

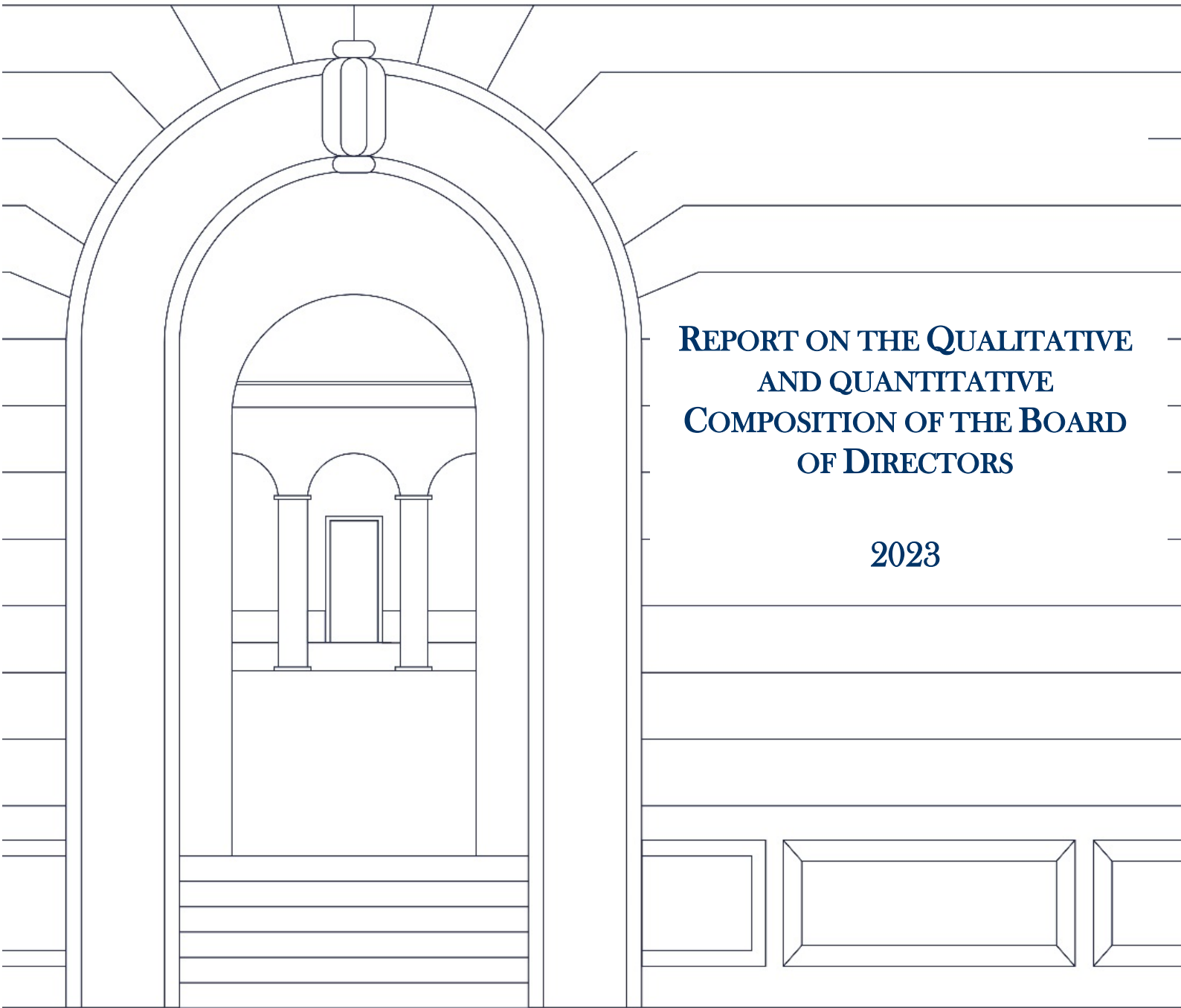


MEDIOBANCA



**REPORT ON THE QUALITATIVE  
AND QUANTITATIVE  
COMPOSITION OF THE BOARD  
OF DIRECTORS**

**2023**





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## 1. PREAMBLE

The Board of Directors of the parent company of a banking group has overall responsibility for management of the group as a whole and the governance regulations and mechanisms which ensure that the group is managed soundly and prudently.

In particular, the Board of Directors of a bank such as Mediobanca adopting the “traditional” governance model has duties of both management and supervision.

Examples of the Board’s management responsibilities include important and sensitive issues, such as: strategy, policy on risk-taking, internal controls, optimal capital allocation, remunerations policies, management selection, etc. The function of supervision requires the ability to have full understanding of the risks related to the Group’s strategy, monitor the analysis performed and the choices made by the executive bodies on an ongoing basis, and ensure that the internal controls system and the heads of the control units are adequate for the complexity of the Group’s business.

Against this backdrop, the composition of the Board of Directors is obviously of crucial importance, in particular with regard to independent directors. They are required to play an active role in the Board’s deliberations, with the aim of promoting sound and constructive dialogue on the management’s proposals, ensuring that the decisions taken are in the interest of all stakeholders.

The current Board’s term of office will expire with the next Annual General Meeting, in view of which it is necessary, *inter alia* in the light of the applicable regulations, for the outgoing Board to provide its own guidelines to ensure that the lists that will be submitted contain representatives who are suitable for the responsibilities they are to assume.

As permitted under Article 15 of the Articles of Association, the outgoing Board of Directors will file its own list of candidates for appointment to the position of Director.

The process which the Board of Directors has instituted for this purpose was made public on 17 April 2023 and is attached for convenience as **Annex 1** to this document.

It should be noted that the ECB’s powers include the right to make recommendations or set conditions or obligations in the decisions regarding the fit and proper assessments, and also to remove them from office if they do not meet the requirements set.

The following applicable Italian and EU regulations in this area should be noted:

- Italian Law no. 214 of 22 December 2011, Article 36, on interlocking directorships and the related application criteria;
- Italian Legislative Decree no. 385 of 1 September 1993 (Italian Banking and Credit Act), Article 26;
- Italian Legislative Decree no. 58 of 24 February 1998 (Italian Financial Intermediation Act), Articles 147-ter, 147-quinquies and 148;
- Italian Ministerial Decree no. 162 of 30 March 2000, providing regulation on the requirements for statutory auditors of listed companies (“Italian Ministerial Decree 162/00”);



- Italian Ministerial Decree no. 169 of 23 November 2020, providing regulations on the requirements and criteria for suitability to hold the position of bank company representatives ("Italian Ministerial Decree 169/20" or "Decree");
- Regulations for Issuers adopted by Consob under resolution no. 11971 of 14 May 1999, Article 144-undecies.1;
- Bank of Italy, Supervisory Instructions for Banks - circular no. 285 dated 17 December 2013 on corporate governance;
- Bank of Italy, Supervisory Instructions on the procedure for assessing the suitability of bank representatives, of 5 May 2021;
- Corporate Governance Code for Listed Companies;
- Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD IV) as amended and supplemented – Articles 76, 88, 91 and 95;
- EBA guidelines on internal governance (2021);
- EBA/ESMA joint guidelines on the assessment of the suitability of members of the management body and key function holders (2021);
- ECB guide to fit and proper assessments (2021).

To facilitate the process for shareholders, the above documentation can be consulted on the Mediobanca official website until the date of the Annual General Meeting.



## 2. INTRODUCTION

Under the Bank of Italy Supervisory Instructions on corporate governance, the Boards of Directors of banks are required to identify the qualitative and quantitative composition considered to be optimal in order for the Board itself to be able to perform the duties and responsibilities assigned to it by law, the applicable regulations and the company's Articles of Association in force as effectively as possible. Pursuant to the general principles of the Bank of Italy Supervisory Instructions

a) In quantitative terms, the number of members of governing bodies must be appropriate to the size and complexity of the bank's organizational structure, in order to ensure that all the company's operations are governed effectively in terms of both management and supervision;

b) In qualitative terms, for the activities for which bodies with duties of strategic supervision are responsible to be performed correctly, the Board of Directors must be made up of persons:

- Who are fully aware of the powers and obligations relating to the functions they are each required to carry out (supervisory or management function; executive functions and otherwise; independent members, etc.);
- Who have suitable professionalism for the role they are to perform, including for any committees within the board, and geared to the operational and dimensional characteristics of the bank;
- With expertise that is spread between all members and suitably diversified, in order to allow each of the members, within the committees they are part of and in collegiate decisions, to contribute effectively to, among other things, identifying and pursuing the appropriate strategies, and ensuring effective governance of the risks in all areas of the bank;
- Who dedicate suitable time and resources to the complexity of their assignment, without prejudice to the limit on the number of directorships that can be held under Italian Ministerial Decree 169/20;
- Who focus their actions to the pursuit of the overall interest of the bank, regardless of the company component which voted for them or the list they were selected from, with the obligation to operate with full independence of judgement.

The Supervisory Instructions also require that the persons appointed to the body with duties of strategic supervision must be independent, able to oversee the company's operations with independence of judgement, helping to ensure that they are performed in the interest of all stakeholders and consistent with the objectives of sound and prudent management. At larger banks such as Mediobanca, the presence of a majority of independent members in the committees set up by the Board with duties of enquiry, consultation and making proposals facilitates the taking of decisions, in particular with reference to the most complex activities or those where the risk of conflict of interest situations is highest.

The objective of the Supervisory Instructions is to ensure that – both in the appointment process and on an ongoing basis – the governing bodies of banks should be made up of persons capable of ensuring that the role assigned to them will be performed effectively. This means that the professional qualifications required to meet this objective must be clearly stated beforehand – and if possible revised over time, in order to take account of any issues that emerge – and that the selection and appointment process for candidates must take due account of such guidelines.



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The Board's report on the qualitative and quantitative composition it considers optimal, approved by the Board of Directors at the Appointment Committee's proposal, is made available to shareholders in good time for them to take account of it in their assessment of the different candidates' profiles. Although the optimal composition was also developed leveraging institutional investors' publicly available expectation documents as well as feedback received during one-on-one engagement, the shareholders retain every right to arrive at a different assessment of what constitutes the Board's optimal composition, giving reasons for any differences compared to the Board's analysis as described in this report.

### 3. ASSESSMENT OF THE QUALITATIVE AND QUANTITATIVE COMPOSITION OF THE BOARD OF DIRECTORS

To help in the process of identifying the best candidates to put forward for appointment to the new Board of Directors, the outgoing Board feels it is useful to remind shareholders of the main regulatory and statutory provisions regarding the composition of the Board itself and the committees set up by it, the main points of which are summarized below:

- For banks of larger size that adopt the traditional model of management and control, the maximum number of Directors is fifteen, while the minimum number set by the company's Articles of Association is 9;
- The majority of Directors must qualify as independent according to the definition provided in Article 13 of Italian Ministerial Decree 169/20, as supplemented by Article 19 of the company's Articles of Association (cf. **Annex 5**);
- The Chair of the Board of Directors must have a non-executive role and must not perform executive duties, in theory or in practice;
- The body with duties of strategic supervision must set up, from among its own number, at least four committees with the following responsibilities: "appointments", "risks", "remunerations" and "related parties" (the "Mandatory Committees"); while the outgoing Board has also set up a Corporate Social Responsibility Committee;
- Each of the "Mandatory Committees" should, as a rule, consist of 3-5 members, all non-executive and the majority independent. At least one member of the various committees should be different from those of the others, and where a Director has been appointed by minority shareholders, such Director should be a member of at least one committee. The Chairperson of each Committee is chosen from among the independent members. The Chair of the Risks Committee cannot also be the Chair of the Board of Directors or other Board Committees. The Related Parties Committee consists exclusively of independent Directors;
- The least represented gender must be guaranteed two-fifths of the Board members, and it is good practices for the Committees, including the non-mandatory ones, to include at least one member from the least represented gender;

In addition to the requisites for the individual members, which will be discussed in more detail in the following pages, the outgoing Board of Directors has expressed its wish that the incoming Board should:

- Confirm the number of Directors at 15, which is the current size of the Board, with a clear majority qualifying as independent based on the definition provided above;
- Feature an appropriate number of Directors chosen from those in the outgoing Board to ensure continuity and effectiveness in the Group's management (in particular for purposes of implementing the new 2023-26 Strategic Plan approved in May 2023) and the Board Committees' activities;
- Reflect an adequate level in terms of diversity of experience and competences;
- In order to mitigate the risk of conflicts of interest, no Directors who: (i) hold, or have held in the last six months, the position of executive director or senior management member of



companies forming part of banking groups, or; (ii) are, directly or indirectly via fiduciary companies, subsidiaries or other persons, shareholders in such groups with stakes of above 3%;

- Candidates with personal qualifications and aptitudes (cf. below) that guarantee they will be able to perform their duties as Director in the best possible fashion;
- Persons who have sufficient time and resources to ensure they are able to perform the role required of them in the Board of Directors and its committees.

## Individual suitability requirements and proper conduct criteria

Candidates must meet the suitability requirements introduced by Italian Ministerial Decree 169/20 and Italian Ministerial Decree 162/00 listed in **Annex 2**, and must also meet the criteria for proper personal and professional conduct in their previous employment, have a good reputation and maintain high levels of integrity and honesty, as demonstrated in particular by the absence of any of the cases contemplated *inter alia* by Italian Ministerial Decree 169/20 as listed in **Annex 3**.

Furthermore, given the importance that the above requirements and criteria have, the Board also recommends that candidates, in order to meeting the qualifications already described, should not find themselves in any of the situations (these too listed in **Annex 3**) that could cause grounds for them to be suspended from the office of Director pursuant to Italian Ministerial Decree 169/20.

## Individual professional requirements and competency criteria

Directors must be in possession of the professional qualifications and meet the criteria in terms of competences referred to in Italian Ministerial Decree 169/20 (cf. **Annex 4**), to be assessed by the Board with reference to both theoretical knowledge, acquired through education and further training, and practical experience acquired through working activities, as demonstrated by their CVs.

In line with the EU regulations on this subject, the Decree assumes that the professional and competence criteria are met, and so require no further assessment by the Board, in the following cases:

- The Chairperson of the Board of Directors is a non-executive Director who has acquired overall experience of at least ten out of the last thirteen years in the activities listed under points a) and b) below;
- The Chief Executive Officer has performed, again for at least ten out of the last thirteen years, management, control, or other leadership activities in the credit, financial, investment or insurance sectors;
- Any other Directors have performed management, control, or other leadership activities in the credit, financial, investment or insurance sectors for at least five of the last eight years.





Non-executive Directors must have exercised either:

- a) for at least three of the last six years, management, control, or other leadership activities in the credit, financial, investment or insurance sectors either for listed companies or for companies of a size and complexity greater than or comparable to those of Mediobanca;
- b) for at least five of the last eight years, professional activities (in areas related to the credit, financial, investment or insurance sectors or otherwise related to the Bank's activities); university teaching (in legal or economic disciplines or in others nonetheless related to activities in the credit, financial, investment or insurance sectors); management duties for public entities or public administrations (with relevance to the credit, financial, investment or insurance sectors, and provided that the entity for which the person works has a size and complexity comparable to those of Mediobanca).

Again under the EU regulations in force, at the individual level, all candidates for the post of Director must in all cases possess basic knowledge in the following areas:

- Banking activity and financial markets;
- Regulatory framework and legal requirements;
- Strategic planning, and an understanding of a credit institution's business strategy or business plan and implementation thereof;
- Risk management (i.e. identification, assessment, monitoring, control and methodologies for mitigating the main types of risk of a credit institution);
- Accounting and auditing;
- Assessing the effectiveness of a credit institution's governance mechanisms, ensuring effective supervision, oversight and controls;
- Interpreting a credit institution's financial information, identifying key issues based on this information and the appropriate controls and measures.

## **Major representatives**

In view of the significance of certain roles, the Board of Directors considers it appropriate to issue specific recommendations in respect of them.

### Chair, Board of Directors

- Ten years' professional experience acquired recently, a significant percentage of which in high-level management positions, and significant technical knowledge in banking or an equivalent area;
- High profile in professional and value terms, high level of intellectual independence and integrity to guarantee good governance and sound and prudent management of the Bank;
- Established reputation on the Italian and international market, and capability to represent the Bank versus local and international regulatory organizations and relevant institutions;
- Knowledge of and specific experience in the business in which the Group operates;



- Experience acquired in co-ordinating, directing or managing human resources, to ensure that the person is able to perform their duties of co-ordinating and directing the Board's deliberations effectively and of ensuring it functions smoothly, also in terms of circulating information, promoting effective dialogue and stimulating discussion;
- Specific knowledge of banking governance matters;
- Adequate time commitment (ideally at least 3 days a week).

## Deputy chair, Board of Directors

- Leadership in managing people, ability to listen and independence of thought;
- Ability to facilitate dialogue within the Board of Directors;
- Ability to represent the Bank and perform the duties required of the Chairperson's deputy if the latter is absent or otherwise impeded;
- Availability to step in for the Chairperson in office if the latter is absent or otherwise impeded.

## Chief Executive Officer

- Ten years' professional experience acquired recently in sectors closely related to banking and financial services, preferably as Chief Executive Officer in comparable situations in terms of size and complexity. A significant percentage of such experience should have been acquired in high-level management positions;
- Highly geared towards strategy and vision;
- High level of integrity, intellectual independence and standing in the eyes of regulators and investors, commensurate with the Group's established image;
- High sensitivity and exposure to the market, investors and international analysts;
- Good understanding of and fit with the culture and business model of Mediobanca;
- Leadership in management of people, coupled with the ability to build and lead teams of with members of high quality and seniority in a complex organization;
- Consolidated experience in leading listed companies of equivalent complexity to that of Mediobanca;
- In-depth understanding of issues relating to regulation, risk management and all aspects of capital management, acquired in the regulated financial services industry.

## Lead Independent Director (if appointed)

- Ability to serve as a point of contact for the other independent directors in order to coordinate their requests and contributions;
- Understanding of the expectations of the market and of other stakeholders;
- Specific knowledge of banking governance;



- Proven leadership in terms of running meetings, ability to listen, and independence of thought;
- Ability to engage in constructive discussion.

### **Independence as defined by Italian Ministerial Decree No. 169/2020, independence of judgement and conflicts of interest**

The majority of the Directors must meet the independence requirements stipulated in Article 13 of Italian Ministerial Decree 169/20, and also, as permitted by the Decree itself, certain additional, stricter criteria set by Article 19 of the Articles of Association, in particular the threshold of 3% (rather than 10%) to be considered as shareholders of the Bank and the extension of the period of a member's employment or service as executive Director of the Bank or legal entities controlled by it or an investor in the Bank from two to three years (summarized in **Annex 5**).

More generally, to be able to perform their duties fully and ensure that the decisions taken are sound, objective and independent, all Directors must act with independence of judgement, defined as the ability to be objective and open, prepared to discuss critically and support the management's decisions, take up a position and defend it, manage any situations of conflicts of interest, and maintain constructive relations. To this end candidate's personal characteristics (cf. **Annex 6**) are also relevant, as is the absence of any conflicts of interest that would hinder their capacity to perform the duties assigned to them in independent and objective fashion.

The instances of potential conflict of interest are those listed in **Annex 5**, plus relevant relations (of a financial, capital or professional nature, with clients, suppliers and competitors).

The Board also recommends that each candidate:

- Should not be in any of the situations contemplated under Article 2390 of the Italian Civil Code (being a partner with unlimited liability or director or general manager of companies in competition with Mediobanca, or exercising on a proprietary basis or on behalf of third parties, activities which are in competition with those performed by Mediobanca);
- Should not hold, or have held in the last six months, the position of executive director or senior management member in companies that form part of banking groups, and should not be, directly or indirectly through fiduciary companies, subsidiaries or other persons, a shareholder in such companies with an interest of over 3%.

Directors are required to declare any situations that could give rise to conflicts of interest, to enable the Board to assess the representative's independence of judgement in the light of the information and reasons provided, and of any legal or regulatory provisions and/or any additional organizational and procedural measures adopted by the Bank.

### **Incompatibility**

Pursuant to Article 36 of Italian law 214/11 (so-called interlocking directorship prohibition), the Board of Directors recommends that the lists for the appointment of the new administrative



body include candidates for whom it has been verified in advance that there are no causes of incompatibility as required by the above mentioned regulation.

We also remind you that the Articles of Association establish that persons of more than seventy-five years of age may not be elected as Board Members and persons of more than seventy years old or sixty-five years old may not be appointed as Chairperson or Chief Executive Officer respectively.

### **Time commitment and number of directorships**

Directors must be able to ensure sufficient availability in terms of time in order to be able to perform the duties required of them. In this connection, it should be noted that in the 2021-23 three-year period, the following meetings took place:

- 11 meetings of the Board of Directors,
- 8 meetings of the Executive Committee,
- 15 meetings of the Risks Committee,
- 10 meetings of the Remunerations Committee,
- 10 meetings of the Appointments Committee,
- 7 meetings of the Related Parties Committee,
- 5 meetings of the Corporate Social Responsibility Committee.

Account must also be taken of the time required to prepare for the meetings, given the variety of subjects for discussion and the volume of supporting documentation involved, not to mention the time required to travel to the location of the meetings themselves.

Despite providing for the possibility of participating in meetings through video-conferencing facilities, the Board's hope is that that Directors should normally attend Board and Committee meetings in person, in order to facilitate the discussion and debate.

Consideration should also be given to the commitment required for participating in induction meetings, regular training sessions – on average 12 meetings in each of the financial years in the 2021-23 period – and other offsite meetings, plus the commitment deriving from Directors having to participate in meetings of Committees of which they are not members as invited guests.

The Board also draws attention to the expectations in terms of attendance record at Board and Committee meetings, which should not be less than 75%.

The Board has made an estimate of the minimum time commitment considered necessary for effective participation in meetings, to serve as a benchmark for assessment, which is summarized in the table below:

Board Chair	At least 3 days per week
-------------	--------------------------



Chief Executive Officer	Full time
Non-executive Director	25 days per financial year
<b>Additional days for particular duties</b> (per financial year)	
Board Deputy Chair	5 days
Lead Independent Director	8 days
Executive Committee member	10 days
Risks Committee member	20 days
Remunerations Committee member	10 days
Appointments Committee member	10 days
Related Parties Committee member	5 days
Corporate Social Responsibility Committee member	10 days
Risks Committee Chair	8 days
Chair of other Committee	5 days

The fact that the time required in order to participate in a Committee meeting takes up part of the time required to discuss the same subjects at Board meetings has been factored into the estimates.

Obviously, apart from the time commitment, account must also be taken of candidates' other offices, commitments and working activities, in accordance with the limits set on the number of directorships that can be held under Italian Ministerial Decree 169/20.

In this connection, Article 17 of the Decree sets precise limits in terms of the number of directorships that can be held, providing that each Director of a bank may hold a maximum number of one executive directorship with two non-executive directorships (the position of standing auditor is considered a non-executive position) or alternatively four non-executive directorships. This includes the position held in Mediobanca. Italian Ministerial Decree 169/20 also lays down the criteria for exemption and for combining directorships (e.g. positions held within the same group).



### Board collective suitability

In addition to the individual requirements for members referred to above, the new governing body's composition must also be suitably diversified, in order to: take into account the multiple interests that contribute to the sound and prudent management of the Bank; effectively support the corporate process of devising strategies, and managing activities and risks in all sectors in which the Group operates; assess the proposals and information provided by the management with independence and critical spirit; encourage a plurality of approaches and perspectives to emerge in analysing issues and taking decisions; and stimulate internal dialogue and discussion.

For these reasons, the Board of Directors recommends that the Board's collective set of experiences should serve the purpose of facilitating understanding and optimal management of the Group, including from a strategic perspective. Hence, the new Board should include members with a mix of different expertise, competences and technical experiences to enable the Directors to understand the main business areas and risks to which the Group is exposed.

The Board, as part of its self-assessment process, has identified the competences required to achieve this objective, which must be held to a high degree by the candidates under consideration: i) theoretical knowledge, acquired through education and training, and practical experience acquired either on the Board of Mediobanca, on other Boards or in other professional activities; ii) size, level of operating complexity, scope of activities and related risks, and markets and different geographies in which the Directors have worked.

The degree to which such competences are distributed among the Board members will differ according to their relevance and pertinence to the activities performed by the Group based on the following matrix. In particular, those listed as having "Medium-High" distribution in the matrix below must be possessed in depth by at least one-third of the Directors, and those listed as having "Medium-Low" distribution by at least one-fifth.

	Distribution	
	Medium-High	Medium-Low
Knowledge, including strategic, of the banking businesses in which the Mediobanca Group operates: Corporate and Investment Banking, Wealth Management, Consumer Banking	X	
Risk governance (including environmental risks)	X	
Control systems; compliance, AML and internal audit	X	
Banking governance	X	
Planning, including in terms of strategic allocation of regulatory and economic capital and risk measurement	X	
Managerial capabilities and entrepreneurial experience	X	
Bank accounting and reporting	X	
Legal and regulatory competences		X
Macroeconomics/international economics		X
Sustainability issues		X



Information technology and security		X
HR, remuneration systems and policies		X

The Board also hopes that an adequate number of candidates will have profiles reflecting an international approach and good knowledge of English.

#### 4. APPOINTMENT PROCEDURE: METHOD AND TIMELINE

The Board of Directors, in accordance with Article 15 of the company's Articles of Association, and in order to give shareholders an opportunity to assess the profiles of the candidates standing for the position of Director as effectively as possible, will file and publish its own list of candidates at least 30 days prior to the date set for the Annual General Meeting. For all other lists submitted, the terms set by law shall apply: such lists must be filed at least 25 days prior to the Annual General Meeting, and published at least 21 days before the AGM.

The methods by which applications must be submitted are summarized in **Annex 7**, "Summary of procedure for the appointment of the Board of Directors".

We invite candidates to provide this information when they submit their applications, given that one of the first duties of the newly-appointed Board will be to assess the suitability of each individual Director to qualify as a "Fit and Proper Person" and the Board suitability.

# PROCESS FOR THE SUBMISSION OF THE LIST OF THE BOARD OF DIRECTORS



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## STAKEHOLDERS INVOLVED IN THE PROCESS



### Appointments Committee

- ◆ Consists of five members, four of whom are independent
- ◆ Committee chaired by an independent Director, with recent and solid industry experience
- ◆ Supports the Board of Directors in the various phases of the process



### Lead Independent Director (LID)

- ◆ The Lead Independent Director serves as the point of contact within the Board in order to co-ordinate the independent Directors' requests and contributions, assists the Appointments Committee in co-ordinating the entire process and monitoring its transparency and objectivity



### External Advisor (A)

- ◆ Selected from among specialized companies of primary standing, External Advisor supports the Appointments Committee and the Board of Directors in preparing the self-assessment and drawing up the report on the optimal qualitative and quantitative composition of the Board of Directors
- ◆ When selecting an External Advisor, the Board of Directors takes into account not only their expertise, but also their ability to remain neutral and objective throughout the entire process



### External Advisor (B)

- ◆ Selected from among specialized companies of primary standing, External Advisor B supports the Appointments Committee and the Board of Directors in the search for possible candidates
- ◆ When selecting an External Advisor, the Board of Directors takes into account not only their expertise, but also their ability to remain neutral and objective throughout the entire process



### Board of Directors

- ◆ Approves the process proposed by the Appointments Committee, and handles publication
- ◆ Approves and publishes the report on the optimal qualitative and quantitative composition of the Board of Directors
- ◆ Selects possible candidates suitable for the role of Director proposed by the Appointments Committee
- ◆ Performs the suitability checks ahead of submitting the list
- ◆ Approves and publishes the list

## STEPS IN THE PROCESS

1

### Appointment of External Advisor (A)

- ◆ The **Appointments Committee** proposes the external advisor for the self-assessment process and for defining the optimal qualitative and quantitative composition of the Board of Directors.
- ◆ The **Board of Directors** appoints External Advisor (A).

2

### Publication of process

- ◆ The **Appointments Committee**, in coordination with the **Lead Independent Director**, proposes the process for submission of the list of candidates for the position of Director selected by the outgoing Board of Directors.
- ◆ The **Board of Directors** approves the process and publishes it.

3

### Self-assessment and report on optimal qualitative and quantitative BoD composition

- ◆ **External Advisor (A)** contributes to the preparation of the self-assessment questionnaire, and supports the stakeholders involved in compiling it. The Advisor also prepares a report on the results of the self-assessment exercise, and contributes to the preparation of the report on the optimal Board qualitative and quantitative composition.
- ◆ The **Appointments Committee**, together with the **Lead Independent Director**, share the self-assessment questionnaire, review the results of it, propose any remediation actions required in order to arrive at a more effective solution, and submit the draft qualitative and quantitative report to the Board of Directors for approval.
- ◆ The **Board of Directors** approves the self-assessment questionnaire and the self-assessment report, and gives its opinion on the remediation actions proposed by the Appointments Committee. The Board of Directors also approves and publishes the report on the optimal qualitative and quantitative composition proposed by the Appointments Committee together with the Lead Independent Director, based on the results of the self-assessment process, the regulatory guidance, and best practices within the sector.

## STEPS IN THE PROCESS

4

### Appointment of External Advisor (B)

- ◆ The **Appointments Committee** proposes the External Advisor for the selection of the candidates.
- ◆ The **Board of Directors** appoints the External Advisor (B).

5

### Determining the number and profile of new Directors

- ◆ The **Appointments Committee**, together with the **Lead Independent Director**, carry out an estimate of the needs in terms of the new Directors and their profiles, in the light of the self-assessment process and after ascertaining which existing Directors, if any, are not intending to seek reappointment.
- ◆ The **Board of Directors** agrees on the proposed profile of the new Board of Directors.

6

### Identification of potential candidates

- ◆ **External Advisor (B)** proposes a long list of potential candidates based on the profiles identified.
- ◆ The **Appointments Committee**, together with the **Lead Independent Director**, with the support of the External Advisor (B), determine the first short list of candidates.
- ◆ The **Board of Directors** examines the new candidates' profiles.

7

### Candidate interviews

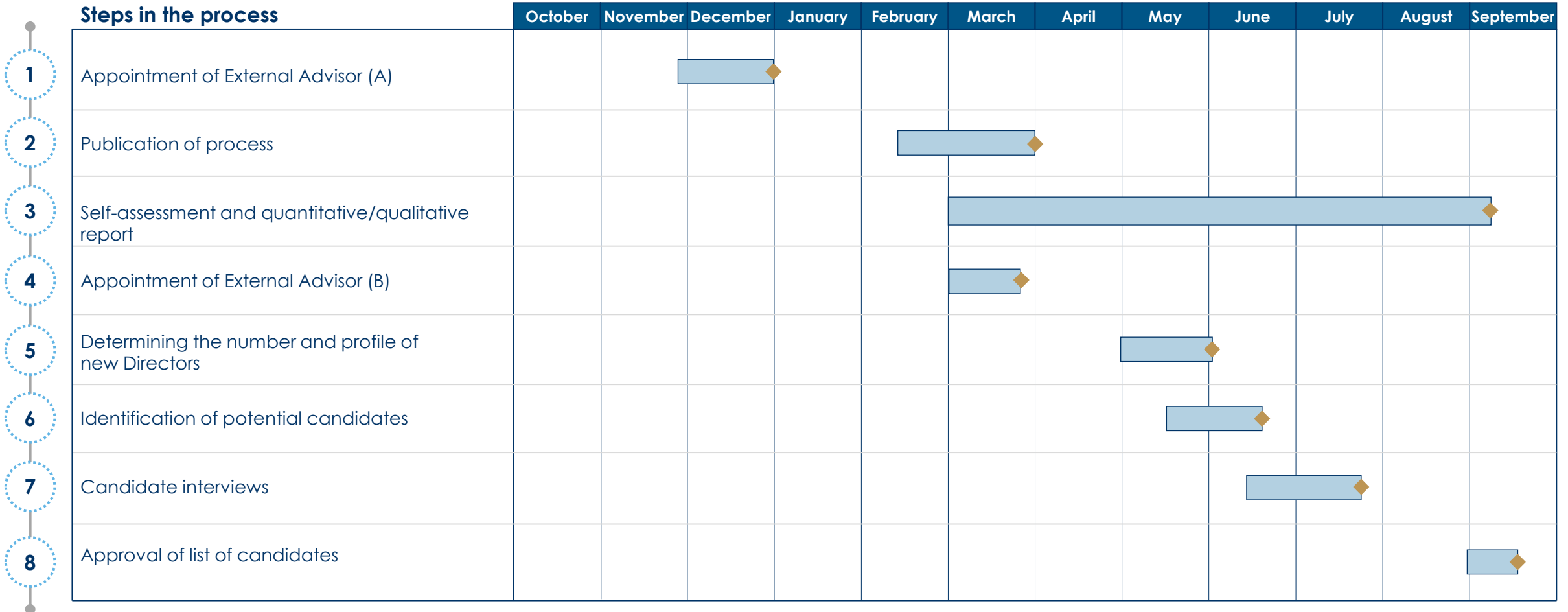
- ◆ **External Advisor (B)** contacts the possible candidates, ascertains whether or not they are interested, and collects the documentation required in order to assess their eligibility for nomination against pre-determined requirements.
- ◆ The **Appointments Committee**, together with the **Lead Independent Director**, interview the candidates, and identify the final short list of candidates to be proposed to the Board of Directors.

8

### Approval of list of candidates

- ◆ The **Appointments Committee**, together with the **Lead Independent Director**, propose the final short list of candidates, having checked that they meet the pre-determined requirements, and review the draft report by the Board of Directors for the shareholders to be gathered at the Annual General Meeting ("AGM").
- ◆ The **Board of Directors** approves the report to be shared with shareholders for the appointment of Directors and the list of candidates at the AGM, subject to prior assessment of the suitability requirements.

# TIMELINE



## Annex 2

**Individual fit and proper person requirements** pursuant to Italian Ministerial Decree 169/20 and Italian Ministerial Decree 162/00.

In order to hold the position of company Director:

- None of the grounds of ineligibility to hold such office or reasons whereby such office must be relinquished contemplated under Article 2382 of the Italian Civil Code apply;
- He/she must not have been **sentenced definitively**, without prejudice to the possibility of such judgement being subsequently overturned and the sentence being revoked due to the crime being abolished, or sentenced definitively in application of a plea made by the parties, without prejudice to the possibility of such judgement being subsequently overturned and the sentence being revoked due to the crime being abolished, to:
  - a) Imprisonment for any of the offences contemplated by regulations on corporate, bankruptcy, banking, financial and/or insurance, payment services, anti-money-laundering matters, intermediaries authorized to provide investment and portfolio management services, markets and centralized management of financial instruments, solicitation of public savings, issuers, or any of the crimes contemplated by Articles 270-bis, 270-ter, 270-quater, 270-quater.1, 270-quinquies, 270-quinquies.1, 270-quinquies.2, 270-sexies, 416, 416-bis, 416-ter, 418, or 640 of the Italian penal code;
  - b) Imprisonment of six months or more for offences committed against the Italian public administration, against the public good faith (It.: "contro la fede pubblica"), offences involving larceny, offences against public order, public finances, or of a tax-related nature;
  - c) Imprisonment of one year or more for any offence committed without criminal intent;
- He/she must not be subject to any of the precautionary measures provided for under Italian legislative decree 159/11 (anti-mafia regulations) as amended, without prejudice to the possibility of such judgement subsequently being overturned and the sentence being revoked due to the crime being abolished;
- Upon accepting the position, he/she must not be serving a temporary ban on holding management offices in legal persons or companies or otherwise serving a temporary or permanent ban on performing management, supervision or control duties under Article 144-ter, paragraph 3 of the Italian Banking Act or Article 190-bis, paragraphs 3 and 3-bis, of the Italian Finance Act, or otherwise in any of the situations contemplated under Article 187-quater of the Italian Finance Act;
- He/she must not have incurred penal or other sanctions in other countries corresponding to those which in the case at hand under Italian law would cause them not to meet the fit and proper person requirement.

## Annex 3

### Proper conduct requirements and grounds for suspension from office

#### Proper conduct requirements

- He/she is not, and has not been:

- a) Sentenced to punishments, **including under non-definitive rulings**, rulings applying said punishment in response to plea bargaining by the parties concerned, or following simplified or shortened proceedings, pre-trial judgements which have not yet become irrevocable, or personal restriction orders, relative to any of the offences contemplated by regulations on corporate, bankruptcy, banking, financial, insurance, payment services, usury, anti-money-laundering, tax, intermediaries authorized to provide investment and portfolio management services, markets and centralized management of financial instruments, solicitation of public savings, issuers, or any of the crimes contemplated by Articles 270-*bis*, 270-*ter*, 270-*quater*, 270-*quater*.1, 270-*quinquies*, 270-*quinquies*.1, 270-*quinquies*.2, 270-*sexies*, 416, 416-*bis*, 416-*ter*, 418, or 640 of the Italian penal code;
- b) Sentenced to punishments, including under non-definitive rulings, rulings applying said punishment in response to plea bargaining by the parties concerned, or following simplified or shortened proceedings, pre-trial judgements which have not yet become irrevocable, or personal restriction orders, relative to offences other than those listed under the foregoing letter a); sentenced to application, *inter alia* provisionally, to any of the prevention measures laid down by the judicial authorities pursuant to Italian Legislative Decree 159/11 (the "Anti-Mafia Decree");
- c) Sentenced, under a definitive restriction to paying damages in relation to actions committed while holding positions in parties operating in the banking, financial, markets, investments, insurance and payments services sectors, or to payment of damages as a result of liability for administrative or accounting matters;
- d) The recipient of **administrative sanctions** for breaches of the regulations on corporate, banking, financial, investment, insurance, anti-money-laundering and other regulations on markets and payment instruments;
- e) The recipient of measures that disqualify or otherwise restrict them from holding office handed down by the supervisory authorities or at the latter's request; or removal measures instituted pursuant to Articles 53-*bis*, paragraph 1, letter e), 67-*ter*, paragraph 1, letter e), 108, paragraph 3, letter d-*bis*), 114-*quinquies*, paragraph 3, letter d-*bis*), 114-*quaterdecies*, paragraph 3, letter d-*bis*), of the Italian Banking Act, and Articles 7, paragraph 2-*bis*, and 12, paragraph 5-*ter*, of the Italian Finance Act;
- f) Suspended or struck off from registers, or removed (as disciplinary procedures) from professional lists, imposed by the competent authorities on the professional orders themselves; or subject to measures removing them for reasons of just cause from positions held by them in management, supervision and control bodies or to similar measures taken by organizations legally appointed to manage such registers and lists;
- g) The recipient of negative assessments by an administrative authority regarding their suitability in the course of the authorization procedures instituted by the regulations on corporate, banking, financial, investment, insurance, anti-money-laundering and other regulations on markets and payment instruments;
- h) Subject to **enquiries or criminal proceedings** regarding any of the offences contemplated by regulations on corporate, bankruptcy, banking, financial, insurance, payment services, usury, anti-money-laundering, tax, intermediaries authorized to provide investment and portfolio management services, markets and centralized management of financial instruments, solicitation of public savings, issuers, or any of the crimes contemplated by Articles 270-*bis*, 270-

*ter*, 270-*quater*, 270-*quater*.1, 270-*quinquies*, 270-*quinquies*.1, 270-*quinquies*.2, 270-*sexies*, 416, 416-*bis*, 416-*ter*, 418, or 640 of the Italian penal code, or regarding a different crime;

- i) A party in **civil and administrative proceedings** or pending enquiries relating to the Bank's activities (e.g. concerning financial or banking matters, such as usury, money laundering or terrorism financing);
- Does not hold and has not held:
  - Positions in entities operating in the banking, financial, markets and securities, insurance and payment services sectors, which have been subject to administrative sanctions in an amount above the prescribed minimum, or to fines applied pursuant to Italian Legislative Decree 231/01, again in an amount above the prescribed minimum;
  - Positions in companies subject to extraordinary administration, winding-up or bankruptcy procedures or which have otherwise been placed into administration, collective removal of all members of the management and control bodies, and/or withdrawal of authorization to operate pursuant to Article 113-*ter* of the Italian Banking Act, and/or cancellation pursuant to Article 112-*bis*, paragraph 4, letter b), of the Italian Banking Act or equivalent procedures;
- Is not involved in similar cases in countries outside of Italy;
- Has not been reported to the central risks database instituted pursuant to Article 53 of the Italian Banking Act.

Usually account is taken of events that have occurred or conduct engaged in during the ten years prior to appointment. If a relevant event or instance of conduct occurred more than ten years previously, they should be taken into consideration if especially serious or, without prejudice to the foregoing, there are good reasons why the bank's sound and prudent management might be affected by them.

### **Grounds for suspension from office**

The occurrence of one or more of the circumstances listed above under points a) and b) entails **suspension** from office in cases where it results in imprisonment or the application of personal precautionary measures or the temporary application of one of the prevention measures ordered by the judicial authority under the terms of the so-called Anti-Mafia Decree.

## Annex 4

### Individual professional requirements and competency criteria (pursuant to Italian Ministerial Decree No. 169/2020)

1. Executive Directors are chosen from among persons who have performed, for at least the past three years, either:
  - a. Management or control activities, or leadership duties, in the credit, financial, investment or insurance sector;
  - b. Management or control activities, or leadership duties, in listed companies or companies which otherwise are of greater or comparable size or complexity (in terms of revenues, nature and complexity of the organization or activities performed) to those of the bank in which the position of Director is to be held.
2. Non-executive Directors are chosen from among persons that meet the requirements set forth under point no. 1 above or who, for at least three years, have performed either:
  - a. Professional activities in areas pertaining to the credit, financial, investment or insurance sectors or otherwise functional to the bank's activities; such professional activities must reflect the appropriate level of complexity, including with reference to the recipients of the services provided, and must be performed on an ongoing and significant basis in the sectors referred to above;
  - b. University teaching activities, as associate or full professor, in legal or economic disciplines or in other subjects in any case involving the activities of the credit, financial, investment or insurance sectors;
  - c. Management or leadership duties, whatever name they go by, for public entities or the public administration, involving the credit, financial, investment or insurance sectors, and provided that the entity for which the Director performed such duties is comparable in size and complexity to those of the bank in which the position is to be held.
3. The Chairperson of the Board of Directors is a non-executive Director who has acquired experience of at least two years more than those stipulated in the requirements set forth under point 1 or point 2 above.
4. The Chief Executive Officer is chosen from among persons with specific experience of credit, financial, investment or insurance matters, acquired through performing management or control activities, or leadership duties, for a period of no less than five years in the credit, financial, investment or insurance sectors, or in listed companies or companies which otherwise are of greater or comparable size or complexity (in terms of revenues, nature and complexity of the organization or activities performed) to those of the bank in which the position of Director is to be held.
5. In assessment of whether the requirements laid down in the previous points have been met, consideration is given to the experience acquired in the course of the twenty years prior to the position being taken; experiences acquired simultaneously in different roles count only for the period of time in which they were performed, without being added together.

In assessment of the competency criteria, consideration is given to both the theoretical knowledge and practical experience possessed in more than one of the following areas:

- 1) Financial markets;
- 2) Regulation in the banking and financial sector;
- 3) Strategic direction and planning;
- 4) Organizational and corporate governance structures;



- 5) Risk management (identification, assessment, monitoring, control and mitigation of the principal types of risk facing a bank, including individual responsibilities in such processes);
- 6) Internal control systems and other operating mechanisms;
- 7) Banking and financial activities and products;
- 8) Accounting and financial reporting;
- 9) Information technology.

## Annex 5

**Individual independence requirements** (pursuant to Italian Ministerial Decree No. 169/2020 as supplemented by Article 19 of the company's Articles of Association)

A non-executive Director of the Bank is considered to be independent if none of the following situations applies to them:

- a) They are the spouse not legally separated, joined in civil union or de facto cohabitation, relative or kin up to the fourth degree, of: i) the Chair of the Board of Directors, the management body in its management or supervisory function, and of representatives with executive duties in the Bank; ii) the heads of the Bank's main units; iii) persons in the situations listed under the following letters;
- b) They are an investor in the Bank;<sup>1</sup>
- c) They hold, or have held in the last three years, for an investor in the Bank or legal entities controlled by it, positions as Chair of the Board of Directors, management body in its management function or supervisory function, or as representative with executive duties, or has held, for more than nine years out of the last twelve, positions as member of the Board of Directors, management body in its management function or supervisory function, or senior management, of an investor in the Bank or legal entities controlled by it;
- d) They have held in the past three years a position in the Bank and in one of its subsidiaries with strategic significance as representative with executive duties;
- e) They serve as independent Director of another bank forming part of the same Group, save in cases where one bank is 100%-owned by another, directly or indirectly;
- f) They have served, for more than nine out (not necessarily consecutive) of the last twelve years, as member of the Board of Directors, management body in its management or supervisory function, and/or senior management of the Bank;
- g) They are representatives with executive duties of a company in which a representative with executive duties for the Bank holds the position of Director or member of the management body;
- h) Entertains, directly or indirectly, or has entertained in the three years prior to accepting the position, freelance or paid employment or other relations of a financial, wealth-related or professional nature, including on a non-continuous basis, with the Bank or its representatives with executive duties or the persons that chair them or senior management, the legal entities controlled by the Bank or its representatives with executive duties or the persons that chair them or senior management, or with an investor in the bank or their representatives with executive duties or the persons that chair them or senior management, of a kind that would compromise their independence;
- i) They hold, or have held in the last two years, one or more of the following positions:
  - 1) Member of the Italian and/or European Parliament, government, or the European Commission;
  - 2) City or regional/provincial/municipal councillor or representative; mayor; chair or member of district council; chair or director of consortia between local entities; chair or member of groups of municipalities; chair or director of special companies or institutions referred to in Article 114 of Italian Legislative Decree 267/00; mayor or councillor of metropolitan cities; chair or member of governing bodies of mountain or island communities, in cases where there is sufficient overlap between the territory covered by the entity concerned and the geographical footprint of the Bank/Banking Group to compromise their independence.

In addition, non executive Directors do not qualify as independent if they are partner or director of a company or entity forming part of the network of the company retained by the issuer as its external auditor.

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<sup>1</sup> Investment, direct or indirect, including through subsidiaries, fiduciaries or other intermediaries, of at least 3% of the share capital.

## Annex 6

### Personal qualifications

- a. **Credibility:** acts consistently with their own stated ideas and values, openly communicates his or her ideas and evaluations, encouraging an environment of openness and honesty, and correctly informing their own supervisor about the current situation, assessing risks and problems in conjunction with them.
- b. **Language:** is able to communicate in an orderly manner and to write well in the national or other working language of the place where the institution they work for is based.
- c. **Decisiveness:** takes timely and well-informed decisions by acting promptly or by committing to a particular course of action, for example by expressing his or her views and not procrastinating.
- d. **Communication:** is capable of conveying a message in an understandable and adequate manner, seeking mutual clarity and transparency and actively encouraging feedback.
- e. **Judgement:** is able to assess options and alternatives and to reach a logical conclusion. Reviews, recognizes and understands the essential points of questions. Has a broad vision which allows them to look beyond their own area of responsibility, especially in cases which involve problems that could compromise the company's status as a going concern.
- f. **Focus on clients and quality:** concentrates on the search for quality and seeks where possible to improve it. In particular, is against developing and selling products, services, and investments (e.g. products, properties or investments), where they have not been able to assess the risks correctly due to incomplete knowledge of the fundamentals. Identifies and studies the objectives and needs of clients, ensures that no risks are run needlessly, and ensures that correct and exhaustive information is received.
- g. **Leadership:** provides direction and guidance to a group, develops and supports teamwork, motivates and encourages their team, ensures that members of their staff have the professional capabilities to achieve a given objective. Is open to criticism and fosters open debate.
- h. **Loyalty:** identifies with the company and has a sense of ownership. Shows they can dedicate sufficient time to the job and perform their duties correctly, defends the company's interests, and acts in an objective and critical manner. Recognizes and manages potential personal and corporate conflicts of interest.
- i. **Knowledge of external factors:** monitors conduct and interaction within the company. Is well informed regarding financial, economic, social and general events, at national and international level, which could impact on the company and the shareholder's interest and is able to use this information effectively.
- j. **Negotiation:** in pursuing their objectives, identifies and highlights common interest to build consensus.
- k. **Authoritativeness:** is able to influence the opinions of others with persuasiveness, authority and diplomacy. Has a strong personality and is capable of behaving resolutely.
- l. **Teamwork:** recognizes the interests of the group as a whole, and contributes to the common result; is able to work in a team.
- m. **Strategic thought:** is able to elaborate a realistic vision of future developments and translate it into long-term objectives, e.g. through scenario analysis. In this way, keeps the



risks to which the company is exposed into due consideration and adopts the appropriate measures to manage them.

- n. **Resilience to stress:** is able to complete their duties normally in all circumstances, including situations of great pressure and uncertainty.
- o. **Sense of responsibility:** understands internal and external interests and assesses them carefully. Is able to learn and is aware that their actions impact on the interests of stakeholders.
- p. **Able to chair meetings:** is able to chair meetings efficiently and effectively, creating an open climate which encourages all to participate on an equal footing; is aware of the duties and responsibilities of others.

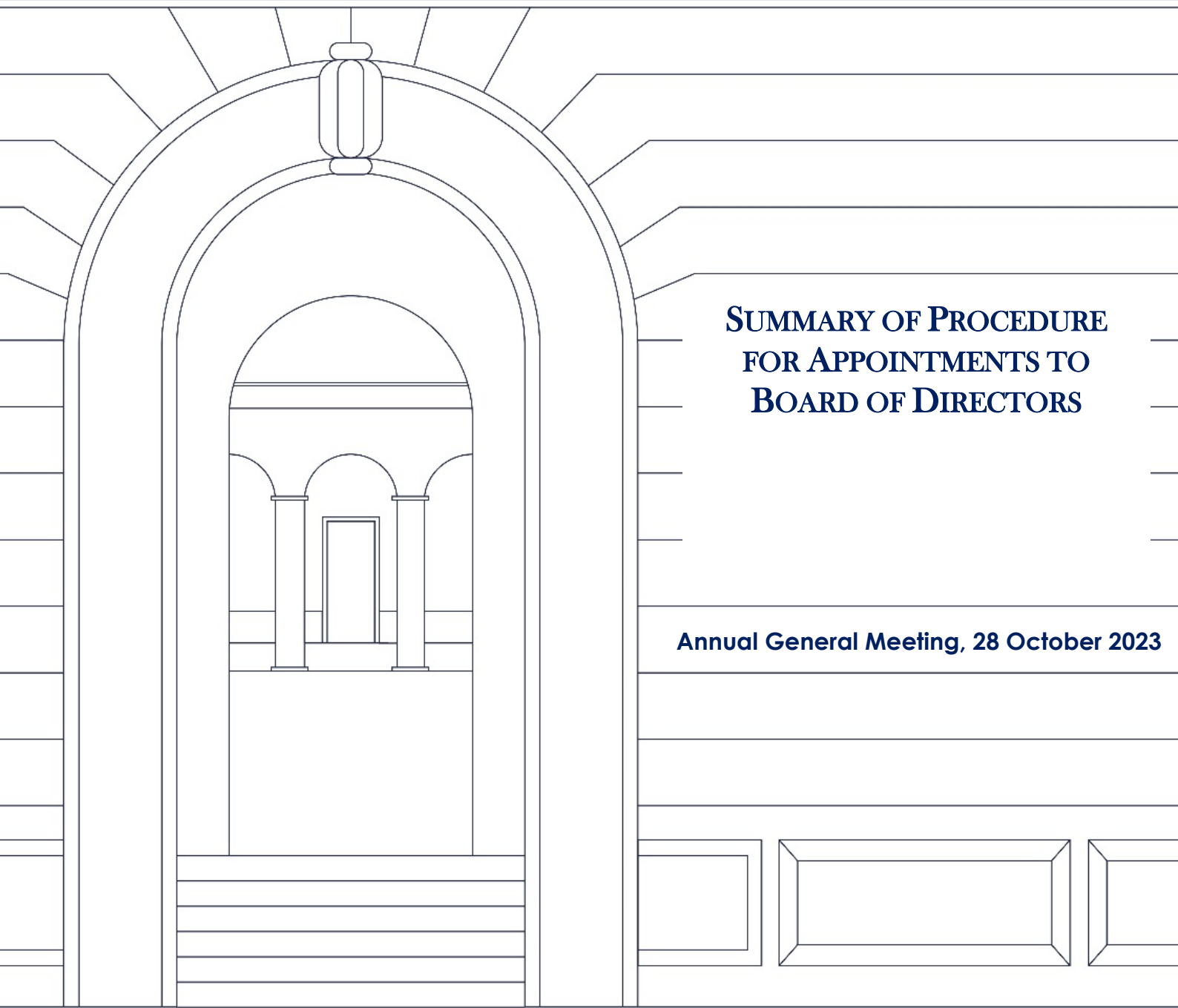
Other qualities:

- "Intelligence" and flexibility, i.e. the ability to manage complexity, simplifying issues in order to be able to take informed decisions; familiarity with handling controversial situations, capability of taking a long-term view and ability to relate in different environments.
- Interpersonal style, i.e. being able to build relations at all levels; ability to persuade and to listen, gifts of communication; ability to convince, earn the trust and support of others, balance in seeking to build consensus; knowing how and when to use tact and diplomacy; ability to work in a team; understanding and respecting the difference of roles between Board and management; market-oriented approach; ability to relate to senior management.
- Integrity, i.e. respect for values and the ability to live in a way that is true to one's self; authenticity, self-awareness and self-confidence.
- Devotion and commitment, i.e. willingness to invest time and energy in getting to know the Group and keep up to speed with it; discipline and interest in the business, commitment and preparation.
- Knowledge of English at a suitable level to enable correct comprehension and production, including for purposes of individual relations with the European supervisory authorities.



**Annex 7**

**Summary of procedure for the appointment of the Board of Directors**



**SUMMARY OF PROCEDURE  
FOR APPOINTMENTS TO  
BOARD OF DIRECTORS**

**Annual General Meeting, 28 October 2023**



## General information

This document is being made available to shareholders in Mediobanca purely for informative purposes and as such is not intended to replace or in any way supplement the regulatory and statutory provisions in force governing the procedures for appointing Directors, to which shareholders are asked to refer.

### Number of Directors and term of office

The Board of Directors consists of between a minimum of nine and a maximum of fifteen members (cf. Article 15 of the company's Articles of Association). The number of Directors is approved by shareholders gathered in Annual General Meeting, and their term of office is set at three years (the term of office expires on the date of the AGM held to approve the financial statements for the last of the three financial years covered by the term).

Shareholders interested in submitting lists are invited to familiarize themselves with the Board of Directors' "Report on the qualitative and quantitative composition of the Board of Directors", containing the results of the Board's deliberations regarding its optimal composition in qualitative and quantitative terms to enable it to perform the functions required of it in accordance with the regulatory provisions in force, and making its own recommendation to the shareholders – who are responsible for deciding the composition of the management body – regarding the number of members considered optimal, namely 15, the majority of whom independent. The document, approved by the Board of Directors at a meeting held on 27 July 2023, has been published on Mediobanca's website ([www.mediobanca.com](http://www.mediobanca.com)).

### Means by which Directors are appointed

Under Article 15 of the Articles of Association, Directors are appointed by shareholders gathered in Annual General Meeting on the basis of lists in which the candidates are numbered consecutively.

The Directors shall be appointed from the list that obtains the highest number of votes (the "Majority List") based on the consecutive order in which they appear in the list, save for a number equal to 20% of the Directors to be appointed (rounded up to the nearest full number obtained by applying the same percentage), which positions will be assigned to the minority lists based on the results of the voting.

The procedure for appointing the Minority Directors is as follows:

- . If there are two Directors to be appointed: one will be taken from the list which ranked second by number of votes (the "First Minority List") and one from the list which ranked third (the "Second Minority List"), provided that the latter receives votes representing at least 2% of the company's share capital.
- . If there are three Directors to be appointed: two will be taken from the First Minority List and one from the Second Minority List, again provided that the latter receives votes representing at least 2% of the company's share capital.

If the Second Minority List does not receive votes representing at least 2% of the share capital, all the Directors to be appointed will be taken from the First Minority List.



If more than two Minority Lists are submitted, the one presented exclusively by EU-based entities managing undertakings for collective investment in transferable securities falling within the scope of application of Directive 2009/65/EC, or, if non-EU-based, which are subject, under the applicable regulations, to equivalent restrictions on holding voting rights (the "Institutional Market List") will in any case be treated as the Second Minority List for purposes of the allocation, always provided it receives votes representing at least 2% of the company's share capital.

If it is not possible to appoint a sufficient number of Directors using this method, other candidates are added from the lists which received most votes out of those that obtained votes representing at least 2% of the share capital, based on the consecutive order in which they were ranked.

If the number of candidates appointed in this way included in the lists that have been submitted, minority and majority, is still below the number required to be appointed, the other Directors are elected under a resolution to be adopted by shareholders in general meeting based on the majority set by law, ensuring that the minimum number of Directors qualifying as independent, and the requisite number of Directors from the least represented gender. The same method of proceeding is adopted if no list is submitted. In the event of an equal number of votes being cast, a ballot shall be held.

If the minimum number of Directors qualifying as independent, or the requisite number of Directors from the least represented gender are not appointed, the Directors elected from the list with the most votes and the highest consecutive number but without the necessary qualifications will be replaced by the candidates who come after them but who do have the necessary qualifications taken from the same list. If by this method it is still not possible to appoint Directors with the necessary qualifications, the replacement criterion described above will be applied to the minority lists which received most votes, in order. If by applying the above criteria it is still not possible to identify suitable replacements, the shareholders shall adopt a resolution in general meeting based on the majority set by law. In this case, the candidates will be replaced one by one starting from the lists which received most votes and the candidates with the highest consecutive number.

## **Parties entitled to submit lists**

The Board of Directors and/or shareholders representing at least 1% of the company's share capital.

## **Deadline for depositing lists**

Lists of candidates presented by shareholders, along with the requisite documentation, must be deposited by the twenty-fifth day prior to the date set for the Annual General Meeting (3 October 2023) by the means described in the notice of meeting.

The list submitted by the Board of Directors will be deposited and published at least 30 days prior to the date set for the Annual General Meeting.

## **Deadline for publishing lists**

Lists of candidates presented by shareholders shall be made available to the public at least 21 days prior to the date set for the Annual General Meeting (in this case 7 October 2023) at the head offices of Mediobanca itself and on the websites of Mediobanca, Borsa Italiana S.p.A. and Emarketstorage. The list submitted by the Board of Directors will be published at least 30 days prior to the date set for the Annual General Meeting.



## Submission of lists

Each shareholder and shareholders belonging to the same group or that are parties to a shareholders' agreement may not submit or vote for more than one list, including via proxies or fiduciary companies.

Individual candidates may only feature in one list, failing which they shall become ineligible.

Ownership of the minimum percentage of the Company's share capital required to submit a list is established on the basis of shares recorded as belonging to the shareholder on the date on which the lists are deposited with the issuer and proven in accordance with the regulations in force.

Such proof may also be produced after the list has been deposited, provided this is done by 7 October 2023. The lists must contain a number of candidates not to exceed the maximum number of Directors to be appointed. Candidates must be numbered consecutively.

No-one who is aged seventy-five or over may be appointed Director.

Lists which contain a number of candidates equal to or higher than three must ensure that the gender balance is respected at least to the degree stipulated by the regulations in force at the time (i.e. 40% must be members of the less-represented gender), and must contain a majority of candidates qualifying as independent pursuant to Italian Ministerial Decree 169/2020 as supplemented by Article 19 of the company's Articles of Association (in particular, any person owning an investment of 3% rather than 10% of the share capital of Mediobanca does not qualify as independent).

In submitting their lists, shareholders are advised to take account of the considerations of the Board of Directors of Mediobanca and of other contents contained in the "Report on the qualitative and quantitative composition of the Board of Directors" referred to above.

Shareholders are entitled to express different opinions regarding what they consider to be the optimal composition of the Board of Directors, providing reasons for any differences compared to the Board's analysis. However, members of the Board of Directors must in all cases be in possession of the requirements expressly specified by the regulations in force as well as the company's Articles of Association. To this end the following regulations in particular are of especial relevance: Article 26 of the Italian Banking Act and the implementation regulations provided in Italian Ministerial Decree no. 169/2020; the EBA/ESMA Joint Guidelines on the assessment of the suitability of members of the management body and key function holders, and the Guide to fit and proper person assessments, updated by the European Central Bank on 2 July 2021.

## Documentation to be filed with the lists

The following documents, duly dated and undersigned, must be filed together with and at the same time as each list:

Information on the identity of the shareholders submitting the lists, with an indication of the aggregate percentage shareholding owned by them;





Statements whereby the individual candidates declare they agree to stand for election and, under their own responsibility, declare that there are no grounds for their being incompatible with, or otherwise ineligible for, the post under consideration, and that they are in possession of the requisites specified under law and the Articles of Association [*cf. facsimile attached as Annex 1 and published on the Bank's website at [www.mediobanca.com](http://www.mediobanca.com) in the section entitled Governance/General Meetings/General Meeting 2023*];

A *curriculum vitae* with the appropriate degree of detail in terms of the candidates' education and qualifications, plus exhaustive information on their personal and professional qualifications and their competences in the fields of banking, finance and/or others identified as relevant in the "Report on the qualitative and quantitative composition of the Board of Directors", plus a list of the management positions (with an indication of which ones are executive) and supervisory positions currently held by them at other companies or entities such as associations, foundations and non-profit organizations whose primary objective is not commercial.

Lists submitted which do not conform to the above specifications shall be treated as null and void.

In order to ensure full transparency regarding any links between lists, Consob has made detailed recommendations<sup>2</sup> to shareholders depositing lists for appointments to governing bodies. In particular, Consob requires a declaration to be filed, along with the list submitted by the shareholders [*cf. facsimile attached as Annex 2 and published on the Bank's website at [www.mediobanca.com](http://www.mediobanca.com) in the section entitled Governance/General Meetings/General Meeting 2023*], stating that none of the links, direct or indirect, referred to in Article 147-ter, paragraph 3 of the Italian Finance Act and Article 144-quinquies of the Regulations for Issuers exist with shareholders which hold, individually or jointly, a controlling interest or relative majority where it is possible to identify them based on the disclosures of relevant shareholdings required under Article 120 of the Italian Finance Act or the publication of shareholders' agreements pursuant to Article 122 of the Italian Finance Act, specifying:

- The absence of significant links with such shareholders; or
- Any existing relations, if significant, along with the reasons why such relations are not considered to be decisive in terms of the existence of links between them. In particular, at least the following should be stated if significant:
  - Relations of kinship;
  - Having been a party, including in the recent past and through companies in the respective groups, to a shareholders' agreement as referred to in Article 122 of the Italian Finance Act in respect of shares in the issuer or companies forming part of the issuer's group;
  - Having been a party, including through companies in the respective groups, to a similar shareholders' agreement in respect of shares in another company;
  - The existence of equity investments, direct or indirect, and the possible existence of cross-shareholdings, direct or indirect, including between companies in the respective groups;
  - Having held posts, including in the recent past, in the management and supervision of companies forming part of the group owned by the shareholder(s) with a controlling

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<sup>2</sup> Consob communication no. 9017893 of 26 February 2009.



interest or relative majority, or working, or having worked in the recent past, for such companies;

- . Being part, directly or by proxy, of the list submitted by shareholders owning, even jointly, a controlling interest or relative majority, for the previous appointment of members to the management or supervisory bodies;
- . Having taken part, in the previous appointment of members to the management or supervisory bodies, in the submission of a list in conjunction with shareholders owing, even jointly, a controlling interest or relative majority, or having voted for a list submitted by them;
- . Entertaining, or having entertained in the recent past, commercial, financial (of the kind not covered by the normal lender-borrower relationship) or professional relations;
- . The presence of candidates who are, or who have been in the recent past, executive Directors or members of the strategic management of the shareholder(s) with a controlling interest or relative majority or of companies forming part of the respective groups.

The above declaration is published together with the list itself.

Furthermore, on 21 January 2022 Consob issued Reminder no. 1/22 on the presentation of lists by the outgoing Board of Directors, in which it recommends *inter alia* that shareholders submitting a list should declare the absence of any links with the list being presented by the Board of Directors, and should specify any significant relations existing and the reasons why such relations have not been considered relevant for establishing such a link, or the absence of any such relations.



## Annex 1

### DECLARATION OF AGREEMENT TO STAND AS CANDIDATE FOR APPOINTMENT TO THE BOARD OF DIRECTORS OF MEDIOBANCA S.p.A.

The undersigned \_\_\_\_\_,  
born at \_\_\_\_\_ on \_\_\_\_\_, candidate for  
appointment to the Board of Directors of Mediobanca S.p.A. by shareholders in the ordinary  
Annual General Meeting to be held in a single session on 28 October 2023, as required by the  
provisions in force,

HEREBY DECLARES THAT

- He/she agrees to stand as a candidate and to serve as director of Mediobanca S.p.A., and accordingly, under their own responsibility and to every legal effect;

STATES THAT

- There are no grounds under the regulations in force and under the Articles of Association for his/her being ineligible, disqualified or suspended from or otherwise incompatible<sup>3</sup> with holding the post of Director of Mediobanca S.p.A.;

AND FURTHER DECLARES THAT

- a. He/she is not a candidate in another list for appointment of the Board of Directors;
- b. He/she is in possession of the suitability requirements specified by the regulations in force<sup>4</sup> and the Articles of Association<sup>5</sup> in relation to the position of Director of Mediobanca S.p.A.;
- c. He/she is in possession of the professional qualifications and competences required for directors of banks set by Italian Ministerial Decree no. 169/2020. With reference specifically to the professional qualifications, that he/she has exercised one or other of the following activities for a period of at least three years/five years in the last twenty years:<sup>6</sup>
  - Management, control, or other leadership activities in the credit, financial, investment or insurance sectors;
  - Management, control, or other leadership activities for listed companies or for companies of a size and complexity greater than or comparable to (in terms of turnover, nature and complexity of organization or activities performed) those of Mediobanca;
  - Professional activities in areas pertaining to the credit, financial, investment or insurance sectors or otherwise functional to the bank's activities; such professional activities must reflect the appropriate level of complexity, including with reference to the recipients of

<sup>3</sup> With reference in particular to the conditions establishing ineligibility and disqualification from office laid down by Italian Ministerial Decree No. 169 of 23 November 2020 and by Article 2382 of the Italian Civil Code and the restrictions on holding the office of Director in an EU member state pursuant to Article 2383 of the Italian Civil Code.

<sup>4</sup> With reference in particular to: Article 26 of Italian Legislative Decree no. 385 of 1 September 1993, Italian Ministerial Decree No. 169 of 23 November 2020 on the requirements and criteria for suitability to hold the position of bank company representatives; EBA/ESMA joint guidelines on the assessment of the suitability of members of the management body and key function holders, updated on 2 July 2021, in implementation of the principles established by Directive 2013/36/EU, and the ECB Guide to Fit and Proper Assessments; Articles 2382 and 2387 of the Italian Civil Code, Article 148, paragraph 3, of Italian Legislative Decree 58/98 (the "Italian Finance Act"), as referred to in Article 147-ter and Article 147-quinquies of Italian Ministerial Decree no. 162 of 30 March 2000.

<sup>5</sup> Article 15 of the Articles of Association.

<sup>6</sup> For the position of Chair of the Board of Directors and Chief Executive Officer, professional experience of at least **five years** is necessary.



the services provided, and must be performed on an ongoing and significant basis in the sectors referred to above;

- University teaching activities, as associate or full professor, in legal or economic disciplines or in other subjects in any case involving the activities of the credit, financial, investment or insurance sectors;
  - Management or leadership duties, whatever name they go by, for public entities or the public administration, involving the credit, financial, investment or insurance sectors, and provided that the entity for which the Director performed such duties is comparable in size and complexity to those of the bank in which the position is to be held;
- With regard to the recommendations made by the Board of Directors currently in office in their "Report on the qualitative and quantitative composition of the Board of Directors" published on the website of Mediobanca S.p.A., he/she possesses competences in the following areas (please indicate the area and level of competence by checking the relevant boxes):

Areas	Level of competence	
	Basic/ good	High/very high
1. Knowledge, including strategic, of the banking businesses in which the Mediobanca Group operates: Corporate and Investment Banking, Wealth Management, Consumer Banking		
2. Risk governance (including environmental risks)		
3. Internal control systems; compliance, AML, and internal audit		
4. Banking governance		
5. Planning, including in terms of strategic allocation of regulatory and economic capital and risk measurement		
6. Managerial skills and entrepreneurial experience		
7. Bank accounting and reporting		
8. Legal and regulatory competences		
9. Macroeconomics/international experience		
10. Sustainability issues		
11. Information technology and security		
12. HR, remuneration systems and policies		

For areas in which competences/experience/knowledge has been classified as "High" or "Very high", please state: the activity performed or the position held, the entity concerned, and the reference period.

- .....
- .....
- .....

- d. - He/she is in possession of the fit and proper person requirements and meets the proper conduct criteria and good reputation requirements for representatives of banks laid down by Italian Ministerial Decree No. 169 of 23 November 2020, Article 2 of Italian Ministerial Decree No. 162/2000, the EBA/ESMA Guidelines and the ECB Guide, including with reference to cases governed in whole or in part by non-Italian law;



- e.  He/she qualifies  He/she does not qualify  
as independent based on the definition provided in Article 13 of Italian Ministerial Decree No. 169/2020 as supplemented by Article 19 of the Articles of Association<sup>7</sup>;
- f.  He/she is  He/she is not  
in possession of the requirements in terms of independence laid down by Article 148, paragraph 3 of Italian Legislative Decree No. 58/1998;
- g. He/she is in possession of the requirements in terms of independence of judgement provided by Article 15 of Italian Ministerial Decree no. 169/2020, and the EBA/ESMA Guidelines and the ECB Guide;
- h. He/she is not in any of the situations contemplated under Article 2390 of the Italian Civil Code (being a partner with unlimited liability or director or general manager of companies in competition with Mediobanca S.p.A., or exercising on a proprietary basis or on behalf of third parties, activities which are in competition with those performed by Mediobanca S.p.A.);
- i.  He/she does not hold positions in competing companies or groups of competing companies as defined by Article 36 of Italian Decree Law 201/11, subsequently converted into Italian Law 214/11, operating in the credit, insurance and/or financial market;
- or alternatively
- He/she does not hold positions in competing companies or groups of competing companies as defined by Article 36 of Italian Decree Law 201/11, subsequently converted into Italian Law 214/11, operating in the credit, insurance and/or financial market, undertaking henceforth to resign from any positions that are incompatible with that of Statutory Auditor of Mediobanca, if appointed by the company's shareholders at the aforementioned Annual General Meeting.

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<sup>7</sup> Individual requirements in terms of independence (pursuant to Italian Ministerial Decree No. 169/2020 as supplemented by Article 19 of the Articles of Association):

A non-executive Director of the Bank is considered to be independent if none of the following situations applies to them:

- a) They are the spouse not legally separated, joined in civil union or de facto cohabitation, relative or kin up to the fourth degree, of: i) the Chair of the Board of Directors, the management body in its management or supervisory function, and of representatives with executive duties in the Bank; ii) the heads of the Bank's main units; iii) persons in the situations listed under the following letters;
- b) They are an investor in the Bank (direct or indirect investment, including through subsidiaries, fiduciary companies or other persons, equal to at least 3% of the share capital);
- c) They hold, or have held in the last three years, for an investor in the Bank or legal entities controlled by it, positions as Chair of the Board of Directors, management body in its management function or supervisory function, or as representative with executive duties, or has held, for more than nine years out of the last twelve, positions as member of the Board of Directors, management body in its management function or supervisory function, or senior management, of an investor in the Bank or legal entities controlled by it;
- d) They have held in the past three years a position in the Bank and in one of its subsidiaries with strategic significance as representative with executive duties;
- e) They serve as independent Director of another bank forming part of the same Group, save in cases where one bank is 100%-owned by another, directly or indirectly;
- f) They have served, for more than nine out of the last twelve years (including not consecutively), as member of the Board of Directors, management body in its management or supervisory function, and/or senior management of the Bank;
- g) They are representatives with executive duties of a company in which a representative with executive duties for the Bank holds the position of Director or member of the management body;
- h) They entertain, directly or indirectly, or have entertained in the three years prior to accepting the position, freelance or paid employment or other relations of a financial, wealth-related or professional nature, including on a non-continuous basis, with the Bank or its representatives with executive duties or the persons that chair them or senior management, with the legal entities controlled by the Bank or its representatives with executive duties or the persons that chair them or senior management, or with an investor in the bank or their representatives with executive duties or the persons that chair them or senior management, of a kind that would compromise their independence;
- i) They hold, or have held in the last two years, one or more of the following positions:
  - 1) Member of the Italian and/or European Parliament, government, or the European Commission;
  - 2) City or regional/provincial/municipal councillor or representative; mayor; chair or member of district council; chair or director of consortia between local entities; chair or member of groups of municipalities; chair or director of special companies or institutions referred to in Article 114 of Italian Legislative Decree 267/00; mayor or councillor of metropolitan cities; chair or member of governing bodies of mountain or island communities, in cases where there is sufficient overlap between the territory covered by the entity concerned and the geographical footprint of the Bank/Banking Group to compromise their independence;
- j) Shareholder or director of a company or entity forming part of the network headed up by the audit firm responsible for auditing the Bank's financial statements.



- l.  He/she does not hold  He/she has held  
in the past six months, the position of Executive Director or senior management member of companies forming part of banking groups;
- m.  He/she is not  He/she is  
is not, directly or indirectly via fiduciary companies, subsidiaries or other proxies, a significant shareholder i.e. with an interest of more than 3%;
- n. He/she is aware of the time commitment estimated by Mediobanca to be able to perform the duties required of them effectively, in view of the quality of the commitment required and the duties to be performed on behalf of the Bank;
- o. He/she complies with the limit on the number of directorships provided by Article 17 of Italian Ministerial Decree no. 169/2020;
- p. No grounds for disqualifying, suspending or otherwise preventing them from holding office exist pursuant to Article 67, or situations relating to attempted mafia infiltration pursuant to Article 84, paragraphs 4 and 4-bis, of the Anti-Mafia Code;
- q.  He/she is  He/she is not  
Currently a public official pursuant to and within the meaning of Italian Legislative Decree 165/01 as amended and so benefit from the exemptions for purposes of serving as Director, and has not applied to the public administration for prior authorization to serve in such a capacity;
- r. He/she has familiarized themselves with the information on use of their personal data by Mediobanca, furnished to them in accordance with the provisions of Articles 13 and 14 of Regulation (EU) 2016/679, and hereby authorizes the publication of this declaration and all other attached documentation via the means stipulated by the applicable regulations.

The undersigned also hereby undertakes, if requested, to produce documentation proving that the information declared herein is truthful, and to give notice of any subsequent change to the information disclosed in this declaration.

Place and date

.....

(Signature) \_\_\_\_\_

**Annexes**

CV

List of positions held, updated to the date of the declaration



## Information required pursuant to Articles 13 and 14 of Regulation (EU) 2016/679 and the national regulations in force on personal data protection

In accordance with Regulation (EU) 2016/679 (the "GDPR Regulation", or the "GDPR") and the national regulations currently in force on the protection of personal data (jointly with the GDPR, the "Data Privacy Regulations"), Mediobanca – Banca di Credito Finanziario S.p.A., with registered office at Piazzetta Enrico Cuccia 1, Milan, Italy (the "Bank", or the "Controller"), in its capacity of Data Controller, is required to provide an information notice on the use of personal data.

### a) Purposes of data processing and mandatory data provision

All personal data shall be processed and treated, in accordance with the provisions of the law and any confidentiality obligations in force, for purposes of establishing that the Annual General Meeting is regularly constituted, for ascertaining their identity and verifying that they are legitimately entitled to attend, and in order to fulfil the other mandatory requirements and formalities in connection with the AGM and statutory obligations. The provision of personal data for such purposes is **mandatory**. Failure to provide the data required may result in the person concerned not being admitted to the Annual General Meeting. The legal ground for the processing is identified as fulfilment of the legal obligations to which the Bank is subject.

### b) Legal ground

The legal ground for the data processing is the requirement to meet legal obligations (Articles 2370ff of the Italian Civil Code) and related and subsequent measures.

### c) Means of processing

Your personal data or personal data referring to third parties (e.g. authorized persons or their proxies) provided by you (the "Personal Data") will be processed in accordance with the provisions of the Data Privacy Regulations, using paper-based, computer or electronic instruments, according to criteria closely linked to the purpose stated, and, without prejudice to the foregoing, by such means as to guarantee security and confidentiality in compliance with the Data Privacy Regulations.

In the course of the AGM, Personal Data will also be processed through the use of an audio/video recording system employed exclusively for the purpose of facilitating the preparation of the minutes of the meeting.

### d) Categories of data processed

In relation to the purposes described above, the Bank processes Personal Data including, but not limited to, personal data (e.g. name, surname, address, date of birth, ID card, tax identification code).

### e) Communication and disclosure of data

In order to achieve the purposes listed under the foregoing letter a), your Personal Data will be visible to the employees of Mediobanca who shall operate as persons appointed/authorized to process the data.

Furthermore, the Personal Data may also be disclosed to:

- a) To the persons responsible for meeting the legal and/or regulatory requirements and/or requirements deriving from EU regulations (having regard to the fact that the company is listed on a regulatory market and accordingly is subject to additional information requirements and obligations);
- b) To the person/employees authorized to process the data for the management of corporate affairs, and so to the Bank's management and control bodies;
- c) To the person/employees authorized to process the data of Spafid S.p.A., the Group Legal Entity acting as the Data Processor.

### f) Data retention

All the Personal Data will be stored, along with the documents produced during the AGM itself, by the Bank for the purpose of documenting the contents of the meeting's minutes. In accordance with the principles of proportionality and necessity, they will be stored in a form that allows the data subject to be identified for a period of time not exceeding the fulfilment of the purposes for which the personal data were processed. The audio/video recordings will be destroyed once the minutes are complete.

### g) Rights of the data subject

The parties to which the Personal Data refer are entitled at any time to obtain confirmation of the existence or otherwise of such data and to know its content and origin, to check its accuracy or ask for it to be supplemented, updated or rectified (cf. Articles 15 and 16 of the GDPR).

Furthermore, data subjects are entitled to request that their data be erased, its processing limited, withdraw consent, request data portability and make complaints to the regulatory authority or oppose the processing of their data for legitimate reasons (cf. Articles 17ff of the GDPR).

Such rights may be exercised by sending notice in writing to the following email address: [privacy@mediobanca.com](mailto:privacy@mediobanca.com)

The Controller, *inter alia* through the appointed units, shall take steps to deal with your request and provide you with information regarding the action taken in response to your request without undue delay.

### h) Data Controller and Data Protection Officer

The Controller for the data processing is Mediobanca – Banca di Credito Finanziario S.p.A., with registered office in Piazzetta Enrico Cuccia 1, Milan, Italy.

Mediobanca has appointed a Data Protection Officer who may be contacted at the following email addresses: [DPO.mediobanca@mediobanca.com](mailto:DPO.mediobanca@mediobanca.com) e [dpomediobanca@pec.mediobanca.com](mailto:dpomediobanca@pec.mediobanca.com).

**MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.p.A.**





**Annex 2 – DECLARATION REGARDING THE ABSENCE OF RELATIONS**

With reference to deposit of the attached list of candidates for the position of member of the Board of Directors of Mediobanca S.p.A. for the 2023-26 three-year period, in accordance with the provisions of Article 144-sexies, paragraph 4, letter b) of the Regulations for Issuers and in compliance with the recommendations made by Consob in its Communication no. 9017893 of 26 February 2009,

Shareholder \_\_\_\_\_, with registered office in \_\_\_\_\_ (domiciled for the purposes hereof in \_\_\_\_\_), owner of \_\_\_\_\_ shares, equal to \_\_\_\_% of the share capital,

**or**

Shareholders:

\_\_\_\_\_, with registered office in \_\_\_\_\_ (domiciled for the purposes hereof in \_\_\_\_\_),

\_\_\_\_\_, with registered office in \_\_\_\_\_ (domiciled for the purposes hereof in \_\_\_\_\_),

joint owners of \_\_\_\_\_ shares \_\_\_\_\_ equal to \_\_\_\_% of the share capital,

having regard to the provisions of Article 147-ter, paragraph 3 of Italian Legislative Decree 58/98 (the "Italian Finance Act") and to Article 144-quinquies of the Regulations for Issuers defining the cases in which relations are said to exist between one or more minority shareholders, namely in at least the following instances:

- a) Relations of kinship;
- b) Belonging to the same group;
- c) Relationship of control between one company and the parties that control it jointly;
- d) Relations as defined in Article 2359, paragraph 3 of the Italian Civil Code, including with parties belonging to the same group;
- e) Performance by one shareholder of management or leadership duties which involve taking on strategic responsibilities as part of a group belonging to another shareholder;
- f) Being party to a shareholders' agreement as defined by Article 122 of the Italian Finance Act in respect of shares in the issuer, its parent company or one of its subsidiaries,

and having regard to the Consob recommendations referred to above (communication no. 9017893 of 26 February 2009)

Furthermore, in view of Consob Reminder no. 1/22 issued on 21 January 2022, recommending that shareholders submitting a list should declare the absence of any links with the list being presented by the Board of Directors, and specify any significant relations existing and the reasons why such relations have not been considered relevant for establishing such a link, or the absence of any such relations

HEREBY DECLARE(S) THAT

- No such links and/or significant relations – as defined by Article 144-quinquies of the Regulations for Issuers – exist with the shareholders which – based on the disclosures of significant investments required under Article 120 of Italian Legislative Decree 58/98 (the "Italian Finance Act") and the publication of shareholders' agreements required by Article





122 of the same decree, as per the information published on the website of Consob at today's date, hold a controlling interest or relative majority; and further hereby;

- Undertake(s) to produce, at the request of Mediobanca S.p.A., documentation proving that the information declared herein is truthful;
- Undertake(s) to issue a new declaration replacing the present one if the current situation changes.

In relation to Consob Reminder no. 1/22

HEREBY DECLARE(S)

- The absence of any links with the list being presented by the Board of Directors,
  - The absence of any links with the list being presented by the Board of Directors, despite the existence of the following significant relations held not to be relevant:
    - 1) Relations: .....
    - 2) Reasons why relations are not relevant: .....
- or
- The existence of links with the list being presented by the Board of Directors, which are relevant according to the provisions of the Consob Reminder.

Place and date

.....

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