taking into account the lists that have not attained a percentage of votes at least equal to have of those required for their presentation.*

The quotients obtained in this way are assigned to the candidates of each list in the order it provides for.

Then the quotients assigned to the candidates of the various lists are arranged in a single decreasing list. Those who have obtained the highest quotients are elected up the meeting the number of directors set by the Shareholders' Meeting, it being understood that the candidate listed in first place of the second list obtaining the greatest number of votes and is not connected in any way, not even indirectly, with the shareholders who presented or voted the list finishing in first place by number of votes must in any case be appointed.

Therefore, if the aforesaid candidate has not obtained the quotient necessary to be elected, the candidate who obtained the lowest quotient taken from the list that obtained the greatest number of votes will not be elected, and the board will be completed with the appointment of the candidate listed in first place on the second list that obtained the greatest number of votes.

9. *The office of the Chair of the Board of Directors lies with the candidate listed in first place on the list that obtained the greatest number of votes.*
10. *If in order to complete the entire Board of Directors multiple candidates have obtained the same quotient, the candidate of the list that has not yet elected any director or that has elected the lowest number of directors is elected.*

If none of these lists has elected a director, or all have elected the same number of directors, the candidate who has obtained the greatest number of votes is elected from these lists.

In the case of an equal number of votes on the list, with an equal quotient, the vote is taken again by the Shareholders' Meeting and the candidate who obtains the simple majority of votes is elected.

If by continuing in this way not even the minimum number of Independent Directors required by the current pro temporary primary and secondary regulations is elected within the Board of Directors to be appointed, the following steps are taken: the candidates that should be elected last based on the progressive quotient and taken from the first list that

obtained the largest number of votes are replaced by the immediately subsequent candidates who obtained the lower progressive quotients, and identified on the same list as Independent Directors.

If the composition of the Board of Directors does not comply with the current pro tempore primary and secondary regulations pertaining to balance of genders when the votes are counted and the operations above are completed, the candidate of the most represented gender elected last based on the progressive quotient and taken from the first list that obtained the greatest number of votes is replaced by the first candidate of the least represented gender who obtained the lower progressive quotient and is specified on the same list, provided that the minimum number of independent directors required by the current pro tempore provisions is observed. If this should not be the case, the replaced candidate of the most represented gender would each time be the party elected penultimate, third last and so on, based on the progressive quotient again taken from the first list that obtained the greatest number of votes.

If proceeding in this manner does not ensure the required result, the replacement will be achieved with a resolution passed by the Shareholders' Meeting with relative majority, subject to presentation of candidacies of parties belonging to the least represented gender.

- 11. If only one list is presented, the Shareholders' Meeting votes on it and if it obtains the relative majority of the voters, without taking the shareholders who abstained into account, the candidates listed in progressive order are elected directors up until the number set by the Shareholders' Meeting is set.*

The candidate indicated at first place on the list is elected Chairman of the Board of Directors.

If by proceeding in this way the current pro tempore provisions on the question of Independent Directors and/or balance of genders are not observed in the presence of a Board of Directors being formed, the steps described above under paragraph 10 will be followed mutatis mutandis.

- 12. Should there be no lists, or if the number of candidates elected is lower than the number set by the Shareholders' Meeting adopting this mechanism, the Board of Directors is appointed or supplemented by the Shareholders' Meeting with the majorities set by law, respectively.*
- 13. In the case of termination of office of one or more directors for any reason, those still in office will replace them by co-option pursuant to Art. 2386 of the Italian Civil Code, without prejudice to the obligation to observe the minimum number of Independent Directors and the provisions of the current pro tempore primary and secondary regulations, and of the Codes of Conduct, also with reference to balance of genders.*

The appointment of directors replacing directors terminated from office by the Shareholders' Meeting, also following their co-option, is freely done with the legal majority, without prejudice to the obligation of observing the minimum number of Independent Directors and the provisions of the current pro tempore primary and secondary regulations

on the subject of balance of genders.

14. *With regard to the directors indicated on the respective list as Independent Directors, the obligation of immediate notification to the Board of Directors of the loss of their requisites and consequent withdrawal pursuant to the law applies.*

Note that in addition to the rules set out by the Consolidated Finance Act, the Issuer is subject to the regulations of the banking sector (the Supervisory Provisions) on the subject of forming the Board of Directors, with particular reference to the representation of the minority shareholders or to the number and characteristics of the directors.

With Executive Determination no. 44 of the Head of the *Corporate Governance* Division of 29 January 2021, Consob decided, for the Company, that 1% would be the portion of shareholding required to submit the lists of candidates for the office of members of the administration and control bodies.

With regard to information on the role of the Board of Directors and the Internal Committees in the processes of self-assessment, appointment and succession of directors, please refer to Section 7.

4.3 Composition (pursuant to Art. 123-bis, paragraph 2, paragraphs d) and d-bis), CFA)

The Board of Directors currently in office, consisting of 13 members, was appointed by the Shareholders' Meeting on 15 April 2021 for the 2021-2023 three-year period and its term will end on the date of the Shareholders' Meeting called to approve the financial statements as at 31 December 2023.

The Board of Directors was appointed on the basis of the lists of candidates presented:

a) on 18 March 2021 by the shareholders Ennio Doris (also on behalf of the wholly owned company LINA S.r.l.), Lina Tombolato (also on behalf of the wholly owned company T-Invest S.r.l.), Massimo Antonio Doris (also on behalf of the wholly owned company Snow Peak S.r.l.) and Annalisa Sara Doris (also on behalf of the wholly owned company FiveFlowers S.r.l.), together with FINPROG ITALIA S.p.A. holding a total shareholding representing 40.3650% of the Banca Mediolanum S.p.A. voting rights;

b) on 19 March 2021 by the shareholders representing a total of 1.16185% of the Banca Mediolanum S.p.A. share capital.

Number 1) was assigned to the lists referred to in point (a) and number 2) was assigned to the lists referred to in point (b).

In compliance with the Supervisory Provisions, with Ministerial Decree 169/2020 and the Code on the Composition of Boards, and in order to provide shareholders with *"guidance on*

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the quantitative and qualitative composition deemed optimal, taking account of the results of the self-assessment”, the Company's Board of Directors, with the assistance of the Appointments Committee, defined – in the document entitled “*Identification and communication to shareholders of the optimal qualitative-quantitative composition of the Board of Directors of Banca Mediolanum S.p.A.*” its assessments regarding the qualitative-quantitative composition considered optimal in relation to the objectives indicated in the applicable sector provisions and the theoretical profile (including characteristics of professionalism and possible independence) of the candidates deemed suitable for this purpose.

In submitting the lists of candidates, the shareholders have taken into account the indications of the outgoing Board of Directors contained in the above mentioned document and published on 19 February 2021 on the website of the Company www.bancamediolanum.it in the Corporate Governance Section - corporate governance documents.

More precisely, the Board of Directors asked the Members - who fulfilled their obligations - to submit a list containing more than half the number of candidates to be elected:

- (i) provide adequate information, in the documentation submitted for the filing, on the compliance of the list with the guidance expressed by the Council in the aforementioned "Identification and communication to shareholders of the optimal qualitative-quantitative composition of the Board of Directors of Banca Mediolanum S.p.A.", also with reference to diversity criteria;
- (ii) indicate its candidate for the office of Chairman of the Board of Directors;
- (iii) formulate their proposals on items on which the Directors have not formulated a specific resolution proposal and, in particular, the proposal relevant to the process of appointment the administrative body (determination of the number of members and the duration of the Board of Directors, as well as the annual remuneration), with suitable advance and in any case in compliance with the procedures and deadlines specified above for the submission of lists, in order that such proposals may be published by the Company at the same time as the lists themselves.

List 1) presented the following as candidates:

1. Ennio Doris – Chairman;
2. Massimo Antonio Doris - Director;
3. Annalisa Sara Doris – Director
4. Giovanni Pirovano – Director;
5. Francesco Maria Frasca – Director;
6. Mario Notari – Director;
7. Roberta Pierantoni – Director;
8. Anna Eugenia Maria Omarini – Director;
9. Giovanna Luisa Maria Redaelli – Director;

10. Anna Gervasoni – Director;
11. Paolo Gibello Ribatto – Director;
12. Carlos Tusquest – Director;
13. Gaudiana Giusti – Director.

List 2) presented the following as candidates:

1. Giovanni Lo Storto – Director;
2. Giacinto Gaetano Sarubbi – Director;
3. Laura Oliva – Director.

The informational documentation concerning, among other things, the personal and professional characteristics of all the candidates for election to the Board of Directors was made available to the public at the registered office, through the storage device of Spafid Connect S.p.A. at www.emarketstorage.com, and on the website www.bancamediolanum.it, in the *Corporate Governance* Section, Shareholders' Meeting (2021) page.

Banca Mediolanum S.p.A.'s Ordinary Shareholders' Meeting held on 15 April 2021 delivered:

- votes equivalent to 52.26% of the voting capital for list 1)
- votes equivalent to 14.47% of the voting capital for list 2)

The Directors Giovanni Lo Storto; Giacinto Gaetano Sarubbi e Laura Oliva are from the minority list presented while all the other Directors are from the majority list presented by the parties to the so-called Doris Family Agreement.

The Directors Anna Eugenia Maria Omarini; Mario Notari; Francesco Maria Frasca; Roberta Pierantoni, Giovanna Luisa Maria Redaelli, Anna Gervasoni, Giovanni Lo Storto, Giacinto Gaetano Sarubbi and Laura Olive declared that they meet the requirements of Independence pursuant to art. 148, paragraph 3, CFA, art. 13 of Ministerial Decree 169/2020 and art. 2, Recommendation 7 of the Corporate Governance Code.

The Board of Directors met on 15 April 2021 and assessed the eligibility to qualify as independent pursuant to article 148, paragraph 3, of the Consolidated Law on Finance, art. 13 of Ministerial Decree 169/2020 and of the Corporate Governance Code, also taking into account the qualitative-quantitative limits for the identification of relationships that could compromise the independence approved by the Board of Directors, in the hands of the following persons.

- Francesco Maria Frasca;
- Anna Gervasoni;
- Giovanni Lo Storto;
- Mario Notari;



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- Laura Oliva;
- Anna Eugenia Omarini;
- Roberta Pierantoni;
- Giovanna Luisa Maria Redaelli;
- Giacinto Gaetano Sarubbi.

who have supplied all elements necessary and useful to the Board's subsequent assessments. The results of these assessments were communicated to the market in a communiqué circulated on the same date.

The Board of Directors of Banca Mediolanum S.p.A., meeting on 21 September 2021, took note of the resignation from the office of Chairman and Director resigned by the Founder Mr. Ennio Doris.

The replacement of the Chairman was the subject of successive evaluations and deliberations by the Board of Directors on 28 September 2021, after evaluation by the Appointments and Governance Committee, which proposed to the Shareholders' Meeting on 3 November 2021:

- the appointment of Mr. Ennio Doris as Honorary President;
- the appointment of an Adviser to replace Mr. Ennio Doris.

The Board, meeting on 28 September 2021, also resolved, after a favourable evaluation by the Appointments and Governance Committee, to appoint Mr. Giovanni Pirovano, former Vice President and the appointment as Vice President of Ms Annalisa Sara Doris.

On 18 October 2021, the members of the Doris Family, gathered in the Shareholders' Agreement involving 40.33% of the voting rights of Banca Mediolanum, submitted the candidacy of Mr. Paolo Gibello Ribatto - first non-elected candidate of the so-called majority list, presented by the same Presenting Members for the election of the Board of Directors of the Company currently in office by the Shareholders' Meeting of 15 April 2021 - for the position of Independent Director of the Bank for the purpose of integrating the composition of the Board of Directors in office.

The Banca Mediolanum S.p.A Shareholders' Meeting held on 15 April 2021 resolved:

- to appoint, in addition to the Board of Directors currently in office, Mr. Paolo Gibello Ribatto as Director of Banca Mediolanum S.p.A. until the approval of the Financial Statements at 31 December 2023.
- to appoint the Founder of Mediolanum Group, Mr. Ennio Doris, as Honorary President of the Bank for an indefinite period.

On 24 November 2021, the Honorary President and Founder of Mediolanum Group, Mr. Ennio Doris, passed away.

The Board, as at the end date of the Financial Year, comprises the following:

TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AT THE END OF THE FINANCIAL YEAR

Board of Directors													
Office	Members	Year of birth	Date of first appointment (*)	In office since	In office until	List (speakers) (**)	List (M/m) (***)	Exec.	Non-exec.	Indep. Code	Indep. CAF	No. other offices (****)	Equity investment (****)
Director Deputy Chairman Chairman	Giovanni Pirovano	07/06/1951	25/11/1996	15/04/2021	Budget Appr. 31.12.23	Shareholders							
			15/11/2011	15/04/2021	28/09/2021	/	M		X			0	13/13
			28/09/2021	28/09/2021	Budget Appr. 31.12.23	/							
Director CEO	Massimo Antonio Doris •	09/06/1967	18/04/2008	15/04/2021	Budget Appr. 31.12.23	Shareholders	M	X				0	13/13
			30/07/2008	15/04/2021	Budget Appr. 31.12.23								
Director Deputy Chairman	Annalisa Sara Doris	07/05/1970	19/03/2015	15/04/2021	Budget Appr. 31.12.23	Shareholders	M					0	13/13
			28/09/2021	28/09/2021	Budget Appr. 31.12.23			/		X			
Director	Francesco Maria Frasca	08/09/1943	10/04/2018	15/04/2021	Budget Appr. 31.12.23	Shareholders	M		X	X	X	0	12/13
Director	Mario Notari	23/06/1964	10/04/2018	15/04/2021	Budget Appr. 31.12.23	Shareholders	M		X	X	X	3	13/13
Director	Anna Eugenia Maria Omarini	23/08/1967	10/04/2018	15/04/2021	Budget Appr. 31.12.23	Shareholders	M		X	X	X	0	13/13
Director	Roberta Pierantoni ◦	12/05/1971	10/04/2018	15/04/2021	Budget Appr. 31.12.23	Shareholders	M		X	X	X	1	13/13
Director	Giacinto Gaetano Sarubbi	08/01/1963	10/04/2018	15/04/2021	Budget Appr. 31.12.23	Shareholders	m		X	X	X	3	13/13
Director	Laura Oliva	27/12/1968	15/04/2021	15/04/2021	Budget Appr. 31.12.23	Shareholders	m		X	X	X	2	13/13
Director	Giovanni Lo Storto	03/12/1970	15/04/2021	15/04/2021	Budget Appr. 31.12.23	Shareholders	m		X	X	X	2	13/13
Director	Anna Gervasoni	18/08/1961	15/04/2021	15/04/2021	Budget Appr. 31.12.23	Shareholders	M		X	X	X	3	13/13
Director	Paolo Gibello Ribatto	09/02/1960	03/11/2021	03/11/2021	Budget Appr. 31.12.23	Shareholders	M		X	X	X	1	13/13
Director	Giovanna Luisa Maria Redaelli	23/12/1965	15/04/2021	15/04/2021	Budget Appr. 31.12.23	Shareholders	M		X	X	X	0	13/13

NOTES

The symbols indicated below must be entered in the "Office" column.

• This symbol indicates the director responsible for the internal control and risk management system

◦ This symbol indicates the Lead Independent Director (LID).

(*) The date of first appointment of each director means the date when the director was appointed the first time (in absolute) to the BoD of the Issuer.

(**) This column indicates whether the list from which each director was drawn was submitted by shareholders (indicating "Shareholders") or by the Board (indicating "Board").

(***) This column indicates whether the list from which each director was drawn is "majority" (indicating "M"), or "minority" (indicating "m").

(****) This column indicates the number of positions held by the interested party declared for the purpose of the limit to the accumulation of positions pursuant to Ministerial Decree 169/2020.

The number does not consider the position held by Banca Mediolanum S.p.A.

(*****) The attendance of the directors at the meetings of the BoD is indicated in this column (indicate the number of meetings they attended compared to the total number of meetings they could have attended; e.g. 6/8; 8/8, etc.).

The positions currently held are as follows for each member:

1. Giovanni Pirovano Chair – Non-Executive



In 1973 he graduated in Foreign Languages and Literature from the Università Cattolica del Sacro Cuore in Milan, in 1976 he graduated in Marketing from the IED, in 1979 a Master in Business Administration (MBA) from the SDA of Luigi Bocconi University in Milan. Evening course (1982 – 1983) at the Faculty of Economics of the Università Cattolica in Milan. In 1993 Master in Banking Management Program from the European Banking Federation – Brussels. After working at Kaufof AG in Germany, from 1974 to 1977 he was Export Manager of Officine Meccaniche Agrati S.p.A. In July 1976 he passed the admission competition as a permanent official at the European Commission in Brussels. From 1977 to 1989 he was an executive in the Finance Department of Banco Ambrosiano (subsequently Nuovo Banco Ambrosiano and then Banco Ambrosiano Veneto), General Manager of Ambro Italia SIM and Director of Fiscambi Immobiliare. He held the role of General Manager for Finance of Banca Popolare di Novara and Director of Novara Vita and Sogepo SGR from 1989 to 1996.

In 1996 he joined the Mediolanum Group, first serving as General Manager of Banca Mediolanum (until 2011), then as Vice President. In September 2021 he was named Chair of Banca Mediolanum. He is also a Director of the Mediolanum Onlus Foundation.

He is a Director and member of the Executive Committee and of the Chairmanship Committee of A.B.I. (Italian Banking Association) with responsibility for Innovation and Sustainability, Director of the Interbank Deposit Protection Fund (FITD), Vice President of PRI.BANKS (Association of Italian Private Banks), Vice President of the Association for Bank and Stock Exchange Development (ASSBB), Director of the Federation of Banks, Insurance and Finance (FeBAF), Honorary Member of Assiom Forex (Financial Market Operators Association).

Member of the Board of Directors of Università Cattolica del Sacro Cuore in Milan and the Giuseppe Toniolo Institute for Higher Education. Board Member of ISPI (Institute for International Political Studies). Member of the Benefactors Committee of Caritas Ambrosiana.

English translation for courtesy purposes only

In the past he held the following positions in Mediolanum Group: Chief Executive Officer Mediolanum Borsa Sim, Chairman Mediolanum Gestione Fondi SGR, Chief Executive Officer Mediolanum Distribuzione Finanziaria S.p.A., Chairman Mediolanum Fiduciaria S.p.A., Director Banco Mediolanum S.A. - Espana, Chairman of Mediolanum International SA - Luxembourg, Chairman of the Supervisory Board of Bankhaus August Lenz & CO. AG.

2. Massimo Antonio Doris – Chief Executive Officer – Executive



He has a degree in Political Science from the State University of Milan. He has been a Board Member of Mediolanum since 1996. After working in London as a Sales Assistant at UBS, at Merrill Lynch and at Credit Suisse Financial Products, in 1999 he began working for Banca Mediolanum as a financial promoter, and over the years was promoted to Head of the Marketing Department in charge of launching the online banking website and Head of Training for the Sales Network. From 2003 to 2005 he was Italian Network Manager of Banca Mediolanum, Head of the Italian Commercial Network. From 2005 to 2008 he held the position of Managing Director and General Manager of Banco de Finanzas e Inversiones (now Banco Mediolanum S.A.), parent company of the Spanish financial conglomerate. From January 2011 to June 2016 he was a member of the Supervisory Board of Bankhaus August Lenz & Co. AG, a German subsidiary of Banca Mediolanum.

From July 2008, once he returned to Italy, he was appointed Managing Director and General Manager of Banca Mediolanum (he held the latter position up to 30 April 2014). From May 2009 to the completion of the merger by incorporation of Mediolanum S.p.A. into Banca Mediolanum S.p.A. on 30 December 2015 he was Vice Chairman of Mediolanum S.p.A.

From 2012 to 2014 he was a Director of Banca Esperia and he has been Vice Chairman of Assoreti since April 2014.

He has also held the position of Director Responsible for the Internal Control and Risk Management System of Banca Mediolanum S.p.A. since 1 May 2016.

3. Annalisa Sara Doris - Vice President - Non-executive.



She graduated in 1996 with a degree in Political Science from the State University of Milan. She joined Banca Mediolanum by initially working in various company departments, from the Banking Centre to Marketing to Management Control. In the following years, she became the Intangible Asset Manager of the Mediolanum Group, in charge of coordinating all the company activities regarding the development of the company's intangible assets and ensuring their communication inside and outside the company. In that context, she was responsible for creating the Group's Social Responsibility Report and for supervising Public Relations, Improvement Groups, studying Customer Satisfaction and developing the quality of working life.

She held the role of Director of Programma Italia Distribuzione S.p.A. from 1997 to 1998. She is a member of the Board of Directors for Banca Mediolanum S.p.A. since 2015 and Deputy Chairman since 28 September 2021. She was a member of the Board of Directors of PI Servizi S.p.A. from 1998 to 2001 and from 2004 to 2010. She held the role of Director of Vacanze Italia S.p.A. from 2005 to 2012.

Since 2006 she has been the Executive Chair of the Board of Directors of Fondazione Mediolanum Onlus, whose initiatives focus on children. Since September 2022 President of the Ennio Doris Foundation..

From March 2015 to the completion of the merger by incorporation of Mediolanum S.p.A. into Banca Mediolanum S.p.A. on 30 December 2015 she also held the position of Director of Mediolanum S.p.A.

4. Francesco Maria Frasca - Director - Independent ex Corporate Governance Code, ex art. 148, c.3, TUF, ex Ministerial Decree 169/2020



He has a degree in Law from La Sapienza University of Rome. In 1972 he obtained a Master's Degree in Public Finance from York University (UK).

From 1986 to 1987 he taught Finance at the University of Teramo. From 1971 to 2008 he worked at the Bank of Italy.

From 1994 to 1997 he was a member of and consultant for COVIP (Italian Pension Fund Supervisory Commission).

From 1997 to 2004 he was Head of the Competition, Regulations and General Affairs Service (CNAG) and from 1999 to 2001 a member of the Board of Directors of Mefop (Company established by the Ministry of Economy and Finance to develop the Pension Fund Market).

English translation for courtesy purposes only

From 2000 to 2005 he was a member of the BSC - Banking Supervision Committee set up at the ECB.

From 2004 to 2005 he was a member of the CEBS - Committee of European Banking Supervisors.

From 2013 to 2014 he held the role of Chairman of BLPR (Banca del Lavoro e del Piccolo Risparmio).

5. Anna Gervasoni - Director - Independent ex Corporate Governance Code, ex art. 148, c.3, TUF, ex Ministerial Decree 169/2020



Graduated with honours in Economics and Commerce from L. Bocconi University in 1984, where she began her academic career. She participated in the foundation of the Cattaneo - LIUC University, where she is currently Full Professor of Economics and Business Management. She directs the University Master's Degree in Merchant Banking and Private Capital and is Head of Fintech guidance. She is at the head of the UNECE - United Nation Economic Commission for Europe - ExSUF Centre and LIUC on sustainable finance for infrastructure and smart cities. Member of the Board of Directors of the university, she is delegated by the Rector to internationalisation.

She runs AIFI - the Italian Association for private equity, venture capital and private debt.

She has been a member of the Boards of Directors and Boards of Statutory Auditors of listed and non-listed companies. Amongst others, she was an independent director of Fondo Italiano d'Investimento Sgr S.p.A., having participated in its foundation, of Banca Generali S.p.A. Statutory Auditor of Saipem S.p.A. and auditor of ENI Foundation. She chaired HIT, Hub Innovazione Trentina [Trentino Innovation Hub], a Foundation dedicated to the technology transfer of the University of Trento and of the research foundations in the province of Trento. Member and Deputy Chairman of the Advisory Committee of Borsa Italiana S.p.A. Member of the Committee of Market Operators and Investors (COMI) of Consob and of the Board of Directors of FEBAF.

Chartered Accountant, she is enrolled in the Register of Statutory Auditors.

She currently holds the position of Director of Lu.ve S.p.A. and SOL S.p.A..

English translation for courtesy purposes only

6. Paolo Gibello Ribatto - Independent Director pursuant to the Corporate Governance Code, pursuant to art. 148, paragraph 3, TUF, pursuant to Ministerial Decree 169/2020



He graduated in 1984 with a degree in Political Economics from the University of Turin. In 1984 he joined Arthur Andersen, where from 1990 to 1996 he was Manager. From 1996 to 2021 He was first Partner of Arthur Andersen (1996 - 2002) and then of Deloitte (2002 - 2021). From 2002 to 2004 Financial Service Industry Leader for the Deloitte Italian Network. From 2004 to 2009 CEO of Deloitte & Touche S.p.A.

From 2011 to 2015 Chair of the Board of Directors of Deloitte & Touche S.p.A. From 2011 to 2016 Member of the Board of Partners Committee for the Deloitte Italian Network. From 2016 to 2019 Consumers Goods Sector Leader of the Deloitte Italian Network.

From 2016 to 2021 Chair of the Deloitte Foundation. He was in charge of the Deloitte observatory on budgets and Editor-in-Chief for the publication Techupdate! Accounting and Auditing news (2008 - 2018), member of the Assirevi Financial Intermediaries Committee (2004 - 2009), Director of the British Chamber of Commerce for Italy (2010 - 2017), Deloitte's representative on the "Development Partners" Committee at Luigi Bocconi University in Milan (2007 - 2021). Since 2017 he has participated in the Meritocracy Forum mentoring programme as a mentor.

Since 2020 he has been a member of the ARGIS (Research Association for the Governance of Social Enterprise) Scientific Committee. Since 2020 he has been Vice President of AICEO - the Italian CEO Association. Since 2021 Member of the Deloitte Foundation Advisory Board. Enrolled in the Milan Register of Chartered Accountants since 1994. Enrolled in the Register of Auditors established by the Ministry of Justice since 1995.

He currently holds the position of Director in the company La Collina dei Ciliegi Invest S.p.A..

7. Giovanni Lo Storto - Independent Director pursuant to Corporate Governance Code, pursuant to art. 148, paragraph 3, TUF, pursuant to Ministerial Decree 169/2020



English translation for courtesy purposes only

He graduated in Economics in 1994 from the Luiss Guido Carli University, of which he has been General Manager since 2013.

He has been Director of Banca Mediolanum S.p.A. since 2021 and a member of the Risk Committee and the Remuneration Committee. Since 2018 he has been Director of the Board of Pirelli & Co. SpA, and member of the Control, Risk, Sustainability and Corporate Governance Committee, Strategy Committee and Related Parties Committee. Since 2022 he has been a member of the Board of Directors of Luiss Business School S.p.A. and acting General Manager, he is a Board Member of the Mediterraneo Foundation and is a member of the Management Committee of the Italia Sociale Foundation, of the Confindustria Technical Culture Group and of the Eurispes Scientific Committee of the Permanent observatory on educational policies.

He is an expert member of the National Observatory of smart working, established at the Ministry of Public Administration; he was member of the Commission of the independent performance assessment body of the Ministry of Infrastructure and Sustainable Mobility.

He is co-founder of the startup accelerator LuissEnlabs, director of LA4G, investment club deal in startups, LuissX S.r.l. and promoter of the first Italian chapter of Network 42, an international network of coding schools.

He was an officer in the Army Administration Corps, a branch operating director in Bartolini and worked in the Italian Union of Reinsurance and then in Swiss Re Italia, as a manager in the CEO's staff. He was professor in economics and management of insurance companies at Luiss Guido Carli University.

He was a member of the Board of Directors of doValue S.p.A. (formerly doBank S.p.A.), serving as Chairman of the Risk Committee, Chairman of the Appointments Committee and a member of the Remuneration Committee; of the magazine Internazionale and of the magazine Formiche.

8. Mario Notari - Director - Independent ex Corporate Governance Code, pursuant to Art. 148, c.3, CFA, Ministerial Decree 169/2020



After gaining a law degree from Milan University in 1988, he attained the position of researcher in commercial law in 1993, associate professor in 1998 and full professor in 2001. He is currently Full Professor of Commercial Law at Bocconi University in Milan, former Director of the PhD in commercial law programme at the University of Brescia and of the PhD in Business Law programme at Bocconi University.



English translation for courtesy purposes only

Notary since 1994. Founder and partner of the “Zabban - Notari - Rampolla & Associati” now “ZNR Notai” firm in Milan, where he works as a notary and legal consultant for industrial and financial groups, listed companies and financial institutions, as well as arbitrator in the civil law sectors, corporate and financial markets.

Coordinator of the Society Commission of the Notary Council of Milan. Member of the Business Studies Commission of the National Council of Notaries.

Chair of the Scientific Committee of “AssoNEXT”.

He has been a member of the Management and Control Bodies of listed and unlisted companies, including: Luxottica Group S.p.A., Camfin S.p.A., Man Invest SGR S.p.A., Kairos Partners SGR S.p.A., Kairos Julius Baer SIM S.p.A., Kairos Investment Management S.p.A., Assicurazioni Generali S.p.A., RCS Media Group S.p.A., ENI S.p.A. and Sanità Isola Tiberina S.r.l. Social Enterprise.

He currently holds the position of non-executive director in the company DELFIN S.a.R.L, and in the Leonardo Del Vecchio Foundation; Chairman of the Board of Directors of BEYOND INVESTMENT S.p.A. and non-independent Director of ESSILORLUXOTTICA S.A..

9. Laura Oliva - Independent Director pursuant to the Corporate Governance Code and pursuant to Art. 148, paragraph 3, CFA, Ministerial Decree 169/2020



She is CEO and co-founder of eKuota, a fintech company for financial risk management. She is a director and member of the risk and ESG committee of LU-VE Spa; independent director, representing the minority list for Banca Mediolanum S.p.A.

Graduated in Business Administration at Luigi Bocconi University in Milan, she has many years of experience in the capital markets for business banks. Expert in financial technologies, corporate financial and non-financial risk management (ESG).

She has been Head of Debt Capital Markets in the Allianz Group, working for Italian and foreign business banks (including Deutsche Bank and Caboto) and, from time to time, responsible for the structuring and placement of structured finance products, syndicated loan manager and credit analyst. She is an expert in bond issues and securitisations and deals with financial market and financial analysis.

She has organised and carried out loans and bond issues for the main Italian issuers.

She is a copywriter in fintech, financial markets and risk management in international magazines and online blogs.

She is on the Advocacy Committee of CFA Society ICFAS - Italian Association of Financial Analysts.

In 2019, she was named Woman in Fintech of the Year by the British Embassy in Italy, Freshfields Bruckhaus Deringer and Borsa Italiana.

10. Anna Eugenia Omarini - Independent Director pursuant to the Corporate Governance Code and pursuant to Art. 148, paragraph 3, CFA, Ministerial Decree 169/2020



She graduated in 1991 with a degree in Business Management from Bocconi University in Milan and in 1997 she completed the International Teachers Program (ITP) at the Stern Business School – New York University.

Since 2000 she has been tenured Researcher of Economics of Financial Intermediaries at the Department of Finance of Bocconi University where she is Director for the courses of Bank and Fintech and Fintech for banking and financial transformation.

She has given courses on the Economics of Financial Intermediaries, The Economics of Credit Companies, the Economics of the Stock Market, Private Banking, Retail Banking and the Financial System at the Department of Finance at Bocconi. She also carries out research activities with reference to the following topics: digital transformation, FinTech, bank strategy and management, retail banking.

She was an Independent Director from 2007 to 2009, also holding the position of Chairman of the Board of Directors of SI Servizi S.p.A. (CartaSi S.p.A. Group).

From 2015 to 2017 she was an Independent Director and member of the Risk and Internal Control Committee of Banca Esperia S.p.A.

She currently holds the position of Member of the Board of Directors of ABILab and Independent Director of Flowe S.p.A. - S.B..

11. Roberta Pierantoni - Independent Director pursuant to the Corporate Governance Code and pursuant to Art. 148, paragraph 3, CFA, Ministerial Decree 169/2020



She holds a degree in Law from “Carlo Bo” University of Urbino (PU) and is enrolled in the Urbino Register of Lawyers.

She is partner of the Biscozzi Nobili Piazza Legal and Tax Firm in Milan, where she has worked since 2005 and where she mainly operates in the fields of commercial law, corporate & sustainability governance, contracts and arbitration.

From 2004 to 2015 she collaborated with the chair of Commercial Law, first at the University of Urbino "Carlo Bo" and then at the University of Bergamo where, in 2008, she won an annual research grant at the Department of Legal Sciences carrying out a research on "The new discipline of takeover bids: the rule of neutralization of preventive defences (so-called Breakthrough rule)".

Since 2019 she has been an adjunct lecturer in the Master "Polis maker for the quality of living and sustainable urban development" of the Politecnico di Milano where she holds lessons on the legal discipline of start-ups and innovative SMEs, crowdfunding and vehicles of financial investment in the real estate sector (real estate funds, Sicaf, Sicav).

She was a member of the administrative bodies of listed and unlisted companies, including: Italo – Nuovo Trasporti Viaggiatori S.p.A., Aedes Siiq S.p.A., Trawelco S.p.A. From 2018 to 2022, she was also a member of the Supervisory Body *pursuant* to Italian Legislative Degree 231/2001 of De' Longhi SpA, a company listed on the Milan Stock Exchange.

She currently holds the position of Independent Director of Flowe S.p.A. - S.B., Non-executive Director of Lu-Ve S.p.A..

12. Redaelli Giovanna Luisa Maria - Independent pursuant to the Corporate Governance Code and pursuant to Art. 148, paragraph 3, CFA, Ministerial Decree 169/2020



In 1990 she gained a degree in Political Economy from Bocconi University and, in 1996, a Ph.D. in Mathematics applied to economic problems, at the Department of Economics, Business, Mathematics and Statistics at the University of Trieste.

From September 1994 to October 2004 she was a researcher in Financial Mathematics and Statistics and Actuarial Sciences at the Faculty of Financial and Insurance Banking of the Cattolica S.C. University in Milan. Later, she moved to the University of Insubria where she currently holds the courses of Mathematical Methods for Business Management, Mathematical Methods for Financial Management, Economics and Finance of Insurance Companies in the Master's Degree in Business Economics and Corporate Finance.

English translation for courtesy purposes only

From 1996 to 2006 she held courses in financial mathematics, mathematical models for the financial markets, risk theory and mathematical finance at the Faculty of Financial and Insurance Banking of Cattolica S.C. University in Milan and Bocconi University in Milan.

She collaborates with CreaRes, Research Centre on Ethics and Social Responsibility of the University of Insubria, and carries out seminars and training activities at insurance companies on topics such as Solvency, Sustainable Finance, Asset-liability management, portfolio management, pricing of insurance products and complex and illiquid financial instruments, risk management.

From 2015 to 2020 she was a member of the Supervisory Body of the Vittoria Formula Lavoro Open Pension Fund set up by Vittoria Assicurazioni. She is currently a Director of Mediolanum Vita S.p.A. and Mediolanum Assicurazioni S.p.A..

13. Giacinto Gaetano Sarubbi - Independent Director pursuant to the Corporate Governance Code and pursuant to Art. 148, paragraph 3, CFA, Ministerial Decree 169/2020



He has a degree in Economics and Business with a specialisation in business management and administration.

He has been registered in the Professional Association of Chartered Accountants and Accounting Experts of Milan since 1987.

He has been enrolled in the Register of Statutory Auditors at the State General Accounting Office and the Register of Court-Appointed Experts of the Court of Milan since 1995 (with the following specialisations: Banking and Stock Market Practices, Corporate and Company Finance Transactions, Accounting and Financial Statements, Valuations and Administration). From 1999 to 2002 he was a partner of ARTHUR ANDERSEN and Chief Executive Officer of several Group companies. From 2002 to 2005 he was a partner of Ernst & Young and, subsequently, Managing Partner of EY's Tax Firm.

In 2005 he was the Founding Partner of Studio Sarubbi Poggi – Commercialisti Associati and of SIGMAGEST S.p.A. – Gestione e Organizzazione Aziendale. From 2007 to 2009 he was a lecturer without tenure in Accounting and Financial Statements at Bocconi University in Milan.



English translation for courtesy purposes only

He currently holds the position of Chairman of the Board of Statutory Auditors of A2A S.p.A. and WEBUILD S.p.A. (formerly SALINI IMPREGILO S.p.A.), Statutory Auditor of LIDL ITALIA S.r.l. and LIDL SERVIZI IMMOBILIARI S.r.l.

Diversity criteria and policies in the composition of the Board and in the company organization

The Board of Directors of the Bank is called upon, in compliance with the provisions of the current regulations of the sector, to assess and identify its optimum quali-quantitative composition while embracing the objectives of the legislative and regulatory provisions, the best *practices* and the guidelines issued by the Bank of Italy and the international bodies.

In order to define the qualitative-quantitative composition, the Board of Directors considered the results of the self-evaluation relating to the 2020 financial year and carried out with the assistance of the independent, external consultancy firm Crisci & Partners.

The Board makes an assessment on its size, composition and functioning each year.

The assessment with reference to the Board as a whole regards its composition, and conveys guidelines with reference to the quali-quantitative sizing to the degree of diversification in terms of age, gender, type and functional professional skills, and to the experience demanded of the Directors, also in terms of international projection based on the strategies set by the Bank.

In order to ensure that the functions are carried out properly, the members of the Board of Directors must be fully aware of the powers and obligations relating to the role and functions that they will have to carry out, and be equipped with the professionalism, in terms of knowledge, competence and experience necessary for the role to cover and in line with the operating characteristics and size of the Bank. This professionalism must also be properly extended and diversified so that each member can contribute, inter alia, to identifying and pursuing suitable strategies and ensuring the efficient governance of risks in all areas of operation of the Bank. The members of the Board of Directors must also aim their efforts at pursuing the overall interests of the Bank, regardless of the companies that voted for them or the lists from which they were taken, and operate with independent judgement. The time and resources provided by the directors will also have to be consistent with the complexity of the office taken on. These standards are organised in accordance with the specific situation of the Bank on the basis of objective assessment elements and the positions that the Board of Directors have established in terms of the optimal qualitative-quantitative composition.

In accordance with article 11 of Ministerial Decree 169, it is believed that, in addition to the requirements of the professionalism and competence criteria of the individual members, the composition of the Board of Directors should be adequately diversified in order to: increase internal exchange and discussions in the bodies; encourage the emergence of a plurality of approaches and prospects in the analysis of the issues and in decision-making; efficiently support the corporate processes of drawing up strategies, managing the business activities

and risks and checking the work of top management; take account of the multiple interests that go to make up the sound and prudent management of the Bank.

For this purpose, the presence of the following types of parties should be considered:

- a) that are diversified in terms of age, gender and duration in office;
- b) where the competence, considered as a whole, can help realise the goals specified above;
- c) adequate in number to ensure functionality and not an excessive number of members of the board.

With regard to the Articles of Association (article 17), a number of candidates at least equal to the amount established by applicable provisions of the law and regulations must be reserved for the less represented gender (currently 2/5 i.e. 40% of the directors elected). If this ratio is not a whole number, it is rounded up to the next unit.

The document on the subject of qualitative-quantitative composition for the appointment of the Board of Directors in office "*Corporate Governance – Identification and communication to shareholders of the optimal qualitative-quantitative composition of the Board of Directors of Banca Mediolanum S.p.A.*" approved by the Board of Directors on 27 January 2021, was made available to the Shareholders on 19 February 2021 in view of the Shareholders' Meeting of 15 April 2021 to provide appropriate guidance on the renewal of the board. (available on the website www.bancamediolanum.it, in the *Corporate Governance* section, 2021 Shareholders' Meeting page)

During the year, the Board of Directors, with the favourable opinion of the Appointments and Governance Committee, following the issue of MEF Decree no. 169/2020, implementing art. 26 of the Consolidated Banking Law and the Bank of Italy's supervisory procedure, approved a specific policy on the subject of fit & proper of company officers ("Fit & Proper Policy") in order to regulate in a comprehensive document the requirements of suitability for office that must be met by the members of the Board of Directors, the Board of Statutory Auditors, the General Manager and the Chief Financial Officer (CFO) (and where different from these, the Executive responsible for financial reporting of Banca Mediolanum).

The Board of Directors on 20 December 2022 examined and assessed the permanence of the requirements of integrity, fairness, professionalism, competence, independence, including judgement. for all Directors.

With regard to the diversity of composition of the current Board of Directors, it is noted that: (i) the Board is characterised by the varying ages of its members, bearing in mind that the age of the Directors is between 51 and 79 years old with a median age of 59; (ii) six Directors are women and seven men; (iii) the training and professional background of the Directors currently in office ensures a balanced range of profiles and experience within the administrative body capable of ensuring the proper fulfilment of the duties pertaining to it; (iv) the Board of Directors currently has members of different geographical origins.



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Banca Mediolanum has also adopted measures to promote equality of treatment and opportunity between the genders within the entire corporate organization, monitoring its concrete implementation.

A "Manifesto of Diversity and Inclusion" has been established, recalling the principles of respect and enhancement of each person and indicating diversity as a commitment to coherence with Mediolanum's values.

In July 2021, this manifesto was presented to all employees at a digital event where the CEO highlighted Banca Mediolanum's focus on diversity issues.

The poster is available on the website www.bancamediolanum.it in the Sustainability Section on the page "liability to employees".

In the same month the "Group Diversity Manager" was appointed within the Human Resources Department.

Throughout 2022, on an ongoing basis with what had already been begun in the previous year, several Communication and Training initiatives have been developed which reinforce awareness and attention to issues of inclusion and gender diversity.

Additionally, the Board of Directors on 15 December 2021 resolved on the adoption of the "Policy on Diversity and Inclusion" which provides a description of the principles adopted by Banca Mediolanum S.p.A. on Diversity and Inclusion," areas where the Group aims to ensure the fair development of existing diversities and/or those potentially present in the company; the diversification of skills, abilities, cultural and social backgrounds and, at the same time, the creation of an inclusive space that fosters constructive dialogue between a range of different experiences, represent for Mediolanum an opportunity to enrich its business with new perspectives and ideas and is a prerequisite for growing and devising innovative solutions.

In order to monitor diversity & inclusion issues, in addition to the internal analyses carried out by the Human Resources Department, in order to monitor gender distribution in merit policies, in the definition of career transitions and in training and professional development activities in general, Banca Mediolanum adopts national and international reference standards.

The bank was in its own right included in the Bloomberg Gender Equality Index (GEI), an index that measures the commitment to gender equality of the largest listed companies in the world by evaluating the performance of companies that are committed to communicating data relating to gender equality based on 5 pillars: female leadership and internal talent pipeline, gender pay equality, inclusion culture, policies against sexual harassment, brand attentive to diversity aspects.

It also adopts the Inclusion Impact Index, an index developed by the Valore D association in collaboration with the Politecnico di Milano, starting from the GRI (Global Reporting Initiative) - the international standard for reporting non-financial information - which provides a complete and personalised picture of Diversity, Equity and Inclusion policies in the company, highlighting the areas of strength and any critical issues.

Maximum plurality of offices held at other companies

In the document "*Corporate Governance - Identification and communication to shareholders of the optimal qualitative-quantitative composition of the Board of Directors of Banca Mediolanum S.p.A.*" the Bank's Board of Directors on 27 January 2021 considered that the allocation of specific assignments to individual Directors or their involvement in internal Committees is subject to their time availability and adequate resources, in accordance with the Supervisory Provisions and art. 16 of Ministerial Decree 169/2020, as well as the ECB Guide and the EBA ESMA Guidelines.

Each member of the Board of Directors must also comply with the office accumulation limits provided for under articles 17 et seq. of Ministerial Decree 169/2020 in accordance with Directive 2013/36/EU (CRD IV).

These criteria are also indicated in the document "Regulation of the Board of Directors and Internal Committees" (Paragraph 4.4.), in the Corporate Governance Project of Banca Mediolanum and in the Fit & Proper Policy.

Each member of the Board of Directors may not take on, unless otherwise advised by the Board of Directors as assessed in the specific case, an overall number of positions at banks or at other commercial companies exceeding one of the following alternative combinations:

- a) 1 executive position and 2 non-executive positions;
- b) 4 non-executive positions.

For the purpose of calculating the limits in points a) and b), the position held at the Bank is included.

All the Directors currently in office comply with the aforementioned limit.

4.4. Operation of the Board of Directors (pursuant to art. 123-bis, paragraph 2, letter d), CFA)

The Board of Directors from January 2021, has adopted a dedicated "Regulation of the Board of Directors and Internal Committees", most recently amended on 8 February 2023, that govern the powers, organisation and operating rules of the Board itself and the Internal Board Committees, in compliance with the laws, the Articles of Association, the principles set forth in the Bank of Italy Circular no. 285 of 17 December 2013 - Supervisory Provisions for the Banks (Part One, Title IV "Corporate Governance, Internal Controls, Risk Management"). These Regulations also aim to align the corporate governance rules related to the aforementioned body with the principles set out in the Corporate Governance Code.

More specifically, the chief content of the Regulation concerns the functioning of the Board of Directors, with particular reference to:

- methods and time-frames for convening meetings;
- attendance at meetings. The Chair, also at the request of one or more directors, invites those in Supervisory Positions, Executives of the Company or of the companies of the

Group, as well as other persons or external consultants, whose presence may be useful in relation to the agenda items, to attend individual Board meetings. However, these persons are bound by the same confidentiality obligations as are the directors and auditors.

- supporting documentation required for the examination of the items on the agenda shall be made available to the Directors and Auditors in a manner, including electronically, suitable to guarantee the necessary confidentiality and well in advance of the date of the Board meeting, normally no later than the fifth day prior to the date set for the Board meeting - three days if the subject matter is also being discussed by an Internal Committee of the Board, which in turn must receive the documentation within the same three-day period – except in cases of urgency when the documentation must be made available as promptly as possible and in any case at least one day prior to the meeting. If the documentation made available is lengthy or complex, the Chairperson, with the help of the Secretary, shall ensure that it is accompanied by a document summarising the most significant and relevant points for the purposes of the decisions to be made on the agenda items, it being understood that this document cannot be considered in any way a substitute for the complete documentation sent to the directors and auditors.
- minutes of the decision-making process, the resolutions of the Board of Directors are recorded in the minutes signed by the Chair of the meeting and by its Secretary (art. 21 of the Articles of Association).

For the Financial Year, the Appointments and Governance Committee acknowledged that the provision regarding the timeliness and adequacy of the information received by the Board of Directors had been essentially respected.

During the year the Board of Directors held 13 meetings with an average duration of 317 minutes (5 hours and 17 minutes).

12 meetings of the Board of Directors are currently scheduled throughout 2023, of which 3 have already been held: on 20 January, 8 February and 7 March.

Company managers took part in all meetings, for their subject areas, in single items on the agenda and at the invitation of the Chair during the Financial Year.

In compliance with the obligations envisaged for listed issuers by art. 2.6.2 of the Market Regulations of Borsa Italiana S.p.A., the Board of Directors annually approves the Calendar of corporate events, to be communicated to Borsa Italiana for dissemination to the public within thirty days from the end of the previous financial year.

The Transparency II Directive (2013/50/EU), implemented in Italy through Italian Legislative Decree no. 25 of 15 February 2016, repealed the obligation to publish interim

reports on operations, leaving however the right to reintroduce periodic information in addition to the financial and interim reports. Banca Mediolanum announced its decision to continue

to prepare and publish the quarterly information through the publication of the Interim Report on Operations, in order to guarantee continuity and regularity of information to the financial community.

The Calendar communicated therefore specifies the dates set for the Shareholders' Meeting for the approval of the financial statements and the Boards of Directors for the approval of the draft financial statements and the half-yearly and quarterly financial reports.

4.5 Role of the Chair of the Board of Directors

The Ordinary Shareholders' Meeting of the Issuer held on 15 April 2021 confirmed Mr Ennio Doris as Chair - on a non-executive basis inasmuch as the powers granted to him do not entail managerial functions, even on a de facto basis - to whom the following duties and powers were given.

As already stated above, the Board of Directors of 28 September 2021 appointed as Chair, following the resignation of Mr Ennio Doris, Mr Giovanni Pirovano, former Vice President conferring upon him the following powers:

1. general representation of the Bank to third parties;
2. overseeing the effective functioning of the Bank's governance system:
 - a. by checking that the resolutions of the Shareholders' Meeting and Board of Directors, and the provisions and policies of the Chief Executive Officer are performed;
 - b. by coordinating the activities of the corporate bodies, also in order to guarantee the balance of powers in relation to the assignments of the Chief Executive Officer and the other Executive Directors;
 - c. by supervising the performance of corporate affairs and their compliance with the corporate strategic policies for the Bank's development;
3. acting as the liaison on behalf of the internal control bodies and internal committees; to this end, he has the right to call, independently or upon request by the other directors, meetings with the independent Directors only to discuss the items deemed to be of interest with respect to operation of the Board of Directors or the company management;
4. working to ensure the information and documents needed to make the decisions of the Board of Directors are made available to its members in an adequate manner and timing;
5. supervising relationships with both public and private institutional bodies, with shareholders as well as the Bank's external relations;
6. representing the Bank at every Shareholders' Meeting, both ordinary and extraordinary, of any company, consortium or association, in which it is a shareholder, exercising the right to vote and all other corporate rights due, issuing proxies and related instructions to employees or third parties in accordance with article 2372 of the Civil Code

and any other applicable law or statute;

7. adopting, on the proposal of the Chief Executive Officer, any urgent measure in the Bank's interest and for which it is not possible to convene the Board of Directors in due time, and which must be reported to the Board at the first meeting held.

Furthermore, according to the provisions of the "*Regulation of the Board of Directors*", the Chair plays a crucial role in ensuring the smooth running of the Board, fostering internal debate and ensuring the balance of powers, in line with the tasks relating to the organisation of the Board's work and the circulation of information assigned to the Chair by the Civil Code. In order to carry out the job efficiently, the Chair has a non-executive role, and does not carry out management functions, not even on a de facto basis, it being understood that this provision does not clash with the power of the Chair to make, upon the binding proposal of the executive bodies and if urgent, decisions under the remit of the board, reporting to latter at the first subsequent meeting.

The Chair also:

- acts as liaison between the internal control bodies and the internal committees;
- ensures that the activities of the board committees with preliminary inquiry, proactive and consultation functions are coordinated with the activities of the board of directors;
- ensures that the board discussions are effective and works to ensure that the decisions made by the Board have been made after adequate discussion and the informed and reasoned contribution of all its members. For this purpose, the Chair will ensure that: i) the directors are sent the documentation supporting the decisions of the Board well in advance, or at least the initial set of information on the matters that will be discussed; ii) the documentation supporting the decisions, especially those made to the non-executive members, is adequate in quantitative and qualitative terms with respect to the matters set out on the agenda;
- ensures, in accordance with the Chief Executive Officer, that the managers of the Company and those of the Group companies to which it acts as parent, who are in charge of certain company functions, depending on the subject-matter, take part in the board meetings, also at the request of the individual directors, to provide the necessary insight into the items on the agenda;
- ensures, when preparing the agenda and chairing the board meeting debates, that the issues of strategic relevance are dealt with on a priority basis, ensuring that sufficient time is dedicated to them;
- promotes, also requesting the participation of all the Directors, opportunities for all the directors to meet, including outside the board meetings, to discuss and exchange opinions on strategic issues;
- encourages natural debate between executive and non-executive members and prompts the active participation of the non-executive members at the Board meetings;
- supervises relationships with both public and private institutional bodies, with

shareholders as well as the Bank's and the Group's external relations;

- promotes and coordinates the Bank's communication strategies, oversees the Group's image with respect to the public, and press relations or relations with other information media;
- upon the binding proposal of the Chief Executive Officer, takes any urgent measures necessary in the interests of the Bank, and where it is not possible to call a Board of Directors meeting in enough time; this will have to be reported at the next board meeting;
- ensures, with the support of the Appointment and Governance Committee, that the self-assessment process is carried out efficiently, that the methods used are consistent with the level of complexity of the Board's work, and that the corrective measures provided to deal with any shortcomings found are adopted;
- ensures that the Bank prepares and implements placement programmes and training plans for the members of the bodies, and where held, succession plans for the senior management positions.

Vice Chair of the Board of Directors

On 28 September 2021, the Board of Directors appointed Ms. Annalisa Sara Doris as Deputy Chairman to replace Mr. Giovanni Pirovano, who became Chairman, and assigned her the following tasks and powers, in addition to representing the Bank in general:

- representing the bank in relations with the Supervisory Authorities and the other institutional bodies and administrative entities;
- implementing the decisions of the Board of Directors concerning the duties with the aforesaid institutions;
- representing the Bank at all shareholders' meetings, both ordinary and extraordinary, of any company, consortium, association in which it is a member, exercising the voting right and all other company rights due in these venues, issuing proxies and pertinent instructions to employees or third parties pursuant to Art. 2372 of the Italian Civil Code and all other legal or statutory rules on the question.
- in case of absence or impediment of the Chair, on the proposal of the Chief Executive Officer, taking any urgent measure in the Bank's interest and for which it is not possible to convene the Board of Directors within the necessary time, to which she shall in any event report at the first possible meeting.

Over the course of the year, the Chair of the Board took care of:

- the adequacy of the information ahead of Board meetings, as well as of the additional information provided during the board meetings, to enable administrators to act in an informed manner in the performance of their role, inviting Heads of Supervisory Positions, as well as external consultants, and the Directors/Heads of corporate functions to attend individual meetings in order to examine individual important aspects;

- the coordination of the activities of the board committees (with preliminary inquiry, proactive and consultation functions) are coordinated with the activities of the Board of Directors;
- In agreement with the Chief Executive Officer, he arranged: i) for the attendance at Board meetings of the Managers of the Bank and of some of its Group companies, who are responsible for the relevant corporate functions according to the subject matter, in order to provide the appropriate details on the items on the agenda. In this regard, the presence of each individual participant and the relative speech are duly recorded; ii) that the Executive Director and the competent functions report to the Board on the specific aspects of the dialogue with the Shareholders and Institutional Investors;
- ensured the adequacy and transparency of the Board’s self-assessment process, with the support of the Appointments and Governance Committee.
- the Chairship of the Board of Directors, aided by the responsible structures, organised various Board Induction sessions for the Directors and Statutory Auditors, with the participation of qualified speakers.

The major legislative and regulatory changes are brought to the knowledge of and explained to the Board by the Compliance Function and by the Corporate Affairs Division, who work with the Chair in order to contribute to providing the Board members with ever more appropriate knowledge of the business sector in which the Issuer operates.

During the Year, various Board induction sessions were held, which were attended by a high number of Directors. In particular, the most salient aspects relating to the following issues were discussed: “2022-2025 Strategic plan of the subsidiary Flowe”, “Customer profiling - Spark; BMED MiFID adequacy questionnaire ”; “Illustration of the Sales Network”; “Presentation of the Subsidiaries: Banco Mediolanum; MIFL; Med. Fiduciaria”; “Cybersecurity: Cyber Risk and Cyber Resilience in the Italian banking system and in Banca Mediolanum”; “General trends and macro-European scenarios (banking and insurance), Italian Banking and Insurance Market; Spanish Banking and Insurance Market, Banca Mediolanum positioning”; “Insurance: regulatory framework, financial statements and solvency, main evolutionary lines - The insurance group - Insights into IFRS 17 Accounting Standard”.

Board Secretary

The Board, as proposed by the Chairman, resolves on the removal and appointment of its Secretary, also from among persons outside of the Company, who possess adequate requirements of professionalism, experience and impartiality of judgement.

The Secretary of the Board of Directors must meet, inter alia, the following requirements:

- expertise in the legal and corporate field, acquired through many years of experience within corporate organisational structures in the context of professional activities or university teaching;

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- expertise in the corporate governance and internal control field acquired through experience gained in large companies or in professional activities or university teaching;
- knowledge of the banking sector acquired through many years of experience in banks and companies operating within the financial sector;
- knowledge of the regulations applied to financial and banking activities, acquired through many years of experience in bank and companies operating in the field of finance and supervisory bodies or through professional work or university teaching.

The Secretary reports hierarchically and functionally to the Board and, on its behalf, to the Chair.

The Secretary:

- assists the Chair in the preparation of Board meetings and Shareholders' meetings, in the prearrangement of the related resolutions, in ensuring the adequacy, completeness and clarity of information flows to the Board, in the communications with the Directors, in organising board induction and board review;
- takes the minutes of the meetings of the Board and of the Internal Committees;
- also assists the Chief Executive Officer and the General Manager in their relations with the Board;
- also provides assistance and independent legal advice (with respect to "management") to the Board and the Directors on corporate governance and on their powers, rights, duties and obligations, in order to ensure the proper exercise of their powers, protect them from any liability and ensures that the interests of all shareholders and other "stakeholders" under the company's corporate governance system are taken into account.

The Secretary may perform other functions within the Company as long as these do not compromise their independence of judgement towards the Board or the proper performance of their duties.

On 15 April 2021, the Board of Directors, having verified compliance with the requirements set out in paragraph 5.5. of the "Regulation of the Board of Directors and Internal Committees", unanimously decided to confirm Mr. Luca Maria Rovere as Secretary of the Board of Directors for the current year and for the next two, and in any event until the date of the Shareholders' Meeting called for approval of financial statements at 31/12/2023.

Over the Financial Year, the Board Secretary supported the Chair of the Board, with particular reference to the various activities performed and carried out by the same, as set out in paragraph 4.5 above and impartially provided the assistance and advice requested by the Board on any matter relevant to the proper functioning of the corporate governance system.

4.6 Executive Directors

Chief Executive Officer

On 15 April 2021, in the exercise of its powers under applicable law and the Articles of Association, the Board of Directors confirmed Mr. Massimo Antonio Doris for the position of CEO and assigned to him the supervision and responsibility for operations, production activities and services offered by the Bank.

The Chief Executive Officer is responsible for the executive management and ensures that the organisational, administrative and accounting structures of the Bank and Subsidiaries are adequate for the operations and size of the Group by implementing the powers specified further on. He/she defines the composition of the corporate bodies of the Group companies whose appointment is proposed to the Board of Directors of the Parent Company after assessing, for the main subsidiaries, by the Appointments and Governance Committee.

More specifically:

- supervise the routine management of the company under the directives issued by the Board, guaranteeing that said management is in compliance with the applicable laws and regulations;
- execute the resolutions of the Board of Directors;
- ensure application of the directives issued to implement supervisory provisions and codes of conduct adopted by the company following the guidelines given by the Board of Directors;
- work out and propose the strategic guidelines and operational plans regarding the periodic budgets and business development projects to submit to the Board of Directors;
- ensure execution of the approved operational plans;
- propose and implement, following the guidelines established by the Board of Directors, the criteria and forms of the company's organisational structure;
- ensure application of the rules that the various Bank areas must follow when coordinating and controlling the corresponding functions of the subsidiaries;
- represent the Bank at all shareholders' meetings, both ordinary and extraordinary, of any company, consortium, association in which it is shareholders, exercising the voting right and all other company rights due in these venues, issuing proxies to employees or third parties pursuant to Art. 2372 of the Italian Civil Code and all other legal or statutory rules on the question;
- propose the setting up of advisory or coordination committees in order to provide information for the initiatives affecting the Bank or the banking group and/or to study issues of particular importance, without prejudice to the latest decision of the Board of Directors;
- grant credit lines within the limits of the powers established by the Board, with the exclusion of parties falling within the provisions of Art. 136 of Italian Legislative Decree 385/1993 ("TUB", or CBA), except in cases expressly delegated thereto by the Board of Directors;

- work out and define the contractual and economic conditions, receivable and payable, of the various services and products offered by the Bank and the Banking Group, reporting to the Board of Directors;
- recruit, promote, transfer to new duties, suspend, dismiss Bank employees, including the senior managers, establishing all their pertinent conditions, also economic, except for the appointment and termination of the managers of the control functions;
- stipulate, with all the opportune clauses, amend and terminate property leases, collaboration agreements, contracts of purchase and sale and asset exchange transactions, contracts concerning supplies of goods and services, trade agreements, financial leasing agreements for vehicles and other means of transport up to the amount or value per single contract of EUR 5,000,000.00 (five million) and for the maximum term of 6 years; without prejudice to the regulations regarding transactions with related parties and the sole responsibility of the Board in the cases provided for under Art. 136 of Italian Legislative Decree 385/96 (“TUB [Consolidated Banking Act]”);
- authorises transactions on financial instruments in general not involving a change in the composition of the Banking Group, also with institutional Italian and foreign counterparties, according to the limits of the powers established by the Board;
- participate in placement consortia while taking on the maximum guarantee of EUR 5,000,000.00 (five million) for each placement;
- represent the Bank in all bankruptcy procedures;
- make claims and appeals administratively before any public authority in all fields and subjects, including tax, with right to accept and/or define taxable incomes;
- file suits before any judicial and administrative authority in both the cognisance and the execution stage; challenge lawsuits as the defendant; appoint and revoke lawyers and grant all consequent powers, including that of settlement;
- issue statements as garnishee;
- allow reductions, cancellations and waivers of voluntary and court’s mortgages registered in the name of the Bank with exemption of the competent Registrars of the Real Estate Registries from all responsibility to this regard, with right to carry out all the paperwork and duties required;
- waive executive acts, cancel privileges and transcriptions in general, and subrogations in favour of third parties for loans fully extinguished or to be extinguished;
- act, challenge and waive judicial acts before any judicial and administrative authority, in any phase and instance and in any venue, and therefore both in the cognisance and interim or urgent and execution stage;
- register court’s mortgages and transcribe attachments and executions; acquire voluntary mortgages and collateral security and personal guarantees and waive them; exercise the right to vote in the capacity of secured creditor;
- act and challenge before the court as regards any challenges and revocations of receivables

- as well as any opposition and revocation proceedings in bankruptcy procedures;
- reach amicable settlements, and agree on moratoriums and extensions of payment for both the main debtors and the co-obligators for any reason;
 - ascertain losses and make agreements and transactions that in any case affect the debt of the income statement, directly or indirectly, up to EUR 1,000,000.00 (one million); undertake, within the framework of the guidelines defined by the Board of Directors, the task of placing certificates and bonds of any kind, including but not limited to, senior and structured bonds, of Banca Mediolanum and third parties up to a maximum of EUR 100,000,000 (one hundred million) for each individual transaction (initial amount plus any subsequent extensions), without the Bank providing any guarantee of the successful outcome of the offer or taking over or surveying such products, without prejudice to the possible application, to the nominal amount of the products not placed, where applicable, of a positive or negative differential, to be settled with the issuer, originating from changes in market conditions at the time of the closing of the placement and the conditions set at the trade date of the same transaction.
 - within the framework of the guidelines defined by the Board of Directors and the indications received from the bodies vested with decision-making powers, issue instructions to the counterparties approved by the Board of Directors for the completion of placement transactions concerning, within the scope of the Framework Agreements executed with such counterparties, certificates and bonds of any kind, including but not limited to, senior notes and structured notes, of Banca Mediolanum and third parties up to a maximum of EUR 100,000,000 (one hundred million) per transaction, with a maximum of EUR 100,000,000 (one hundred million) per issue

In urgent cases, the Chief Executive Officer may make proposals to the Chairman – or in the event of his or her absence or impediment, to the Deputy Chairman – to exceed the limits of the delegation of authority; the Chairman – or in the event of his or her absence or impediment, the Deputy Chairman – will use the powers granted for urgent measures, and will decide on whether to grant the request or not.

Within the limits of the powers granted to him, the Chief Executive Officer can also assign special powers of attorney for single documents and categories of documents to the Bank's personnel or to third parties while supervising the documents made by individual agents.

The Chief Executive Officer is classified as the person primarily responsible for the company's management.

In accordance with the Corporate Governance Code for Listed Companies, the Chief Executive Officer is also responsible for setting up and overseeing the internal control and risk management system (Article 6 - Recommendation no. 32 letter b).

Chair of the Board of Directors

The Chair of the Board is not executive because the powers conferred upon them do not, not

even de facto, involve management functions (Paragraph 4.5).

Disclosure to the Board by Directors/Delegated Bodies

The Board was periodically informed on the activity delegated according to statutory provisions (Art. 20 of the Articles of Association).

"The directors and the Board of Statutory Auditors are informed by the delegated bodies and also regarding the subsidiaries on the overall performance of operations and outlook, in addition to the transactions of greater economic, financial and equity significance and on those in which the directors themselves have an interest, on their own behalf or a on the behalf of a third party, or that are influence by the party, if one exists, that carries out the management and coordination activity and on execution of the transactions with related parties at the Board of Directors meetings held at least once every quarter. Should reasons of urgency or expediency so require, communication can be made to the interested parties also in writing".

In its most recent meeting on 8 February 2023 held to approve the updated "Corporate Governance Plan", the Board assessed the adequacy of the organisational, administrative and accounting structure of the Company and of the Banking Group entities.

The Board also periodically assesses the general performance of operations, particularly taking into consideration the information received from the delegated bodies and periodically comparing the results attained with those scheduled.

General Manager

The Board appointed Mr Gianluca Bosisio General Manager in 2014 and gave him the following powers:

- preside over the ordinary management of the company within the scope of the directives set by the Chief Executive Officer, guaranteeing that its functioning takes place in observance of the laws and current regulations;
- enforce the decisions of the Board of Directors and the Chief Executive Officer;
- sign claims, statements and communications addressed to the Chamber of Commerce, Bank of Italy, CONSOB, Borsa Italiana, Italian Ministries and all other public authorities, and all other public or private office regarding the Bank's obligations pursuant to rules of law, regulations, circulars and supervisory instructions;
- represent the Bank at all shareholders' meetings, both ordinary and extraordinary, of any company, consortium, association in which it is shareholders, exercising the voting right and all other company rights due in these venues, issuing proxies to employees or third parties pursuant to Art. 2372 of the Italian Civil Code and all other legal or statutory rules on the question;
- grant credit lines within the limits of the rights established by the Board, excluding parties described in the provision of Art. 136 of the Consolidated Banking Act; grant special receivable or payable conditions to single customers within the guidelines

- established by the responsible bodies;
- define the contractual and economic conditions, receivable and payable, of the various services and products offered by the Bank and the Group;
 - stipulate, with all the opportune clauses, amend and terminate property leases, collaboration agreements, contracts of purchase and sale and asset exchange transactions, contracts concerning supplies of goods and services, trade agreements, financial leasing agreements for vehicles and other means of transport up to the amount or value per single contract of EUR 2,000,000.00 (two million) and for the maximum term of 6 years; without prejudice to the regulations regarding transactions with related parties and the sole responsibility of the Board in the cases provided for under Art. 136 of the Consolidated Banking Act;
 - order all actions necessary for the maintenance, adaptation and renovation of owned property and other property leased from third parties for functional purposes, up to the amount per single contract of EUR 1,500,000.00 (one million five hundred thousand);
 - authorise uses of expenditure without amount limits within the scope of the allocations already resolved by the responsible bodies, without prejudice to the limits under the previous points:
 - authorise transfer from one expenditure chapter to another of amounts no higher than 10% of each allocation;
 - authorise transactions on financial instruments with the Bank of Italy and with Italian and foreign institutional counterparties, within the limits established by the Board of Directors;
 - participate in placement consortia while taking on the maximum guarantee of EUR 3,000,000.00 (three million) for each placement;
 - stipulate, amend and resolve, with all the appropriate clauses, insurance contracts of any type and postal and banking current account contracts, including the accessory and connected services;
 - collect sums and securities due to the Bank, and issue receipt by way of settlement and release;
 - pick up documents and parcels containing securities, postal and telegraphic money orders and anything addressed to the Bank from all public and private offices, and especially from the Postal Administration, issuing releases and receipts with exemption of the offices from all liability;
 - carry out all transactions with the Public Debts, the Italian Inland Revenue and any other entity, obtaining the securities, sums and securities and issuing a receipt with exemption of the offices from all liability;
 - issue bank and postal cheques within the limit of the sums available with the drawees or within the limits of the credit lines, endorse and quittance cheques, money orders

- and notes; make endorsements and receipts of discharge relating to release, registrations and settlement of securities;
- represent the Bank in all bankruptcy procedures;
 - make claims and appeals administratively before any public authority in all fields and subjects, including tax, with right to accept and/or define taxable incomes;
 - file suits before any judicial and administrative Authority in both the cognisance and the execution stage; challenge lawsuits as the defendant; appoint and revoke lawyers and grant all consequent powers, including that of settlement;
 - issue statements as garnishee;
 - allow reductions, cancellations and waivers of voluntary and court's mortgages registered in the name of the Bank with exemption of the competent Registrars of the Real Estate Registries from all responsibility to this regard, with right to carry out all the paperwork and duties required;
 - waive executive acts, cancel privileges and transcriptions in general, and subrogations in favour of third parties for loans fully extinguished or to be extinguished;
 - act, challenge and waive judicial acts before any judicial and administrative authority, in any phase and instance and in any venue, and therefore both in the cognisance and interim or urgent and execution stage;
 - register court's mortgages and transcribe attachments and executions; acquire voluntary mortgages and collateral security and personal guarantees and waive them; exercise the right to vote in the capacity of secured creditor;
 - act and challenge before the court for the challenges and revocations of receivables and the opposition and revocation proceedings in the bankruptcy procedures;
 - reach amicable settlements, and agree on moratoriums and extensions of payment for both the main debtors and the co-obligators for any reason;
 - ascertain losses and made agreements and transactions that in any case debit the income statement, directly or indirectly, up to EUR 500,000.00 (five hundred thousand).

Within the limits of the powers granted to him, the General Manager can also assign special powers of attorney for single documents and categories of documents to the Bank's personnel or to third parties while supervising the documents made by individual agents.

4.7 Independent Directors and Lead Independent Director

Independent Directors are non-executive directors who do not maintain, nor have recently maintained, even indirectly, any relations with the Company or parties linked to it, such as to influence their current independent judgement.

The Board of Directors has a number of independent Directors with clearly defined roles and duties, backed by adequate skills.

In this regard, Independent Directors:

- oversee corporate management, with independent judgement, by helping to ensure that it is in the interests of the Bank and in a manner consistent with the objectives of sound and prudent management;
- must act professionally and be well respected such as to ensure a high level of internal discussion within the Board of Directors and to have a significant contribution in decision-making.

The Board of 15 April 2021 has identified as Independent Directors - both under the Corporate Governance Code and the CFA provisions and Ministerial Decree 169/2020 - the following persons:

- Francesco Maria Frasca;
- Anna Gervasoni;
- Giovanni Lo Storto;
- Mario Notari;
- Laura Oliva;
- Anna Eugenia Omarini;
- Roberta Pierantoni;
- Giovanna Luisa Maria Redaelli;
- Giacinto Gaetano Sarubbi.

who have supplied all elements necessary and useful to the Board's subsequent assessments. The results of these assessments were communicated to the market in a press release issued on the same date.

On 10 November 2021, the Board verified the independence requirements (ex Corporate Governance Code, CFA and Ministerial Decree 169/2020) for the Director Mr. Paolo Gibello Ribatto, appointed by the Ordinary Shareholders' Meeting of 3 November 2021.

On this occasion, after receiving a favourable opinion from the Appointments and Governance Committee of 4 November 2021, the Board assessed the contribution of each officer to the body's collective competence and, in these deductions, agreed on a more than consistent and differentiated presence of the areas envisaged and required for the qualitative-quantitative composition of the Board of Directors considered optimal, as defined by the Board on 27 January 2021. (Paragraph 4.3).

The 10 independent Directors in turn confirmed their adherence to the independence requirements provided for by the legislation in force on 2 March 2022 and 20 December 2022.

Also taking into account the provisions of the Corporate Governance Code, the Board defined the quantitative and qualitative criteria to assess the significance of relationships able to

compromise independence. These criteria were assessed in the considerations on officers' independence communicated to the public by the cited press released on 15 April 2021.

In particular, the Board envisaged that relations of a financial, patrimonial or professional nature (even if not continuous and even in the three preceding financial years), entertained by the exponent with the following parties (the "Relevant Persons"), should be taken into account:

- (i) the Bank, the companies controlled by it and the companies subject to joint control, the directors and the top management, and
- (ii) the Bank shareholders, and in any case parties who, also together with others through a shareholders' agreement, control the Bank; if the shareholder or controller is a company or entity, the directors or the top management.

These relationships with the Relevant Persons are to be considered significant, and therefore capable of compromising the independence of the member, if:

- the total annual consideration exceeds the amount of EUR 300,000.00; or,
- the total annual consideration is less than the amount of EUR 300,000.00 but exceeds the amount of EUR 250,000.00, if the ratio between the remuneration for the work of statutory auditor or independent director received from the Bank or the other Relevant Parties and the total remuneration received from the Bank or the other Relevant Parties does not exceed the threshold of 2/3.

For the purposes of the above, relationships held with the following are also relevant:

- a) indirectly (for example through subsidiaries or where they are a Chief Executive Officer or as a partner of a professional firm or a consultancy firm) by the officer or the parties described in points (i) and (ii) above (i.e. directors, top management or, as the case may be, the shareholders and the party who, also together with others through a shareholder agreement, controls the Bank);
- b) by a close family member (a close family member is understood to be a relation or in-law up to the fourth degree, the spouse or co-habitant and the children of this person) of the officer or the parties described above under (i) and (ii) (i.e. directors, top management or, as the case may be, the shareholders and the party who, also together with others through a shareholder agreement, controls the Bank).

These criteria are also indicated in the "Banca Mediolanum Corporate Governance Project" and in the "Banca Mediolanum Fit & Proper Policy".

The Board of Statutory Auditors verifies the correct application of the criteria and verification procedures adopted by the Board to assess the independence of its members.

The Independent Directors meet collectively in meetings for independents alone, in order to deal with issues considered of their common interest with specific regard to the functioning of the Board of Directors and corporate management.

In this regard, on 15 December 2021, after a proposal from the Independent Directors' having met on 10 December 2021, the Board of Directors approved the "*Rules for Independent*

Directors" that aims to establish the methods for promoting dialogue between the Independent Directors providing, for this purpose, to:

- regulate the figure of the Lead Independent Director, setting out their related tasks,
- promote the activity of the Independent Directors by establishing certain rules relating to their meeting, so that they may, amongst other things, discuss relevant issues in the absence of other Directors.

During the Financial Year, all Independent Directors met twice: once to formulate assessments on the operating guidelines of the checks on the suitability requirements of the Bank's officers (directors, statutory auditors, general manager and CFO) and considerations on the issues to be explored as part of the board induction program, and once in order to formulate assessments on general corporate governance issues. (Average meeting duration of 120 minutes).

Lead Independent Director

The Independent Directors having met on 12 July 2021, considered whether to appoint a Lead Independent Director (Recommendation 13, letter c of the Code) and proposed the candidacy of Independent Director Roberta Pierantoni, on the basis of specific professional competencies in the field of governance and outstanding personal qualities. Meeting on 29 July 2021, the Board of Directors resolved to introduce the figure of the Lead Independent Director and to appoint for this role Roberta Pierantoni until the end of her mandate.

The appointment was duly communicated to the market on the same date with the bulletin issued at the end of the board meeting for the disclosure of the Group's half-yearly figures as at 30.06.2021.

During the year, the Lead Independent Director mainly collaborated with the Chair of the Board of Directors in order to ensure that the directors received complete and timely information flows on operations; collected the individual requests of the other Independent Directors, primarily with regard to corporate governance issues, and convened and coordinated the meetings of the Independent Directors only.

5.0 MANAGEMENT OF COMPANY INFORMATION

Internal Dealing

On 20 September 2022, the Issuer's Board approved the update of the document called "*Procedure for complying with Internal Dealing obligations*" adopted by resolution on 21 June 2016 and subsequently updated on 25 September 2017, implementing the European Community regulation contained in Art. 19 of (EU) Regulation no. 596/2014 of the European Parliament and Council of the European Union of 16 April 2014 regarding market abuse (Market Abuse Regulation - MAR), supplemented by Arts. 7 et seq. of (EU) European Commission Delegated Regulation 2016/522 of 17 December 2015 and by (EU) European Commission Implementing Regulation 2016/523 of 10 March 2016 and Regulation (EU) 2019/2115 of the European Parliament and the Council of 27 November 2019.

The current procedure is available on the Company's website www.bancamediolanum.it in the Section/Corporate Governance under Internal Dealing.

Circulation of Confidential and Privileged Information

As of 3 July 2016, Regulation (EU) No. 596/2014 of the European Parliament and of the Council of the European Union of 16 April 2014 (Market Abuse Regulation - MAR), supplemented by "regulatory technical standards" and "implementing technical standards" of ESMA (European Securities and Markets Authority) approved by the European Commission, entered into force - at the level of EU legislation - establishing a uniform and directly applicable market abuse framework within the European Union. The Board of Directors meeting of 21 June 2016 adopted the "*Manual for circulation and monitoring of confidential and inside information*" which came into effect from 3 July 2016 in order to provide the Company with adequate internal procedures that comply with the obligations provided for by said law regarding the communication of inside information, and the drafting, filing and update of the Insider register.

On 18 June 2020, the Board of Directors adjusted the internal regulations of the Group, adopting, in addition to other documents, a new processing "*Regulation to manage significant and inside information of Banca Mediolanum*", in line with best practices and the Consob guidelines on the management of inside information.

Prevailing internal regulations introduced those organisational and procedural controls that allow both inside information to be monitored - as provided for until then - along with so-called "significant" information which could be loosely defined as "potential" inside information or alternatively, information that could become inside information at a later date.

The regulations in this case indicate - as provided for until then - the introduction of a special "delay regulation" that implements pursuant to MAR, i.e. the possibility for the issuers to delay, under their responsibility, disclosure of privileged information to the public provided that all conditions set out by the EU regulations are met (under Art. 17 MAR).

6.0 INTERNAL COMMITTEES OF THE BOARD (ex art. 123-bis, paragraph 2, letter d), CFA)

The Bank, in line with the provisions of regulatory and statutory provisions, has established within the Board of Directors the following four specialised committees: "Appointments and Governance" (Paragraph 7.2), "Risk" (Paragraph 9.2), "Remuneration" (Paragraph 8.2) and "Related Parties" (Section 10).

The establishment of said Internal Committees does not entail any limitation of the decision-making powers and responsibilities of the Board of Directors.

Without prejudice to the indications regarding the composition of the Internal Committees set out below, where there is a director elected from the minority lists, he or she shall be a member of at least one committee.

The Bank, also in accordance with the discipline of the sector, has regulated the mandate, the powers, the composition and the operating methods for each Committee established through the "*Regulation of the Board of Directors and Internal Committees*" approved by the Board of Directors on 27 January 2021 and last updated at its meeting on 8 February 2023.

The operating rules with reference to "Convocation and agenda" and "Validity and minutes" are the same for all Internal Committees. For the fulfilment of their duties, the Internal Committees have their own budget previously approved by the Board of Directors.

The members of the Internal Committees usually report on the activities carried out by the same Committees with reference to the single assigned tasks at the board meetings.

Their members attend the Committee meetings upon the invitation of the same Committees and on single items on the agenda.

Convocation and agenda

Meetings are normally convened by the Chair or if the latter so authorises, by the Secretary, unless at least two other members of the Board so request.

Meetings may also be convened in a place other than the registered office.

The notice of call contains information on the date, time and place of the meeting and the list of matters to be discussed in order to allow for a thought-out and informed participation (unless contrary to particular confidentiality reasons).

The convocation may alternatively be:

- ordinarily, at least five days before the date set for the meeting, by sending each member and participant of the Committee a registered letter, telegram, fax or e-mail. In this case, participants are also provided, usually 48 hours before the meeting, or three days before in the event that the subject is also dealt with later by the Board of Directors with the main supporting documentation and information necessary to enable them to express an informed opinion on the matters to be resolved;
- in case of urgency, at least one day before the date set for the meeting, by sending a

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telegram, fax or e-mail to each member and participant of the Committee. In this case, members and participants are also provided, simultaneously with the sending of the notice of call and where possible, with the appropriate proposed supporting documentation and the information necessary to enable them to express an informed opinion on the matters to be resolved.

Committee meetings may be held by audio or videoconference, provided that each member and participant may be identified by all the others and that each of the members/participants is able to intervene in real time during the discussion of topics. If these requirements are met, the Committee will be considered held in the place attended by the Chair and the Secretary, so that the minutes can be drawn up and signed. It is understood that this provision does not apply if participation in the meeting takes place exclusively by means of telecommunications.

Validity and minutes

For the validity of the constitution of the Committee, the presence of a majority of its members is required and, in the absence of convocation, the presence of all its members.

Decisions are taken with the favourable vote of the majority of the members present and are recorded in minutes, signed by the Chairman of the meeting and the Secretary. In case of a tie, the vote of the Chair shall prevail.

As far as concerns the procedures for the management of information to the members of the Committees and the deadlines for sending supporting documentation for the examination of agenda topics, please refer to Paragraph 4.4 on the Functioning of the Board of Directors.

For the Financial Year, the Appointments and Governance Committee acknowledged that the provision regarding the timeliness and adequacy of the information received by the members of the Internal Committees was complied with.

In the course of the year, all the meetings of the Committees were coordinated by the Chair of the relevant Committee and regularly recorded.

Each Committee, at its first meeting following its meetings, has reported to the Board on the subjects covered and on the observations, recommendations and opinions contained therein.

7.0 SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS - APPOINTMENTING COMMITTEE

7.1 SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS

In compliance with current legislation, the Issuer has planned a structured self-assessment process for the bodies with strategic and management functions once a year on the size, composition and functioning of the Board and any Committees formed within it, also considering its role in defining strategies and monitoring management performance and the adequacy of the internal control and risk management system.

This assessment, carried out with the support of the Appointments and Governance Committee, is aimed at:

- ensuring a verification of the correct and effective functioning of the body and its adequate composition;
- ensuring substantial compliance with the Supervisory provisions on corporate governance and achievement of the intended purposes;
- encouraging the updating of internal regulations on the functioning of the body, so as to ensure their suitability also in light of the changes due to the evolution of the business and operating context;
- identifying any major weaknesses and promoting discussion within the body, as well as specifying corrective actions to be taken;
- strengthening collaborative relationships and trust among individual members and between the strategic supervision function and the management function;
- encouraging the active participation of individual members, thereby ensuring full awareness of the specific role held by each of them and the related responsibilities;
- stimulating the improvement of the self-assessment process and the performance of the Board over time.

In particular, the self-assessment process regards the following aspects:

- with reference to the Board of Directors as a whole and to the Internal Committees:
 - *composition: in this regard, of relevance are the quali-quantitative composition, the size, the degree of diversity - in terms, inter alia, of age, gender balance, length of the term in office, geographical origin, type, expertise, professional knowledge and experience existing in the Board, international experiences - the degree of professional training (taking into account the operational and size-related characteristics of the Bank), the balancing ensured by non-executive and independent members, the adequacy of the appointment processes and selection criteria, professional update training - including board inductions for the preparation and training of Board members for increasing their respective skills, as specifically identified according to the specific needs and defined every year, also on the basis of the results of the follow-up checks carried out on the training previously taken by individuals and by the Board as a whole;*

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- o *functioning: in this regard, of relevance are the adequacy of the role, responsibilities and powers of the body, in relation to the complexity of the external context and the strategic activities and objectives of the Bank and the Group, the consistency of the operating rules of the Board of Directors and the conduct of the Directors with respect to the supervisory rules and to the recommendations of the Corporate Governance Code, the role of strategic supervision and monitoring of management by the Board as a whole, the circulation of information, the adequacy of information flows to the administrative body and, as applicable, Internal Committees thereof, the holding, frequency and duration of board and committee meetings, the degree and methods of participation by members, the time dedicated to the appointment, the trust, collaborative relationship and interaction between members, awareness of the role held, the quality of the board discussion, the work of the Chair, the Chief Executive Officer and the General Manager in relation to the Board, the assessment of the accuracy of the minutes and, more generally, the quality of the assistance provided by the Company Secretary;*

This process is governed by the “*Banca Mediolanum Board of Directors Self-Assessment Process Regulation*”, updated by way of the resolution dated 7 November 2018, featuring the following “macro” phases:

- 1) preliminary phase, gathering information and data (also based on questionnaires and interviews) on the basis of which the assessment is carried out;
- 2) processing phase;
- 3) phase of preparing the outcomes of the process, with the identification of the strengths and weaknesses found.

The parties in charge of the self-assessment will formalise the results of the self-assessment process in the document “*Results of the self-assessment of the Board of Directors*” which illustrates: (i) the methods and the individual phases of which the process is comprised; (ii) the parties involved, including any external professional; (iii) the results obtained, highlighting the strengths and weaknesses brought to light; (iv) corrective and improvement actions that may be necessary or possible. Their implementation or progress must be accounted for in the subsequent self-assessment;

- 4) phase of board discussion of the outcomes and preparation of any appropriate corrective measures;
- 5) verification that the corrective measures are implemented.

The self-assessment process usually begins in the month of November/December each year, with the activities of preparing the self-assessment questionnaire, and is usually completed with the first board meeting of the following year. During this meeting, the Board of Directors, subject to the Appointments and Governance Committee's assessment, expresses itself on the question of adequacy of the process, and after analysing any weaknesses that have emerged, defines the corrective measures for which adoption by the Bank is requested.

As a rule, the Board is assisted by an independent external consultant.

For the year, the Board carried out a *self-assessment* with the help of the same independent consultant used in the previous three years - Crisci & Partners - Shareholders and Board Consulting Srl, a specialised consultancy company and expert in corporate governance practices - in order to guarantee the transparency and independence of the opinions expressed, and was conducted on the basis of surveys and individual interviews, carried out between November and December 2022, focussing on different areas pertaining to the composition and functioning of the Board and the Committees.

In this regard, following the results of the self-assessment relating to the financial year contained in the specially-prepared document, the Board of Directors, subject to review by the Appointment Committee of 1 March 2023, unanimously agreed at the meeting on 7 March 2023 about expressing, also for the 2022 financial year, a reasonable level of satisfaction with regard to the size, composition and functioning of the Board and approved the self-assessment document.

It should be noted that in view of the renewal of the corporate bodies due to the expiry of the term of office with the Shareholders' Meeting called to approve the Financial Statements at 31.12.2020, the Board had carried out a self-assessment for the 2020 financial year, also conducted on the basis of questionnaires and individual interviews, in the appropriate time frame to anticipate the timing of making available to the shareholders the guidelines on the qualitative quantitative composition pursuant to Article 4, Recommendation 23 of the Corporate Governance Code (available on the website www.bancamediolanum.it, in the *Corporate Governance* Section, under 2021 Shareholders' Meeting).

SUCCESSION OF DIRECTORS

On 20 December 2022, the Company's Board, subject to the favourable opinion of the Appointments and Governance Committee, updated the regulations on succession by approving the "*Succession planning policy: guidelines for the succession planning process*".

This policy, prepared in compliance with the regulations in force (i.e. Bank of Italy Circular no. 285 of 17 December 2013 and subsequent amendments and supplements) and the recommendations contained in the Corporate Governance Code, is aimed at formalising the procedures adopted and the reference principles in order to guarantee an orderly succession in the top positions and other roles considered key in order to guarantee business continuity and promote good corporate governance.

In particular, it governs the succession of:

- the Chair of the Board of Directors, the Chief Executive Officer and the General Manager, and the other members of the Board of Directors; and
- other key roles, i.e. other non-members of the Board of Directors who have a significant influence on the business or internal processes.

The Policy aims to protect the Bank from any lack of organisational coverage on specific roles and to this end:

- identifies the corporate bodies and other parties involved in the preparation of the succession plan;
- outlines the methods and principles adopted for the identification of potential replacements for the company figures subject to the succession plan;
- defines ex ante the timing and methods for updating the succession plan;
- specifies the methods with which the succession must be implemented.

7.2 APPOINTMENTS AND GOVERNANCE COMMITTEE

Composition and operation of the Appointments Committee (ex art. 123-bis, paragraph 2, letter d), CFA)

The Appointments and Governance Committee provides support to both the Body with Strategic Supervisory Function (OFSS)¹ and the Body with Management Function (OFG)² of the Bank and Mediolanum Gestione Fondi SGR p.A. pursuant to the Bank of Italy Provision of 5 December 2019 on the Regulation implementing Articles 4-undecies and 6, paragraph 1, letters b) and c-bis), of the CFA.

The Appointments and Governance Committee has the power to provide proposals, consultancy and instructions, expressed in the formulation of proposals, recommendations and opinions with the aim of allowing the Board of Directors to adopt its own decisions with greater knowledge of facts. In carrying out its duties, the Committee takes into account the objective to avoid that the decision-making processes of the Board of Directors are dominated by a single entity or group of entities that may be detrimental to the Bank.

The Committee in office consists of three independent, non-executive Directors, of whom one undertakes the role of Chair.

The Committee in office at the date of this Report and up to the Shareholders' Meeting called to approve the Financial Statements as at 31.12.2020 comprises the following:

- Mario Notari – President, Independent;
- Anna Gervasoni – Independent;
- Roberta Pierantoni – Independent.

The following may attend the meetings of the Appointments and Governance Committee in addition to its members, at the invitation of the Chairman and in an advisory and support capacity:

- The Human Resources Manager;
- the Project Portfolio & Organisational Development Manager;

¹ OFSS: body with guidance and/or supervision functions of corporate management (for example, by means of examination and resolution regarding business or financial plans or the strategic operations of the company). At the Bank, said functions are established in the Board of Directors.

² OFG: corporate body or members of it that are responsible for or delegated management tasks, i.e. implementation of the guidelines established in exercising the strategic supervision function. At the Bank, said tasks have been assigned to the Chief Executive Officer. The General Manager is at the top of the internal structure and as such participates in the management function.

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- the Compliance Manager;
- the Chairman of the Board of Statutory Auditors or the Auditors designated by him. In any event, all members of the control body may attend the Committee's meetings, even if they have not been designated by the Chair of the control body.

All members of the Board of Statutory Auditors were always invited to the Committee meetings held during the Financial Year.

Company managers took part in all meetings, for their subject areas, in single items on the agenda and at the invitation of the Chair of the Appointments and Governance Committee during the Financial Year.

In order for the Committee to function effectively, participants may delegate to their own staff for specific topics requiring in-depth examination, only in the event of their justified absence or impediment.

The Appointments and Governance Committee's work is coordinated by the President and regularly recorded. The Chair reports on the activities and assessments carried out by the Committee to the first available Board of Directors' meeting.

The Appointments and Governance Committee has access to corporate information relevant for this purpose and has the financial resources to ensure its operational independence.

The Committee may also resort to the company functions necessary to carry out its tasks, as well as external experts, if necessary.

During the Financial Year, 6 meetings of the Appointments and Governance Committee were held with the average duration of 62 minutes, during which the Committee in particular supported the Board in the annual self-assessment process for the bodies (more specifically, it met for the assessments carried out pursuant to art. 4, Recommendation 21 of the Corporate Governance Code), it preliminarily examined the Corporate Governance Report and the ownership structures relating to FY 2021, in addition to holding individual meetings for the assessment and support to the Board in the identification of members of the main subsidiaries on the proposal of the Chief Executive Officer.

For the current 2023 financial year, 4 meetings of the Appointments and Governance Committee are currently scheduled, of which 2 have already been held (on 18 February and 1 March).

During the meeting on 2 November 2022, the Committee presented a budget of EUR 75,000 for 2023 to the administrative body, which was approved by the Board during its meeting on 9 November 2022.

The Appointments and Governance Committee, as at the end date of the Financial Year, comprises the following:

TABLE 3: STRUCTURE OF THE BOARD COMMITTEES AT THE END OF THE YEAR

Appointment and Governance Committee			
Position/Qualification	Members	(*)	(**)
Non-executive Director - CFA independent and Code Independent	Notari Mario	6/6	P
Non-executive Director - CFA independent and Code Independent	Gervasoni Anna	6/6	M
Non-executive Director - CFA independent and Code Independent	Pierantoni Roberta	6/6	M
No. of meetings held during financial year:	6		

NOTES

(*) The attendance of the directors at the meetings of the BoD and of the committees, respectively, is indicated in this column (indicate the number of meetings they attended compared to the total number of meetings they could have attended; e.g. 6/8; 8/8, etc.).

(**) The capacity of the director within the Committee is indicated in this column: "P": president; "M": member

Functions of the Appointments and Governance Committee

The Committee particularly:

- supports the Board in the appointment or co-option of Banca Mediolanum directors in accordance with the Supervisory Provisions; in particular, in the event of co-option, it identifies the candidates for the office of Director;
- it also supports the Board in identifying the representatives of the main subsidiaries on the proposal of the Chief Executive Officer who, in choosing the members of the corporate bodies, will be inspired by the criteria outlined in the Corporate Governance Project [1];
- defines the optimal composition of the Board of Directors and its committees;
- with reference to the need to ensure an appropriate degree of diversification in the collective composition of the Board of Directors, the Appointments and Governance Committee – without prejudice to the obligations under the regulations applied to listed Banks – participates in setting an objective in terms of the less represented gender quota and in preparing a plan to increase this quota up to the set out target;
- supports the Board of Directors in the self-assessment process of the bodies, according to the Supervisory Provisions, as well as in the verification of the conditions pursuant to art. 26 of the TUB (Consolidated Banking Act) and in the definition of succession plans in executive leadership positions established by the Supervisory Provisions;
- assesses and monitors the Bank’s governance, submitting to the Board of Directors any proposals for changes or supplements to the Corporate Governance system deemed appropriate and help the Board of Directors itself to draw up the annual “Report on Corporate Governance” so it can be disclosed to the shareholders and market.

[1] Under paragraph 3.5.7., the Corporate Governance Project requires - inter alia - that the Chief Executive Officer: "defines the

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composition of the corporate bodies of the Group companies whose appointment is proposed to the Board of Directors of the Parent Company after assessing, for the main subsidiaries, by the Appointments and Governance Committee.

As part of the internal regulations on “Succession planning policy: guidelines of the succession planning process”:

- defines the personal and professional requirements and profile of the resources to be identified for the positions of Chief Executive Officer and General Manager;
- after examining the results of the research conducted, submits to the Board of Directors the possible candidates, whether they are identified within or outside the Group, for the related resolutions.

The Committee supports the development of the proposal, by the Risk Committee, of the appointment of the managers of the internal control corporate functions, the appointment of which is the responsibility of the Board of Directors.

8.0 REMUNERATION OF DIRECTORS – REMUNERATION COMMITTEE

8.1 REMUNERATION OF DIRECTORS

Remuneration Policies:

The remuneration policies defined by Banca Mediolanum S.p.A. aim at attracting and retaining individuals whose professionalism and skills are adequate to the company's needs and at providing an incentive aimed at increasing their commitment to improving the company's performance, through personal satisfaction and motivation.

Furthermore, application of the Remuneration Policies ensures better alignment between their recipients and the Shareholders of Banca Mediolanum S.p.A. and of the Group, in both the short-term perspective by maximising the creation of value for the Shareholders and in the medium-/long-term perspective by carefully managing corporate and sustainability risks consistent with the pursuit of medium-/long-term strategies.

To that end, the Group undertakes to pursue the progressive integration of environmental sustainability (e.g., associated with climate risks), social and governance matters into its strategy, the management of risks and remuneration processes, promoting a systemic, inclusive and transparent approach that can also guarantee compliance with the principles of plurality, equal opportunities, fairness and lack of discrimination. In this context, each year the Remuneration Committee and the Board of Directors ascertain the neutrality of policies with respect to gender, by analysing the gender pay gap at Group level.

The remuneration and incentive criteria based on objective parameters tied to performance and in line with the strategic objectives represent the tool capable of stimulating the commitment of all parties to the greatest extent and, as a result, best meeting the Group's interests, linking economic growth with sustainable success.

The remuneration policy contributes to the company's strategy, the pursuit of long-term interests and the sustainability of the company also through the long-term incentive tools (LTI Plans) tied to the strategic priorities defined in the long-term business plans and aimed at achieving both economic, financial, business development and sustainability objectives as well as the ESG priorities defined in the materiality matrix of the Group.

The Bank also prizes dialogue with its shareholders and institutional investors in the area of remuneration, with the analysis of the shareholders' meeting results being important in order to effect change and for the new issues introduced by these policies, demonstrating how it took account of the reasoning underlying the various resolutions passed in the shareholders' meeting season.

The Board of Directors on 2 March 2022, having received a favourable opinion from the Remuneration Committee on 23 February 2022, approved the "Report of the Board of



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Directors regarding Group Remuneration Policy and Remuneration Paid" for the financial year 2022, which describes and explains the remuneration and incentive policies adopted by the Group in order to ensure an adequate transparency level on relevant aspects of corporate governance and disclosures to the market.

The Report was drawn up in compliance with the layout 7-bis of Annex 3A of Consob Issuers' Regulation no. 119717, and it contains two distinct sections.

SECTION I - Report on the Remuneration Policy, illustrates:

- the Group policy on remuneration of personnel, and particularly of the administration and control bodies (subject to the provisions of article 2402 of the Civil Code), general managers and key management with reference at least to the following financial year, and most significant personnel (hereinafter also "MRT Personnel") identified pursuant to the Bank of Italy provisions;
- the procedures used for adopting and implementing this policy

SECTION II - Report on the remuneration paid:

- illustrates detailed information on implementation of the policies of the previous year and the operating mechanisms of the incentive systems adopted, highlighting their consistency with the company's policy on remuneration matters relating to the applicable financial year;
 - provides an adequate representation of each of the items making up the remuneration and analytically explains the remunerations paid during the year of reference for any reason and in any form by the Company and by subsidiaries or associates, pointing out any components of these remunerations referring to activities carried out during years prior to the one of reference and highlighting also the remunerations to be paid during one or more years afterwards for the activity carried out in the year of reference, possibly indicating an estimated value for components that cannot be objectively quantified in the year of reference.
- The Issuer Shareholders' Meeting of 7 April 2022 - in observance of the Supervisory Provisions for Banks, Circular no. 285/201 and in compliance with the provisions of the CONSOB Issuers' Regulation and the Consolidated Finance Act - approved the document on Group remuneration policies referring to the Financial Year.

For more information on the Group remuneration policies referring to the Financial Year, refer to Section I of the Report of the Board of Directors on Group Remuneration Policies drawn up pursuant to Art. 123-ter of the Consolidated Finance Act and published on the Company's website (www.bancamediolanum.it in the Corporate Governance Section under Shareholders' Meeting).

Please note that on 7 March 2023, the Company's Board of Directors, at the proposal of the Remuneration Committee on 27 February 2023, last amended the Board of Directors Report on the Group remuneration policies in order to incorporate the adjustments most recently made by the revision of Banca d'Italia Circular no. 285 (37th update, dated 24 November 2021). Also in order to incorporate the changes in content resulting, among other things, from the introduction of a new long-term variable incentive plan, "LTI 2023-2025".

This report will be published in the terms and with the mechanisms required by law in view

of the upcoming Shareholders' Meeting.

Remuneration of Executive Directors and Top Management

The remuneration structure adopted with respect to employees provides as follows:

- fixed remuneration for the job held and the extent of responsibility, reflecting the experience and capacity required for each position and the overall quality of the contribution to the business results;
- any variable remuneration that aims to recognise the results achieved establishing a direct correlation between the remuneration and the results objectively achieved by the company and the individual, in the short and medium term, in accordance with the risk profile defined.

For more information on the remuneration of executive Directors and Top Management, please refer to the Report of the Board of Directors on Group Remuneration Policies, published on the Company's website (www.bancamediolanum.it in the Corporate Governance Section under Shareholders' Meeting).

Short-term share-based remuneration plans

Starting in 2015, the Group revised its incentive systems, in accordance with the principles contained in its remuneration policies, introducing two short-term incentive plans for key personnel (Top Management and Collaborators) that provide for adequate deferment and retention mechanisms.

General objectives of the incentive plans are:

- align the recipients' objectives with those of the company of sustainable growth in business in observance of the defined RAF;
- adopt a pay mix that, in terms of the overall level of remuneration and its composition, is in line with the best market practices, allows to keep the motivation of recipients high and is reasonably attractive;
- have a remuneration element that allows a cost component to be related to the creation of value by the Group;
- disburse the variable remuneration of the recipients upon attainment:
 - o of pre-defined corporate objectives;
 - o of the expected individual performance levels;
- align the creation of value with long-term sustainability objectives;
- being compliant with the regulatory provisions previously mentioned, with particular reference to the "Material Risk Takers".

For information on the existing incentive plans, please refer to the relevant information documents published on the Company's *website* (www.bancamediolanum.it in the Corporate Governance Section under Other corporate documents), and in Section I of the above

mentioned Report of the Board of Directors on Group Remuneration Policies.

Remuneration of Non-Executive Directors

The remuneration policies provide that the remuneration attributed by the Shareholders' Meeting to the Directors at the time of their appointment and to the Statutory Auditors shall be commensurate with the responsibilities, tasks and degree of participation of the individual in the meetings of the respective board, with the assumption of all consequent responsibilities, as well as with best market practices. The use of such parameters makes it possible to provide adequate justification and transparency for the remuneration awarded. Disbursement of any type of variable remuneration for the office held is not planned for the non-executive members of the Board of Directors and the members of the Board of Statutory Auditors.

For more information on the non-executive Directors' remuneration, please refer to the Report of the Board of Directors on Group Remuneration Policies, published on the Company's website (www.bancamediolanum.it in the Corporate Governance Section under Shareholders' Meeting).

Accrual and disbursement of remuneration

Wherever present, variable remuneration is paid in compliance with the processes provided for by the regulations in force (with the application of deferral mechanisms, payment in instruments, and ex ante and ex post correction mechanisms).

For more information on the non-executive Directors' remuneration, please refer to the Report of the Board of Directors on Group Remuneration Policies, published on the Company's website (www.bancamediolanum.it in the Corporate Governance Section under Shareholders' Meeting).

Directors' compensation in the event of resignation, dismissal or termination of relationship following a takeover bid (ex art. 123-bis, paragraph 1, letter i), CFA)

In general, the pension and termination policy must be in line with corporate strategy and with the objectives, values and long-term interests of the Company.

In the case of early cancellation, dismissal or termination of employment with Banca Mediolanum S.p.A. or with the Group, particular compensation for the personnel may be paid in exceptional and carefully assessed cases for achieved results

For information on the compensation for the Directors and employees in the event of early termination of employment, please refer to the Report of the Board of Directors on Group Remuneration Policies, published on the Company's website (www.bancamediolanum.it in the Corporate Governance Section under Shareholders' Meeting).

8.2 REMUNERATION COMMITTEE

Composition and operation of the Remuneration Committee (ex art. 123-bis, paragraph 2, letter d), CFA]

The Remuneration Committee provides support to the Board of Directors regarding remuneration, ensuring that the criteria underlying the remuneration and incentive system of the Bank and the Group are consistent with the management of risk profiles, capital and liquidity.

The current Remuneration Committee consists of three independent, non-executive Directors, of whom one undertakes the role of Chair.

The Remuneration Committee in office on 15 April 2021 and up to the Shareholders' Meeting called to approved the Financial Statements as at 31.12.2022 comprises the following:

- Mario Notari – President, Independent;
- Anna Eugenia Omarini – Independent;
- Giovanni Lo Storto – Independent.

all having adequate knowledge and experience in financial and accounting matter and/or remuneration policies.

Directors are to abstain from participating in the Committee meetings during which proposals concerning their remuneration are presented to the Board.

Committee meetings are attended by the Chairman of the Board of Statutory Auditors or another auditor appointed by the latter, and the Human Resources Manager. In any event, all members of the control body may attend the committee's meetings, even if they have not been designated by the Chairman of the control body

The following may attend the meetings of the Remuneration Committee in addition to its members, at the invitation of the Chairman and in an advisory and support capacity:

- the Compliance Manager;
- the Risk Management Manager;
- the Internal Audit Manager;
- the Manager of Career, Commercial Network Planning and Organisation in consideration of the management of the remuneration policies of the Sales Network.

Company managers took part in all meetings, for their subject areas, in single items on the agenda and at the invitation of the Chair of the Committee during the Financial Year.

In order for the Committee to function effectively, participants may delegate to their own staff for specific topics requiring in-depth examination, only in the event of their justified absence or impediment.

The Remuneration Committee's work is coordinated by the President and regularly recorded. The Chair reports on the activities and assessments carried out by the Committee to the first possible Board of Directors. The Remuneration Committee provides adequate feedback on its activities also to the Shareholders' Meeting.



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The Remuneration Committee has access to corporate information relevant for this purpose and has the financial resources to ensure its operational independence.

During the Financial Year, 9 meetings of the Remuneration Committee were held with an average duration of 117 minutes (1 hour and 57 minutes), during which the Committee dealt with all the inherent activities, preliminary and consequent to the shareholders' meeting decisions regarding remuneration policies.

For the current 2023 financial year, 5 meetings of the Remuneration Committee are currently scheduled, of which 2 have already been held (on 17 January and 27 February 2023).

During the meeting on 11 October 2022, the Committee presented a budget of EUR 50,000 for 2023 to the administrative body, which was approved by the Board during its meeting on 18 October 2022.

The Remuneration Committee, as at the end date of the Financial Year, comprises the following:

TABLE 3: STRUCTURE OF THE BOARD COMMITTEES AT THE END OF THE YEAR

Remuneration Committee			
Position/Qualification	Members	(*)	(**)
Non-executive Director - CFA independent and Code Independent	Lo Storto Giovanni	9/9	M
Non-executive Director - CFA independent and Code Independent	Omarini Anna Eugenia Maria	9/9	M
Non-executive Director - CFA independent and Code Independent	Notari Mario	9/9	P
Non-executive Director - CFA independent and Code Independent	9		

NOTES

(*) The attendance of the directors at the meetings of the BoD and of the committees, respectively, is indicated in this column (indicate the number of meetings they attended compared to the total number of meetings they could have attended; e.g. 6/8; 8/8, etc.).

(**) The capacity of the director within the Committee is indicated in this column: "P": president; "M": member.

Functions of the Remuneration Committee

The Remuneration Committee has the power to provide proposals, consultancy and instructions, expressed in the formulation of proposals, recommendations and opinions with the aim of allowing the Board of Directors to adopt its own decisions in a more informed manner; in particular:

- assists the Board in drawing up remuneration and incentive policies and periodically assesses their adequacy and overall consistency;
- has the task of proposing remuneration for personnel whose remuneration and incentive systems are determined by the Board of Directors, including directors and key

management as well as establishing the performance objectives related to the variable component of said remuneration;

- also availing of the information received from the responsible corporate functions, expresses an opinion on the outcomes of the most significant personnel identification process, including any exclusions;
- has advisory tasks regarding determination of the criteria for the remuneration of all key personnel;
- submits proposals to the Board of Directors regarding remuneration, and more generally for the remuneration and incentive system of the members of bodies with strategic supervision and management function of the foreign banking companies of the Group also in relation to the economic results achieved and the achievement of specific objectives, also monitoring the application thereof;
- with reference to the above points, provides consulting on:
 - the process adopted for development and control of remuneration policies; in this regard, the Committee ensures the involvement of all relevant corporate functions such as Human Resources, Career, Commercial Network Planning and Organisation, Compliance Function, Risk Management Function, Internal Audit Function;
 - the self-assessment process of significant personnel and of the significance criteria used;
 - the structure of the remuneration and incentive systems with particular reference:
 - to the balance between fixed and variable component;
 - to performance indicators and correction mechanisms for risk both ex ante and ex post against which to parameter and adjust the variable component in the final balance, if required;
 - the division between remuneration based on financial instruments and monetary bonuses as well as the related options and deferral mechanisms;
 - in relation to the previous point, the eventual use of plans based on financial instruments to be approved by the General Meeting. In this regard, manages all relevant technical aspects related to their formulation and application;
 - the general consistency of the policies with the level of risk and the effectiveness and stability of the results, which are conditions for the payment of remuneration; the type and impact of any changes with respect to the policies already approved; the process adopted for ex post reporting to the Shareholders' Meeting on the implementation of the policies;
 - provides appropriate feedback on activities carried out to the corporate bodies, including the Shareholders' Meeting;
 - proposes, in respect of the implementation of the self-assessment process of "significant personnel", the list of corporate individuals to be considered "significant"; in this regard, evaluates the inclusion in the list of certain corporate

- individuals considered “potentially significant”;
- supports the Board of Directors in the verification of the overall consistency, adequacy and actual application of the Group remuneration policies approved by the General Meeting with respect to sound and prudent management and long-term strategies of the Group; in this regard:
 - submits proposals to the Board of Directors on the matter;
 - monitors the evolution and application over time of the plans based on financial instruments possibly approved by the General Meeting in relation to the change in the reference scenario;
 - monitors the application of the decisions adopted by the Board of Directors on the remuneration of the Chairman, Vice Chairman, the CEO, the Directors holding special offices, the General Manager and, more generally of the “key personnel”; to that end, receives the appropriate information from the control functions;
 - directly supervises the correct application of the rules on the remuneration of the internal control function managers, in close collaboration with the Board of Auditors;
- drafts the documentation to be submitted to the Board of Directors for its decisions;
- collaborates with other Committees within the Board of Directors and in particular with the Risk Committee;
- provides an opinion, making use of the information received by the competent company functions, on the achievement of performance objectives which are linked to the incentive plans and on the ascertainment of other conditions for the payment of remuneration.

Lastly, with reference to subsidiary, Mediolanum Gestione Fondi SGR p.A., it carries out functions concerning the remuneration policies and the incentive systems of the subsidiary, in particular:

- formally re-examines a number of possibilities for checking how the remuneration system will react to future external and internal events, also through retrospective testing;
- it verifies the alignment of the remuneration and incentive system with the strategy, risks and interests of the manager and the UCITSs and managed AIFs;
- ensures the involvement of the relevant governance bodies/company functions, in line with what has been established by the sector legislation in effect at the time.

With reference to the areas mentioned above, the main activities carried out by the Remuneration Committee during the year are listed below.

The Committee supported the Board of Directors in defining the Remuneration Policies and the Performance Share Plans to be submitted to the Shareholders' Meeting convened for 7 April 2022.

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It also expressed its views, using information received from the relevant corporate functions, on the outcome of the process of identifying key personnel, including exclusions.

It reported on the activity carried out, submitted proposals and reasoned opinions to the Board of Directors in good time for the preparation of the board meetings called to discuss the question of remunerations;

It provided an opinion, making use of the information received by the competent company functions, on the achievement of performance objectives which are linked to the incentive plans and on the ascertainment of other conditions for the payment of remuneration.

Lastly, the Committee provided adequate feedback on the activities of the corporate bodies, including the Shareholders' Meeting of 7 April 2022.

9.0 INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT – CONTROL AND RISK COMMITTEE

The Internal Control System (hereinafter, ICS) consists of the set of rules, procedures and organisational structures aimed at an effective and efficient identification, measurement, management and monitoring of the main risks, in order to contribute to the sustainable success of the Company.

An efficient Internal Control System can help guarantee the safeguarding of the company's equity, the efficiency and effectiveness of business operations, the reliability of financial information, and compliance with the law and regulations.

The control environment is the element of the corporate culture that determines the level of management sensitivity and management of the control requirements. It constitutes the basis for all other components of the SCI.

The factors that influence the control environment are the following: the integrity, ethical values and competence of the staff, management philosophy and style, how responsibility is delegated, professional organisation and development and the commitment and capacity of the Board of Directors to provide guidelines and direction.

In the Banking Group, the various Companies undertake to implement a well-organised, efficient Internal Control System in their operational structures, taking account, in accordance with the guidelines received from the Parent Company, of the different regulations that apply and areas of activity.

A fundamental role is played by the Risk Committee of the Parent Company, as it makes comparisons and analyses to develop a global vision of the various risks related to the different types of business and shares the actions undertaken to control significant risks.

The Banca Mediolanum Parent Company, in order to encourage the circulation of the values of professional honesty and compliance with the laws and regulations, also drew up a Code of Ethics which sets out the behaviour to adhere to and which was circulated to the Subsidiaries for them to adopt it.

The Code of Ethics is complementary to the "Code of Conduct" and they are both considered to be fundamental elements pursuant to the Organisation, Management and Control Models pursuant to Legislative Decree 231/01, that the Mediolanum Group companies have, and where adoption is provided for.

Over the course of the year, the Board of Directors, at its 2 March 2022 session, after receiving a favourable opinion from the Risk Committee on 24 February 2022, heard the favourable opinion of the Director in charge of establishing and maintaining the Internal Control and Risk Management System and the Board of Statutory Auditors, agreed on the overall adequacy of the internal control and risk management system in terms of the features of the business and the assumed risk profile, as well as its effectiveness, approving the "Annual

Report of the Internal Audit Function - 2021".

A description of the current Control System in effect follows, completed by Annex 1) to this report and pertaining to the ***“Main characteristics of the existing risk management and internal control systems in connection with the financial disclosure process”*** drawn up pursuant to Art. 123-bis, paragraph 2(b) of the Consolidated Finance Act.

The Internal Control System is broken down into several levels that contemplate:

- line controls (so-called “level one controls”): aimed at ensuring that the transactions are properly carried out. These controls are carried out by the same operational structures (e.g. hierarchical, systematic and random controls), also through units dedicated solely to control tasks that report to the managers of the operational structures (i.e. performed in the back office area) and, when possible, are incorporated into the computer procedures. According to this configuration, the operational structures are the first in line to be responsible for the risk management process. During daily operations, these structures are called upon to identify, measure or assess, monitor, mitigate and report the risks arising from routine company activity in compliance with the risk management process. Moreover, these structures must meet the operational limits assigned to them consistently with the risk objectives and procedures into which the risk management system breaks down;
- controls on risks and compliance (“second level controls”): aimed at ensuring that the operational limits assigned to the different functions are observed, the risk management process is properly implemented and company operations comply with the rules, included those of self-regulation. As required under the regulations, the functions responsible for second-level controls are separate from those engaged in production and cooperate and agree upon the definition of risk governance and of the risk management process. Specifically, these functions are:
 - Risk control function (Risk Management);
 - Compliance with the rules function (Compliance);
 - Anti-money Laundering Function;
- internal audit (so-called “level three controls”): aimed at identifying infringements of procedures and regulations, as well as assessing on a regular basis, the completeness, suitability, functionality (in terms of efficiency and efficacy) and the reliability of the internal control and IT systems (ICT Audit) with a pre-set frequency according to the nature and intensity of the risks.

A precondition of a complete and functional system of internal controls is the existence of a company organisation adequate for ensuring the healthy and prudent management of the Group and the observance of the provisions applicable to them. More specifically, the following organisational standards are provided for:

- the decision-taking processes and assignment of functions to the personnel are formalised and permit univocal identification of tasks and responsibilities and are suitable for preventing conflict of interest. In this area, the necessary separateness between the operational and control functions must be ensured;
- the policies and procedures to ensure that staff have the skills and professional competence needed to exercise the responsibilities assigned to them;
- the risk management process is effectively integrated. The following are considered integration parameters and are provided by way of example but not limited to: the spread of a common language in risk management at all Bank levels; the adoption of recognition methods and tools and consistent assessment between them (e.g. a single taxonomy of processes and a single map of risks); the definition of risk reporting models in order to facilitate their comprehension and proper assessment, also in an integrated logic; the identification of formalised moments of coordination in order to plan their respective activities; the provision for information flows on a continuous basis between the different functions in connection with the results of the control activities for which they are responsible; sharing in identification of remedy actions;
- measurement processes and methods, including for accounting purposes, of the company activities are well integrated with the risk management process. For this purpose: the definition and ratification of the measurement methods are entrusted to different units; the measurement methods are sturdy, tested under stress scenarios and do not excessively rely on a single source of information; the assessment of one financial instrument is entrusted to a unit independent from the one that trades that instrument;
- the operating and control procedures minimise the risks tied to fraud or unfaithfulness of the employees; prevent or, if that is not possible, mitigate the potential conflict of interest; prevent involvement, even unknowing, in money laundering, usury or the funding of terrorism;
- the IT system is based on a flexible, resilient architecture integrated at Group level, allows management to have available pertinent and updated information to take decisions and properly implement the risk management process. Moreover, on the topic of compliance, the system records, preserves and properly represents the operational transactions and significant events for the objectives provided for by legal provisions and internal and external regulations;
- the levels of operational continuity are guaranteed, adequate and compliant with what is established by the current supervisory provisions.

When defining strategic, industrial and financial plans, the Board of the Company defined the type and level of risk compatible with the strategic objectives of the Issuer, including all the risks that might take on significance in the perspective of sustainability over the medium-/long-term of its activity.

The Board of the Company also defined the guidelines of the internal control and risk management system so that the main risks pertaining to it and to its subsidiaries are properly identified and adequately measured, managed and monitored, determining the compatibility of these risks with a management of the company consistent with the strategic objectives identified.

The Board of the Company, in its 2 March 2022 meeting, after receiving the favourable assessment of the Risk Committee, the Director Responsible for the internal control and risk management system and the Board of Statutory Auditors, agreed on the overall adequacy of the Internal Control System and approved the work plan for the year 2022 prepared by the Manager of the Internal Audit Function.

Within the Internal Control System, the Issuer's Compliance, Anti-Money Laundering, Risk Management and Internal Audit Functions play an important role, each for the profiles of their respective competences, and are responsible for monitoring exposure to financial and credit risks, as well as assessing the impact of operational, legal and reputational risks, money laundering and counter-terrorism risks, keeping capital adequacy under constant control in relation to the activities carried out.

Risk Management Function

The Risk Management Function is responsible for implementing the Group's governance policies and its risk management system, and helps to specify and implement the Risk Appetite Framework (RAF), exercising its control function in such a way as to ensure that the various corporate bodies have an all-round view of the various risks

Specifically, the Risk Management Function:

- defines and maintains the control and management framework of all of the Bank's risks in observance of the Board of Directors guidelines and of the current regulatory provisions;
- proposes the quantitative and qualitative parameters needed to define the Risk Appetite Framework (RAF);
- periodically carries out simulations relating to hypothetical stress scenarios that generate significant impacts on the forecasts of the economic and financial plan, exercises also useful for defining the thresholds of the RAF indicators;
- promotes the culture of risk management, in order to obtain an ever greater awareness and understanding of adverse and/or critical phenomena in the entire company organisation;
- plans and coordinates, in collaboration with the Corporate Bodies concerned, the framework reported in the Recovery Plan document approved by the Strategic Supervision Body;

- defines, in accordance with the other Corporate Units involved, the stress test scenarios, for the purpose of preparing the ICAAP/ILAAP Report and the Recovery Plan;
- defines, develops and maintains over time the control methodological framework and the credit risk measurement systems, in compliance with provisions of regulations in force, collaborating and coordinating with the first-level controls set up by the Credit Department;
- defines the assessment and control methods for financial risks, in particular with regard to the typical Treasury activities;
- in the ALM area, it develops interest rate risk estimation models, measures and monitors the sensitivity of balance sheet assets and liabilities to the interest rate on an ongoing basis, in accordance with the provisions of the reference regulations;
- draws up, oversees and sends periodic reports on liquidity risk to the Supervisory Authority, both relating to the consolidated banking scope and regarding the Italian banking sub-group scope;
- defines the methods for the assessment and control of operational, IT and reputational risks;
- within the ESG area, the Function provides assessments and/or considerations of climate risk in terms of the overall exposure and appetite for risks related to the core business of the Bank and of the Group;
- is responsible for the management and supervision of the risks related to the outsourcing agreement within the scope of internal controls of the entity and of the maintenance of the outsourcing register. Guarantees standardisation of the outsourcing management model and governance of the model defined, sharing the related changes with all the players involved in the process;
- defines and develops the quantitative methodologies aimed at determining and managing the significant first and second pillar risk of Banca Mediolanum;
- prepares, in coordination with business structures and in compliance with RAF guidelines, internal regulations, policies and rules relative to all significant first and second pillar risks;
- continuously verifies the adequacy of the Risk Appetite Framework;
- monitors the specialised regulations under its remit and implements adaptation action in collaboration with the other company functions;
- monitors risks and defines the related management policies, and prepares the control reports for the Board of Directors in accordance with aspects defined in the Risk Appetite Framework;
- plans the assessments of operating and reputational risks;
- collects and analyses the operational loss events;

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- identifies (with the risk owner) operational actions for risk mitigation and monitors their completion;
- carries out periodic risk analysis campaigns on the applications in use in order to identify, analyse and assess the residual IT risk related to the Bank's applications and, if necessary, the actions required to manage the risk;
- defines the control and management model for IT risk and proposes the related strategic RAF indicators;
- for all relevant first and second pillar risks, assesses the adequacy of economic and regulatory capital;
- assesses the risk profile of the products placed by Banca Mediolanum for carrying out checks required by the MiFID regulations (for both Group and third-party products);
- prepares the periodic risk disclosure of the Bank for both the Board of Directors and for the Supervisory Authorities in compliance with the regulatory prescriptions and deadlines within its competence;
- prepares the periodic disclosure to customers for the parts under its responsibility;
- from a quantitative point of view, supports the functions responsible for capital management;
- analyses the risks of the new products and services and those arising from entry into new operational and market segments;
- supports the Corporate Bodies in assessing strategic risk;
- expresses preliminary opinions on the consistency with the Risk Appetite Framework of the most important transactions and as regards the outsourcing of Functions;
- obtains data and news relating to the actual, monetary, lending-related and financial economy, also on the basis of reporting for the Corporate Bodies;
- develops and keeps updated the validation methods of the IFRS 9 models, also guaranteeing their compliance with the regulatory requirements on the subject and preparing periodic reports on the activity carried out;
- based on different organisational procedures, the Risk Management Function of Banca Mediolanum may carry out some risk monitoring and management activities on behalf of other companies of the Group.

With reference to the subsidiaries that have established their own Risk Management structure, the Function is responsible for the management and coordination of activities carried out by said "local functions", in respect of the autonomy and regulations in force, and carries out sharing and alignment activities regarding specific risk management matters as "Parent Company".

Compliance Function

The Compliance Function oversees the management of compliance risks, according to a risk-based approach applied to the corporate activities, while making use, in the control of some regulatory areas for which specialised monitoring is required, of the assistance of Specialist Units, identified for this purpose in the Compliance Policy, which are responsible for some phases of the compliance process.

This Function is responsible for providing specialist advice for assessing compliance risk, constant monitoring of the external regulatory context (regulatory *alerts*), assessing the impact of regulations (*gap analysis*) on business processes, checking the adequacy and functioning of corporate structures and processes to prevent the violation of any mandatory or self-governance rules, and for monitoring the adoption of any proposed corrective measures.

With reference to aspects explicitly envisaged in the regulations, the Compliance Function is required to satisfy the following obligations:

- assisting the different corporate structures in assessing compliance risk;
- assessing suitable procedures for the prevention of the identified risks, with the possibility of requesting their adoption and verifying their suitability and correct application;
- evaluating the implementation of organisational adjustments suggested for the prevention of compliance risk;
- identifying, on a consistent basis, all laws applicable to the bank and the measurement/assessment of their impact on the corporate processes and procedures;
- proposing organisational and procedural changes, aimed at ensuring an appropriate management of the identified compliance risks;
- setting up information flows to the Corporate Bodies and structures involved, notwithstanding the obligation to promptly provide information and advice to such bodies on request;

The Model adopted for managing the compliance risk provides for monitoring activities carried out by the Compliance Function as regard the most important laws on compliance risks – such as those concerning the execution of banking and brokerage activities, the management of conflicts of interest, the transparency toward customers, and more in general, the diligence observed for the protection of the consumer – and regarding the regulations for which no specialised monitoring systems are required within the Bank (aka Specialist Units) or do not fall under the responsibility of other Corporate Control Functions. As regards the monitoring performed by Specialist Units, the Compliance Function is responsible for assessing the adequacy of these controls for compliance risk.

The Compliance Function also oversees the monitoring of compliance risks on behalf of the Companies of the Group with which the Bank has entered into specific service agreements.

In particular, the Compliance Function, through its own internal Units:

- defines and monitors, on a regular basis, the methodological framework used for the identification and assessment of compliance risks, including the methodology for carrying out such controls (functioning and adequacy assessments) regarding all laws applicable;
- with reference to the subsidiaries, it performs Group management and coordination activities regarding the control of compliance risks, by interacting with the counterpart Functions of the other Group companies, in observance of local autonomy and specific characteristics. To this end, adequate information flows from and to the Parent Company are identified and prepared, in order to direct and share the relevant information for the monitoring of compliance risk in scope;
- as regards the planned control activities, verifies the suitability and functionality of the existing organisational monitoring system (structures, processes and operating procedures) and the actual implementation of the suggested interventions for the prevention of compliance risk;
- assesses ex-ante compliance with the applicable laws of all innovative projects with specific reference to the marketing of new products and/or the offer of new services;
- provides the corporate bodies of the Bank with advisory and support services in the areas that are relevant in terms of compliance risk, as well as cooperation in training personnel on the provisions governing the activities performed;
- produces, on a regular basis, the reports, complete with all required information, for the Corporate Bodies and Functions, and the Supervisory Authorities;
- monitors the risk indicators aimed at identifying any anomalies that may arise in the area of compliance risks - Key Compliance Indicator - KCI -, in order to determine any specific actions to mitigate the identified risks.

The guiding principles, the organisation and the processes adopted by the Compliance Function to fulfil its mission, as well as the responsibilities/interactions relating to the Units according to which the Function is divided are described in the “Compliance Function Regulation”.

Anti-Money Laundering Function

According to a risk-based approach, the Anti-Money Laundering Function is responsible for monitoring money laundering risk and for adjusting the processes in accordance with developments in the related regulatory and procedural environment.

It checks that the company procedures are consistent with the objective of preventing and fighting infringement of external regulations (regulatory laws and rules) and of self-regulation on the subject of money laundering and financing terrorism.

It pays particular attention to the adequacy of the internal systems and procedures on customer due diligence and storage, as well as of the systems for detecting, assessing and reporting suspicious transactions, the effective detection of other situations subject to disclosure obligations and the appropriate storage of documentation and evidence as required by regulations.

The Anti-Money Laundering Function:

- is a second level control function and is one of the Company Control Functions;
- is independent and its human resources are qualitatively and quantitatively suited to its duties, including economic duties, which can also be initiated independently;
- it must have sufficient personnel with the necessary level of technical-professional skills, also through inclusion in ongoing training programmes;
- reports directly to the Board of Directors, the Board of Statutory Auditors and the Chief Executive Officer;
- has access to all the Bank activities, including any information relevant to the exercise of its duties;
- collaborates with the other corporate control functions to develop its risk management methodology in line with corporate strategies and operations.

With specific reference to customer due diligence activities, in order to guarantee, at the same time, the effectiveness and efficiency of the processes, the direct involvement of the Anti-Money Laundering Function is required on a risk-based approach, taking into account any objective, environmental or subjective circumstances which significantly increase the money laundering risk.

In implementation of the above, the organisational and operating model defined by the Bank envisages that the AML Operational Monitoring Office, within the Service Policy & Procedures Unit, and the personnel responsible for the management and administration of relationships with customers, to the extent of their respective responsibilities, fulfil their enhanced due diligence obligations in the cases considered high risk. Within the scope of the process described above, appropriate escalation mechanisms are also defined in cases where the money laundering risk is particularly high.

In addition, the Anti-Money Laundering Function:

- identifies the applicable regulations in terms of monitoring money laundering risk and assesses their impact on internal processes and procedures;
- provides advice and assistance to the company bodies, top management and the organisational units of the Bank for its areas of responsibility, especially when new products and services are being offered, paying special attention to the identification

- and assessment of the risks associated with new generation products and commercial practices that include the use of innovative distribution mechanisms or technology;
- collaborates in the definition of the Internal Control System, procedures and controls aimed at preventing and combatting money laundering risk;
 - collaborates in the definition of money laundering risk governance policies and of the various steps in the process for managing this risk;
 - continuously verifies the suitability of the money laundering risk management process and the adequacy of the internal control system and procedures, and proposes organisational and procedural modifications needed or advisable to ensure adequate monitoring of this risk;
 - ensures the definition and maintenance of controls aimed at guaranteeing compliance with customer due diligence obligations, according to a risk-based approach which requires that such obligations are ranked according to the money laundering risk profile assigned to the customer;
 - may carry out the enhanced due diligence process only in cases where – for objective, environmental and subjective circumstances – the money laundering risk is particularly high;
 - verifies the reliability of the information system in fulfilling obligations related to customer due diligence, data storage and reporting of suspicious transactions.
 - verifies the correct functioning of the information system for the fulfilment of the obligations regarding the forwarding of objective communications;
 - analyses and investigates external and internal reports received on alleged suspicious transactions to be submitted to the Delegate responsible for Reporting Suspicious Transactions, to assess the need for reports to the FIU;
 - examines evidence emerging from the automatic detection systems or specific detection systems of the Anti-Money Laundering Function and investigates the results for possible submission to the Delegate responsible for Reporting Suspicious Transactions to assess the need for reports to the FIU;
 - supports the Delegate responsible for Reporting Suspicious Transactions in submission to the FIU of reports considered valid;
 - conducts assessments, in cooperation with the Delegate responsible for Reporting Suspicious Transactions, of the effectiveness of the reporting system and the fairness of first level assessments of customers' operations;
 - monitors the monthly submission to the FIU by the IT outsourcer of aggregate data registered in the Single Electronic Archive and objective communications;
 - submits objective communications to the FIU in accordance with its instructions;
 - as regards anti-money laundering issues, collaborates with the Authorities pursuant to Title I, Paragraph II of the Anti-Money Laundering Decree and responds to their requests for information;

- in cooperation with the other corporate functions responsible for training, ensures the setup of a suitable training programme aimed at achieving staff training on an ongoing basis;
- at least once a year, prepares a report on the initiatives undertaken, the malfunctions identified and the related corrective actions to be taken, as well as on staff training activities, to be submitted to the Board of Directors, the Risk Committee, the Board of Statutory Auditors and the Chief Executive Officer;
- in cooperation with the other corporate functions involved and based on the methods and time frames defined by the Bank of Italy, conducts the self-assessment exercise on money laundering and financing of terrorism risks, the results of which are included in the annual report described above;
- promptly informs the Corporate Bodies of significant breaches or shortcomings identified during the exercise of related tasks;
- prepares specific information flows to the Corporate Bodies;
- for companies of the Financial Conglomerate with which there are service agreements in effect, outsources specific activities aimed at combatting money laundering risk, according to methods defined in those agreements;
- collects and reviews information flows from the corresponding functions of the foreign subsidiaries of the financial Conglomerate;
- within its area of responsibility, prepares/validates and updates the internal regulations, Policies and regulations on anti-money laundering and anti-terrorism and, if necessary, prepares the related Group guidelines;

With reference to the subsidiaries, it performs Group management and coordination activities regarding the control of the money laundering risk, by interacting with the counterpart functions of the other Group companies, in observance of local autonomy and specific characteristics. To this end, it carries out sharing and alignment interventions on specific topics as “Parent Company”.

Internal Audit Function

The Internal Audit Function is aimed, on the one hand, at monitoring the regular course of operations and the evolution of risks, also with on-site inspections, using level three controls and, on the other, at assessing the completeness, adequacy, functionality and reliability of the organisational structure and other components of the Internal Control System, and to bring the possible improvements, with particular reference to the RAF, to the risk management process and to the measurement tools and their control to the attention of the corporate bodies. In addition, taking into account the Group's business model, particular attention is paid to controlling the operations carried out by the sales networks.

Based on the results of its controls, it puts forward recommendations to the corporate bodies.

The Internal Audit Function performs its activities directly for Banca Mediolanum and the Group Companies with which specific outsourcing agreements for performing internal auditing activities have been stipulated, and also, for the Subsidiaries that have established their own Internal Audit Functions, carries out checks and provides guidelines and coordination, in the capacity of “Parent Company” in accordance with their own autonomy and local laws.

Within the scope, the Function:

- each year presents an audit plan to the corporate bodies for their approval that specifies the planned control activities, bearing in mind risks of the various corporate activities and structures; the plan contains a specific section regarding the IT system review activity (ICT audit). also submits the three-year audit report;
- assesses the completeness, adequacy, functionality and reliability of the components of the Internal Control System, of the risk management process (including the climate risk) and of corporate processes, also with regard to the ability to detect errors and irregularities. in this context, inspects, among other things, the Corporate Control Functions;
- periodically reports to the Corporate Bodies on the completeness, adequacy, functionality and reliability of the Internal Control System. It also informs them on all significant infringements or deficiency;
- it assesses the effectiveness of the RAF definition process, the internal consistency of the overall layout and its compliance with company operations;
- it checks the following specific areas:
 - regularity of the company activity, including the outsourced activities;
 - monitoring of compliance with the rules of the activity;
 - observance in the various operational sectors of the limits set by the mandate mechanisms and full and correct use of the information available in the various activities;
 - the work of the Sales Networks using, inter alia, specific indicators, and carrying out remote and on-site assessments and inspections (at the offices and local units) in order to identify potential operational and reputational risks and prevent possible embezzlement and prejudicial events. It also reports any potentially improper behaviour, informing the competent corporate structures, under its area of competence;
 - the effectiveness of the Risk Management Function with reference to the consistency of the most significant transactions with the RAF;
 - the adequacy and proper functioning of the processes and methodologies for assessing company assets, and in particular financial instruments;
 - the adequacy, overall reliability and security of the IT system (ICT audit);

- the corporate business continuity plan, examining the verification programmes, witnessing tests, checking their results, proposing amendments to the plan based on the results that emerge. It also checks the business continuity plans of the service suppliers and of the critical suppliers;
- the remuneration practices comply with the approved policies and current legislation at least once a year;
- the removal of the anomalies found in the operations and functioning of the controls (follow-up activity);
- performs special investigation tasks with regard to specific irregularities;
- performs periodic tests on the functioning of the operating and internal control procedures;
- is responsible for the Internal Reporting System (Whistleblowing) and is in charge of analysing and evaluating the reports received, in compliance with the regulations in force and transposed in the Policy and Regulations of the relevant process.

With reference to the risk management process, the Internal Audit Function assesses:

- the organisation, powers and responsibility of the risk control function, also with reference to the adequacy and quality of the resources assigned to it;
- the appropriateness of the assumptions used in the sensitivity and scenario analysis and in the stress tests;
- alignment with the best practices of the sector.

In performing its tasks, the Internal Audit Function:

- directly reports the results of the ascertainment and assessments to the Corporate Bodies;
- has access to all activities, including those outsourced;
- adopts the professional reference standards

With reference to this last point, note that in compliance with the International Internal Audit Standards (International Professional Practice Framework issued by “The Institute of Internal Auditors” - hereinafter also “IPPF”), the Internal Audit Function has formalised an “Quality assurance and improvement programme” relating to all aspects of the Function's activities.

The internal system for reporting infringements (so-called Whistleblowing)

To further monitor the internal control system, Banca Mediolanum has defined its own internal system for the Personnel to report actions or deeds that might constitute an infringement of the rules governing the banking activity (so-called “Whistleblowing”).

The system guarantees the confidentiality, including with IT methods, of the whistleblower's personal data and their protection from retaliatory, discriminatory or in any case dishonest conduct resulting from the report. Reports can also be made anonymously.

9.1 CHIEF EXECUTIVE OFFICER

On 15 April 2021, the Board of Directors assigned the establishment and maintenance of the internal control and risk management system to the Chief Executive Officer, Mr Massimo Antonio Doris.

During the year the CEO carried out the following tasks:

- identified the main business risks, taking into account the characteristics of the activities carried out by the issuer and its subsidiaries, and periodically submitted them to the examination of the Board of Directors;
- b) implemented the guidelines defined by the Board of Directors, overseeing the design, implementation and management of the Internal Control and Risk Management System and checking that they are constantly adequate and effective, as well as bringing them into line with the trend in operating conditions and the legislative and regulatory framework.

9.2 RISK COMMITTEE

Composition and operation of the Risk Committee (ex art. 123-bis, paragraph 2, letter d), CFA)

The Risk Committee implements support functions within the internal control system which help the Board of Directors in the area of risks and the internal control system. In this context, the Committee shall pay particular attention to all the instrumental activities necessary for the Board to reach a fair and efficient determination of the RAF (Risk Appetite Framework) and risk management policies.

The current Remuneration Committee consists of three independent, non-executive Directors, of whom one undertakes the role of Chair.

The Committee in office on 15 April 2021 and up to the Shareholders' Meeting called to approved the Financial Statements as at 31.12.2023 comprises the following:

- Francesco Maria Frasca, Chair – Independent;
- Anna Eugenia Maria Omarini – Independent;
- Giovanni Lo Storto – Independent;

all accounting and financial experts.

Committee members must have the knowledge, skills and experience to be able to fully understand and monitor the Bank's risk strategies and guidelines.

Committee meetings are attended by at least one member of the Board of Statutory Auditors and the Risk Management Manager. In any event, all members of the control body may attend the Committee's meetings, even if they have not been designated by the Chair of the control body.

The following may also attend the meetings of the Risk Committee in addition to its members, at the invitation of the Chairman and in a support capacity:

- the Chief Executive Officer, responsible for setting up and managing the internal control and risk management system

- the Compliance Manager
- the Internal Audit Manager
- the Anti-Money Laundering Manager
- Managers of the Departments/Divisions, based on the specific topics discussed.

Company managers took part in all meetings, for their subject areas, in single items on the agenda and at the invitation of the Chair of the Committee during the Financial Year.

In order for the Committee to function effectively, participants may delegate to their own staff for specific topics requiring in-depth examination, only in the event of their justified absence or impediment.

The Risk Committee's work is coordinated by the Chair and regularly recorded. The Chairman reports on the Committee's activities and assessments to the first convenient Board of Directors meeting.

The Risk Committee has access to all information and company units necessary to carry out its assignment, and the opportunity of hiring external consultants, if necessary. The Committee and the Board of Statutory Auditors exchange any information of mutual interest and, where appropriate, coordinate to perform respective tasks. In this context, it may also resort to external experts and – where necessary – liaise directly with the control functions.

During the year, 12 meetings of the Risk Committee were held with an average duration of 256 minutes (4 hours and 16 minutes) after which the Risk Committee supported the Board on the specific activities for which it is responsible with the methods provided for by the internal and sector regulations.

During 2023, 12 meetings of the Risk Committee are currently scheduled, of which 3 have already been held on 16 January, on 6 February and on 2 March 2023.

During the meeting on 15 December 2022, the Committee presented a budget of EUR 50,000 for 2022 to the administrative body, which was approved by the Board during its meeting on 20 December 2022.

The Risk Committee, as at the end date of the Financial Year, comprises the following:

TABLE 3: STRUCTURE OF THE BOARD COMMITTEES AT THE END OF THE YEAR

Risk Committee			
Position/Qualification	Members	(*)	(**)
Non-executive Director - CFA independent and Code Independent	Frasca Francesco Maria	12/12	P
Non-executive Director - CFA independent and Code Independent	Lo Storto Giovanni	12/12	M
Non-executive Director - CFA independent and Code Independent	Omarini Anna Eugenia Maria	12/12	M

No. of meetings held during financial year:	12
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NOTES

(*) The attendance of the directors at the meetings of the BoD and of the committees, respectively, is indicated in this column (indicate the number of meetings they attended compared to the total number of meetings they could have attended; e.g. 6/8; 8/8, etc.).

(**) The capacity of the director within the Committee is indicated in this column: "P": president; "M": member.

Functions attributed to the Risk Committee

The Risk Committee has propositional, consultative and investigative powers, which are expressed in the formulation of proposals, recommendations and opinions with the aim of enabling the Board of Directors to take its decisions in a more informed manner.

The Committee:

- as part of the RAF, performs the assessments and proposals necessary so that the Board of Directors, as required by the Supervisory Provisions (Part I, Tit. IV, Ch. 3, Section II of Bank of Italy Circular no. 285/2013), can define and approve the risk objectives (*risk appetite*) and the tolerance threshold (*risk tolerance*); it also provides opinions on specific aspects pertaining to the identification of the main corporate risks;
- it helps the Board of Directors to work out rule-making and managerial arrangements for evaluating the risks to which the Bank and its Group are exposed;
- assists, expressing an opinion, the Board of Directors in the evaluation, at least annually, of the compliance, adequacy and effective functioning of the Internal Control System, the company organization and the requirements that must be respected by the corporate control functions and verifies that the internal control functions properly comply with the indications and guidelines of the Board of Directors; assists the latter in the preparation of the coordination document required by Supervisory Provisions (Part I, Tit. IV, Ch. 3, Section Ii of Bank of Italy Circular no. 285/2013). Furthermore, it brings any weaknesses to the attention of the Board of Directors, recommending appropriate remedial measures and ensuring that the principal risks faced by the company are identified and measured correctly and managed and monitored adequately. In particular, it expresses an opinion regarding:
 - effective compliance and application by the Compliance Function, Anti-Money Laundering Function, Risk Management Function, and Internal Audit Function of the guidelines defined in terms of conduct of control activities;
 - quali-quantitative adequacy of the Compliance Function, Anti-Money Laundering Function, Risk Management Function, and Internal Audit Function, as well as the possession by the same of appropriate judgement autonomy;
 - consistency with the principle of proportionality and with the strategic guidelines of the more general control model of the Bank and the Group; for the purpose of the preceding points, evaluates the proposals of the body with management function;
 - the definition of the corporate outsourcing policy, also of corporate control functions;

- assists the Board of Directors in determining corporate “guidelines” and “policies” regarding risks and internal controls system, also consistent with the chosen risk appetite. In particular, it formulates proposals regarding:
 - the methods of exercise of strategic control, management and technical-operational activities with respect to individual companies and the Group;
 - the control structure of the Group, with particular reference to the centralization choices of specific control functions in accordance with Supervisory Provisions;
 - the organizational model to support control functions, the guidelines on respective activities necessary for the determination of the relevant regulations, the coordination of the various functions;
- supports the Board of Directors in the definition of policies and processes for the assessment of company activities, including verification that the price and conditions of transactions with customers are consistent with the business model and strategies concerning risks;
- assists the Board of Directors in the verification of the correct implementation of the strategies, risk management policies and RAF. In particular, it ensures that the incentives underlying the Bank’s remuneration and incentive system are consistent with the RAF and expresses opinions on specific aspects regarding the identification of the main business risks; in this context, collaborates with the Remuneration Committee; (Paragraph 8.2)
- examines in advance the programmes, plan of activities and annual reports of company control functions addressed to the Board of Directors (prepared respectively by the Heads of the Compliance, Risk Management, Anti-Money Laundering and Internal Audit Functions), and periodic reports relating to the evaluation of the internal control and risk management system and those of particular importance prepared by them, or by the Board of Statutory Auditors, or from third-party investigations and/or examinations. Can request that the Internal Audit Function, if it deems necessary, carry out checks on specific operational areas, giving immediate notice to the Board of Directors and the Board of Statutory Auditors;
- assists the Board of Directors in determining the general guidelines of the ICAAP/ILAAP and expresses an opinion on the implementation of the same, as well as the respective results concerning capital adequacy of the Bank and the Group, as well as the self-assessment results of the Parent Company regarding the process;
- specifically examines the IT risk analysis process and the annual summary report on the situation of said risk;
- examines the results of the controls on the achievement of IT security and business continuity objectives defined for the entire Group and individual components;
- is recipient of information and proposals formulated by the Management Managerial Committee of Directors within the areas covered by the “Recovery Plan”, for evaluations

- of competence to be submitted to the Board of Directors;
- monitors compliance by recipients, of the ethical values and rules of conduct set out in the Code of Ethics; coordinates, through the competent functions, initiatives for the dissemination, training and communication of the values and rules of conduct promoted by Banca Mediolanum and its subsidiaries;
 - supports, with adequate investigations, assessments and decisions of the Board of Directors relating to the management of risks arising out of prejudicial events and any violations of the principles of conduct and control;
 - supports the decisions of the Board of Directors regarding sustainability issues related to the exercise of the company's activities and its dynamics of interaction with all stakeholders, assessing the Sustainability Report prior to the Board of Directors. Verifies, as part of the Risk Appetite Framework (RAF), that the strategic proposition in terms of sustainability is in line with the risk strategies, ensuring the control of the resulting risks (e.g. Climate Risk); (Section 1.0)
 - identifies and proposes, with the contribution of the Appointments and Governance Committee, the managers of the corporate control functions to be appointed;
 - with reference to financial and non-financial reporting:
 - evaluates the correct use of accounting standards for the preparation of the annual and consolidated financial statements and their consistency for the purpose of preparing the consolidated financial statements; to that end, it coordinates with the Executive responsible for financial reporting, the independent auditors and the Board of Statutory Auditors;
 - examines the information received from the Chief Financial Officer/Executive responsible under Law 262/05 concerning the proper application of accounting standards and their consistency for the preparation of financial reports also with reference to the consolidated financial statements;
 - assesses the suitability of periodic financial and non-financial information to correctly represent the Company's business model, the strategies, the impact of its activities and the performance achieved;
 - reviews the content of the periodic non-financial information that is relevant to the internal control and risk management system;
 - reviews quarterly and half-yearly situations and the annual financial reports, based on the reports of the Chief Financial Officer;
 - reports to the Board at least twice a year, on the occasion of the approval of annual and interim financial reports, on the activities carried out and on the adequacy of the internal control and risk management system;
 - with reference to the regulations concerning conflicts of interest, where the matter does not fall under the scope of responsibilities of the Related Parties Committee, it expresses its opinion on the procedures for identifying and managing transactions in conflict of

interest of the Bank and the Companies of the Group.

With reference to the areas mentioned above, the main activities carried out by the Risk Committee during the year are listed below.

More specifically, the Committee examined quarterly and delivered a favourable opinion on the situation of the accounts (quarterly at 31.03.2022 and 30.09.2022, half-yearly at 30.06.2022 and Annual Financial Report at 31.12.2021) and on the Non-Financial Declaration as per Legislative Decree no. 254 on 30 December 2016 implementing Directive 2014/95/EU containing the "non-financial" information at 31.12.2021.

Also on the basis of the information provided by the statutory auditors, by the Executive responsible for financial reporting and by the Board of Statutory Auditors, it assessed the correct application of accounting standards and their uniformity for the purposes of drawing up consolidated financial statements.

The Committee examined the regular reports prepared by the Corporate Control Functions and the activities relating to the Supervisory Authorities, as well as assessing the progress of the Business Plan prepared by the Functions themselves.

It also assessed, and offered up a favourable opinion on, the adequacy, effectiveness and functioning of the Internal Control System. The Committee examined the Risk Appetite Framework (RAF) for 2022 and ascertained the congruence of the incentives underlying the Bank's remuneration and incentive system with the RAF itself.

The Committee reviewed and favourably assessed new Policies and Guidelines falling within the Bank's internal rules and regulations and updated some of them.

9.3 HEAD OF THE INTERNAL AUDIT FUNCTION

At the proposal of the members of the Risk Committee, having heard the opinion of the Chief Executive Officer, who is responsible for setting up and maintaining the Internal Control and Risk Management System, and having heard the opinion of the Board of Statutory Auditors - having acknowledged the remuneration plan and the adequacy of the resources allocated - the Board, in its meeting of 23 September 2015 and effective as of the start of trading of the Company's Shares on the MTA (30 December 2015), confirmed Mr. Massimo Rotondi as the Issuer's Head of Internal Audit for an indefinite period of time, pursuant to Article 7 of the Corporate Governance Code in force at the time.

The Head of *Internal Audit* is not responsible for any area of operations and has direct access to all the information helpful for performing the duty; for the main functions, he depends on the Board of Directors and reports to them, the Risk Committee and the Board of Statutory Auditors.

During the year, the Head of Internal Audit, in addition to the functions assigned under the sector regulations applicable to banks, carried out the following tasks:

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- a) verify, both on an ongoing basis and in connection with specific requirements and in observance of the international standards, the operations and suitability of the internal control and risk management system through an audit plan, approved by the administration body, based on a structured process of analysis of the main risks;
- b) prepare regular reports containing adequate information on their activities, on the methods with which the risk management is conducted and on observance of the plans defined to reduce the risks. Has formalised the assessment on the suitability of the internal control and risk management system;
- c) prepare reports on particularly significant events in timely fashion;
- d) share the reports referred to in paragraphs b) and c) with the chairpersons of the supervisory body, the control and risk committee and the management body, as well as with the Chief Executive Officer, except where the subject matter of these reports might regard specifically the activities of those entities;
- e) check the reliability of the IT systems, including the accounting recognition systems, as part of the audit plan.

During the year, the Board of Directors, at its meeting of 2 March 2022, approved the Audit Plan scheduled by the Internal Audit Function for 2022 having heard the favourable opinion of the Risk Committee on 24 February 2022, and of the Director in charge of establishing and maintaining the Internal Control and Risk Management System and the Board of Statutory Auditors.

9.4 ORGANIZATIONAL MODEL ex Legislative Decree 231/2001

Since 2003 Banca Mediolanum has adopted a specific Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001.

The Organisation Model pursuant to Italian Legislative Decree 231/2001 was developed by Banca Mediolanum following a process that allowed the cases of criminal offence that might potentially be committed in executing the same activities to be identified in the area of the different operations managed.

The analysis and monitoring of the operational stages into which the single processes are divided led to the identification of operating procedures and practices forming organisational monitoring of the offence risks pursuant to Italian Legislative Decree 231/2001.

The legislation specific to the responsibility of the entities arising from the perpetration of criminal offences was interpreted in light of the bank's organisational structures (sensitive activities) and in consideration of the ABI Association Guidelines, the market's *best practices* and the case law that has developed over the years.

In addition to the criminal offences peculiar to the world of banking and finance (e.g. market abuse, anti-money laundering, relations with the supervisory authorities, etc.), also the criminal offences not peculiar to the banking activity but just the same present risk profiles

for the company (e.g. cybercrime, infringements of occupational health and safety rules, corporate offences, tax offences) were considered. The Model is constantly updated both following supplements introduced to the “sensitive” cases by legislation and following significant corporate organisational changes.

The Group companies that currently have the Organisational Model pursuant to Legislative Decree 231/2001 are the following, in addition to the listed Parent Company Banca Mediolanum S.p.A.:

- Mediolanum Gestione Fondi SGR p.A.
- Mediolanum Fiduciaria S.p.A.
- Mediolanum Vita S.p.A.
- Mediolanum Assicurazioni S.p.A.
- FloWe S.p.A. - SB
- Prexta S.p.A.

The Supervisory Bodies, appointed by the Boards of Administration for the same Companies listed that have Model 231, exercise their activities thanks to an organised system of information flows coming from the corporate Organisational Units affected by sensitive activities.

Banca Mediolanum S.p.A. assigned the Supervisory Body functions to the Board of Statutory Auditors.

As concerns the composition of the Board of Statutory Auditors, please refer to what is indicated in chapter 11.2 “Composition and functioning of the Board of Statutory Auditors”. An extract from the Organisation, Management and Control Model adopted pursuant to Italian Legislative Decree 231/2001 and approved by the Board of Directors of the Company is published on the institutional website (www.bancamediolanum.it in the Section Corporate Governance under Supervisory Body).

9.5 AUDITING COMPANIES

The independent auditing company PricewaterhouseCoopers S.p.A. – whose appointment was granted by the Shareholders’ Meeting of 9 April 2019 to take effect from the Shareholders’ Meeting held to approve the financial statements as at 31.12.2019 (16 April 2020) – is currently assigned the auditing task according to the law, including the audit of the financial statements and of the consolidated financial statements, in addition to the limited audit of the interim financial report.

The appointment will end with approval of the financial statements for FY 2028.

9.6 EXECUTIVE RESPONSIBLE FOR FINANCIAL REPORTING AND OTHER COMPANY ROLES AND FUNCTIONS

Having received the favourable opinion of the Board of Statutory Auditors, on 15 April 2021, pursuant to art. 24 letter e) of the Articles of Association, the Board of Directors confirmed

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Mr Angelo Lietti (Chief Financial Officer for Banca Mediolanum) as the Executive responsible for financial reporting pursuant to Art. 154-*bis* of the Consolidated Finance Act, thereby giving him the appropriate powers.

Subsequently, the Shareholders' Meeting of 3 November 2021, also taking into account the requirements of the Decree of the Ministry of Economy and Finance of 23 November 2020, no. 169 to the "heads of the main corporate functions of banks of greater size or operational complexity" (art. 20), which includes the executive responsible for financial reporting, resolved to supplement and amend Article 24, letter e) by inserting a reference to the requirements laid down by the primary and secondary legislation in force at the time (and, where applicable, by codes of conduct) for the same, in line with the best practices of corporate governance - remain in office until revocation (to be carried out in the same way as the appointment).

Article 24 letter e) of the Articles of Association provides that:

The Board, subject to the provisions of article 2381 of the Civil Code:

e) appoints, subject to the advice of the Board of Statutory Auditors, the executive responsible for financial reporting, choosing this person from those who meet the requirements set forth in the currently applicable primary and secondary legislation, as well as the Codes of Conduct, and in any case, who have accrued experience of at least three years in the exercise of administration and control activities, or in managerial or consultation capacities, in listed companies and/or related groups of enterprises, or companies, entities and enterprises of significant size and importance, also in relation to drafting and auditing the accounting and corporate documents.

The Board of Directors will also grant adequate powers and means to exercise the tasks attributed to this executive.

Upon appointment, the Board of Directors will check to ensure that the executive responsible for financial reporting possesses the requirements of the primary and secondary legislation in force at the time, as well as the Codes of Conduct and these Articles of Association.

The executive responsible for financial reporting shall remain in office until revocation, to be carried out with the same methods as the appointment;"

The Executive responsible of the Issuer is a specialist function with control duties within the scope of the overall internal control system of the Bank.

Specifically, the Executive responsible for financial reporting is entrusted with duties of two types:

- organizational:
 - o sets up, with the support of the Economic-Financial Analysis & Controls Unit, adequate administrative and accounting procedures for preparing Financial Statements, Consolidated Financial Statements and all other financial disclosures;
 - o checks the proper conduct of administrative and accounting processes and implements specific initiatives to improve them;

- o outlines and coordinates the governance of the administrative and accounting procedures at Group level;
- o evaluates the adequacy of the Group's administrative and accounting procedures;
- o periodically informs the Board of Directors on the activities carried out within the scope of the administrative and accounting processes, the results obtained and any gaps to fill;
- o requests from the foreign Group subsidiaries, all administration and accounting information helpful for drawing up the financial statements and consolidated financial statements;
- o proposes changes to company processes and procedures (including ITC ones) directly affecting the preparation of the separate and consolidated financial statements or the financial position and results;
- o avails of the help from other company functions, and possibly qualified consultancy firms, to perform the risk assessment and process/procedure control activities under his/her responsibility.
- o checks the proper conduct of administrative and accounting processes and implements specific initiatives to improve them;
- certification-related:
 - o provides the Certifications pursuant to Art. 81-ter of CONSOB Regulation no. 11971 of May 14, 1999 as amended;
 - o provides the Declarations on publication of financial information to the market (Art. 154-bis paragraph 2 of the Financial Enterprises Code).

In fulfilling the duties assigned to him/her, the Executive responsible for financial reporting acts independently in financial matters, though in harmony with the Company's general guidelines and in accordance with existing procedures, policy plans and their associated budgets for activities connected with his/her functions.

The Executive responsible for financial reporting relies on a dedicated operating structure that directly reports to him/her and is properly sized for the performance of the activities under his/her responsibility.

In order to better fulfil his obligations, the Executive responsible for financial reporting uses the Law 262 Committee.

The Law 262 Committee is a support tool on which the Executive responsible for financial reporting relies in the performance of his/her activities in order to guarantee an adequate flow of information within the company.

This Committee mainly has consulting and dialective functions as regards the chief players taking part on an ongoing basis in management of the organisational model required under Law 262 (art. 154-bis of the Consolidated Finance Act), including the control activities regarding supervisory reporting (in accordance with as provided by Bank of Italy Circular 272/08 and Bank of Italy Circular 115/90).

9.7 COORDINATION BETWEEN THE PARTIES INVOLVED IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Correct functioning of the Internal Control System is based on interaction between the corporate bodies, the corporate control functions and the other control functions in performing duties (policy, implementation, checking, assessment) and, to this regard, Banca Mediolanum has prepared guidelines in implementing current supervisory provisions of the Bank of Italy that describe the methods of coordination and collaboration between the various parties involved.

As stated in the document *“Basic Guidelines and Principles of Group coordination between the Control Bodies and Functions”*, last updated on 10 February 2022 the Banking Group ensures the coordination and collaboration between the various players of the Internal Control System in order to govern according to the principles of healthy and prudent management through the following methods:

- regular updating on risk assessments/measurements and adequacy of controls;
- tools for coordination between the corporate control functions;
- method of exchanging information and reporting.

The Risk Committee and the Board of Statutory Auditors exchange any information of mutual interest and, where appropriate, coordinate to perform respective tasks. In this context, it may also resort to external experts and – where necessary – liaise directly with the control functions.

10.0 DIRECTORS' INTERESTS AND TRANSACTIONS WITH RELATED PARTIES

As regards the transactions with related parties and affiliates, the Board with its resolution of 20 September 2022 updated the *"Group Policy for managing transactions with related parties of Banca Mediolanum and with Related Parties of the Mediolanum Banking Group"* and subsequent amendments, subject to unanimous approval of the Related Parties Committee and the Board of Statutory Auditors and taking effect from 29 September 2022.

The Group Policy for the process for managing transactions with Related Parties of Banca Mediolanum and Associated Entities of the Mediolanum Banking Group is adopted to regulate possible conflicts of interest in transactions involving parties close to the decision-making centres of the company, in compliance with Consob Regulation no. Consob Regulation no. 17221 of 12 March 2010 (as subsequently amended), "containing provisions on related party transactions", and Bank of Italy Circular no. 285 of 17 December 2013 (as subsequently amended) (Part Three, Chapter 11), containing the rules on "risk activities and conflicts of interest with associated entities".

The Consob Regulation is addressed to companies with shares listed on regulated markets and with shares widely distributed among the public to a significant extent, while the Bank of Italy Circular is addressed to banking companies.

Both regulate the transactions of such companies with entities close to their decision-making centres. The Consob Regulation identifies these entities as "Related Parties"; Circular No. 285 identifies them as "Associated Entities".

The perimeters of Related Parties and Associated Entities are partly overlapping. The rules contained in the two provisions are partly coincident. As a whole, they provide for: i) prudential limits to transactions with parties in potential conflict of interest; ii) a particular process for managing the relevant transactions, i.e. specific procedural rules for the decision on such transactions; iii) ex post disclosure obligations (to corporate bodies, the authorities, the market).

The *"Group Policy for managing transactions with Related Parties of Banca Mediolanum and with subjects related to the Mediolanum Banking Group"* is published on the Company's website (www.bancamediolanum.it in the Corporate Governance Section under Other Corporate Documents).

Also considering its role of Parent Company of the Banking Group, the Bank has issued and updated over time specific internal regulations on the question of managing conflict of interest at Group level in compliance, inter alia, with:

- the provisions pursuant to Arts. 2391 and 2391-bis of the Italian Civil Code;
- the specific provisions for banks regarding activities of affiliate risk and the obligations of the Bank's representatives, pursuant to Arts. 53 and 136 of the Consolidated Banking Act, respectively;

- Delegated Regulation (EU) no. 565/2017 concerning personal transactions;
- Intermediaries Regulation adopted by Consob by way of resolution no. 20307 of 15 February 2018;
- the Significant provisions of the Supervisory Authorities.

10.1 RELATED PARTIES COMMITTEE

The Related Parties Committee has the role of assessing and providing proposals on internal controls relating to the management of transactions with related parties of Banca Mediolanum and associated entities of the Mediolanum Banking Group and to the acceptance and management of equity investments, as well as general support for the Board of Directors on additional topics deemed by the Board itself to be relevant for corporate management.

In particular:

- evaluates the process of managing transactions with related parties and associated entities, expressing, in the cases provided for, the opinions established by the regulation, pursuant to the “Policy for the management of transactions with Banca Mediolanum Related Parties and Associated Entities of the Mediolanum Banking Group”;
- assesses the overall consistency of the activities carried out in the equity investment sector with the strategic and management guidelines for the entire Banking Group, within the scope and within the limits set by the Policy on Equity Investments That May Be Held”.

Before the replacement of the corporate bodies expiring at the Shareholders' Meeting on 15 April 2021, the role of the Related Parties Committee was undertaken by the Risk Committee (for assessment of transactions of lesser importance) and the Independent Directors Committee.

Both the Independent Directors Committee and the current Related Party Committee are comprised of three non-executive and independent Directors, one of whom serves as Chairman.

The Committee in office on 15 April 2021 and up to the Shareholders' Meeting called to approved the Financial Statements as at 31.12.2023 comprises the following:

- Giacinto Gaetano Sarubbi – independent Chair;
- Giovanna Luisa Maria Redaelli – independent;
- Francesco Maria Frasca– independent;

all accounting and financial experts.

The following may attend the meetings of the Related Parties Committee in addition to its members, at the invitation of the Chairman and in an advisory and support capacity:

- the Compliance Manager;
- the Risk Management Manager;
- the Internal Audit Manager;

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- the Corporate executives of Group companies, understood also as financial conglomerate, based on the topics;
- the Chairman of the Board of Statutory Auditors or the Auditors designated by him. In any event, all members of the control body may attend the committee's meetings, even if they have not been designated by the Chair of the control body.

Company managers took part in all meetings, for their subject areas, in single items on the agenda and at the invitation of the Chair of the Committee during the Financial Year. The Related Parties Committee meets as necessary, also when called by the Chairman of the Board of Directors, and in any case at least every six months, in time to carry out the assigned tasks.

In relation to the activity of assessing the consistency of transactions with respect to the strategic and management guidelines of the Bank in the equity investment segment, the meetings of the Related Party Committee may be held alongside the “Group Coordination” Managerial Committee to which the Independent Directors belonging to the Committee are also invited on said occasion.

The Related Parties Committee reports to the Board of Directors on the activity carried out.

During the year, 8 meetings of the Committee were held with an average duration of 37 minutes after which the Committee supported the Board on the specific activities for which it is responsible with the methods provided for by the internal and sector regulations in relation to transactions with related parties.

During 2023, 4 meetings of the Related Parties Committee are currently scheduled, of which 1 has already been held on 24 February.

During the meeting on 3 November 2022, the Committee presented a budget of EUR 50,000 for 2023 to the administrative body, which was approved by the Board during its meeting on 9 November 2022.

The Related Parties Committee, as at the end date of the Financial Year, comprises the following:

TABLE 3: STRUCTURE OF THE BOARD COMMITTEES AT THE END OF THE YEAR

RELATED PARTIES COMMITTEE			
Position/Qualification	Members	(*)	(**)
Non-executive Director - CFA independent and Code Independent	Sarubbi Giacinto Gaetano Frasca Francesco Maria	8/8	P
Non-executive Director - CFA independent and Code Independent	Frasca Francesco Maria	7/8	M
Non-executive Director - CFA independent and Code Independent	Redaelli Giovanna Luisa Maria	8/8	M
No. of meetings held during financial year:	8		

NOTES

(*) The attendance of the directors at the meetings of the BoD and of the committees, respectively, is indicated in this column (indicate the number of meetings they attended compared to the total number of meetings they could have attended; e.g. 6/8; 8/8, etc.).

(**) The capacity of the director within the Committee is indicated in this column: "P": president; "M": member.

11.0 BOARD OF STATUTORY AUDITORS

11.1 APPOINTMENT AND REPLACEMENT

The statutory rules that regulate the appointment and replacement of the Statutory Auditors are contained in Art. 27 of the By-laws that is provided here below:

- Article 27)

1. *The ordinary Shareholders' Meeting elects the Board of Statutory Auditors, made up of three statutory auditors and three alternates, who remain in office for three years and expire on the date of the Shareholders' Meeting called for approval of the financial statements relating to the third year of office and can be re-elected.*

The statutory auditors must meet the requisites listed in the current legal and regulatory provisions, to be ascertained pursuant to said provisions.

The Board of Statutory Auditors have the duties and powers provided for by the current pro tempore primary and secondary legislation, including the obligation to inform the Bank of Italy and CONSOB, without delay, on all actions and deeds that comes to its knowledge in exercising its duties that might constitute an irregularity in the management of the banks or an infringement of the rules regulating the banking activity.

For this purpose, the statutory auditors, also individually, may carry out inspections or make formal requests at any office of the Company on any matter pertaining to the corporate activity.

2. *The statutory auditors are appointed based on lists presented by shareholders with the procedure set forth below. Each list consists of two sections: one for the candidates to the office of statutory auditor, the other for the candidates to the office of alternate auditor, in which the candidates are listed by progressive number. Each candidate can be on one list only, under penalty of being ineligible for election.*

Each list must contain indication of at least one statutory auditor and one alternate auditor. In order to ensure a balance between genders in conformity with the current pro tempore primary and secondary regulations, each list containing a total number of candidates equal to or greater than three must provide for the presence of candidates of both genders so that at least one candidate to the office of statutory auditor and one to the office of alternate auditor belong to the least represented gender.

3. *Lists may be submitted by shareholders with voting rights who, alone or together with other shareholders, represent at least the percentage of the share capital set by the Commissione Nazionale per le Società e la Borsa (National Commission for Companies and the Stock Exchange).*

Ownership of the percentage of share capital is determined regarding the shares that are registered to the shareholders on the day on which the list is lodged with the Company, with reference to the share capital subscribe on the same date.

The relevant certification can be notified also after lodging the list provided that it arrives at the Company by the deadline set for publication of the lists by the Company.

The Company allows the shareholders planning to present the lists to lodge them via at least one means of remote communication, according to the methods that will make the Shareholders' Meeting convocation notice public and that allow lodging shareholders to be identified.

The equity interest required for presentation of the lists of candidates to elect the Board of Statutory Auditors is specified in the convocation notice of the Shareholders' Meeting called to resolve the appointment of this body.

A shareholder can neither present nor vote more than one list, even if through intermediaries or trust companies. The shareholders belonging to the same group - meaning the parent company, the subsidiaries and the companies subject to common control - and the shareholders that have signed a shareholders' agreement pursuant to Art. 122 of Italian Legislative Decree no. 58/1998 concerning the issuers' shares cannot present or vote more than one list, even if through intermediaries or trust companies.

4. The lists are lodged with the Company by the twenty-fifth day before the date of the Shareholders' Meeting called in first or single convocation to resolve on the appointment of the members of the Board of Statutory Auditors and made available to the public at the registered office, on the website and with other methods provided for by the National Commissions for the Companies and the Stock Market with regulations at least twenty-one days before the date of the Shareholders' Meeting.

The lists are completed with:

- a) information on the identity of the shareholders who have submitted the lists, with the total percentage of interest held specified;*
- b) a declaration of the shareholders other than those who hold, also jointly, a controlling interest or relevant majority interest, certifying the absence or existence of relations connecting them with the latter, in observance of the provisions of Art. 148 of Legislative Decree no. 58/1998 and Art. 144-quinquies, paragraph one of the Issuers' Regulation;*
- c) an exhaustive report on the personal and professional characteristics of the candidates, and a statement of the same candidates certifying they have the requisites required by law and by these Articles of Association and their acceptance of the candidacy.*

Those who hold administration and control offices to an extent greater than the limits established by the current pro tempore primary and secondary regulations cannot be elected statutory auditors.

5. In the event that at the date of expiry of the term of twenty-five days prior to the date set for the Shareholders' Meeting in first or single call called to resolve on the appointment of Statutory

Auditors, only one list has been filed, or only lists presented by shareholders who are associated with each other pursuant to Article 144-quinquies of the Issuers' Regulations, lists may be presented up to the third day following that date. In this case, the threshold pursuant to paragraph 3 above is reduced to half.

6. Lists submitted without observing the foregoing provisions are not put to the vote.

7. Before opening the voting, the Chairman of the Shareholders' Meeting reads any statements provided under letter b) above and invites those attending the Shareholders' Meeting who have not deposited or participated in the depositing of lists to disclose any connection as defined above.

Should a party connected to one or more shareholders of reference have voted for a minority list, the existence of this connection becomes significant only if the vote has been crucial for the election of the statutory auditor.

8. The following steps are taken when electing statutory auditors:

a) two statutory auditors and two alternate auditors are taken from the list that obtained the highest number of votes at the Shareholders' Meeting, based on the progressive order with which they are listed in the sections of the list;

b) one Standing Auditor and one Alternate Auditor are taken from the second list that obtained the highest number of votes at the Shareholders' Meeting and that, pursuant to the current pro tempore primary and secondary regulations, is not connected, not even indirectly, with the shareholders that presented or voted the list that obtained the highest number of votes, based on the progressive order with which they are listed in the sections of the list.

In the case in which multiple lists have obtained the same number of votes, another election by ballot between the lists is held, with the candidates of the list that obtains the simple majority of votes elected.

If the composition of the Board of Statutory Auditors does not comply, as far as the statutory auditors are concerned, with the current pro tempore primary and secondary regulations on the balance of genders when the votes are counted and the operations above are completed, the necessary replacements will be made according to the progressive order in which the candidate are listed on the list that obtained the highest number of votes.

9. The Chairmanship of the Board of Statutory Auditors lies with the candidate in first place of the section of candidates for statutory auditor of the list pursuant to letter b) of the paragraph above.

10. If only one list has been presented, the Shareholders' Meeting expresses its vote on it; if the list obtains the majority required by Art. 2368 et seq. of the Italian Civil Code, the three candidates indicated in progressive order in the section relating to alternate auditors are elected statutory auditors; the chairship of the Board of Statutory Auditors lies with the person indicated in first place of the section of candidates for the office of statutory auditor on the presented list.

11. Should there be no lists, or if the number of candidates elected is lower than the number

set by these by-laws adopting this mechanism, the Board of Statutory Auditors is appointed or supplemented by the Shareholders' Meeting with the majorities set by law and in observance of the provisions applicable to balance of genders at the time.

12. If an auditor is replaced, the alternate auditor belonging to the same list as the outgoing auditor shall take over, as long as the provisions applicable from time to time on gender balance are complied with; if this is not the case, persons belonging to the same list shall be replaced, in order, and, secondarily, any other lists on the basis of the votes received.

When the Shareholders' Meeting must appoint statutory auditors and/or alternates necessary to supplement the Board of Statutory Auditors, the process continues as follows in observance of the provisions applicable at the time on balance of genders: if the statutory auditors elected on the majority list must be replaced, the appointment is made by relative majority vote without obligation of list; if, on the other hand, it is necessary to replace statutory auditors elected on the minority list, the Shareholders' Meeting replaces them with a relative majority vote, choosing them from among the candidates indicated on the list to which the auditor to be replaced belonged or, subordinately, amongst the candidates placed on any other minority lists. In lack of candidates of the minority lists, and if the applicable provisions on balance of genders at the time are not observed, the appointment is made by voting one or more lists consisting of a number of candidates no higher than those to be elected, presented before the Shareholders' Meeting with observance of the provisions dictated in this article for the appointment of the Board of Statutory Auditors, it being understood that lists cannot be presented (and if presented, will be without effect) by the shareholders of reference and of the shareholders connected to them, as defined by the current legislative and regulatory provisions. The candidates on the list that obtained the highest number of votes will be elected.

In the absence of lists submitted in compliance with the above and in accordance with the provisions applicable from time to time on gender balance, the appointment shall be made by relative majority vote without list constraints.

13. In all cases of replacing the Chair, the successor statutory auditor also takes the office of Chair of the Board of Statutory Auditors.

14. The Shareholders' Meeting sets the remuneration due to the statutory auditors, in addition to the reimbursement of expenses borne to fulfil the office.

15. The powers and duties of the statutory auditors are those established by the current pro tempore primary and secondary regulations.

16. The meetings of the Board of Statutory Auditors can also be held by telecommunications means, provided that all participants can be identified and said identification is noted down in the relevant minutes and they are allowed to follow the discussion and to speak in real time on the items on the agenda, if necessary exchanging documentation; in this case, the meeting of the Board of Statutory Auditors is considered held at the place where the chairman of the meeting is located.

With Executive Determination no. 44 of the Head of the *Corporate Governance* Division of 29 January 2021, Consob decided that 1% would be the portion of shareholding required to submit the lists of candidates for the office of members of the administration and control bodies.

11.2 ORGANISATION AND OPERATION (ex art. 123-bis, paragraph 2, paragraphs d) and d-bis), CFA)

The Board of Directors currently in office, consisting of 13 members, was appointed by the Shareholders' Meeting on 15 April 2021 for the three-year period 2021-2023 and its term will end on the date of the Shareholders' Meeting called to approve the financial statements as of 31 December 2023.

The Board of Statutory Auditors was appointed on the basis of the lists of candidates presented:

a) on 18 March 2021 by the shareholders Ennio Doris (also on behalf of the wholly owned company LINA S.r.l.), Lina Tombolato (also on behalf of the wholly owned company T-Invest S.r.l.), Massimo Antonio Doris (also on behalf of the wholly owned company Snow Peak S.r.l.) and Annalisa Sara Doris (also on behalf of the wholly owned company FiveFlowers S.r.l.), together with FINPROG ITALIA S.p.A. holding a total shareholding representing 40.3650% of the Banca Mediolanum S.p.A. voting rights;

b) on 19 March 2021 by the shareholders representing a total of 1.16185% of the Banca Mediolanum S.p.A. share capital.

Number 1) was assigned to the lists referred to in point (a) and number 2) was assigned to the lists referred to in point (b).

Lastly, it is noted that, in compliance with the provisions of Ministerial Decree 169/2020 on the composition of boards, and in order to provide shareholders with guidance on the quantitative and qualitative composition deemed optimal, taking account of the results of the self-assessment, before appointing the new Board and guidance on the professionals that are deemed suitable to include on the Board, the Board of Statutory Auditors defined – in the document entitled *"Identification and communication to shareholders of the optimal qualitative-quantitative composition of the Board of Statutory Auditors of Banca Mediolanum S.p.A."* and attached to this report (Annex 1) – its assessments regarding the qualitative-quantitative composition considered optimal in relation to the objectives indicated in the applicable sector provisions and the theoretical profile (including characteristics of professionalism and independence) of the candidates deemed suitable for this purpose. Save for the right for the Shareholders (subject to the above-mentioned provisions of the law and regulations) to make their own evaluations on the optimal composition of the bodies and to present candidates that are in line with these, giving reasons for any differences from the analyses made by the Board.

List 1) presented the following candidates:

- Gianpiero Sala – Standing Auditor
- Antonella Lunardi – Standing Auditor
- Gianluca Orrù – Effective Auditor
- Claudia Mezzabotta – Alternate Auditor
- Roberto Luigi Rampoldi – Alternate Auditor
- Maurizio Riva – Alternate Auditor

List 2) presented the following as candidates:

- Francesco Schiavone Panni (specifying that the candidate indicated first in the Section of the list relating to Effective Auditors is to be considered for Chair of the Supervisory Body pursuant to the law)
- Maria Vittoria Bruno – Alternate Auditor.

The informational documentation concerning, among other things, the personal and professional characteristics of the candidates for the election of the Board of Statutory Auditors was made available to the public at the registered office, through the storage device of Spafid Connect S.p.A. at www.emarketstorage.com, and on the website www.bancomediolanum.it, in the Corporate Governance Section, Shareholders' Meeting (2021).

Banca Mediolanum S.p.A.'s Ordinary Shareholders' Meeting held on 15 April 2021 delivered:

- votes equivalent to 52.19% of the voting capital for list 1)
- votes equivalent to 14.41% of the voting capital for list 2).

The Board of Statutory Auditors, as at the end date of the Financial Year, comprises the following:

TABLE 4: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS AT THE END OF THE FINANCIAL YEAR

Board of Statutory Auditors									
Office	Members	Year of birth	Date of first appointment (*)	In office since	In office until	List (M/m) (**)	Indep. Code	Attendance at Board meetings (***)	No. of other offices (****)
Chairman	Francesco Schiavone Panni	16/04/1954	15/04/2021	15/04/2021	Budg. Appr. 31.12.2023	m	x	17/17	4
Sole Auditor	Antonella Lunardi	25/10/1967	10/04/2018	15/04/2021	Budg. Appr. 31.12.2023	M	x	17/17	0
Sole Auditor	Gian Piero Sala	10/07/1968	10/04/2018	15/04/2021	Budg. Appr. 31.12.2023	M	x	16/17	5
Alternate auditor	Maria Vittoria Bruno	06/03/1965	10/04/2018	15/04/2021	Budg. Appr. 31.12.2023	m	x	n/a	
Alternate auditor	Roberto Luigi Rampoldi	15/01/1969	15/04/2021	15/04/2021	Budg. Appr. 31.12.2023	M	x	n/a	
Alternate auditor	Claudia Mezzabotta	03/02/1970	15/04/2021	15/04/2021	Budg. Appr. 31.12.2023	M	x	n/a	

No. meetings held during the year: 17

Specify the quorum required for minority interests to present lists for the election of one or more members (pursuant to ex Art. 148 CFA): 1%

NOTES

(*) The date of first appointment of each statutory auditor means the date when the statutory auditor was appointed the first time (in absolute) to the Board of Statutory Auditors of the issuer.

(**) The list from which each statutory auditor was taken is indicated in this column ("M": majority list; "m": minority list).

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(***) The attendance of the statutory auditors at the meetings of the board of statutory auditors is indicated in this column (indicate the number of meetings they attended compared to the total number of meetings they could have attended; e.g. 6/8; 8/8, etc.).

(****) The number of offices of director or statutory auditor held by the interested party pursuant to Art. 148-bis of the Consolidated Finance Act and of the relevant implementation provisions contained in the CONSOB Issuers' Regulation is indicated in this column. The complete list of offices is published by CONSOB on its website pursuant to Art. 144-quinquiesdecies of the CONSOB Issuers' Regulation.

Francesco Schiavone Panni – Chair of the Board of Statutory Auditors



He obtained an Economics and Business degree from LUISS Guido Carli in 1978, and has been enrolled in the Order of Chartered Accountants.

He has been registered in the Register of Auditors since 1991. From 1978 to 1983 he audited for KPMG S.p.A. managing audits of large companies and holding training courses. In 1984 he started his own firm, Studio Schiavone Panni, developing activities encompassing corporate, management-administrative and tax consulting as well as auditing and business organisation.

He chairs Statutory Auditor Boards in large Groups as well as Supervisory Bodies of listed and non-listed companies.

On behalf of the Bank of Italy, he was appointed Liquidator of Banca Popolare di Vicenza, Statuto Fondi Immobiliare SGR and Chairman of the Supervisory Committee of Prisma SGR S.p.A.

On behalf of the Ministry of Economic Development, he is the Extraordinary Commissioner of ManitalIdea S.p.A. in A.S.

He currently holds the position of Chairman of the Board of Statutory Auditors of ALERION CLEAN POWER S.p.A., NAVIRIS S.p.A., TIM SPARKLE S.p.A. and Sole Director of EDILABOR S.r.l..

Antonella Lunardi – Standing Auditor



She graduated in 1993 with a degree in Economics and Business from Università Cattolica del Sacro Cuore in Milan and in 2007 earned a Master's Degree in "Tax Law, Accounting and



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Financial Statements” from I.F.A.F., Milan. She has been registered in the Professional Association of Chartered Accountants and Accounting Experts of Milan since 1995 and in the Register of Statutory Auditors since 1999.

She has worked as a Chartered Accountant since 1997 and has gained expertise in the sectors of industry, commerce and insurance and in bankruptcy proceedings.

She is registered in the Register of Technical Consultants of the Judge at the Court of Milan since 2004 and in the Register of Criminal Experts at the Court of Milan since 2006.

She has held positions on administration and control bodies, such as Chair of the Board of Statutory Auditors for Mediolanum Comunicazione S.p.A., Partner Time S.p.A. and PI Servizi S.p.A., member of the Board of Statutory Auditors for Finanza & Futuro Banca S.p.A., Deutsche Bank Mutui S.p.A., RREEF Fondimmobiliari SGR S.p.A. and Amsa S.p.A.

Gianpiero Sala – Effective Auditor



He attended the degree course in Law at the University of Pavia.

He has been a member of the Order of Chartered Accountants and Accounting Experts of Milan since 1993.

He has been registered in the Register of Auditors since 1995.

He is registered in the Register of Judges' Technical Consultants at the Court of Milan.

He is registered in the Expert List for the assignment of inspections to trust companies and trust and auditing companies, pursuant to Ministerial Decree June 18, 1993.

From 2000 to 2018, he was a founding partner of Studio Sala Riva & Associati, and then continued his professional activity, on an individual basis, as of 1 January 2019.

In 2020, he founded the association Goffredo Sala - Centro Studi Professionisti, which takes care of and promotes the economic-legal culture through scientific publications and the organisation of conferences and webinars.

Since 2023, he has been an equity partner of Montesino Associates SpA - Benefit Company that deals with business and strategic consulting.

Over the years, he has focused his experience in assisting companies and entrepreneurs in contractual matters and in operations aimed at the establishment and/or management of branches of foreign multinationals, the acquisition of companies, the drafting and execution of joint ventures - commercial, industrial and corporate adventures.

He has held positions in corporate administration and control bodies as well as in supervisory bodies of listed and non-listed companies such as, for example, Deutsche Bank



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Mutui S.p.A., Dewalt Industrial Tools S.p.A., Veneziani S.p.A. Vernici Marine ed Industriali, S.I.C.O. Società Italiana Carbuoro Ossigeno S.p.A., Black & Decker Italia S.r.l., Daicolor Italy S.r.l. He currently holds the position of Chairman of the Board of Statutory Auditors of PREXTA S.p.A. (formerly EuroCQS S.p.A.) and FINPROG ITALIA S.p.A., Statutory Auditor of MEDIOLANUM VITA S.p.A., MEDIOLANUM FIDUCIARIA S.p.A. and IMMOBILIARE DELLA FIERA S.p.A..

The Alternate Auditors are:

- **Claudia Mezzabotta – Alternate Auditor**
- **Rampoldi Roberto Luigi – Alternate Auditor**
- **Maria Vittoria Bruno – Alternate Auditor**

During the Financial Year, the Board of Statutory Auditors held 17 meetings with an average duration of 2 hours and 30 minutes.

For the current year, 13 meetings of the Board of Statutory Auditors are scheduled of which 2 have already been held: on 16 January and 16 February 2023.

Lastly, please note that the members of the Board of Statutory Auditors are given the functions of members of the Supervisory Body pursuant to Italian Legislative Decree 231/2001. Please see Paragraph 9.4 on this subject.

The Board of Statutory Auditors also exercises the functions assigned to the Internal Control and Audit Committee pursuant to Art. 19 of Italian Legislative Decree no. 39 of 27 January 2010.

Diversity criteria and policies

For the diversity policies pertaining to the members of the Board of Statutory Auditors, Banca Mediolanum refers to the specific applicable regulations - Supervisory Provisions (Title IV, Ch. I, Sect. III) and to the statutory provisions (Art. 27).

Regarding the diversity of the composition of the current Board of Statutory Auditors, note that: (i) there is one member of the Board of Statutory Auditors of the Company belonging to the least represented gender; (ii) without prejudice to the requirements of professionalism set out by legislations, also regulatory, the training and professional path of the members of the Board of Statutory Auditors currently in office guarantees the skills suitable for ensuring the proper execution of the functions assigned to it.

In this regard, it should be noted that in the "*Identification and disclosure to shareholders of the optimal qualitative and quantitative composition of the Board of Statutory Auditors of Banca Mediolanum S.p.A*" approved by the Board of Statutory Auditors on 1 March 2021, the outgoing Board of Statutory Auditors, in view of the Shareholders' Meeting called to resolve on the renewal of the Board of Statutory Auditors (15 April 2021) recommended, also in compliance with Ministerial Decree 169/2020, that the Board be composed in such a way as

to ensure the presence of representatives:

a) that are diversified in terms of age, gender and duration in office;
b) whose skills, considered collectively, are suitable for achieving the objective of fostering debate and dialogue within the bodies; encouraging the emergence of a plurality of approaches and perspectives in analysing issues and taking decisions; effectively supporting the company's processes of strategy formulation, management of activities and risks, and control of operations

of top management; taking account of the multiple interests that go to make up the sound and prudent management of the Bank;

(c) adequate in number to ensure that the body is functional and not excessive in size;

d) who can guarantee suitable availability of time, to ensure effective, informed fulfilment of the role of Statutory Auditor. The outgoing Board of Statutory Auditors called the Shareholders' attention to the main provisions regarding the requirements and composition of the Board of Statutory Auditors, in order to provide a theoretical profile that favours the best selection of candidates by Shareholders and the resulting best composition of the lists. This, without prejudice to the right of Shareholders to deliver different assessments on the optimum composition of the Board of Statutory Auditors, justifying any differences from the analysis conducted by the latter.

In addition to the above regulations, the Board of Statutory Auditors considered the principles set out in sector regulations, including the Rules of Conduct for Boards of Statutory Auditors of Listed Companies (2018). In preparing this document, the outgoing Board of Statutory Auditors also considered the governance system adopted by the Bank and the Group's diversified business model, focused on managing savings of Italian households.

In the awareness of the benefits deriving from *gender diversity* within the Board of Statutory Auditors, it is noted that the regulations in force require that at least 2/5 of the total Statutory Auditors elected be reserved for the less represented gender, rounding down to the unit for Boards of Statutory Auditors which, like that of Banca Mediolanum, are composed of 3 Standing Auditors.

In that regard, it is also noted that, pursuant to Art. 27.1 of the Articles of Association, each list containing a total number of candidates equal to or greater than three must provide for the presence of candidates of both genders so that at least one candidate to the office of Standing Auditor and one to the office of Alternate Auditor belong to the least represented gender.

Independence

Auditors must be selected from subjects who do not fall under one of the conditions of ineligibility or removal from office set out in Art. 148, paragraph 3 of the Consolidated Finance Act.

In addition, (i) the Statutory Auditors must meet the requirements of independence pursuant to article 14 of Ministerial Decree 169/2020; (ii) the independence shall also be evaluated in

accordance with the Code of Corporate Governance.

The Bank's Board of Directors defined the quantitative and qualitative criteria to evaluate the significance of the relationships that could compromise independence, also taking account of the provisions of the Code of Corporate Governance, which also apply to the assessment of the members of the Board of Statutory Auditors.

In particular, the Board provided that the following are to be considered relationships of a financial, equity or professional nature (even if not continuous and also in the three previous financial years) if the representative has them with the following parties (the "Relevant Parties"):

(i) the Bank, the companies controlled by it and the companies subject to joint control, the directors and the top management, and

(ii) the Bank's shareholders, and in any case parties who, even together with others through a shareholder agreement, control the Bank; if the shareholder or controller is a company or entity, its directors or top management.

These relationships with Relevant Persons are to be considered significant, and therefore capable of

compromising the independence of the officer, if:

- the total annual consideration exceeds the amount of EUR 300,000.00; or,

- the total annual consideration is less than the amount of EUR 300,000.00 but exceeds the amount of EUR 250,000.00, if the ratio between the remuneration for the work of statutory auditor or independent director received from the Bank or the other Relevant Parties and the total remuneration received from the Bank or the other Relevant Parties does not exceed the threshold of 2/3.

For the purposes of the above, relationships held with the following are also relevant:

a) indirectly (for example through subsidiaries or where they are a Chief Executive Officer or as a partner of a professional firm or a consultancy firm) by the officer or the parties described in points (i) and (ii) above (i.e. directors, top management or, as the case may be, the shareholders and the party who, including with others through a shareholder agreement, controls the Bank);

b) by a close family member (a close family member is understood to be a relation or in-law up to the fourth degree, the spouse or co-habitant and the children of this person) of the officer or the parties described above under (i) and (ii) (i.e. directors, top management or, as the case may be, the shareholders and the party who, also together with others through a shareholder agreement, controls the Bank).

In its meetings on 25 January 2022 and 16 February 2023, the Board of Statutory Auditors verified that the requirements also for the independence of all the members of the Board of Statutory Auditors continued to be met, considering all the information made available by each member of the Board of Statutory Auditors.

Remuneration

The Ordinary Shareholders' Meeting on 15 April 2021 was convened in order to determine the amount of remuneration to be paid to the members of the control body for the entire term of their office pursuant to Art. 2402 of the Italian Civil Code, in addition to reimbursement of the expenses borne to fulfil the office.

In this regard, it should be noted that the Presenting Shareholders, of the majority list referring to the Doris Family, have also submitted, inter alia, a proposal for a resolution on the fees to be allocated to the Board of Statutory Auditors. All proposals have been made available to the public at the Company's registered office for delivery of copies to those who request them, through the storage device of Spafid Connect S.p.A. at www.emarketstorage.com, and on the website www.bancamediolanum.it, in the Corporate Governance section, Shareholders' Meeting (2018).

The Shareholders' Meeting of 15 April 2021 resolved the annual gross compensation for the Chair and for each Statutory Auditor in the amount of EUR 100,000 and EUR 70,000 respectively.

Management of Interests

As expressly provided for in the Bank's internal rules on the management of conflicts of interest, all members of the Board of Statutory Auditors are required to inform the other members of the Board of Statutory Auditors of the existence of personal or third-party interests in the performance of transactions falling within the corporate purpose.

12.0 RELATIONS WITH SHAREHOLDERS

Access to information

The Board of the Issuer of 23 September 2015 appointed, with effect from the start-up of trading of the ordinary shares on the MTA (30 December 2015), Ms. Alessandra Lanzone as Investor Relator.

Among other things, the Investor Relations Function has the task of having relations with the institutional Investors; it contributes to fulfilling the market communication obligations when there is privileged information, in full observance of the current legislation.

The Corporate Affairs Division is delegated to handle relations with all the other shareholders other than the institutional ones, particularly as far as corporate reporting is concerned.

With reference to management of the shareholders' meetings, the Board of Directors' action meets the goal of maximising participation of the shareholders and facilitating the exercise of shareholders' rights, also promoting the use of the shareholders' meetings for disclosing information on the company to the shareholders.

A special section of the Company's website (www.bancamediolanum.it) has been set up and is continuously being implemented, easily identifiable and accessible, in which relevant corporate information is made available.

Relevant corporate documents, such as the Company's Articles of Association, the press releases already published and the Corporate Governance Report, as well as essential information on shareholders' agreements pursuant to Article 122 of the Consolidated Law on Finance, are also published in specific sections.

For transmitting and storing regulated information, the Company uses the "eMarket SDIR" disclosure system and the "eMarket STORAGE" storage device available at www.emarketstorage.com, both now managed by Teleborsa S.r.l. - with registered offices in Piazza di Priscilla, 4 - Rome - following the authorisation and CONSOB resolutions no. 22517 and 22518 of 23 November 2022.

Dialogue with shareholders

On 24 March 2021, the Board of Directors, on the proposal of the chief executive officer and subject to the favourable opinion of the Risk Committee of 18 March 2021, adopted the "*Policy for Managing Dialogue with Shareholders in general*", which describes the principles and rules adopted by Banca Mediolanum S.p.A. in relation to the management of Dialogue with Shareholders in general, i.e. current and potential investors, in compliance with the provisions of article 1 of the Corporate Governance Code for listed companies.

Banca Mediolanum has always believed in the importance of engaging in active, constructive communication with shareholders. In this spirit, it has put numerous activities into place aimed at managing the dialogue with the Shareholders and Investors in general, with whom



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it communicates and interacts in various ways on an ongoing basis.

The Policy is available in the “Investor Relations” section of the Company's institutional website.

During the Financial Year, the level of interest of the financial community for Banca Mediolanum remained high which, in a market context that saw the main asset gatherers reduce dramatically the levels of funding, once again stood out for having obtained very high cash flows in assets under management. Considerable attention was also paid to the benefit that the rise in rates has brought to the Group's income statement, thanks to a resilient and well-diversified business model, therefore winning in every phase of the macroeconomic cycle. Banca Mediolanum also approached the Debt Capital Market world for the first time by issuing a Green Senior Preferred Bond, an activity carried out by the Investor Relations team both in its preparatory phase and in the market offer phase with two dedicated virtual roadshows carried out in the second half of the year.

Lastly, during the year there was a moderate return to face-to-face appointments, although still well below the pre-pandemic levels, carried out mainly by the Investor Relations team and Top Management.

From a qualitative point of view, during the year there was a positive sentiment in contacts with financial analysts and investors thanks to macro-factors such as the good performance of the markets and the rebound of the economy, but also to dynamics more closely linked to Banca Mediolanum.

It is the responsibility of the Chairman and the Chief Executive Officer to ensure that the Board is in any case informed, usually annually, on the development and significant content of the Dialogue with the Shareholders and Investors.

13.0 SHAREHOLDERS' MEETINGS

The functioning of the Shareholders' Meeting and the rights of the shareholders and the methods for their exercise are regulated by current primary and secondary regulations, as explained in the Articles of Association under articles 9) to 16), published on the Company's website www.bancamediolanum.it in the Corporate Governance Section under Company Documentation for Corporate Governance.

With reference to articles mentioned above, please particularly note that:

- pursuant to Article 9):

1. *The Shareholders' Meeting meets at the registered office or elsewhere, provided it is in Italy.*
2. *The Shareholders' Meeting is called by notice to be published on the Company's website within the terms set out in the current pro tempore primary and secondary regulations. The notice of call must contain specification of the day, time and place of the meeting, and the list of items to discuss and the other information required by provisions of the current pro tempore primary and secondary regulations.*
3. *If provided for in the notice of call, the right to speak and vote can be exercised electronically with the methods provided for by the current pro tempore primary and secondary regulations.*
4. *This is without prejudice to the right of shareholders to request, in accordance with the law, the convocation and/or integration of the agenda of the Shareholders' Meeting as well as to submit resolution proposals."*

- pursuant to Art. 10)

"The Ordinary Shareholders' Meeting for the approval of the financial statements must be convened, at least once a year, within 120 days of the close of the financial year, or within 180 days, if the Company is required to draw up consolidated financial statements or if particular needs related to the Company's structure and purpose of the Company so require.

Reasons for the deferral are recorded in the Board of Director's Report on management.

The Ordinary Shareholders' Meeting is responsible for approving: (a) the remuneration policies in favour of the members of the bodies with supervisory, management and control functions and of the staff, as well as of the collaborators not linked to the Company by employment relationships; (b) any plans based on financial instruments; and (c) the criteria for determining the remuneration to be granted in the event of early termination of the employment relationship or early termination of the office, including the limits set to said remuneration, in compliance with the primary and secondary regulations in force at the time. The Shareholders' Meeting is assured of adequate disclosure on the remuneration policy implementation.

As part of the approval of remuneration policies, the Shareholders' Meeting may raise the limit of the ratio of the variable and fixed components of the personal remuneration under the conditions and within the limits established by the current pro tempore primary and secondary regulations. The Shareholders' Meeting resolution in question passed with the favourable vote: (i) of at least 2/3 of the share capital represented at the Shareholders' Meeting if it is at least

half of the subscribed share capital; (ii) of at least 3/4 (three quarters) of the share capital represented at the Shareholders' Meeting if it is less than half of the subscribed share capital; or else with the different majorities that were possibly imposed by the pro tempore primary and secondary legislation in force.

The issue of bonds with warrants for the subscription of Company shares also falls under the competence of the Shareholders' Meeting.

On the proposal of the Board of Directors, the Shareholders' Meeting may appoint, even outside the members of the Board of Directors, an Honorary Chair chosen from among those who have contributed significantly to the development, history and reputation of the Company, also determining their remuneration, if any. The Honorary Chair shall remain in office for the period of time, even indefinite, established by the Shareholders' Meeting at the time of appointment. The Honorary Chairperson has the right to attend the Shareholders' Meetings and to take part in the meetings of the Board of Directors in accordance with the methods set out in art. 19.

- pursuant to Art. 11)

"Legitimation to speak at the Shareholders' Meeting and to exercise the right to vote is certified by the Company's communication made by the intermediary, based on its accounting entries relating to the deadline of the accounting day of the seventh open trading day before the date set for the Shareholders' Meeting in first or single call. The credit or debit records entered on the account after this deadline do not count toward legitimation to exercise the right to vote at the Shareholders' Meeting.

The communication must reach the Company by the end of the third open trading day before the date set for the Shareholders' Meeting in first or single call, or by another deadline established by the applicable regulatory provisions.

Legitimation to speak at Shareholders' Meetings and to exercise the right to vote remains valid should the communications reach the Company after the terms indicated herein, provided it is before the shareholders' meeting works commence."

- pursuant to Article 12)

"1. The parties legitimated to speak at the Shareholders' Meeting can be represented by written proxy pursuant to the law.

The proxy can also be given with a signed digital document in electronic format pursuant to Art. 135-novies, paragraph 6 of Italian Legislative Decree no. 58/1998 and its implementing provisions.

According to the methods specified in the notice of call, the electronic notification of the proxy may be made by using the special section of the Company's website or by sending the document to the Company's certified electronic mail address.

2. The Board of Directors can designate a party to whom the shareholders can give a proxy with voting instructions on all or some of the items on the agenda by mentioning the name in the relevant notice of call, with the methods required by law and by the regulatory provisions, by the end of the second open trading day before the date set for the

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Shareholders' Meeting, also in call after the first. The proxy has effect only for the proposals in connection with which voting instructions have been given.

3. *The shareholders can ask questions on the items on the agenda also before the Shareholders' Meeting. The details on how to exercise this right are contained in the notice of call, also by referring to the Company's website."*

The competences provided for by current legal provision lie with the Ordinary Shareholders' Meeting.

The notice of call of the Shareholders' Meeting contains all the indications concerning the right to attend and vote at the Shareholders' Meeting, instructions on how to grant proxy also to the Designated Representatives, indications on the right to ask questions as well as the integration of the agenda and the presentation of new motions.

In anticipation of the resolutions of the Shareholders' Meeting, the documentation and the illustrative reports of the Board of Directors were made available to the shareholders within the timeframe provided for by law and indicated in the Notice of Call, at the registered office for the delivery of copies upon request, at the storage mechanism at www.emarketstorage.com and at the website www.bancamediolanum.it, in the Section Corporate Governance, Shareholders' Meeting.

With the Shareholders' Meeting resolution of 23 November 2015, the Company adopted a "Regulation of Shareholders' Meetings", which took effect starting on the date the shares of the Issuer began to be traded on the MTA (30 December 2015) and it is available on the website www.bancamediolanum.it in the Corporate Governance Section under Corporate Governance Documents.

The following members of the Board of Directors attended via videoconferencing the last Ordinary and Extraordinary Company Shareholders' Meeting held on 7 April 2022:

- Giovanni Pirovano, Chair;
- Annalisa Sara Doris, Vice President;
- Massimo Antonio Doris, Chief Executive Officer;
- Francesco Maria Frasca;
- Anna Gervasoni;
- Paolo Gibello Ribatto;
- Giovanni Lo Storto;
- Mario Notari;
- Laura Oliva;
- Anna Eugenia Maria Omarini;
- Roberta Pierantoni;
- Giovanna Luisa Maria Redaelli;
- Giacinto Gaetano Sarubbi.

The Company, availing of what was established in article 106, paragraph 2 of Law Decree no. 18 of 17 March 2020, provided, in the notice calling the Shareholders' Meeting, that all the shareholders interested in taking part would have to go through the Designated Representative in accordance with article 35-undecies of the Consolidated Law on Finance.

14.0 FURTHER CORPORATE GOVERNANCE PRACTICES (ex art. 123-bis, paragraph 2, letter a), second part, CFA)

There are no corporate governance practices beyond those already indicated in the previous points and effectively applied by the Issuer beyond the obligations provided for by the laws or regulations

15.0 CHANGES SINCE THE CLOSING OF THE YEAR OF REFERENCE

There have been no changes in the corporate governance structure since the end of the financial year.

ELECTRONIC STORAGE IN DIGITAL FORMAT OF THE CORPORATE BOOKS

Banca Mediolanum brought the project that provided for the adoption of a digital system to keep the corporate books relating to the minutes of meetings of the Boards of Directors, the Shareholders' meetings, the internal Committees, the Supervisory Bodies pursuant to Legislative Decree 231/2001 for Banca Mediolanum and the Italian companies of the Mediolanum Financial Conglomerate to conclusion in 2020. During the meeting of Banca Mediolanum's Board of Statutory Auditors on 10 December 2021, the possibility of adopting "Electronic storage in digital format" for the Board's minutes, analogous to what already exists for the minutes of the other corporate bodies, was positively assessed.

The Provider chosen is accredited with the register of registrars authorised by AGID (Agency for Digital Italy), the technical agency of the Presidency of the Council of Ministers, in charge of ensuring the achievement of the Italian digital agenda objectives and contributing towards the diffusion of the use of information and communication technologies with the aim of fostering innovation and economic growth.

As such, the provider offers all the guarantees required under prevailing law for the so-called substitute storage in digital format of the documents, i.e. their authenticity, completeness, reliability, readability and availability to customers and any other parties with the right to consult them.

16.0 CONSIDERATIONS ON THE LETTER FROM THE CHAIR OF THE CORPORATE GOVERNANCE COMMITTEE

The letter from the Chair of the Corporate Governance Committee, Ms Lucia Calvosa, with which the "10th Report on the application of the Corporate Governance Code" was first submitted, was brought to the attention of the Board of Directors and the Board of Statutory

Auditors that met on 8 February 2023. This report is part of the usual, required monitoring by the Committee in order to ensure the effectiveness and credibility of the self-regulatory system.

The documentation of the Corporate Governance Committee was also brought to the attention of the Risk Committee on 6 February 2023, the Appointments and Governance Committee on 7 February 2023, the Remuneration Committee on 27 February 2023, and the Related Parties Committee on 24 February 2023, all meetings with the presence of the Board of Statutory Auditors.

In his letter, the Chair, Mr Calvosa, first of all illustrates the latest survey on the application of the previous "Code", which can be found in the Corporate Governance Reports provided this year by listed companies and referring to the 2021 financial year, and also proposes the usual recommendations for the next financial year, which act as a "link" towards the application of the revised Code that all listed companies have to apply.

More precisely, the recommendations – relevant for Banca Mediolanum – formulated by the Corporate Governance Committee require listed companies specifically to:

a) to adopt a policy of dialogue with shareholders that also provides for the possibility that this is started on the initiative of investors, defining graded methods and procedures, based on the principle of proportionality, according to the characteristics of the company in terms of size and ownership structure.

Since March 2021, Banca Mediolanum has adopted a specific policy in order to align the rules for managing dialogue with the majority of Shareholders with the principles contained in the Corporate Governance Code. On this point, please refer to what has already been described in above Section 12 of the Report with reference to the Policy of Dialogue with Shareholders. Banca Mediolanum, through the Investor Relations Sector, has always established a constant dialogue with Shareholders, Institutional Investors, socially responsible investors, analysts and all financial market operators. When necessary, it also has strengthened engagement and established a structured dialogue with institutional investors and proxy advisors, such as to make the Remuneration Policy more understandable.

Banca Mediolanum promotes an open and transparent process aimed at guaranteeing its Shareholders and Investors the possibility of contact with the Company, the Board of Directors and management during the year.

Shareholders and Investors of the Company may in fact request information and communicate their opinions to the Board of Directors and management by contacting the Investor Relations Sector (tel.: 02.90492039; email: investor.relations@mediolanum.it).

The Investor Relations Sector determines whether the communication received is intended for the Board or the management and takes action to ensure timely response to all appropriate requests made by the Shareholders and by the Investors in general, in compliance with the general principles defined by this Policy, the company provisions on market abuse and the related regulations in force for listed companies.

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Banca Mediolanum believes that building continuous, open and transparent methods of dialogue with all Investors will bring significant benefits both to the Investors themselves and to the Company, with a view to favouring the creation of value in the medium-long term. In fact, this dialogue offers the opportunity to share the actions and strategic visions underlying corporate management, and at the same time is a valuable source of information to be taken into account in defining the strategic direction that guides the Company's operations towards its sustainable success.

b) to evaluate the opportunity to provide information, in its report on corporate governance, on the most significant issues that have been the subject of the dialogue with shareholders and on any initiatives adopted to take into account the indications that have emerged. The Committee invites companies to provide, in their Corporate Governance Reports, adequate information on the criteria and methods with which the management body has promoted dialogue with other relevant stakeholders.

The recommendation is adequately applied by Banca Mediolanum and is reflected in this Report in the context of relations and Dialogue with the majority of Shareholders, understood as current and potential Investors. For further details on the most significant issues that were the subject of the dialogue with shareholders in the 2022 Financial Year, please refer to Section 12.

With reference to the evidence on the subject of dialogue with other relevant stakeholders, please refer to the Non-Financial Statement published on the Company's website (www.bancamediolanum.it), which describes the engagement initiatives and the dialogue tools identified for the individual categories of stakeholders with an indication of the corporate Functions involved.

c) To provide for procedures for the management of pre-meeting information that do not contemplate generic exemptions to the timeliness of the information for reasons of confidentiality of data and information and to provide, in the report on corporate governance, detailed information on any failure to comply with the deadline notice indicated in the procedures for sending the Board documentation, giving reasons and illustrating how adequate in-depth analysis was ensured in the Board.

In the Regulation of the Board of Directors and Board Committees, last updated on 8 February 2023, precise procedures and ordinary times have been established for some time, or in exceptional cases of urgency, for the provision of the documentation to directors and statutory auditors. Banca Mediolanum has established that information shall be made available at least no later than the fifth day prior to the date set for the meeting - three days if the subject matter is also being discussed by a Board Committee, which in turn must receive the documentation in the same three-day period - except in cases of urgency when the documentation must be made available as quickly as possible and in any case at least one day prior to the meeting.

With reference to compliance with the timing and methods for presenting the documentation subject to disclosure before the Board and the Committee meetings, please refer to Section 4.4 and Section 6 of this Report.

d) to define, in the regulations adopted for the functioning of the management body and its committees, the methods by which said bodies may access the competent corporate functions according to the subject matter dealt with, under the coordination of the chairman of the board of directors or of the committee, respectively in agreement with or informing the CEO. The Committee also invites companies to provide, in the report on corporate governance, information on the actual participation of managers in the meetings of the board and committees, indicating the functions involved and the frequency of involvement.

The regulation of the Board of Directors and Board Committees of Banca Mediolanum expressly requires that the Chair of the Board of Directors, also at the request of one or more directors, invite those in Supervisory Positions, Executives of the Company or of the companies of the Group, as well as other persons or external consultants, whose presence may be useful in relation to the agenda items, to attend individual Board meetings. However, these persons are bound by the same confidentiality obligations as are the directors and auditors (Section 4.4.). The Regulations also provide for the participation in the meetings of the Board Committees, at the invitation of the Chair, also by the Heads of the Departments or Divisions, depending on the specific topics dealt with.

e) to define ex-ante and disclose in the report on corporate governance the quantitative parameters and qualitative criteria to assess the significance of any commercial, financial or professional relationships and any additional remuneration for the purposes of the independence of a director. The Committee invites the companies to evaluate the opportunity to envisage quantitative parameters, also defined in monetary terms or as a percentage of the remuneration attributed for the office and for participation in committees recommended by the Code.

Also taking into account the provisions of the Corporate Governance Code, the Board defined the quantitative and qualitative criteria to assess the significance of relationships able to compromise independence. These criteria were assessed in the considerations on officers' independence as expressly provided for in the Corporate Governance Project and in the Fit & Proper Policy of Banca Mediolanum. In this regard, please refer to Section 4.7

f) to include in the remuneration policy of the CEO and the other executive directors an executive summary, in table form, showing the composition of the remuneration package, with an indication of the characteristics and weight of the fixed, variable short-term and variable long-term components with respect to total remuneration, at least with reference to the achievement of the target objective of the variable components.

The practice adopted by Banca Mediolanum provides for the indication in the executive summary of the Remuneration Policies Report to be submitted to the Shareholders' Meeting and published on the Company's website (www.bancamediolanum.it) of the data on



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remuneration and the prospectus of the remuneration package of the Chief Executive Officer with target amounts.

g) to include in the remuneration policies a variable component with a multi-year horizon, in line with the strategic objectives of the company and with the pursuit of sustainable success. Banca Mediolanum will submit to the forthcoming Shareholders' Meeting (18 April 2023) the approval pursuant to Art. 114-bis of Italian Legislative Decree no. 58/1998 and of Circular no. 285 of the Bank of Italy dated 17 December 2013 relating to the long-term incentive plan called "2023-2025 LTI" reserved for the "Top Key People" among the executive directors and managers of Banca Mediolanum S.p.A. and/or its subsidiaries, even if they do not belong to the Mediolanum Banking Group. This Plan represents a tool aimed at incentivising Potential Beneficiaries with respect to specific financial and non-financial performance objectives, linked to the Group's business and ESG sustainability strategy in the three-year performance period 2023-2025.

h) to invite companies that provide incentive mechanisms for the CEO and other executive directors linked to sustainability objectives to provide a clear indication of the specific performance objectives to be achieved.

Banca Mediolanum will submit to the convened Shareholders' Meeting (18 April 2023) the approval of the Report on the Group remuneration policy and compensation paid.

In continuity with the 2022 Report, the 2023 document also provides full disclosure of the financial and non-financial indicators included in the Chief Executive Officer's performance sheet. As part of the non-financial indicators, a specific KPI is envisaged linked to ESG factors, whose characteristics and weight in percentage terms on the total of the individual sheet are described.

As per the information provided in the aforementioned Report, the Chief Executive Officer is also one of the potential beneficiaries of the 2023-2025 LTI Plan, of which clear information is provided, also with regard to the related ESG indicators

The Board of Directors has carefully assessed what is stated in the above-mentioned letter and noted - as in the past - that the banking sector's numerous, strict regulations (both European and Italian) covers the above aspects in terms of compliance and not merely in terms of best practice.

Basiglio - Milan 3, 7 March 2023

on behalf of The Board of Directors
The Chairperson
(Giovanni Pirovano)

ANNEX 1

Annex 1: Paragraph on the “Main characteristics of the existing risk management and internal control systems in connection with the financial disclosure process” pursuant to Art. 123-bis, paragraph 2(b) of the Consolidated Finance Act**Background**

The risk and internal management system existing in connection with the Banca Mediolanum financial information process is made up of the whole of rules and corporate procedures adopted by the various corporate operational units and aimed at ensuring the reliability, accuracy, reliability and promptness of financial disclosure, thereby contributing to the strengthening of *governance of the controls*.

To this regard, it should be remembered that Italian Law 262 of 28 December 2005 (as amended), “Savings protection provisions and financial market regulations”, with the addition of 154-bis to the Consolidated Finance Act, introduced the figure of Executive responsible for financial reporting (hereinafter simply “Executive Responsible”) to whom the responsibility of preparing adequate administrative and accounting procedures for forming the financial statements, the consolidated financial statements or other interim accounting information is entrusted.

The Executive Responsible is also required to sign off financial information published to the market by declaring that the information is consistent with the company’s books of account. Financial Statements, including Consolidated Financial Statements and the half-year consolidated financial report, must be accompanied by a certificate, prepared according to a standard form prescribed by CONSOB, to the effect not only that they are consistent with accounting records, as in the case of all documents published to the market, but also that the account administration procedures used are adequate and that the Financial Statements are a truthful and accurate representation of the assets, liabilities, revenues, expenditures and finances of the issuer and the consolidated companies. The Issuer has therefore adopted a specific Model (“Law 262 Management Model”) developed on the basis of the provisions of market *best practices* and governed by the “*Policy for the management of the activities by the Executive Responsible - Italian Law 262/2005*”, approved by the Board on 20 September 2022.

Description of the main characteristics of the risk management and internal control system existing in connection with the financial disclosure process

The “Law 262 Management Model” implemented by the Issuer is divided into four distinct areas:

- Governance: assignment of roles, responsibilities and definition of the procedures and information flows with which the various players involved interact with each other.

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- Control environment: the identification of rules, systems and control mechanisms and of general rules governing technologies and software development.
- Control model: specification of the pillars on which activities are based, in compliance with the requirements of Art. 154-bis of the Financial Enterprises Code.
- Methodological framework: specification of the process by which those activities are planned and the scope of intervention for carrying out checks on the adequacy and functioning of the accounting administration processes identified, and the specification of any measures to mitigate the degree of risk found.

a) Phases of the risk management and internal control system existing in connection with the financial disclosure process

The control model used by the Executive Responsible to comply with the requirements of Art. 154- bis of the Financial Enterprises Code (Law 262/2005), rests on three pillars:

- Assessment;
- Testing;
- Certification system.

Pillar 1- Assessment: the aim is to verify the adequacy of the account administration safeguards in terms of the degree to which processes and procedures have been formally specified and automated, as well as the training of relevant staff.

Pillar 2 – Testing: regards the auditing of documents in order to independently verify the effectiveness of the existing controls on company procedures destined to have impacts on the preparation of economic-financial reporting and on the data reported.

This activity is planned and seen to by the Executive Responsible with the Economic-Financial Analysis & Controls Unit. Planning must be carried out at least yearly so that control tests may be performed over a reasonable period of time for all processes within the pertinent area.

In particular, the Economic-Financial Analysis & Controls Unit audits the controls' operational effectiveness using various techniques, including sampling.

Certification system: regards the attribution of specific ownership roles to the managers of the administrative areas and business units concerned, which, as process owners, issue dedicated certificates designed to ensure that the procedures considered by the Executive Responsible as suitable to ensure compliance with the objectives identified by the model adopted, are followed in practice at all times. Any events that would jeopardize these expectations must be brought to the attention of the Executive Responsible, also through the Economic-Financial Analysis & Controls Unit, so that a prompt remedy can be found.

The following activities need to be carried out if the Model is to function properly in terms of developing adequate controls on risks related to financial reporting and in terms of the subsequent monitoring of their effective application in practice:

- Updating the Methodological Framework;
- Specifying the Relevant Scope;
- Assessment: Risk & Control Analysis;
- Functionality tests;
- Action plan;
- Certification system;
- Reporting

The activities for updating the methodological *framework consist of:*

- Analysis of regulatory requirements
- Identification of model updating requirements
- Oversight over the document structure

The Economic-Financial Analysis & Controls Unit is responsible for supporting the Executive Responsible by analysing legal requirements and identifying any need for changes in the governance model.

To this end, updating activities are required to take account of new regulations in this area by consulting reliable sources, as well as checking best industry practices.

The job of specifying the relevant scope – the preliminary stage in the process of assessment under the Law 262 Model – is substantiated in:

- Updating the relevant scope
 - Selecting the significant companies
 - Selecting significant accounting items and processes

The activities relating to the identification of the relevant scope are carried out by the Economic-Financial Analysis & Controls Unit under the management of the Executive Responsible, who has the task of checking the appropriateness of the scope at consolidated level.

The planning and scope are approved by the Executive Responsible during Law 262 Committee meetings.

The relevant scope is specified by selecting:

- which companies within the Group's scope of consolidation are "significant", using qualitative criteria as well as quantitative ones such as contribution to those figures

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within the Consolidated Financial Statements which are most representative of the Group's business dealings, including the Foreign Companies;

- which Items at the level of Individual Companies are “significant”, on the basis of significance thresholds and qualitative criteria, and identifying the Significant Processes underpinning the Significant Items selected.

The **Assessment activity: Risk Control Analysis** consists of analysing the significant processes aimed at identifying and detecting accounting-administrative risks, the associated control points and any mitigating actions.

Specifically, this stage involves the following:

- analysing the significant processes to find out to what extent they have been formally specified with a description of the main activities, the roles and responsibilities of those involved;
- detecting and describing the risks inherent in the processes mapped (Risk Control Analysis or RCA);
- the identification of the control points set up for monitoring identified risks and the structures responsible for executing them.

The **functionality test** phase consists of the assessment of the control points identified. This testing of the controls involves:

- preparing the test schedule;
- actually carrying out the test activities;
- implementing action plans.

Following the completion of testing activities, a special Test Report is drafted describing the controls tested, the period covered, the results obtained, any irregularities encountered and any recommended remedies.

These results are periodically submitted to the Executive Responsible so that he/she can specify any steps to be taken in consequence; they are also periodically examined by the Law 262 Committee.

Identification of **Action Plans**, in particular in the event of any anomalies detected, specific mitigation actions are identified by the Economic-Financial Analysis and Controls Unit aimed at implementing corrective activities.

The **Certification system**: as a result of dividing up the activities and controls in current operations, the responsibilities for producing financial reports are distributed among numerous functions of the Group companies.

Furthermore, because the Executive Responsible is called on to sign off consolidated figures deriving from data and information produced also by Subsidiaries, there is provision for the involvement of those subsidiaries' operational managers (process owners).

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This allocation of responsibilities is explained when the Financial Disclosure Officer issues the individual company certificates.

The system of Law 262 certifications is broken down across 3 levels:

- Certifications of process owners;
- Certifications of the Manager of the Accounting & Financial Statements Sector;
- Certifications of the Executive Responsible.

An adequate **reporting activity** consists of a system of information flows to and from the various units involved that enables the Executive Responsible to access the stock of information needed to perform his/her duties properly. That system provides for the following:

- the Executive Responsible promptly obtaining complete streams of data and information in the form of pre-specified reports;
- prompt and full communication to the Executive Responsible of any other fact of relevance to financial reporting and disclosure of accounting information;
- the Executive Responsible's ability to obtain any further details he/she considers necessary for the discharge of his/her duties promptly upon request;
- the management of information flows with the Law 262 Liaison Officers of the Foreign Companies in scope to request, with regard to the activities carried out and to the foreign Group subsidiaries, all administration and accounting information helpful for drawing up the Financial Statements and Consolidated Financial Statements.

The information flow between the corporate control functions is guaranteed through the establishment of the Law 262 Committee, of which such functions are members.

Details are provided below on the main recipients of the Law 262 disclosure; the Executive Responsible:

- informs the Board of Directors of his/her activities at least twice a year so that the Board can monitor them;
- by virtue of the Risk Committee's role of advising and discussing matters, reports every six months on his/her activities, current projects and any shortcomings found which could compromise the discharge of his/her regulatory obligations;
- sends to the Supervisory Body a copy of the Law 262 Committee's minutes; the Supervisory Body may, where deemed appropriate, contact the Executive Responsible to analyse specific issues or share current project activities of mutual interest;
- with the support of the Economic-Financial Analysis & Controls Unit, systematically shares the quarterly presentation made at the Law 262 Committee Meeting with the Board of Statutory Auditors, and at the specific request of the Board of Statutory Auditors organises in-depth meetings on the topics requested from time to time;

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- holds meetings and exchanges information with the appointed Independent Auditors.

b) Roles and Functions involved

The definition of the roles and responsibilities of the players involved in the specific activities required by Italian Law 262/2005 and the relations between the Executive Responsible and the various corporate parties involved, with particular reference to the information flows exchanged between them, are explained in the above-mentioned "Policy for managing activities under the responsibility of the Executive Responsible - Italian Law no. 262/2005". Law 262 governance model is part of the more complex and structured system of controls of Banca Mediolanum S.p.A. and of the other Subsidiaries within the area of consolidation, identified as "significant". The major players taking part in the governance model are:

- Board of Directors and Chief Executive Officer;
- Executive Responsible for Financial Reporting
- Law 262 Committee;
- Economic-Financial Analysis and Control Unit;
- Internal Audit Function;
- Compliance Function;
- Risk Management Function;
- Organisation and Project Management Division;
- ICT Division
- Process managers in general
- Law 262 Liaison Officers of the Foreign Companies.

ANNEX 2

2020 CORPORATE GOVERNANCE CODE	Applied	Not Applied	Inapplicable	Reference paragraph
Article 1 – Role of the board of directors				
Principles				
I. The board of directors leads the company by pursuing its sustainable success.	X			
II. The board of directors defines the strategies of the Company and the Group it heads in accordance with principle I and monitors its implementation.	X			
III. The board of directors defines the corporate governance system that is most functional for carrying out the company’s business and pursuing its strategies, taking into account the flexibility offered by the legal framework. If necessary, the board of directors evaluates and promotes the appropriate changes and submit them to the shareholders’ meeting when such changes are necessarily subject to the shareholders’ vote.	X			
IV. The board of directors promotes dialogue with shareholders and other stakeholders which are relevant for the company, in the most appropriate way.	X			
Recommendations				
1. The board of directors:				
a) reviews and approves the business plan of the Company and the Group it heads, also on the basis of matters that are relevant for the long-term value generation. That analysis is carried out with the possible support of a committee whose composition and functions are defined by the board of directors;				
b) periodically monitors the implementation of the business plan and assesses the general course of the business, comparing the results achieved with those planned;				
c) defines the nature and level of risk compatible with the Company’s strategic objectives, including all the elements that can be relevant for the Company’s sustainable success;				
d) defines the corporate governance system of the company and the structure of the group it heads, and assesses the adequacy of the company’s organisational, administrative and accounting structure and of its strategically important subsidiaries, with particular reference to the internal control and risk management system;	X			
e) approves transactions of the Company and its subsidiaries that have a significant impact on the Company’s strategies, profitability, assets and liabilities or financial position; to this end, it establishes the general criteria for identifying significant transactions;				
f) on proposal of the chair in agreement with the chief executive officer, adopts a procedure for the internal and external management of documents and information concerning the Company, with particular reference to inside information, in order to ensure the correct management of corporate information.				
2. If deemed necessary for the effectiveness of the company’s corporate governance system, the board of directors develops specific proposals to be submitted to the shareholders’ meeting on the following issues:				
a) choice and characteristics of the corporate model (traditional, “one-tier”, “two-tier”);	X			

<p>b) size, composition and appointment of the board of directors and term of office of its members;</p> <p>c) structure of the shares' administrative and property rights;</p> <p>d) percentages established for the exercise of the prerogatives set up to safeguard minority shareholders.</p> <p>In particular, if the board of directors intends to propose to the shareholders' meeting the introduction of increased voting rights (so-called "voto maggiorato"), it provides adequate reasons in the report that will be submitted to the shareholders prior to their annual meeting. The report indicates the expected effects on the Company's ownership and control structure and its future strategies. In the same report, the board discloses the decision-making process followed for the definition of such a proposal and any dissenting opinions voiced within the board.</p>	
<p>3. Upon proposal of the chair in agreement with the chief executive officer, the board of directors adopts and describes in the corporate governance report a policy for managing dialogue with the generality of shareholders, taking also into account the engagement policies adopted by institutional investors and asset managers.</p> <p>The Chair ensures that the board of directors is in any case informed, within the first suitable meeting, of the development and the significant contents of the dialogue that has taken place with all the shareholders.</p>	<p>X</p>
<p>Article 2 – Composition of the corporate bodies</p>	
<p>Principles</p>	
<p>V. The board of directors is comprised of executive and non-executive directors. All directors ensure professional skills and competence that are appropriate to their tasks.</p>	<p>X</p>
<p>VI. The number and skills of non-executive directors ensure significant influence in the decision-making process of the board and guarantee an effective monitoring of management. A significant number of non-executive directors is independent.</p>	<p>X</p>
<p>VII. The company applies diversity criteria, including gender ones, to the composition of the board of directors, ensuring the primary objective of adequate competence and professionalism of its members.</p>	<p>X</p>
<p>VIII. The control body's composition is appropriate for ensuring the independence and professionalism of its function.</p>	<p>X</p>
<p>Recommendations</p>	
<p>4. The board of directors defines the delegation of managerial powers and identifies who among the executive directors holds the position of chief executive officer. If the Chair is entrusted with the position of chief executive officer or with significant managerial powers, the board of directors explains the reasons for this choice.</p>	<p>X</p>
<p>5. The number and skills of independent directors are appropriate to the needs of the company and to the well-functioning of the board of directors, as well as to the establishment of board committees.</p> <p>The board of directors includes at least two independent directors, other than the Chair.</p> <p>In large companies with concentrated ownership, independent directors account for at least one third of the board.</p> <p>In other large companies, independent directors account for at least half of the board.</p> <p>In large companies, independent directors meet, in the absence of the other directors, on a periodic basis and at least once a year to evaluate the issues deemed of interest to the functioning of the board of directors and to the corporate management.</p>	<p>X</p>
<p>6. The board of directors assesses the independence of each non-executive director immediately after his or her appointment. The assessment is renewed during the mandate upon the occurrence of circumstances that concern his or her independence and at least once a year.</p>	<p>X</p>

Each non-executive director provides all the elements necessary or useful for the assessment of the board of directors. On the basis of all the information available, the board considers any circumstance that affects or could affect the independence of the director.

7. The circumstances that jeopardise, or appear to jeopardise, the independence of a director are at least the following:
- a) if he or she is a significant shareholder of the company;
 - b) if he or she is, or was in the previous three financial years, an executive director or an employee:
 - of the company, of its subsidiary having strategic relevance or of a company subject to joint control;
 - of a significant shareholder of the company;
 - c) if he or she has, or had in the previous three financial years, a significant commercial, financial or professional relationship, directly or indirectly (for example through subsidiaries, or through companies of which he or she is an executive director, or as a partner of a professional or a consulting firm):
 - with the company or its subsidiaries, or with their executive directors or top management;
 - with a subject who, also together with others through a shareholders' agreement, controls the company; or, if the control is held by a company or another entity, with its executive directors or top management;
 - d) if he or she receives, or received in the previous three financial years, from the company, one of its subsidiaries or the parent company, significant remuneration other than the fixed remuneration for the position held within the board and for the membership in the committees recommended by the Code or required by law;
 - e) if he or she has served on the board for more than nine years, even if not consecutive, of the last twelve years;
 - f) if he or she holds the position of executive director in another company whereby an executive director of the company holds the office of director;
 - g) if he or she is a shareholder, quota-holder or director of a company or other legal entity belonging to the network of the external auditor of the company;
 - h) if he or she is a close relative of a person who is in any of the circumstances set forth in previous letters.

X

The board of directors defines ex ante, at least at the beginning of its mandate, the quantitative and qualitative criteria for assessing the significance of the situations set forth above in letters c) and d). If the director is also a partner in a professional or a consulting firm, the board of directors assesses the significance of the professional relationships that may have an effect on his or her position and role within the professional or the consulting firm and in any event those pertaining to important transactions of the company and the group it heads, even regardless of the quantitative parameters.

The chair of the board of directors, who has been nominated for such role according to recommendation 23, can be assessed as independent if none of the circumstances set forth above occurs. If the independent chair is member of the board committees recommended by the Code, such committees are made up in majority of independent directors, other than the chair. The independent chair of the board of directors cannot chair the remuneration committee and the control and risk committee.

8. The company defines the diversity criteria for the composition of the board of directors and the control body and identifies the most suitable tool for their implementation, taking into account its ownership structures.

X

At least a third of the board of directors and the control body, where the latter is autonomous, is to be comprised of members of the less represented gender.

Companies adopt measures to promote equal treatment and opportunities among genders within the entire organisation, monitoring their specific implementation.	
9. All members of the control body meet the independence requirements set out in recommendation 7 for directors. The independence assessment is carried out, with the timing and manner provided for by recommendation 6, by the board of directors or by the control body; such an assessment is based on the information provided by each member of the control body.	X
10. The outcome of the assessments of independence of directors and members of the control body referred to in recommendations 6 and 9 is disclosed to the market immediately after the appointment through a specific press release and, later, in the corporate governance report. In both cases, the outcome of the assessment provides information about: the criteria used for the assessment of the significance of the relationships and, in case of any deviation from the circumstances set forth in recommendation 7, a clear and detailed reason for this choice motivated by the individual situation and characteristics of the director concerned.	X
Article 3 – Functioning of the board of directors and the role of the Chair	
Principles	
IX. The board of directors defines the rules and procedures for its functioning, ensuring an efficient flow of information to directors.	X
X. The chair of the board of directors plays a liaison role between executive and non-executive directors and ensures the effective functioning of the board.	X
XI. The board of directors ensures an adequate division of its functions and establishes board committees with preliminary, propositional and consultative functions.	X
XII. Each director ensures adequate time commitment for the fulfilment of their board responsibilities.	X
Recommendations	
11. The board of directors develops internal rules that define the functioning of the board and its committees, including the means for recording the minutes of the meetings and the procedures for providing information to directors. These procedures identify the prior notice for the submission of the documentation, ensuring that confidentiality issues are properly managed without affecting the timeliness and completeness of the flow of information. The corporate governance report provides adequate information on the main contents of the board of director's internal rules and on compliance with the procedures aimed at ensuring the timeliness and adequacy of the information provided to the directors.	X
12. The chair of the board of directors, with the help of the board secretary, ensures that:	
a) the pre-meeting information and the complementary information provided during the meeting are suitable to allow directors to act in an informed manner;	
b) the activity of the board committees with preliminary, propositional and consultative functions is coordinated with the activity of the board of directors;	
c) in agreement with the chief executive officer, the managers of the company and those of the companies of the group it heads, who are competent on the issues concerned, participate in the relevant board meetings to provide appropriate insights on the items on the agenda, also upon request of one or more directors;	X
d) all the members of the board of directors and control body can take part, after the appointment and during the mandate, in initiatives aimed at providing them with	

<p>adequate knowledge of the industry in which the company operates, the company dynamics and their evolution, also in relation to the company's sustainable success. Such initiatives also cover the risk management issues as well as any relevant part of the regulatory and self-regulatory framework;</p> <p>e) to provide for the adequacy and transparency of the board review, with the support of the nomination committee.</p>	
<p>13. The board of directors appoints an independent director as lead independent director:</p> <p>a) if the chair of the board of directors is the chief executive officer or holds significant managerial powers;</p> <p>b) if the office of chair is held by the person who controls, also jointly, the company;</p> <p>c) in large companies, even in the absence of the conditions indicated in letter a) and b), if requested by the majority of independent directors.</p>	<p>X</p>
<p>14. The lead independent director:</p> <p>a) collects and coordinates the requests and contributions of non-executive directors and, in particular, of independent ones;</p> <p>b) coordinates the meetings of the independent directors.</p>	<p>X</p>
<p>15. In large companies, the board of directors expresses its guidelines on the maximum number of offices that can be considered compatible with an effective performance and the time commitment required by the role of the directors. The relevant offices are those held in corporate bodies of other listed companies and of companies having a significant size.</p>	<p>X</p>
<p>16. The board of directors sets up internal committees with preliminary, propositional and consultative functions regarding appointments, remuneration and control and risks. These functions can be either assigned to the three board committees recommended by the Code or distributed in a different manner or even combined in a single committee. In any case, the company ensures an adequate disclosure on the tasks and activities carried out by each of the assigned functions, as well as an adequate composition of each committee.</p> <p>The functions of one or more committees can even be assigned to the board of directors, under the coordination of the chair, provided that:</p> <p>a) independent directors represent at least half of the board;</p> <p>b) the board dedicates adequate sessions to the performance of such functions.</p> <p>In the event that the functions of the remuneration committee are assigned to the board of directors, the last paragraph of recommendation 26 applies.</p> <p>Companies other than large ones may assign the functions of the control and risk committee to the board of directors even in absence of the condition set forth above in letter a).</p> <p>Companies with concentrated ownership, even large ones, can assign the functions of the nomination committee to the board of directors even in absence of the condition set forth above in letter a).</p>	<p>X</p>
<p>17. The board of directors defines the tasks of the committees and their composition, favouring the competence and experience of their members and avoiding, in large companies, an excessive concentration of offices.</p> <p>Each committee is coordinated by a chair who informs the board of directors about the committee's activities at the first useful board meeting.</p> <p>The chair of the committee may invite the chair of the board of directors, the chief executive officer, the other directors and, by informing the chief executive officer, the managers of the corporate functions that are competent on the matters of the</p>	<p>X</p>

<p>committee meeting, to individual committee's meetings. The members of the control body can attend the meetings of each committee.</p> <p>Board committees can have access to the information and the corporate functions that are necessary for the performance of their duties. Board committees have adequate financial resources and can avail themselves of external consultants according to the conditions set forth by the board of directors.</p>	
<p>18. The board of directors, upon proposal of the chair, provides for the appointment and dismissal of the board secretary and defines his or her professional requirements and attributes in the board's internal rules.</p> <p>The board secretary supports the activities of the chair and provides impartial assistance and advice to the board of directors on all aspects relevant to the proper functioning of the corporate governance system.</p>	X
<p>Article 4 – Appointment of directors and board evaluation</p> <p>Principles</p>	
<p>XIII. The board of directors ensures, within its competence, that the process of appointment and succession of directors is transparent and functional to achieve the optimal composition of the board according to the principles set forth in Article 2.</p>	X
<p>XIV. The board of directors periodically evaluates, through formalised procedures, its effectiveness and the contribution made by individual directors. The implementation of the board evaluation procedures is supervised by the board itself.</p>	X
<p>Recommendations</p>	
<p>19. The board of directors entrusts the nomination committee to support it on:</p> <ul style="list-style-type: none"> a) the evaluation of the board and its committees; b) the definition of the optimal composition of the board and its committees; c) the identification of candidates in case of the director's co-optation; d) the possible submission of a slate by the outgoing board, ensuring the transparency of the process that led to the slate's structure and proposition; e) the development, updating and implementation of succession plan for the chief executive officer and the other executive directors. 	X
<p>20. The majority of directors of the nomination committee are independent.</p>	X
<p>21. The board evaluation assesses the size, composition and functioning of the board and its committees. It includes also the board's active involvement in the definition of the company's strategy and in the monitoring of the management of the company's business as well as the appropriateness of the internal control and risk management system.</p>	X
<p>22. The board evaluation is conducted at least every three years, before the renewal of the board of directors.</p> <p>In large companies other than those with concentrated ownership, the board evaluation is conducted on an annual basis and can be diversified according to the term of the board's mandate. In such companies, the board considers whether to appoint an external facilitator for its evaluation at least once every three years.</p>	X
<p>23. In companies other than those with concentrated ownership, the board of directors:</p> <ul style="list-style-type: none"> - sets forth guidelines on board composition deemed optimal before its renewal, considering the outcome of the board evaluation; - requires anyone submitting a slate with a number of candidates that is higher than half the number of members to be elected to provide adequate information on the 	X

compliance of the slate with the board guidelines mentioned above, and with the board diversity criteria set forth in principle VII and recommendation 8. In such cases, the slate also identifies its candidate for the chairmanship of the board, whose appointment is conducted according to the company's bylaws. All the information mentioned in this paragraph are disclosed in the documentation attached to the slate during its filing process.

The board guidelines are published on the company's website before the publication of the notice of the shareholders' meeting convened for the board's renewal. They identify the managerial and professional profiles and the skills deemed necessary, having due consideration of the company's sectoral characteristics, the board diversity criteria set forth in principle VII and recommendation 8 as well as the board guidelines on the maximum number of offices set forth in recommendation 15.

24. In large companies, the board of directors:

- elaborates, with the support of the nomination committee, a plan for the succession of the chief executive officer and executive directors by identifying, at least, the procedures to be followed in the event of an early termination of office;
- ascertains the existence of appropriate procedures for the succession of the top management.

X

Article 5 - Remuneration

Principles

XV. The remuneration policy for directors, members of the control body and the top management contributes to the pursuit of the company's sustainable success and takes into account the need to have, retain and motivate people with the competence and professionalism deemed adequate for their role.

X

XVI. The remuneration policy is developed by the board of directors through a transparent procedure.

X

XVII. The board of directors ensures that the remuneration paid and accrued is consistent with the principles and criteria defined in the policy, considering the results achieved and any other circumstances relevant for its implementation.

X

Recommendations

25. The board of directors entrusts the remuneration committee with the task of:

- a) supporting it in the development of the remuneration policy;
- b) submitting proposals or expressing opinions on the remuneration of executive directors and other directors who hold specific responsibilities, as well as on the setting of performance objectives related to the variable component of this remuneration;
- c) monitoring the actual application of the remuneration policy and verifying the effective achievement of the performance objectives;
- d) periodically assessing the adequacy and overall consistency of the remuneration policy for directors and the top management.

X

In order to have people with adequate competence and professionalism, the remuneration of executive and non-executive directors and of the members of the control body is defined with due consideration of the remuneration practices that are common with regards to the company's reference sectors and size. It also considers comparable international practices, with the possible support of an independent consultant.

26. The remuneration committee is made up of non-executive directors, the majority of whom are independent, and is chaired by an independent director. At least one member of

X

<p>the committee has adequate knowledge and experience in financial matters or remuneration policies; such skills are assessed by the board of directors before his or her appointment.</p> <p>No director takes part in the meetings of the remuneration committee in which proposals relating to his or her remuneration are made.</p>	
<p>27. The remuneration policy for executive directors and the top management defines:</p> <ul style="list-style-type: none"> a) a balance between the fixed and the variable component which is consistent with the company's strategic objectives and risk management policy. Consistency is assessed taking into consideration the business's characteristics and the industry of the company. The variable component has in any case a significant weight on the overall remuneration; b) caps to the variable components; c) performance objectives, to which is linked the payment of the variable components, that are predetermined, measurable and predominantly linked to the long-term horizon. They are consistent with the company's strategic objectives and with the aim of promoting its sustainable success and includes non-financial parameters, where relevant; d) an adequate deferral of a significant part of the variable component that has been already accrued. Such a deferral period is consistent with the company's business activity and its risk profile; e) provisions that enable the company to recover and/or withhold, in whole or in part, the variable components already paid-out or due, where they were based on data which subsequently proved to be manifestly misstated. The company can identify other circumstances in which such provisions are applied; f) clear and predetermined rules for possible termination payments, establishing a cap to the total amount that might be paid out. The cap is linked to a certain amount or a certain number of years of remuneration. No indemnity is paid out if the termination of the office is motivated by director's objectively inadequate results. 	<p>X</p>
<p>28. The share-based remuneration plans for executive directors and the top management are aligned with the interests of the shareholders over a long-term horizon, providing that a predominant part of the plan has an overall vesting and holding period of at least five years.</p>	<p>X</p>
<p>29. The remuneration of non-executive directors is adequate to the competence, professionalism and commitment required by their role within the board of directors and its committees; this remuneration is not related to financial performance objectives, except for a non-significant part.</p>	<p>X</p>
<p>30. The remuneration of the members of the control body is adequate to the competence, professionalism and commitment required by their role and the company's size, industry and current situation.</p>	<p>X</p>
<p>31. On the occasion of the termination of office and/or dissolution of the relationship with an executive director or general manager, a press release is published as soon as the internal processes that led to the assignment or the recognition of any indemnities and/or other benefits has been concluded. The press release provides for detailed information on:</p> <ul style="list-style-type: none"> a) the assignment or the recognition of indemnities and/or other benefits, the circumstances that justify their accrual (e.g. due to the expiration of the term of office, its termination or a settlement agreement) and the decision-making process followed for this purpose within the company; 	<p>X</p>

- b) the total amount of the indemnity and/or other benefits, the related components (including non-monetary benefits, the vesting of rights connected with incentive plans, the compensation for non-competitive commitments or any other remuneration allocated to any reason and in any form) and the timing of their disbursement (distinguishing the part paid immediately from the part subject to deferral mechanisms);
- c) the application of any claw-back or malus clauses;
- d) the compliance of the elements indicated in letters a), b) and c) consistently with the remuneration policy, with a clear indication of the reasons and the decision-making process followed in the event of non-compliance, even if only partial, with the policy itself;
- e) the procedures that have been or will be followed for the replacement of the executive director or the general manager whose office has been terminated.

Article 6 - Internal control and risk management system

Principles

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| <p>XVIII. The internal control and risk management system consists of a set of rules, procedures and organisational structures for an effective and efficient identification, measurement, management and monitoring of the main risks, aimed at contributing to the sustainable success of the company.</p> | <p>X</p> |
| <p>XIX. The board of directors defines the guidelines of the internal control and risk management system in accordance with the company's strategies and annually assesses its adequacy and effectiveness.</p> | <p>X</p> |
| <p>XX. The board of directors defines the principles concerning the coordination and the flow of information among the parties involved in the internal control and risk management system. Such principles aim at maximising the effectiveness of the system itself, reducing the duplication of activities and ensuring the successful performance of the duties of the control body.</p> | <p>X</p> |

Recommendations

- | | |
|--|-----------------|
| <p>32. The organisation of the internal control and risk management system involves:</p> <ul style="list-style-type: none"> a) the board of directors, which plays a role in guiding and assessing the adequacy of the system; b) the chief executive officer, in charge of establishing and maintaining the internal control and risk management system; c) the control and risk committee set up within the board of directors, with the task of supporting the board of directors' assessments and decisions relating to the internal control and risk management system and the approval of periodical financial and non-financial reports. In companies that adopt the "one-tier" or "two-tier" corporate model, the functions of the control and risk committee can be assigned to the control body; d) the head of the internal audit function who is in charge of verifying that the internal control and risk management system is functional, adequate and consistent with the guidelines defined by the board of directors; e) the other corporate functions involved in the internal control and risk management system (such as the risk management functions and the functions dealing with legal and non-compliance risk) which are articulated in relation to the company's size, sector, complexity and risk profile; f) the control body, which monitors the effectiveness of the internal control and risk management system. | <p>X</p> |
| <p>33. The board of directors, with the support of the control and risk committee:</p> | <p>X</p> |

-
- a) defines the guidelines of the internal control and risk management system consistently with the company's strategies and assesses, at least once a year, the adequacy of this system with respect to the company's characteristics and its risk profile, as well as its effectiveness;
 - b) appoints and dismisses the head of the internal audit function, defining his or her remuneration which is consistent with the company policies. The board ensures that he or she has adequate resources to carry out his or her duties. If the internal audit function is entrusted, as a whole or by operating segments, to an external entity, the board ensures that it meets the adequate requirements of professionalism, independence and organisation, providing adequate reasons for this choice in the corporate governance report;
 - c) approves, at least on an annual basis, the work plan prepared by the head of the internal audit function, after hearing the control body and the chief executive officer;
 - d) evaluates the opportunity to take measures to ensure the effectiveness and impartial assistance of the other corporate functions mentioned in recommendation 32(e). To this end, the board verifies that such functions have adequate professionalism and resources;
 - e) assigns the supervisory functions pursuant to Art. 6(1)(b) of Legislative Decree No. 231/2001 to the control body or to a body established specifically for this purpose (the so-called functions of the "Organismo di Vigilanza"). If the body does not correspond to the control body, the board of directors considers whether to appoint within the body at least one non-executive director and/or a member of the control body and/or the head of a legal or supervisory function of the company, in order to ensure coordination among the various parties involved in the internal control and risk management system;
 - f) evaluates, after consultation with the control body, the results presented by the statutory auditor in any letter of suggestions and in the additional report addressed to the control body;
 - g) describes, in the corporate governance report, the main characteristics of the internal control and risk management system and the methods of coordination among the subjects involved. The report provides information about the national and international reference models and best practices adopted and the board's overall assessment of the adequacy of the system itself. Moreover, it provides an adequate explanation of the composition of the control body referred to in letter e) above.

34. The chief executive officer:

- a) identifies the main business risks, considering the characteristics of the activities carried out by the company and its subsidiaries, and periodically submit them to the examination of the board of directors;
- b) implements the guidelines defined by the board of directors, providing for the design, implementation and management of the internal control and risk management system and constantly verifying its adequacy and effectiveness, as well as adapting it to the dynamics of the operating conditions and the legislative and regulatory landscape;
- c) can entrust the internal audit with the tasks of carrying out specific controls on defined operational areas and on compliance with internal rules and procedures in the implementation of company transactions. Such requests are contextually conveyed to the chair of the board of

X

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directors, to the chair of the control and risk committee and to the chair of the control body;

- d) reports promptly to the control and risk committee on problems and critical issues that emerged in the performance of his or her activity or of which he or she nevertheless has information so that the committee can take appropriate actions.

35. The control and risk committee is comprised of non-executive directors, the majority of whom are independent, and is chaired by an independent director.

The committee has expertise that is consistent with the company's industry and assessment of its risks; at least one member of the committee has adequate knowledge and experience in accounting, finance or risk management.

The control and risk committee, in assisting the board of directors:

- a) assesses the external auditor and the control body, the correct application of the accounting principles and, in the case of groups, their homogeneity for the purposes of preparing the consolidated financial statement, after hearing the manager responsible for the corporate financial documents;
- b) assesses whether the periodic financial and non-financial information is suitable to correctly represent the company's business model, its strategies, the impact of its business and the performance achieved, in coordination with the committee mentioned in recommendation 1(a), if established;
- c) examines the content of the periodic non-financial information relevant to the internal control and risk management system;
- d) expresses opinions on specific aspects relating to the identification of the main corporate risks and supports the board of directors' assessments and decisions relating to the management of risks deriving from prejudicial facts of which the latter has become aware;
- e) examines the periodic and particularly relevant reports prepared by the internal audit function;
- f) monitors the autonomy, adequacy, effectiveness and efficiency of the internal audit function;
- g) can entrust the internal audit with the task of carrying out specific controls on defined operational areas. Such a request is contextually conveyed to the chair of the control body;
- h) reports to the board of directors, at least upon the approval of the annual and half-yearly financial report, on the activities carried out and on the adequacy of the internal control and risk management system.

X

36. The head of the internal audit function is not responsible for any operational area. He or she depends hierarchically on the board of directors and has direct access to all information that is useful for carrying out his or her duty.

The head of the internal audit function:

- a) verifies, both on an ongoing basis and in relation to specific needs and in compliance with international standards, the functioning and the suitability of the internal control and risk management system according to the audit plan. The audit plan is approved by the board of directors and is based on a structured process of analysis and prioritisation of the main risks;
- b) prepares periodic reports containing adequate information on its activity, on the ways in which risk management is conducted, as well as on compliance with the plans defined for the containment of risks. The periodic reports contain an assessment of the suitability of the internal control and risk management system;

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- c) prepares promptly, at the request of the control body, reports on events of particular relevance;
 - d) submits the reports referred to in letters b) and c) to the chairs of the control body, of the control and risk committee and of the board of directors, as well as to the chief executive officer, except in cases where the matter of these reports specifically concerns the activity of these subjects;
 - e) verifies, as part of the audit plan, the reliability of the information systems, including the accounting systems.
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37. The member of the control body who, on his or her own behalf or on behalf of third parties, has an interest in a specific transaction of the company, provides prompt and exhaustive information to the other members of the same body and to the chair of the board of directors about the nature, terms, origin and extent of his or her interest.

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The control body and the control and risk committee promptly exchange relevant information for the performance of their respective duties. The chair of the control body, or another member of the control body designated by its chair, takes part in the meetings of the control and risk committee.
