



9M 2023 Results & Business Update

Table of content

and colour key

9M 2023 Group Results

3

9M 2023 Domestic Market Results

22

9M 2023 Spain Results

31

Business Update

33

Mediolanum Facts

49

Appendix – Transition to IFRS 17

77



9M 2023 Group Results

Financial performance hits records quarter after quarter

€ mn	9M 2023	9M 2022 ¹	Change
Net Commission Income	769.7	741.3	+4%
Net Interest Income	541.2	257.7	+110%
Contribution Margin	1,291.7	987.2	+31%
Operating Margin	731.3	485.1	+51%
Market Effects	30.2	-1.0	n.s.
Net Income	572.2	377.1	+52%

Core business delivers thanks to avg. AUM growth in 2023 & avg. recurring fees higher than last year

NII more than doubles thanks to powerful tailwinds on variable rate assets (€ 24.6 bn). Acceleration towards 2023 goal of € 750 mn expected in Q4 following repricing of floaters in Oct.

Remarkable Contribution Margin supported by high-quality recurring business, leading to record-breaking Operating Margin

Positive mark-to-market overall, w/ small contribution from performance fees on some Italy-based mutual funds

Extremely positive results mark 2023 as a step-up in BMED history

Key Ratios	9M 2023	9M 2022
Cost/Income Ratio*	39.8%	46.5%
Acquisition Costs/Gross Commission Income Ratio	33.2%	33.3%
Annualised Cost of Risk (bps)	18	10

C/I Ratio keeps improving thanks to positive operating jaws, boosted by NII increase

Stable payout ratio to the sales network

CoR in line with historical average and well below market average, highlighting credit book quality

BMED is the leader in 'delivering' whatever the conditions

€ bn	9M 2023	9M 2022	Change	FY 2022	Change
Total Net Inflows	5.60	5.62	-0%		
Net Inflows into Managed Assets	2.84	4.23	-33%		
Total AUA/AUM	112.30	99.90	+12%	103.66	+8%
Loans Granted	2.32	2.88	-20%		
Credit Book	17.01	15.88	+7%	16.44	+4%
General Insurance Gross Premiums (€ mn)	131.89	133.03	-1%		

Positive progression driven by exceptional customer growth

Flows into managed assets remarkably resilient. Less impacted than peers by BTP competition thanks to high-diversification investment strategy & strong Family Banker/Customer relationship

Positive net inflows, sticky deposits & some market impact support the growth of total assets

Mortgages down y/y following RE slowdown. BMED customers showing weaker appetite for personal loans

Credit book keeps growing with excellent asset quality thanks to deep knowledge of our customer base

General insurance premiums stable y/y, supporting the safeguarding of our customers' assets

Customer acquisition continues at fast pace Project 'NEXT' scales up

	30/09/2023	31/12/2022	Change
Bank Customers	1,773,400	1,686,200	+5%
Bank Customer Acquisition	139,200	168,100	
Family Bankers	6,222	6,054	+3%
o/w Private Bankers & Wealth Advisors	824	807	+2%
AUM - Private Bankers & Wealth Advisors	€ 30.40 bn	€ 28.23 bn	+8%
IIS – Money market AUM	€ 1.84 bn	€ 3.05 bn	-38%
Double Chance – Assets in deposit accounts	€ 1.33 bn	€ 1.28 bn	+4%
Instalment Plans – Annualised yearly flows	€ 1.57 bn		

Bank customer acquisition made significant strides propelled by marketing initiatives aimed at acquiring qualified customers

FB network development continues as we train professionals coming from other sectors & traditional banks. 98 Banker Consultants joined the franchise in 9M 2023 ('Next' project, see slide 41)

Automatic investment services support consistency of net inflows into managed assets. Healthy reservoir of assets paves the way for future inflows & margin. Reduction in IIS money market assets beneficial for AUM profitability

Intelligent Investment Strategy shifts from money market to equity over 3-5 yrs.

Double Chance shifts from deposit accounts to equity over 3-24 months

Instalment plans shifts from current accounts to equity on a monthly basis

Strong financial performance boosts capital position all the more

	9M 2023	FY 2022
CET1 Ratio	22.1%	20.6%
MREL TREA	24.5%	23.0%
Risk-weighted assets (€ bn)	12.70	12.41
Leverage Ratio	6.3%	6.0%
Retail Loan/Deposit Ratio	64.0%	63.8%
Interim dividend	0.28	

Robust capital position supported by high profitability. Very low volatility of CET1 ratio given the non-material size of HTCS portfolio

Already fully compliant with 20.76% requirement binding from Jan 1, 2024

RWAs - generated on customer base with high credit-worthiness – increase in line with credit book growth

Leverage Ratio well above regulatory requirements

Solid & simple Balance Sheet structure, with very safe approach to lending. See slide 20 for more details

Interim dividend up 17% y/y

Total Capital Ratio: 22.1%. SREP Req. on Total Capital Ratio: 13.0%

Leverage Ratio = CET1 / Banking Group Assets

Interim dividend corresponds to **€ 207 mn** calculated on shares outstanding as at 30/09/2023. Ex-dividend date November 20 – Payment date November 22

	9M 2023	9M 2022 ¹	Change
Entry fees	28.0	32.8	-15%
Management fees	824.7	770.6	+7%
Investment Management fees	161.4	147.4	+9%
Net insurance result	126.0	125.5	+0%
Banking service fees	102.4	113.3	-10%
Other fees	31.8	33.1	-4%
Gross Commission Income	1,274.1	1,222.8	+4%
Acquisition costs	(423.6)	(406.9)	+4%
Other commission expenses	(80.8)	(74.6)	+8%
Net Commission Income	769.7	741.3	+4%
Net interest income	541.2	257.7	+110%
Net income on other investments	(0.2)	(0.4)	-48%
LLP (Impairment on loans)	(19.4)	(11.1)	+74%
Other revenues & expenses	0.4	(0.3)	n.s.
Contribution Margin	1,291.7	987.2	+31%
G&A expenses	(484.6)	(433.4)	+12%
Regular Contributions to Banking Industry	(28.9)	(25.3)	+14%
Depreciation & Amortization	(30.3)	(30.5)	-1%
Provisions for risk & charges	(16.6)	(13.0)	+28%
Operating Margin	731.3	485.1	+51%
Market effects	30.2	(1.0)	n.s.
- o/w Performance fees	8.7	7.5	+16%
- o/w Net income on investments at fair value	21.5	(8.5)	n.s.
Extraordinary items	(9.4)	(6.4)	+46%
PROFIT BEFORE TAX	752.1	477.6	+57%
Income tax	(179.9)	(100.5)	+79%
NET INCOME	572.2	377.1	+52%

9 Income Statement by Quarter

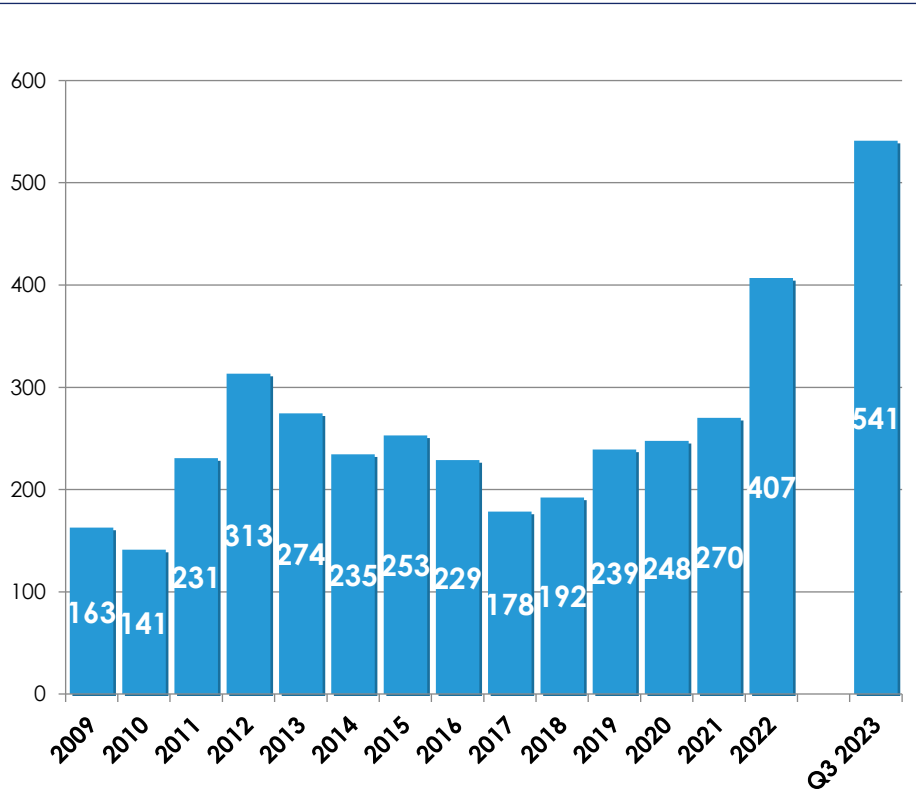
€ mn



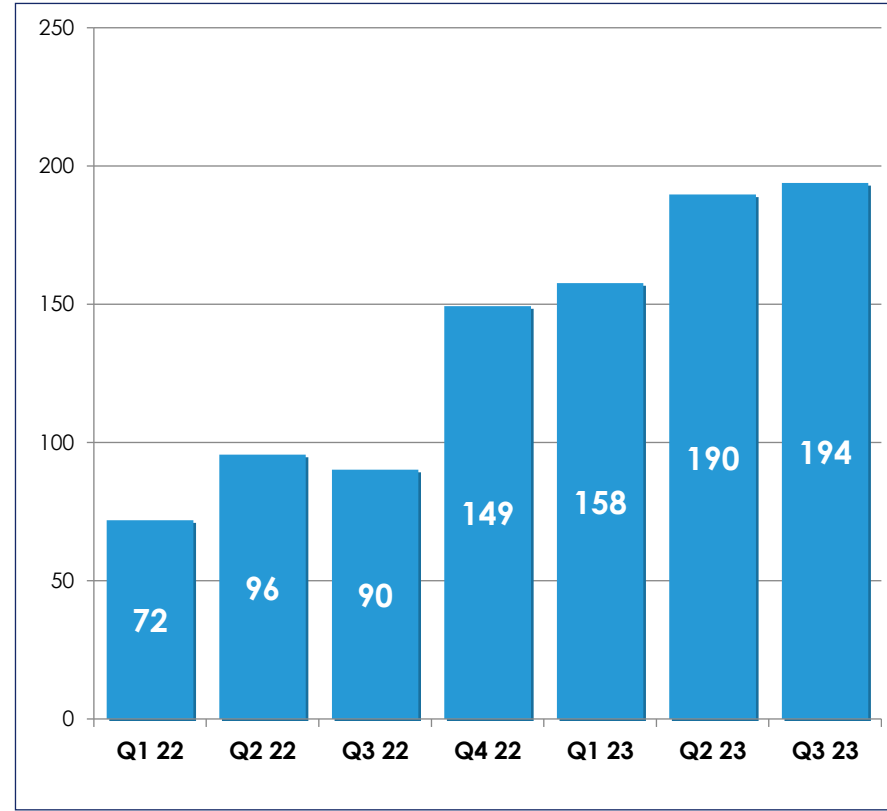
	Q1 22	Q2 22	Q3 22
Entry fees	13.5	10.6	8.7
Management fees	260.5	253.9	256.2
Investment Management fees	49.3	48.3	49.8
Net insurance result	36.8	46.7	42.1
Banking service fees	48.9	35.3	29.1
Other fees	11.1	10.5	11.4
Gross Commission Income	420.2	405.4	397.2
Acquisition costs	(144.1)	(135.0)	(127.8)
Other commission expenses	(26.1)	(21.7)	(26.8)
Net Commission Income	250.0	248.7	242.6
Net interest income	71.9	95.6	90.2
Net income on other investments	(0.8)	(0.8)	1.1
LLP (Impairment on loans)	(3.2)	(4.6)	(3.3)
Other revenues & expenses	(0.7)	0.9	(0.5)
Contribution Margin	317.3	339.8	330.1
G&A expenses	(145.2)	(152.5)	(135.7)
Regular Contributions to Banking Industry	(8.1)	(2.2)	(15.0)
Depreciation & Amortization	(10.2)	(10.1)	(10.2)
Provisions for risk & charges	(14.2)	0.2	1.0
Operating Margin	139.5	175.2	170.4
Market effects	2.2	(11.7)	8.4
- o/w Performance fees	5.9	0.7	0.9
- o/w Net income on investments at fair value	(3.8)	(12.3)	7.6
Extraordinary items	(0.4)	0	(6.0)
PROFIT BEFORE TAX	141.3	163.6	172.8
Income tax	(28.9)	(34.8)	(36.8)
NET INCOME	112.4	128.7	136.0

	Q1 23	Q2 23	Q3 23
Entry fees	9.3	9.1	9.5
Management fees	267.3	272.7	284.8
Investment Management fees	53.1	52.7	55.6
Net insurance result	45.6	39.8	40.5
Banking service fees	44.6	30.2	27.6
Other fees	10.5	10.2	11.1
Gross Commission Income	430.4	414.7	429.0
Acquisition costs	(143.9)	(139.2)	(140.5)
Other commission expenses	(25.5)	(27.0)	(28.3)
Net Commission Income	261.0	248.6	260.1
Net interest income	157.7	189.7	193.8
Net income on other investments	0.4	0.0	(0.6)
LLP (Impairment on loans)	(8.6)	(9.1)	(1.6)
Other revenues & expenses	(1.3)	1.0	0.6
Contribution Margin	409.1	430.2	452.4
G&A expenses	(158.0)	(178.1)	(148.5)
Regular Contributions to Banking Industry	(8.4)	(1.9)	(18.6)
Depreciation & Amortization	(10.2)	(10.1)	(10.0)
Provisions for risk & charges	(4.4)	(4.3)	(8.0)
Operating Margin	228.1	235.8	267.3
Market effects	7.3	5.8	17.1
- o/w Performance fees	0.3	0.1	8.3
- o/w Net income on investments at fair value	6.9	5.7	8.8
Extraordinary items	0	0	(9.4)
PROFIT BEFORE TAX	235.4	241.6	275.0
Income tax	(57.1)	(56.6)	(66.2)
NET INCOME	178.3	185.1	208.8

YoY Trend

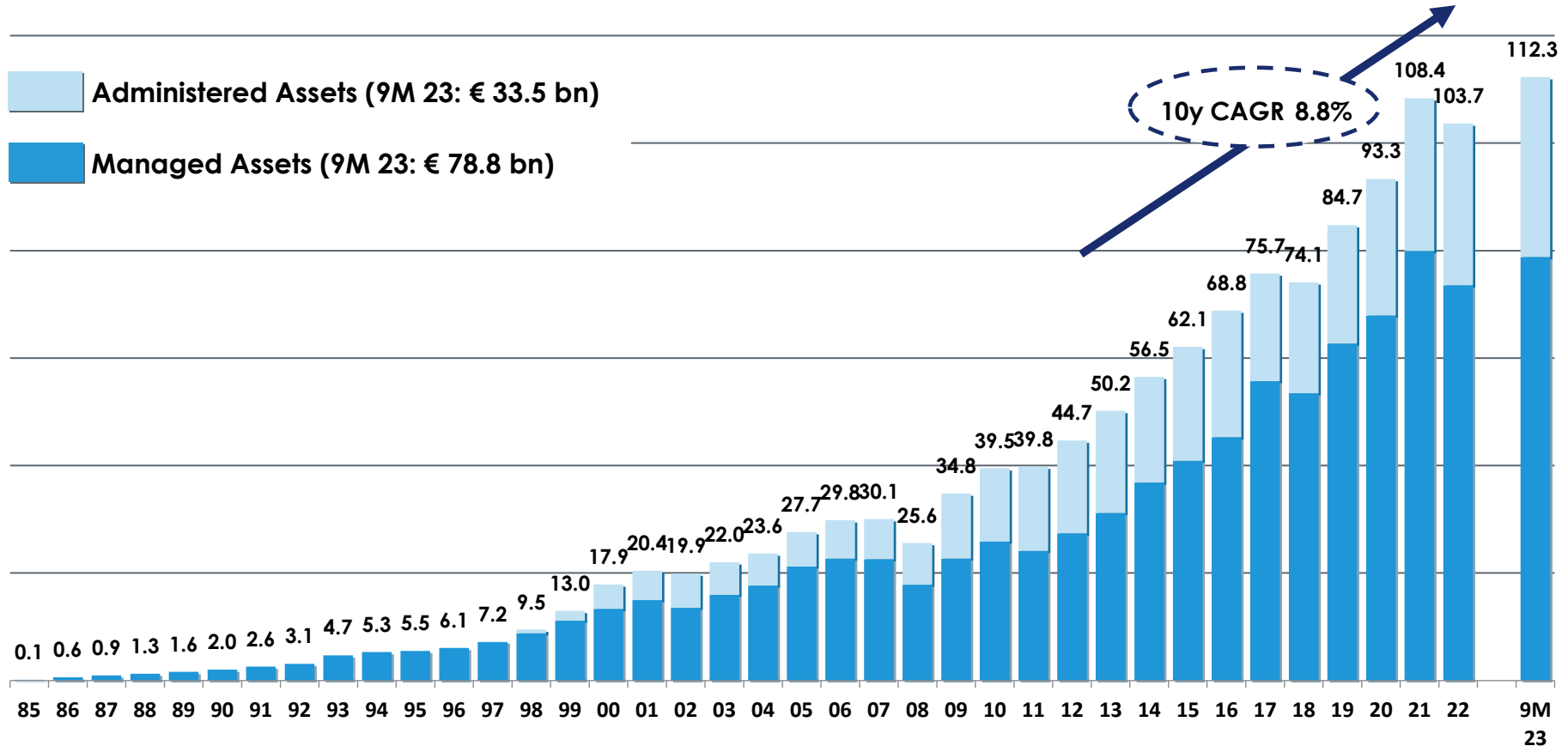


QoQ Trend

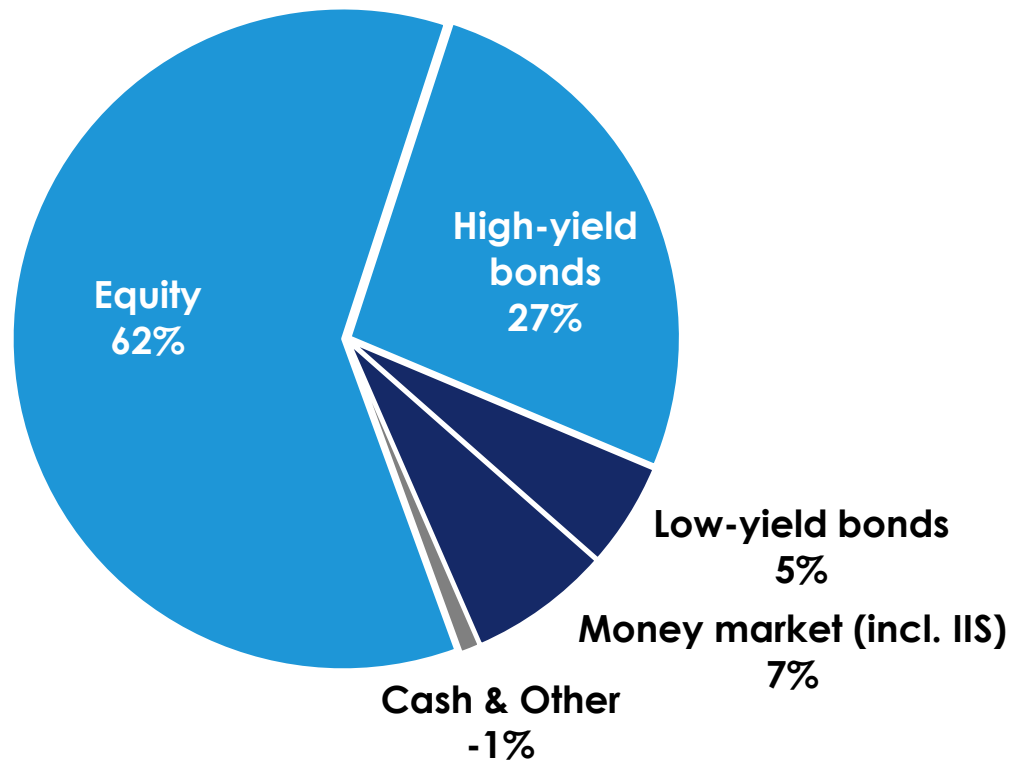


	9M 2023	9M 2022	Change
Total commissions	346.6	328.4	+6%
One-time commissions	38.1	43.0	-11%
Ongoing commissions	308.5	285.4	+8%
Total incentives & bonuses	55.3	55.8	-1%
Incentives on individual net inflows	32.7	37.2	-12%
Contest & bonuses	19.4	16.8	+16%
Reimbursement of costs for customers events	3.2	1.8	+71%
Costs related to the agency agreement	18.2	18.3	-1%
Prexta agent commissions	3.6	4.3	-15%
TOTAL ACQUISITION COSTS	423.6	406.9	+4%

	9M 2023	9M 2022
GROUP TOTAL NET INFLOWS	+5,596	+5,623
Managed Assets	+2,840	+4,231
- o/w Mutual Funds, U/L & Managed Accounts	+2,246	+3,582
Administered Assets	+2,756	+1,392
Italy - Banca Mediolanum Total Net Inflows	+5,000	+4,837
Managed Assets	+2,471	+3,730
- o/w Mutual Funds, U/L & Managed Accounts	+1,907	+3,099
Administered Assets	+2,529	+1,107
Spain - Banco Mediolanum Total Net Inflows	+630	+802
Managed Assets	+403	+518
- o/w Mutual Funds & U/L	+372	+499
Administered Assets	+227	+285
Germany	-34	-16
Managed Assets	-34	-16
- o/w Mutual Funds & U/L	-34	-16



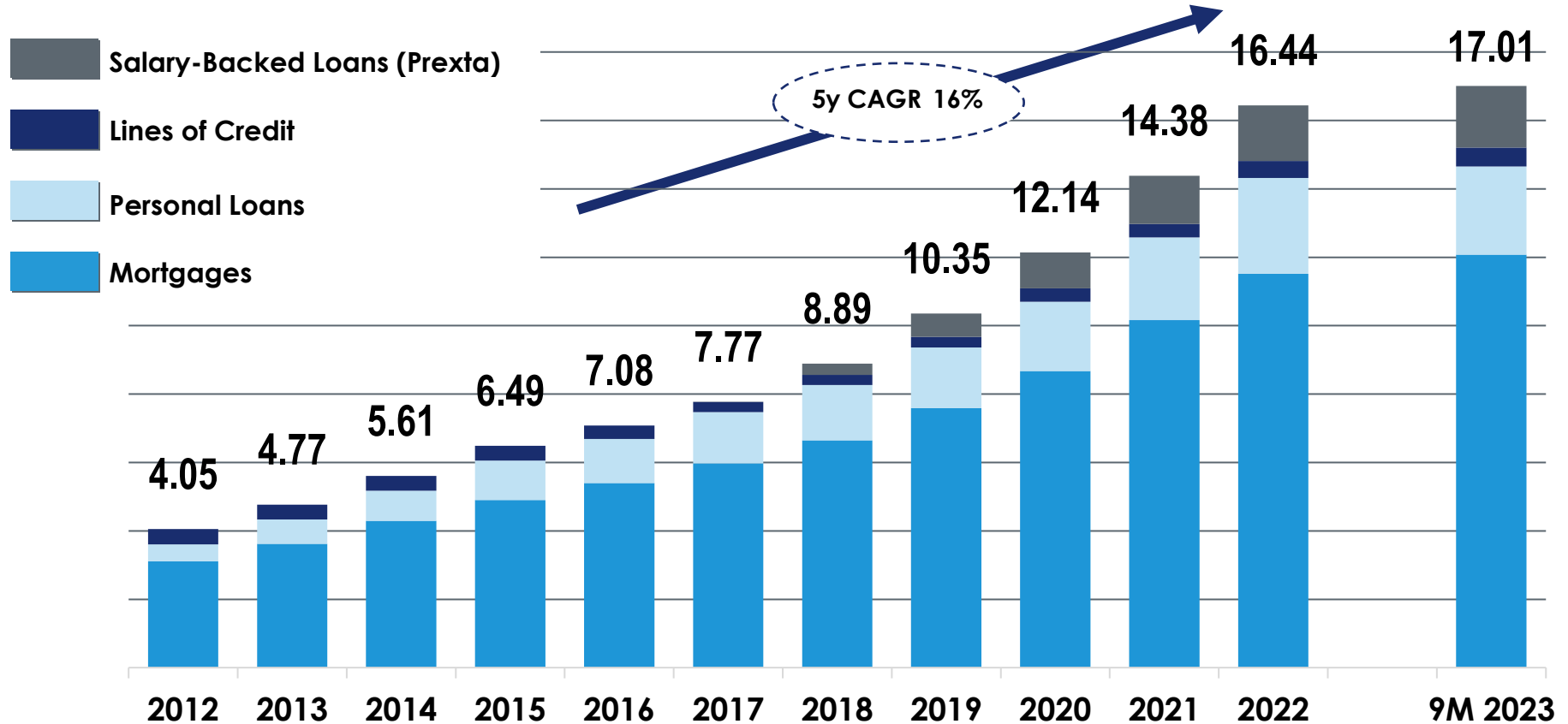
	30/09/2023	31/12/2022	Change	30/09/2022	Change
Italy - Banca Mediolanum	102,043	94,411	+8%	90,905	+12%
Mutual Funds & U-L Policies	66,995	63,073	+6%	61,125	+10%
Other Life Insurance Reserves	1,951	1,861	+5%	1,856	+5%
Banking	33,097	29,477	+12%	27,924	+19%
Spain - Banco Mediolanum	9,902	8,872	+12%	8,619	+15%
Mutual Funds & U-L Policies	6,658	5,976	+11%	5,837	+14%
Other Life Insurance Reserves	142	116	+23%	78	+82%
Banking	3,101	2,780	+12%	2,703	+15%
Germany	356	374	-5%	379	-6%
Mutual Funds & U-L Policies	356	374	-5%	379	-6%
TOTAL AUA/AUM	112,301	103,657	+8%	99,903	+12%



Certificates not included. **Low-yield bonds**: Eurozone + Japan govies. **Money market**: originating funds in IIS & other. **Cash**: liquidity not invested. **Other**: may include hedging derivatives (shown as negative).

	9M 2023	9M 2022	Change
Mortgages	1,400	1,669	-16%
Personal Loans	517	858	-40%
Salary-backed Loans (Prexta) ¹	397	351	+13%
TOTAL	2,315	2,878	-20%
3rd-party Loans	23	17	+34%

1. Includes Prexta unsecured loans



	30/09/2023	31/12/2022	Change	30/09/2022	Change
Mortgages	12,077	11,517	+5%	11,151	+8%
Personal Loans	2,514	2,798	-10%	2,671	-6%
Lines of Credit	619	501	+24%	473	+31%
Salary-backed loans (Prexta) ¹	1,804	1,622	+11%	1,583	+14%
TOTAL	17,014	16,438	+4%	15,879	+7%

	30/09/2023	Italian Banks
Gross NPE	1.44%	3.0% ²
Net NPE	0.79%	1.5% ³
Annualised Cost of risk	0.18%	

1 Includes Prexta unsecured loans

2 Bank of Italy – 'Banks and Financial Institutions: Credit Conditions and Risk by Sector and Geographical Area – Q2 2023'

3 Bank of Italy - 'Financial Stability Report No. 1 2023'

	9M 2023	9M 2022	Change
Stand-alone policies	99.4	81.8	+22%
New business	19.8	18.2	+9%
In-force business	79.6	63.6	+25%
Loan protection policies	32.1	46.6	-31%
Group health policies	0.3	4.7	-93%
GROSS PREMIUMS	131.9	133.0	-1%

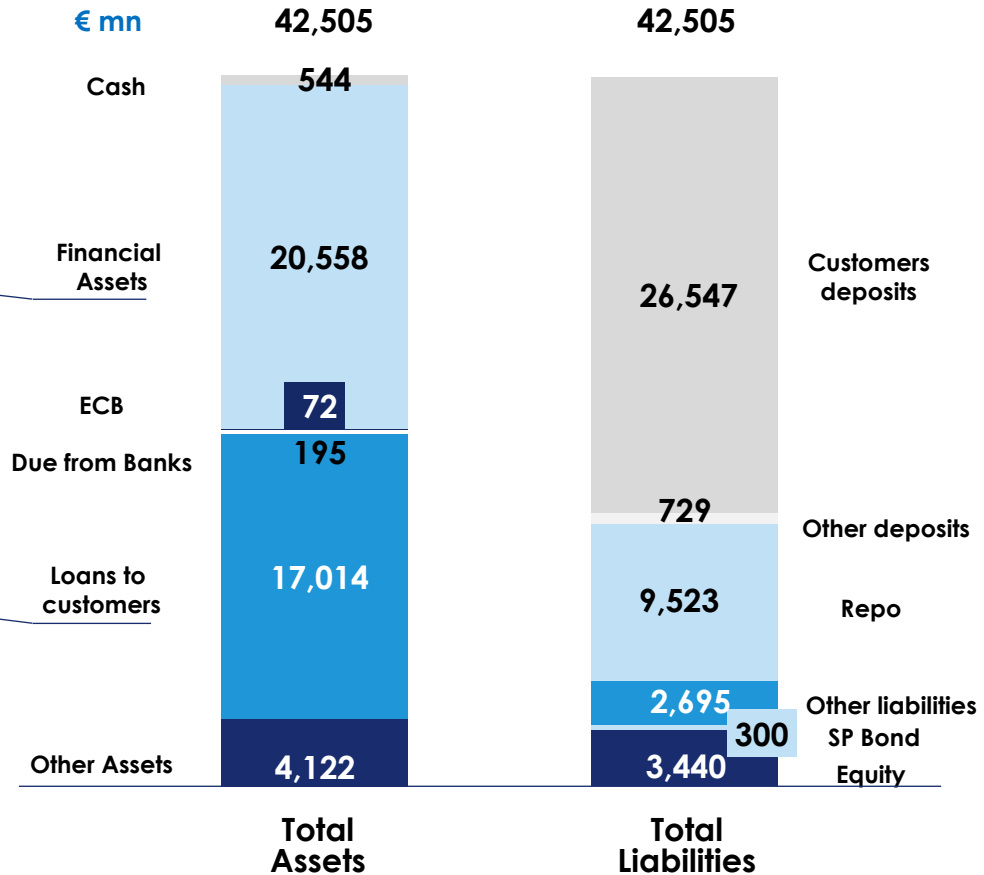
20 Balance Sheet Structure – Banking Group



Straight-forward & solid balance sheet structure
€ 24.6* bn of assets sensitive to interest rates

- € 10 bn in floaters
- Short duration (1 yr)
- No sensitivity to ITA spread: most assets in HTC portfolio

- High quality book: CoR at 18 bps
- Mainly retail & collateralised
- € 12.9 bn of variable rate loans



* Floaters + Variable rate loans + ECB & Interbank liquidity

Ever-growing deposit base thanks to **strong customer acquisition** & **increase in share of wallet** of existing customers

Growth not impacted by the continuous **transformation of deposits into managed assets** – our core business

High stickiness of deposits as **64%** of customers direct deposit **salary** in their BMED current account

BMED is considered the **safe haven when flying to quality** thanks to the solidity & resilience of its balance sheet

Capital & Liquidity

CET1 Ratio	22.1%
LCR	305%
NSFR	181%

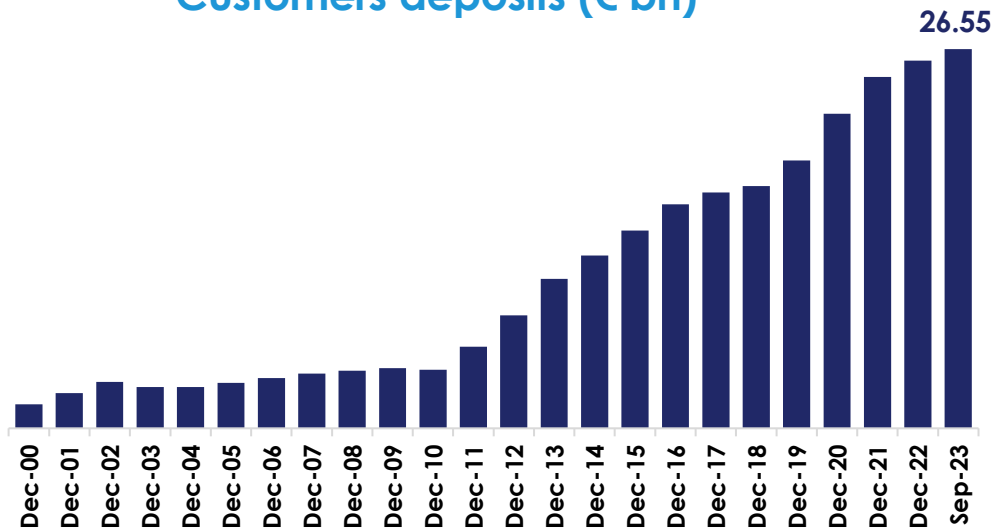
Assets

HQLA	€10.70 bn
Modified Duration (HTC+HTCS)	0.8 yrs

Liabilities

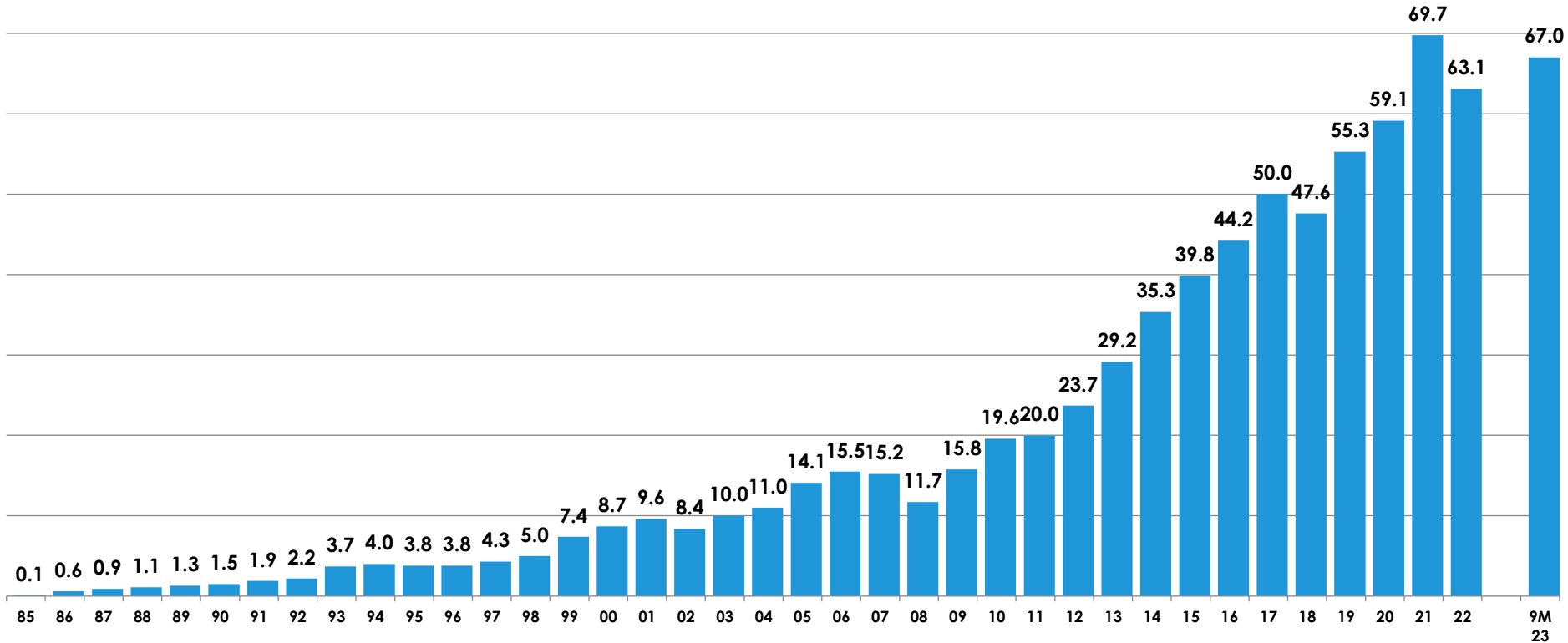
Stable Retail Deposits (ILAAP)	€ 18.33 bn
Deposits covered by FITD (<€100k)	78%
Customers w/salary direct deposit	64%

Customers deposits (€ bn)

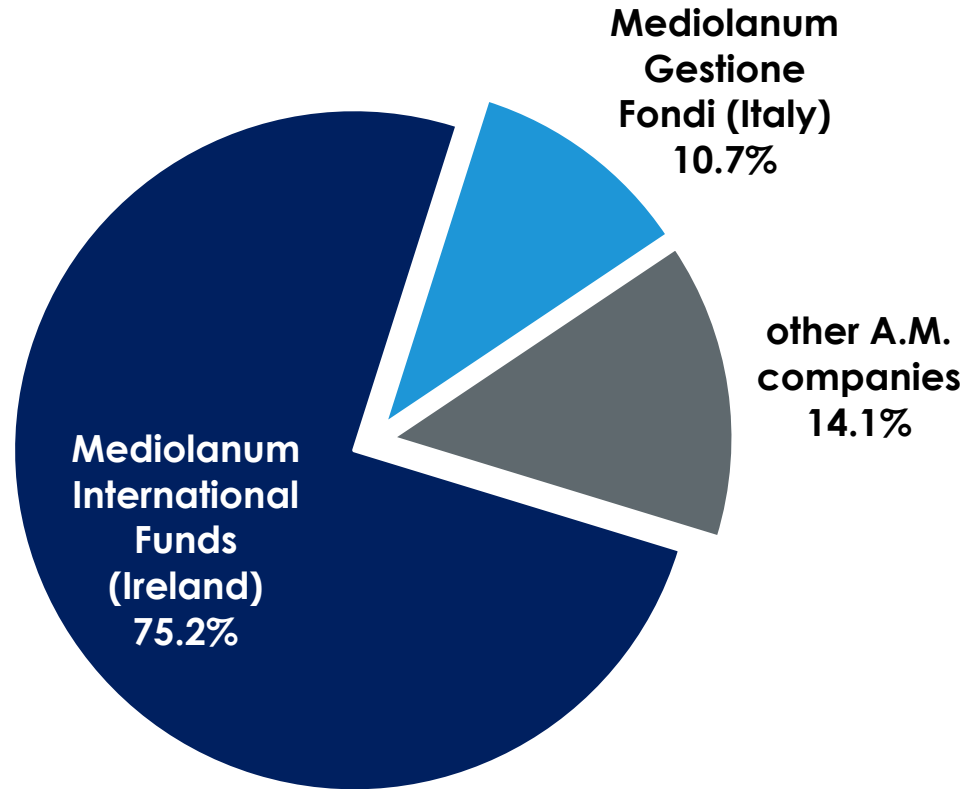




9M 2023 Domestic Market Results

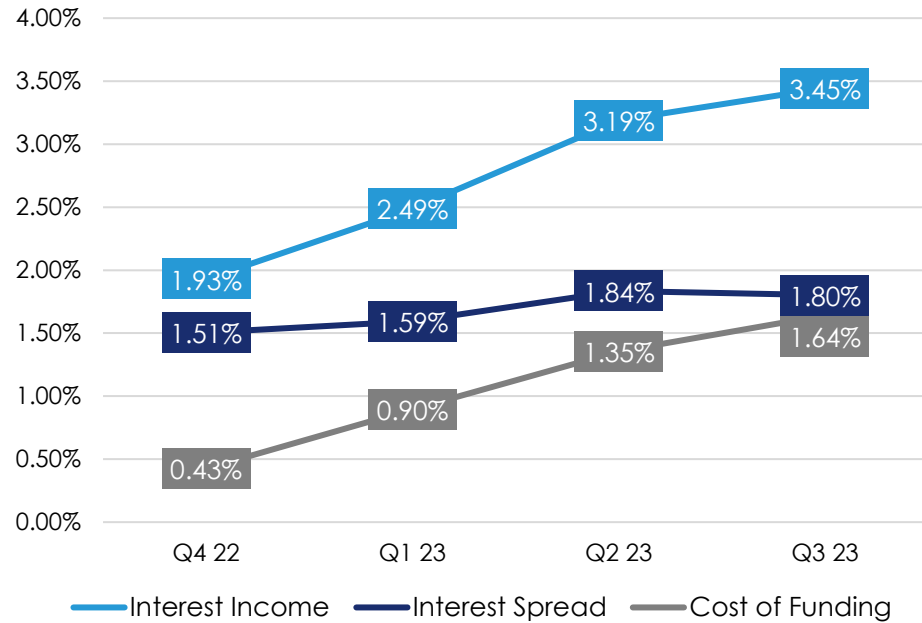


	30/09/2023	31/12/2022	Change	30/09/2022	Change
'Best Brands' funds on funds (IRL)	25,479	24,230	+5%	23,303	+9%
'Challenge' mutual funds (IRL)	20,051	18,029	+11%	17,511	+15%
Funds of Hedge Funds (IRL)	36	37	-2%	36	-2%
'Fondi Italia' mutual funds (ITA)	6,890	6,859	+0%	6,507	+6%
'Real estate' fund (ITA)	180	205	-12%	243	-26%
3rd-party stand-alone funds	4,045	3,798	+6%	3,664	+10%
Other	2,966	2,645	+12%	2,518	+18%
<i>Adj. for own mutual funds in FoFs & Managed accts</i>	<i>(513)</i>	<i>(436)</i>	<i>+18%</i>	<i>(399)</i>	<i>+29%</i>
MyLife' U-L policy	13,262	12,295	+8%	11,751	+13%
Other U-L policies	18,600	17,533	+6%	17,266	+8%
<i>Adj. for own mutual funds in U-L policies</i>	<i>(24,000)</i>	<i>(22,123)</i>	<i>+8%</i>	<i>(21,278)</i>	<i>+13%</i>
ASSETS IN MUTUAL FUNDS & U-L	66,995	63,073	+6%	61,125	+10%

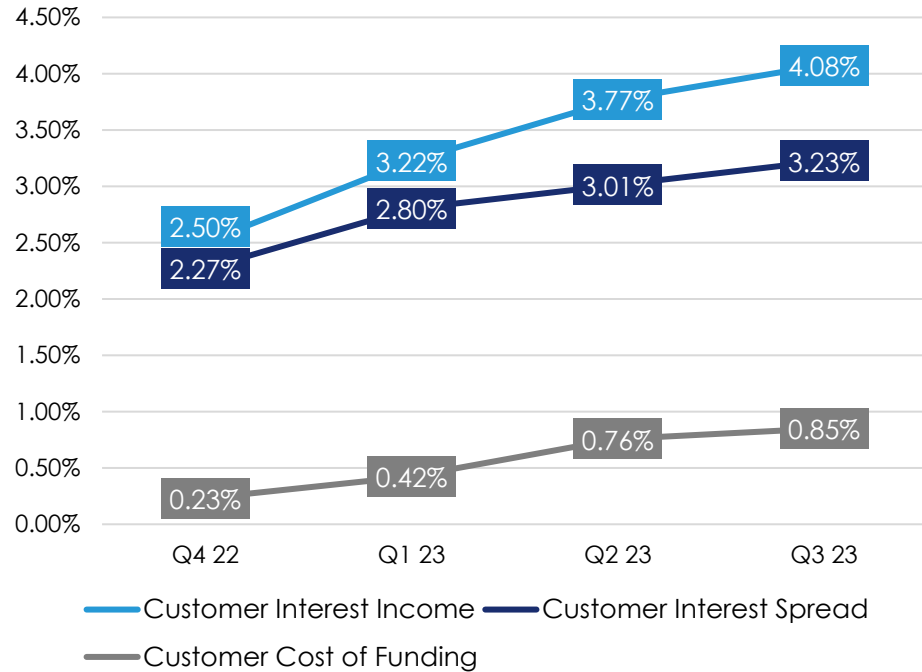


	30/09/2023	31/12/2022	Change	30/09/2022	Change
Cash deposits	23,993	23,338	+3%	22,966	+4%
Repurchase agreements	1	20	-94%	11	-89%
3rd-party structured bonds	2,724	2,125	+28%	1,650	+65%
Other securities	6,380	3,993	+60%	3,297	+94%
BANKING ADMINISTERED ASSETS	33,097	29,477	+12%	27,924	+19%

Total Book

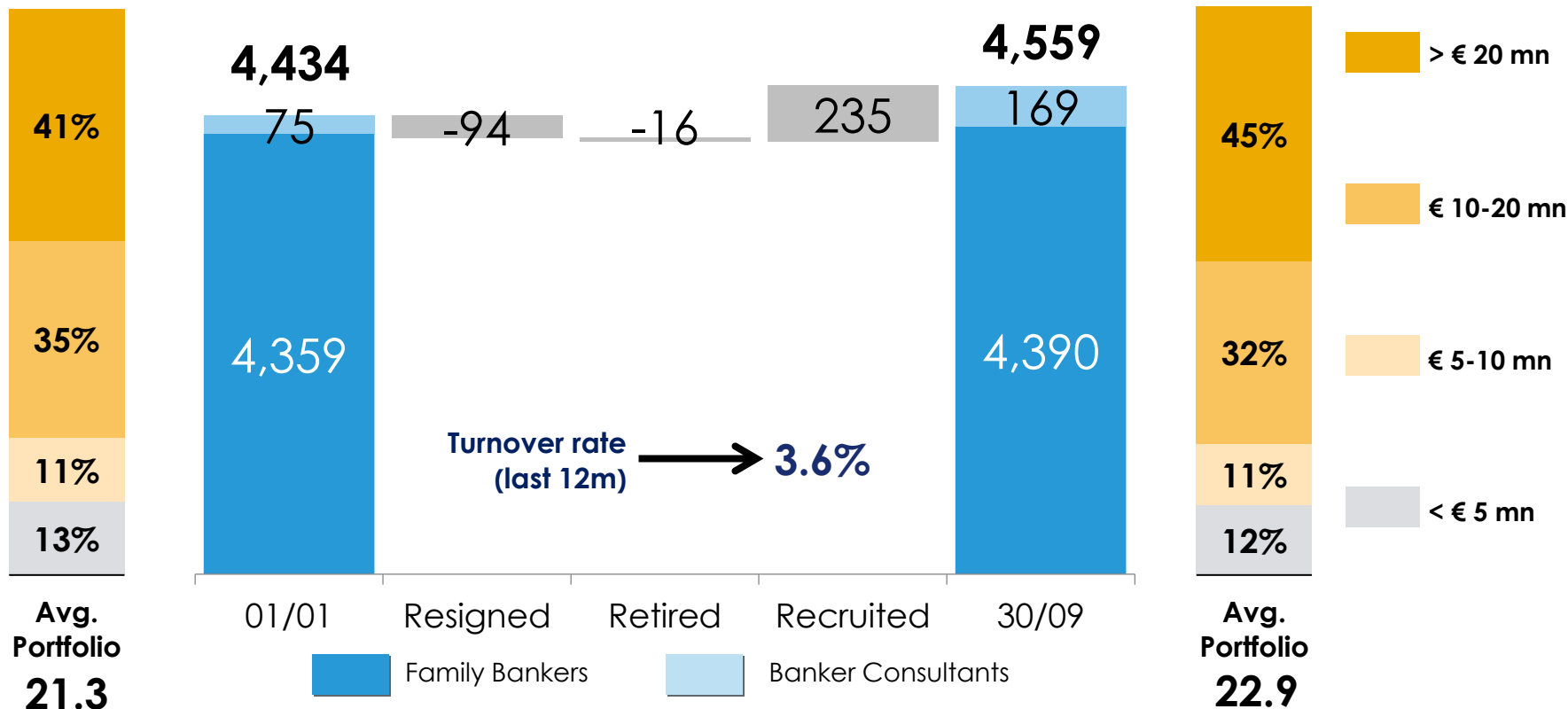


Customer Book

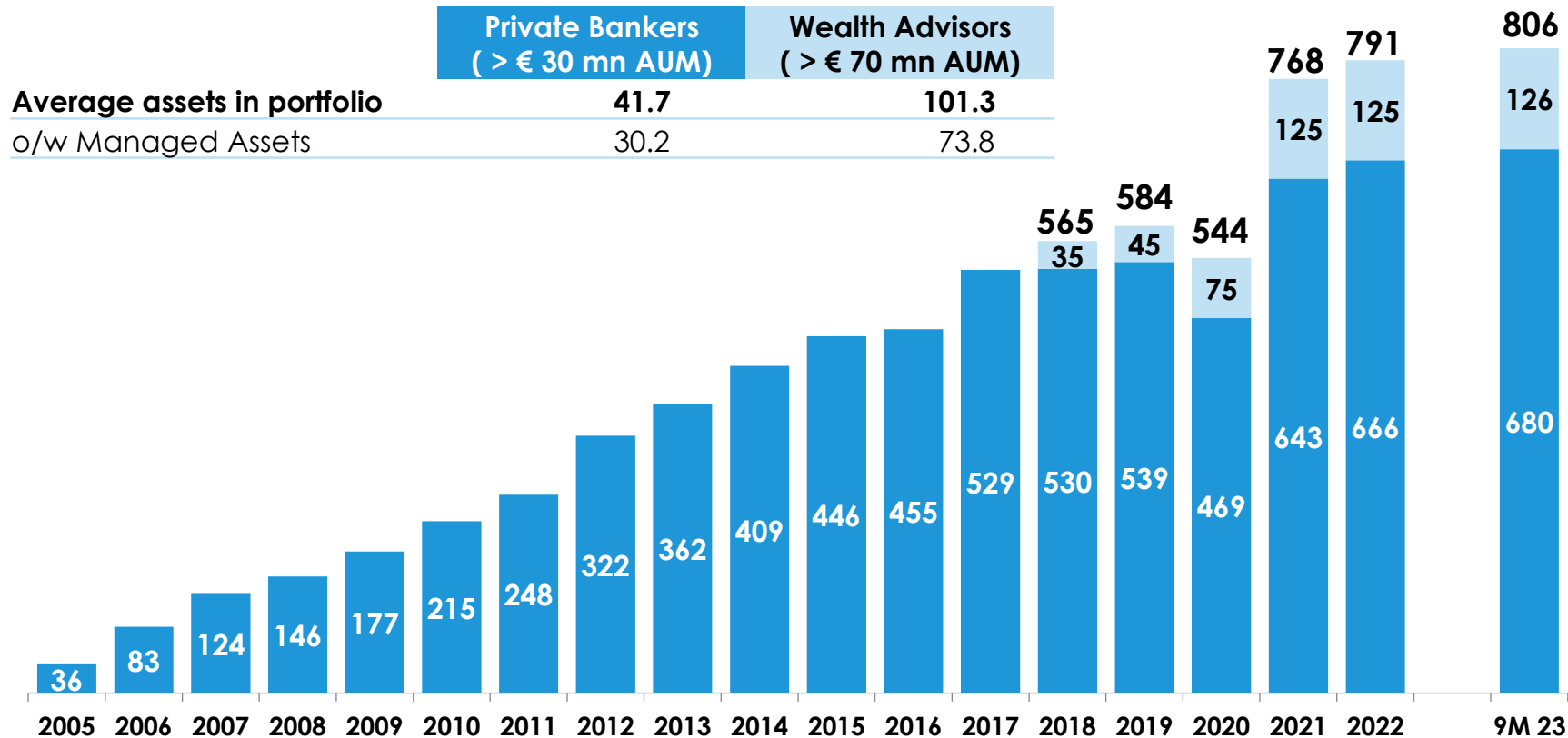


	Liabilities	Assets
Retail	24,055	15,679
Treasury	9,921	19,558
Interbank / intra-group deposits & repos	1,062	952
ECB refinancing	0	1,007
MTS refinancing	8,859	0
Securities (bonds)	0	17,599
Other liabilities / assets	4,996	3,735
TOTAL	38,971	38,971

Operating Liquidity (24hr): 10,139



Average portfolio calculated on Family Bankers only



* 'Private Bankers' & 'Wealth Advisors' are a subset of Family Bankers who mainly deal with affluent & HNW customers



9M 2023 Spain Results

	9M 2023	9M 2022	Change	vs. FY
Operating Margin	63.7	28.8	+121%	
Net Income	49.3	24.1	+105%	
Total Assets	9,902	8,619	+15%	+12%
Managed Assets	6,800	5,916	+15%	+12%
Administered Assets	3,101	2,703	+15%	+12%
Total Net Inflows	630	802	-22%	
Net Inflows into Managed Assets	403	518	-22%	
Net Inflows into Administered Assets	227	285	-20%	
Credit Book	1,334	1,150	+16%	+14%
Family Bankers	1,663	1,598	+4%	+3%
Customers	226,402	203,891	+11%	+8%



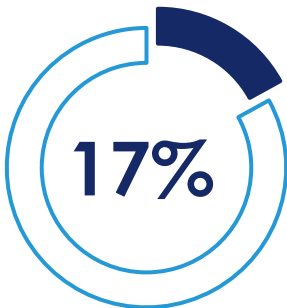
Business Update

	Oct 2023	YTD 2023	YTD 2022
GROUP TOTAL NET INFLOWS	186	5,782	6,347
Managed Assets	139	2,979	4,584
- o/w <i>Mutual Funds, U-L & Managed Accounts</i>	110	2,356	3,847
Administered Assets	47	2,803	1,763
GROUP LOANS GRANTED	227	2,542	3,198
GENERAL INSURANCE PREMIUMS	16	147	149

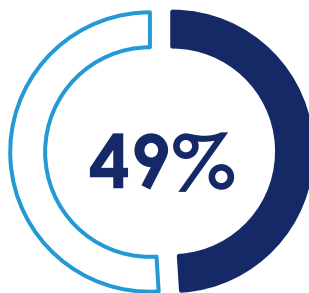
	9M 2023		
	Managed Assets	Mutual Funds*	Total Net Inflows
Banca Mediolanum	2,034	2,033	5,015
Allianz Bank	1,526	1,183	4,425
Finecobank	802	2,226	5,520
Gruppo Fideuram/Intesa	422	-277	6,101
Che Banca!	329	238	759
BNL - BNP Paribas	179	107	830
Banca Widiba	26	60	370
Consultinvest	0	0	0
Zurich Italy Bank	-74	95	222
Banca Generali	-449	263	4,344
Credem	-609	-841	2,006

■ BMED □ Other FA networks

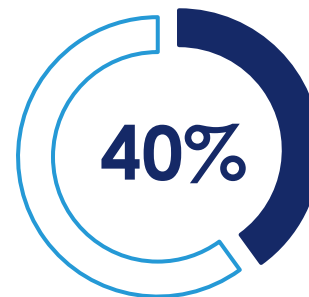
Total Net Inflows



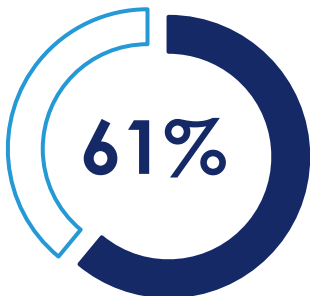
Net Inflows into Managed Assets



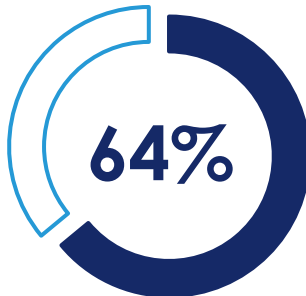
Net Inflows into Mutual Funds*



Mortgages Granted



Personal Loans Granted



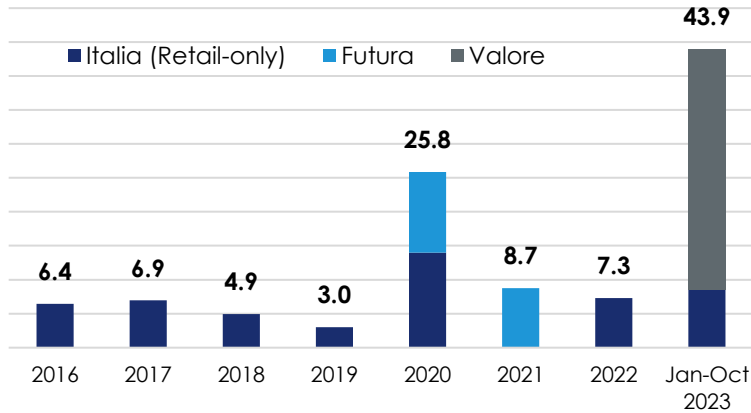
General Insurance Gross Premiums



* including Unit-Linked policies & Managed Accounts

Source: Assoreti

Retail-only BTP Placements



Source: MEF, Assoreti

Public Debt increase (organic + Covid-19) & ECB Quantitative Tightening drove Government to **go after savings of Italian households**

5-year BTP yield



Source: Bloomberg

Retail **demand** for govies **supported by higher interest rates & no perceived risk**

	ITA FAs (excl. BMED)*	BMED
Net Inflows into Govies	€ 19.1 bn	€ 2.1 bn
Net Inflows into Managed Assets	€ 2.1 bn	€ 2 bn
Gross Inflows into Managed Assets	-22% y/y	-17% y/y
Net Inflows into Managed Assets	-78% y/y	-37% y/y

Financial Advisors in Italy

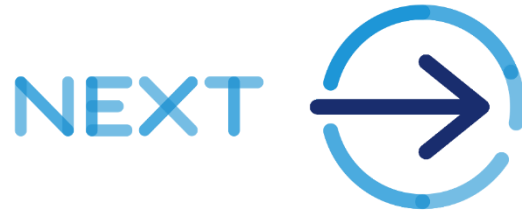
- Flows into Govies stronger than ever
- **An easy sale** for FAs: high customer demand, also pushed **by rotation out of traditional policies**

vs

Banca Mediolanum Strategy

- **Equity** still the **best option for >10-year investments**
- Demand for govies for medium-term needs gives FBs the opportunity to explain the **value of fixed-income investments** (i.e. with tools created to prove intrinsic value of mutual funds vs BTPs)
- **Stickier assets**: customer satisfaction comes from close FB relationship & frequency of contact
- **Gross flows less impacted** thanks to investment strategy and automatic investment services. **Lower outflows** thanks to **long-term oriented asset allocation** and no exposure to traditional policies

Govies are an incomplete solution unless part of a sound & diversified asset allocation



Pairing high potential new graduates to work as **junior assistants** ('Banker Consultant') with **senior Private Bankers & Wealth Advisors**

- 'Banker Consultants' initially receive **dedicated training programme** (Executive Master) provided by Mediolanum Corporate University & supported with a **scholarship**
- Once fully licensed, the 'BCs' work alongside their senior PB/WA with **extensive on-the-job training**, managing **day-to-day duties & operations** as well as **smaller customers**
- The 'BCs' **free up time for the senior PBs/WAs** to focus on larger customers & new business development
- As remuneration they receive a **percentage of the senior PBs/WAs commission**, with a 3-year minimum monthly compensation
- This project assures an **increase in productivity** in the Network, **organic growth** and **generational renewal**
- **199 'BCs'** are already **working with their senior PB/WA** as licensed FA
- **Target to reach more than 200 by the end of 2023**

Investment services featuring automatic gradual switch into equity funds allowing customers to take advantage of dollar-cost averaging

● **Big Chance (2001)**

- Capital is initially invested in money market fund
- A portion of the assets is switched twice monthly into equity funds, investing the entire amount over 3/12-month period

● **Double Chance (2008)**

- Capital is initially parked in a highly-remunerated deposit account
- Allows customer gradual entry into equity & fixed-income funds, investing the entire amount over 3/24-month period

● **Intelligent Investment Strategy (2016)**

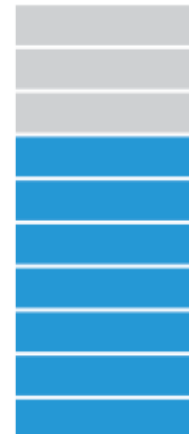
- Capital is initially invested in money market fund
- A portion of the assets is switched once or twice monthly into equity funds or U-L policy, investing the entire amount over 3/5-year period
- Instalment amount automatically increases if equity fund value drops. Capital gains on equity >10% are switched back into money market fund to be reinvested over time

● **Intelligent Accumulation Plan (2020)**

- Long-term instalment plan that shifts small amount of savings from current account to mutual funds monthly
- Allows customers to gradually enter BMED equity & fixed-income funds
- Instalment amount automatically doubled each month the fund unit price is 5% below the avg unit price of a customer

- A **long-term investment strategy**/service that allows the retail investor to **gradually enter the global financial markets** via Mediolanum investment products, while mitigating the effects of volatility & taking advantage of dollar-cost-averaging
- Capital is initially parked in a **highly-remunerated deposit account** (rates currently offered: up to 5% annual according to selected duration & asset class)
- Allows customer gradual investment into **equity or high-yield funds** over **3/24-month** period, automatically transferring the established amount 2 or 4 times a month
- Interests of the deposit account automatically credited to the customer's checking account

Double Chance
Deposit Account
(Adm Assets)



Instalment Plan Duration:
3 to 24 Months
2 or 4 Automatic
Transfers per Month

Equity Investment
Product of choice
(Mngd Assets)



- A **long-term investment strategy**/service (10+ yrs, € 30k+) that allows our customers to **gradually enter the equity markets** in order to take advantage of the overall growth of the world economy
- **Designed to remove emotional barriers** associated with equity investments by making rational choices at the beginning of the plan rather than during crises or volatile markets
- The amount invested is first put into a **money market fund**, and then **fully converted into** Mediolanum **equity funds** or **MyLife U-L wrap account** over **3-4-5 years**, through automatic transfers 1-2 times per month
- Thanks to the **Automatic Step-In/Step-Out** feature, when the **unit price of equity funds** has a **strong decrease*** the **transferred amount** is **multiplied accordingly**.
Vice versa, in case of an **extraordinary increase** (+10% or 20%), the **capital gains** are **shifted back into the money market** fund

* versus each customer's average purchase price

INTELLIGENT
INVESTMENT



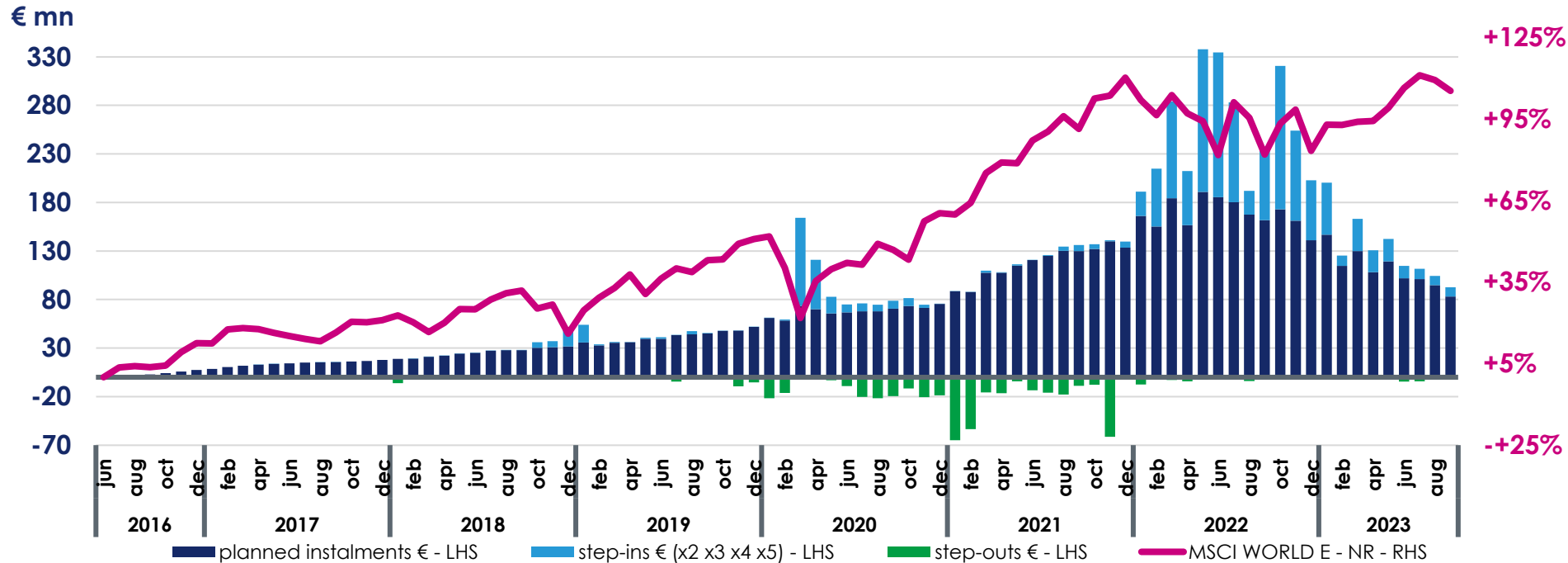
STRATEGY

Equity Fund Unit Price	Installment amount
5% to 10% decrease	X2
10% to 15% decrease	X3
15% to 20% decrease	X4
20% or more decrease	X5

'Market crises are buying opportunities': not just a slogan

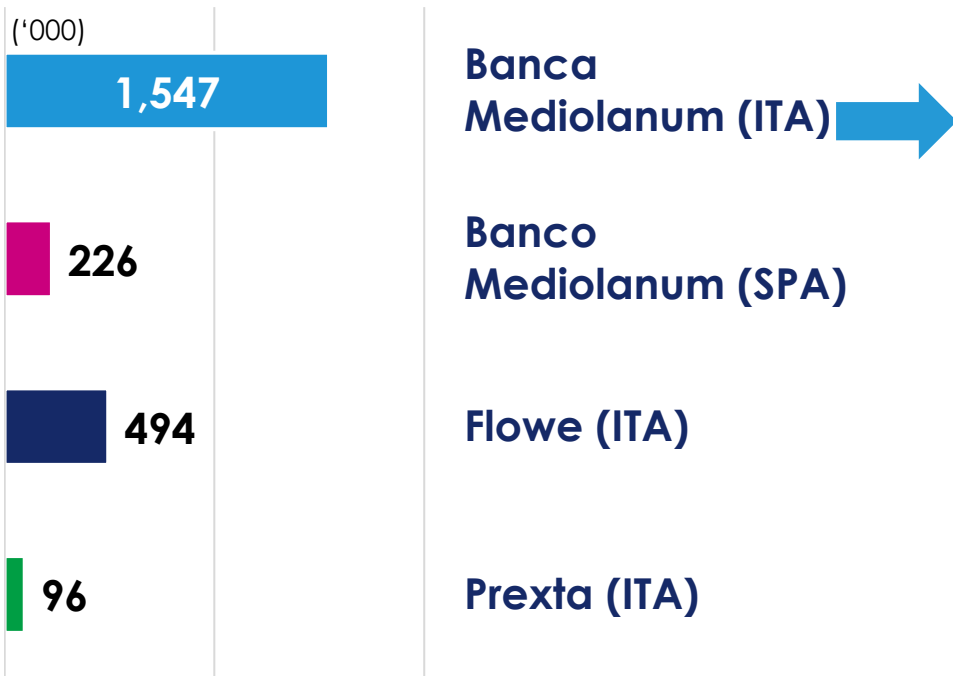
Step ins & step outs reduce avg unit price on investments, allowing **customers to benefit from market volatility**.

€ 3 bn of managed assets were **automatically invested in equity** through **planned instalments & step-ins in 2022**, supporting a strong increase in avg. recurring revenues. **€ 1.84 bn** more to be transferred from monetary funds over the next 3-5 years.



Total Bank Customers*

1,773k



Banca
Mediolanum (ITA)



Banco
Mediolanum (SPA)

Flowe (ITA)

Prexta (ITA)

End Goal:






to be the Customer's Primary Bank

1,235k hold a bank account

- **65%** use BMED as **Primary Bank**
(internal data analytics)
- **34%** use BMED as the **Only Bank**
(2022 survey)

* Banca Mediolanum + Banco Mediolanum Customers

Solid customer relationship is built on best-in-class service delivery
both human & digital

Overall Satisfaction	Perceived Value	Digital Platform	Financial Advisor Interaction
<p>Customer Satisfaction</p> <p>96%</p> <p>Market Avg: 89%</p>	<p>Comprehensiveness of Offer</p> <p>84.1</p> <p>Trad. Banks: 72.4 Online Banks: 79.5</p>	<p>Mobile App Satisfaction</p> <p>86%</p> <p>Market Avg: 66%</p>	<p>Overall Satisfaction</p> <p>90%</p> <p>Market Avg: 58%</p>
<p>Net Promoter Score</p> <p>61</p> <p> 1st Bank in Italy</p> <p>Trad. Banks: -2.6 Online Banks: 40.9</p>	<p>Value for Money</p> <p>76.4</p> <p>Trad. Banks: 63.9 Online Banks: 76.7</p>	<p>App Store Rating</p> <p> 4.8 </p> <p> 4.5 </p>	<p>Availability</p> <p>In 2022, Family Bankers had 8 contacts on average with their customers</p>
<p>Customer Retention</p> <p>96%</p>	<p>Focus on Sustainability</p> <p>84.1</p> <p>Trad. Banks: 66.5 Online Banks: 72.9</p>		

«BMED is committed to create stakeholder value through ethical & sustainable business practices, with the aim of having an ongoing positive impact on society»

- **Euronext MIB ESG Component / Bloomberg GEI Component**
- Signatory of **U.N. Principles for Responsible Banking**
- Signatory of **U.N. Global Compact** since 2021
- **Diversity in Board of Directors. Lead Independent Director**
- **Top Management LTI & STI** linked to sustainability
- **ESG Commission & GSS Bond Framework Commission**
- **Exclusion criteria** for green bond proceeds usage
(Fossil-Fuel energy, Nuclear energy, Gambling, Tobacco, Alcohol, Animal abuse, Weapons)
- **Flowe** certified **B-Corp & Carbon Neutral** company

	2022	2021
MSCI ESG Rating	AA	A
ESG S&P Global	52	52
CDP	C	B-
FTSE Russel	2.5	2.5
Vigeo Eiris	53	51
Standard Ethics	EE-	E+





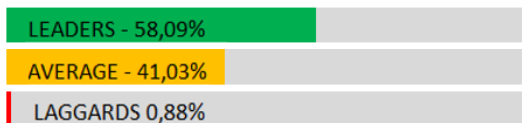
Economic System

- **Solid capital position** and safe approach to business
- **Simple balance sheet & resilient financial results** given the **well-diversified business model**
- Management team has a **proven track record in delivering** results, w/ **prudent conduct** that is **long-term oriented** & focused on **organic growth**
- **Credit quality** guaranteed by ultra-safe approach, since we lend to our own high-quality customer base made up of households



Customers

- Long-lasting **sustainability product offering**. 9M 2023 ESG Mutual funds (art. 8 & 9): **16% of AUM**
- **Green mortgages & loans** financed by the **Green bond** issued in Nov. 2022
- **99% of mutual fund AUM** with **ESG rating** by **MSCI ESG Research**:



- **Integration of sustainability criteria** in **product offer** (asset mgmt, banking, credit & general insurance) & **advisory process**
- Ad hoc **financial relief initiatives for customers in need** (natural disasters, financial distress)
- Data Protection and Privacy policies to safeguard cust. data. Processes to optimise the mgmt of potential data breaches



Community & Environment

- Use of **Green bond proceeds** to finance **green buildings**
- **Climate risk metrics** included in the **Risk Appetite Framework** of the Bank
- Monitoring of **GHG emissions**¹:

Scope 1: **2,266** tCO₂e

Scope 2: **2,799** tCO₂e

Scope 3: **4,039,197** tCO₂e **93.4% Customer AUM – 6.4% Credit Book – 0.2% Treasury Assets**

- **Mediolanum Foundation & Relief loans** in collaboration with anti-usury foundations
- **Tri-generation plants** allow the **self-generation of electricity and energy** used in heating and cooling



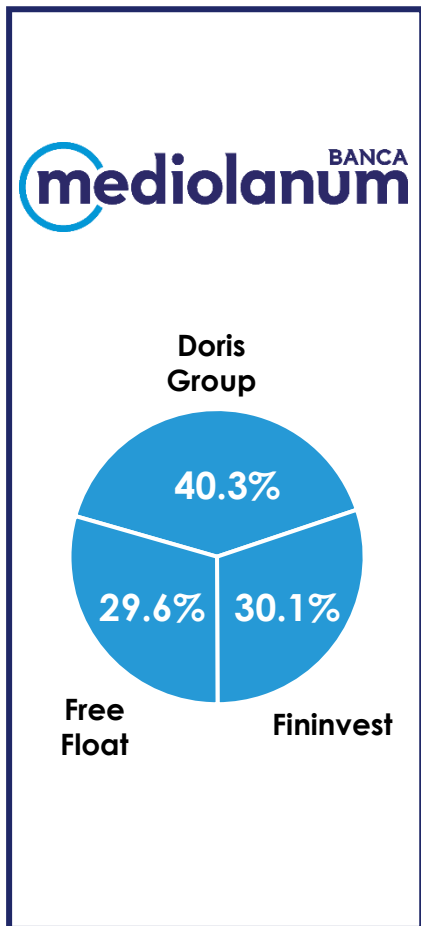
Employees & Family Bankers

- In 2022 each **Employees** received **over 34 hours of training** on avg., **Family Bankers 114 hours** each
- **Over 300 Family Bankers** have **EPPA ESG Advisor certification**. In every region creation of the **Mediolanum Value Manager** to convey **BMED sustainability-related values**

1. Calculation methodologies follow "Partnership for Carbon Accounting Financials Standard" (PCAF) & "ABI - Italian Banking Association guidelines on the GRI Standards application for environmental topics"



Mediolanum Facts



BANKING

100%



Banco
Mediolanum

Mediolanum
Fiduciaria

ASSET MANAGEMENT

100%

(direct & indirect ownership)

Mediolanum
Gestione Fondi

100% Banca Mediolanum



Mediolanum
International
Funds

95% Banca Mediolanum
5% Banco Mediolanum

Mediolanum
Gestio S.A.

100% Banco Mediolanum

INSURANCE

100%

Mediolanum Vita



Mediolanum
International Life

Mediolanum
Assicurazioni

OTHER

100%

Flowe

Prexta

Mediolanum
Comunicazione

3.3% (directly & through Mediolanum Vita)

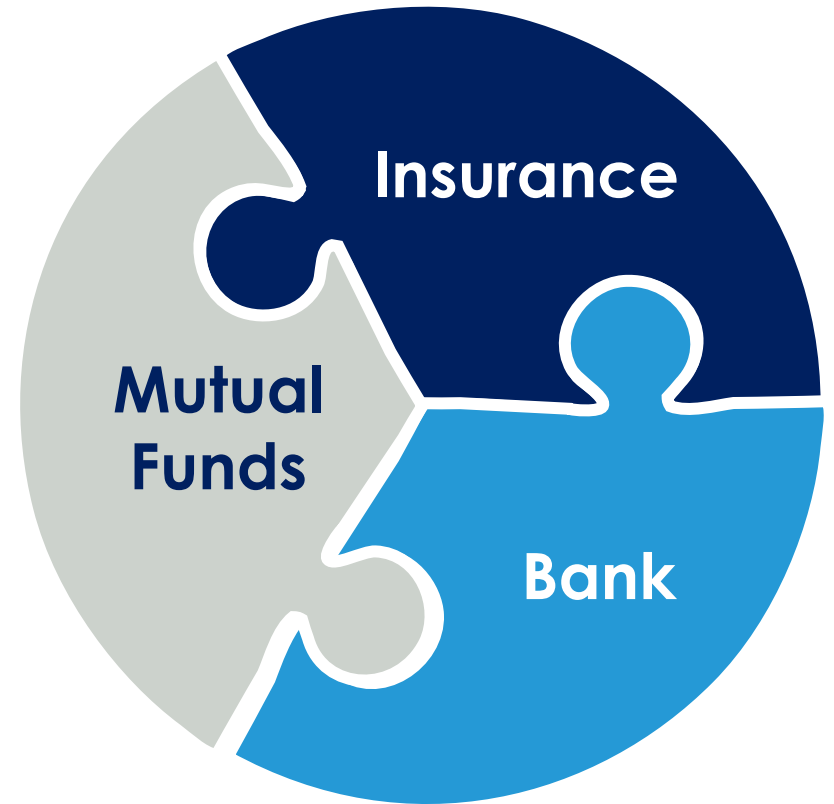
Mediobanca

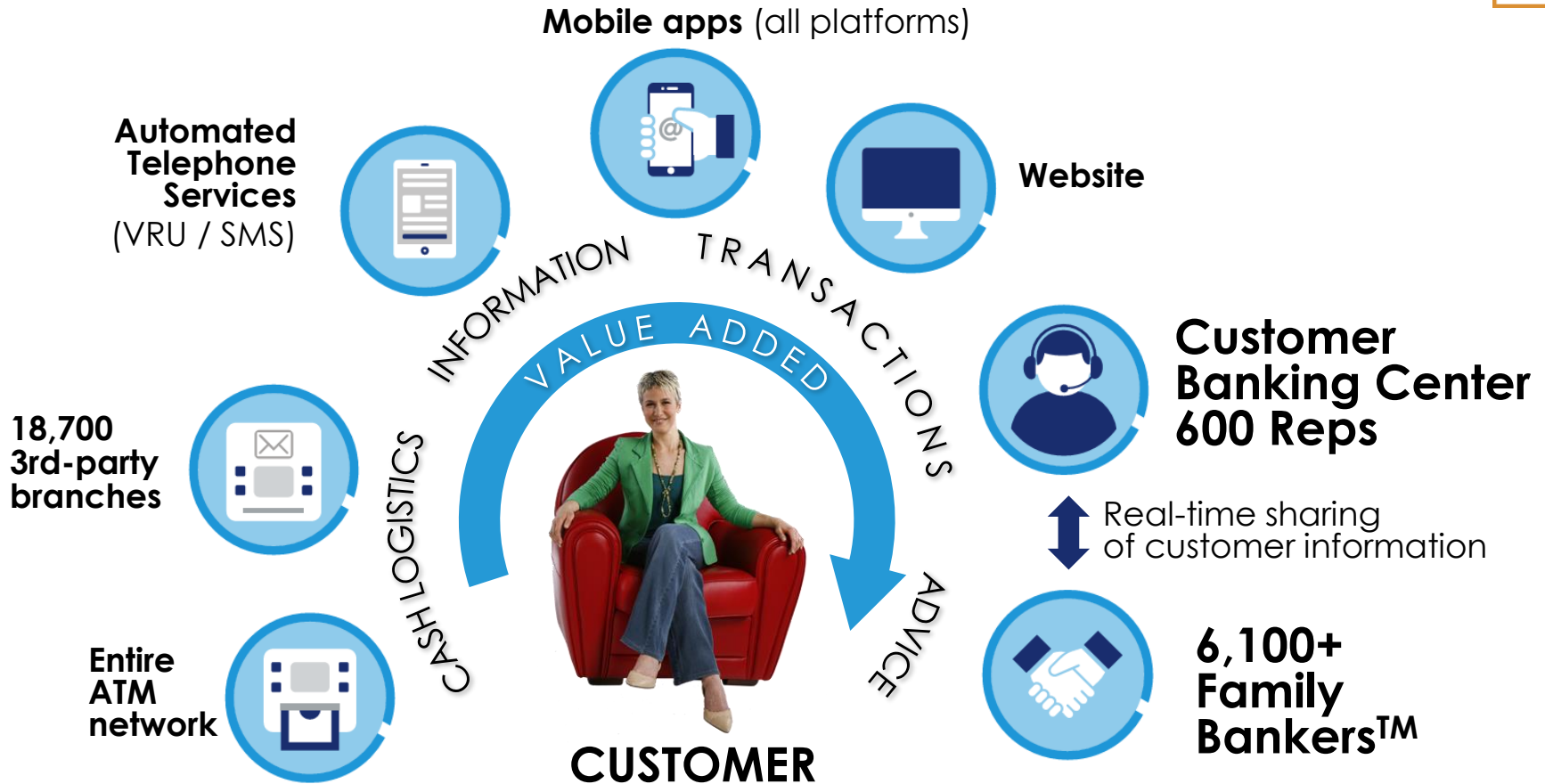


All companies
Italy-based unless
otherwise indicated



- We and our Family Bankers view the company as a single entity, providing solutions that best fit the needs of the customer, whether it be in the form of a mutual fund, an insurance policy or a bank product
- The Bank (est. 1997) has a special role as the place where customer savings are naturally built
- It is also where service quality is more readily appreciated & compared
- Therefore, it represents the mandatory point of entry for all new customers





- Self-employed tied agents with entrepreneurial approach
- Extensively trained to tackle every household financial need
- Share Mediolanum's view that banking services are an effective acquisition & retention tool
- Compensated even for operations performed by customers through direct channels
- Willing to provide advice anytime, anywhere
- Equally competent across all product lines
- Unlike the typical FA, offer assistance also with everyday banking needs
- Synergy, not competition, between human and direct channels

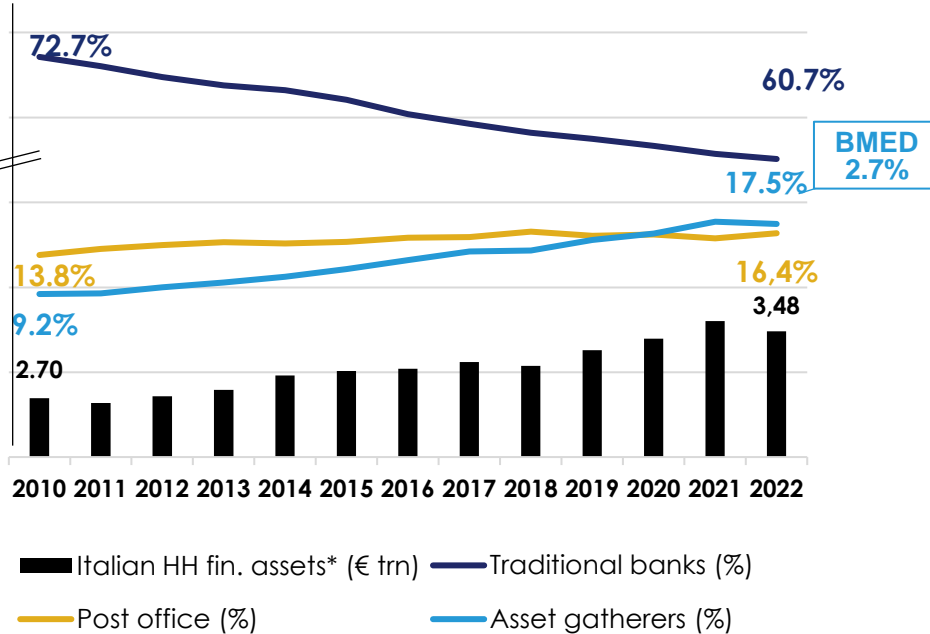


Customers: freedom in banking

Top-quality and valuable direct banking services associated with a human relationship

Over the last few years asset gatherers have increased market share to the detriment of traditional banks

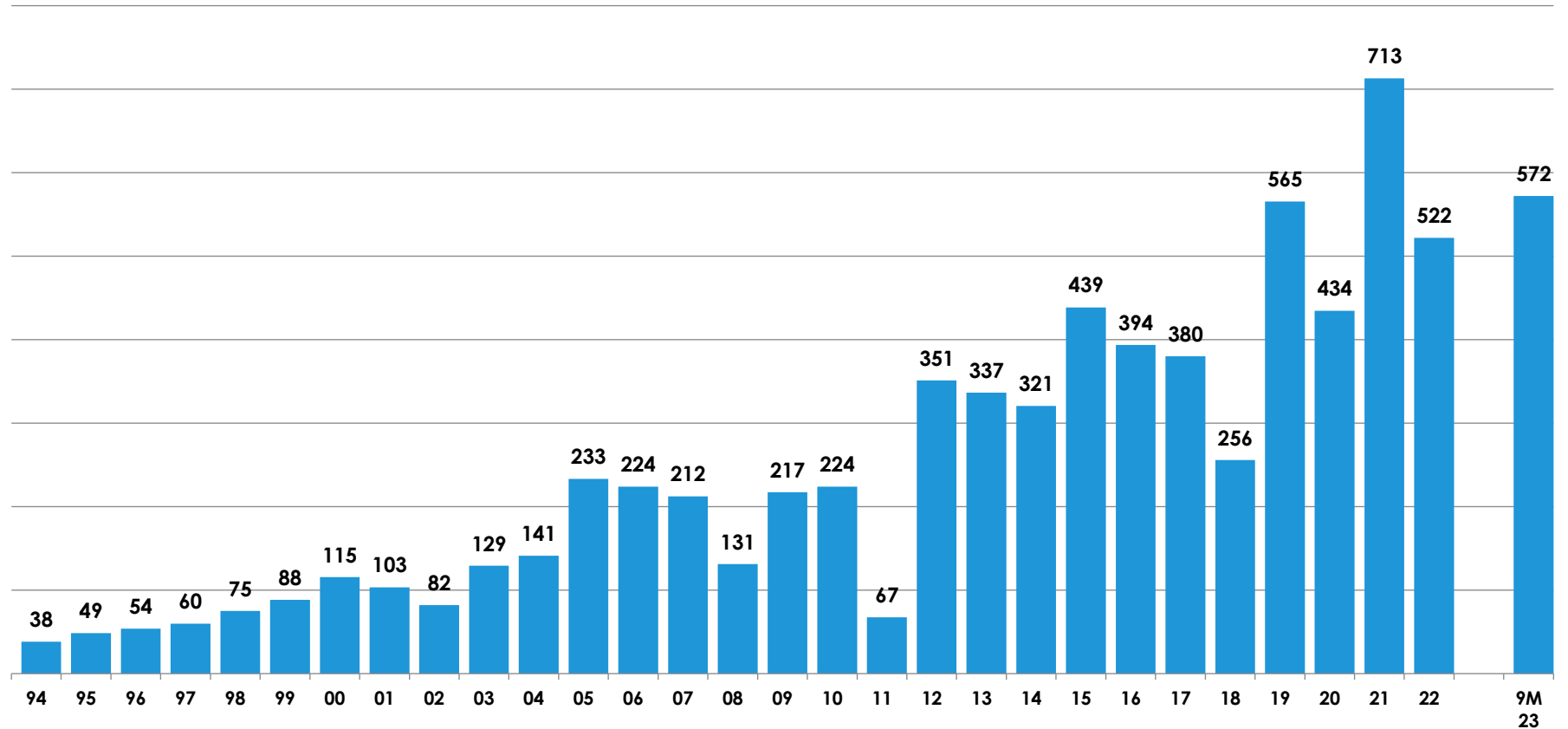
Total HH Assets: € 5.14 trillion



Asset gatherers growing mainly thanks to:

- Demand for **specialised advice**
- **Products & services tailored** on customer needs
- Better **product performance**
- **Recruiting** of traditional bank professionals

(*) Includes deposits, administered & managed assets. Does not include real estate, shares of unlisted companies, TFR (end-of-service pay) & cash, as these assets are a non-addressable market for financial institutions. Total wealth of Italian households – all items included - is equal to € 5.14 trn in 2022.



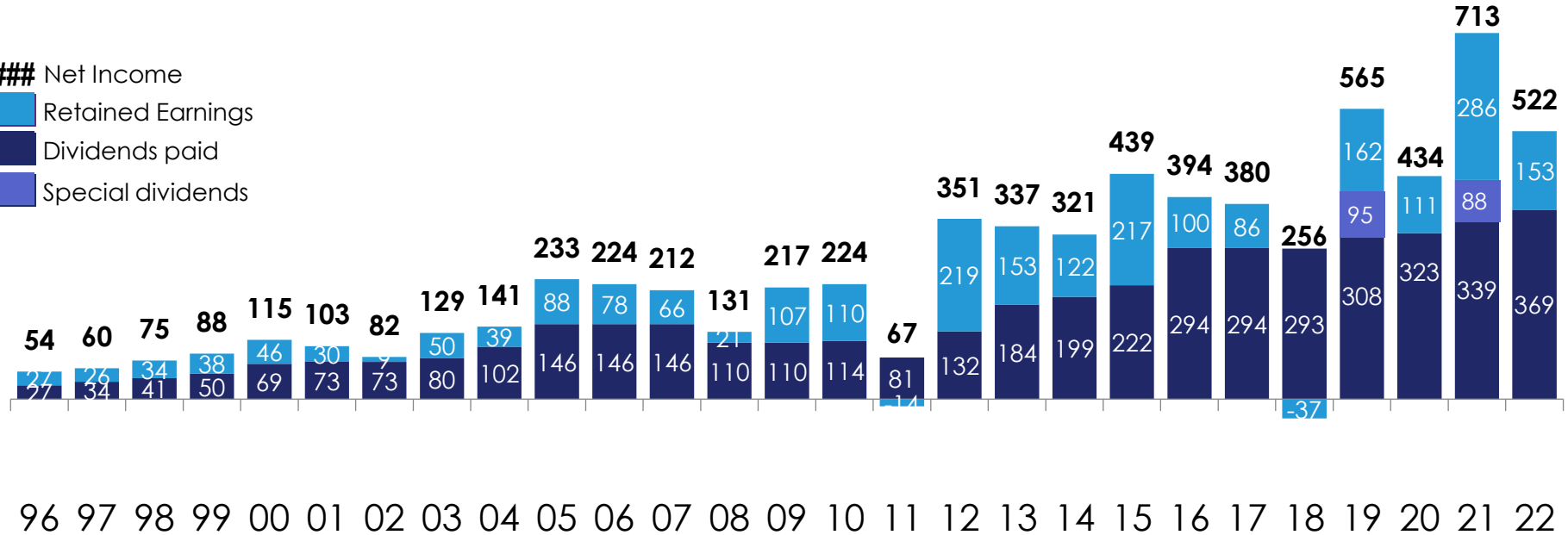
2008 & 2010: adjusted net income excluding effects of 'Lehman Brothers' operation

Net Income

Retained Earnings

Dividends paid

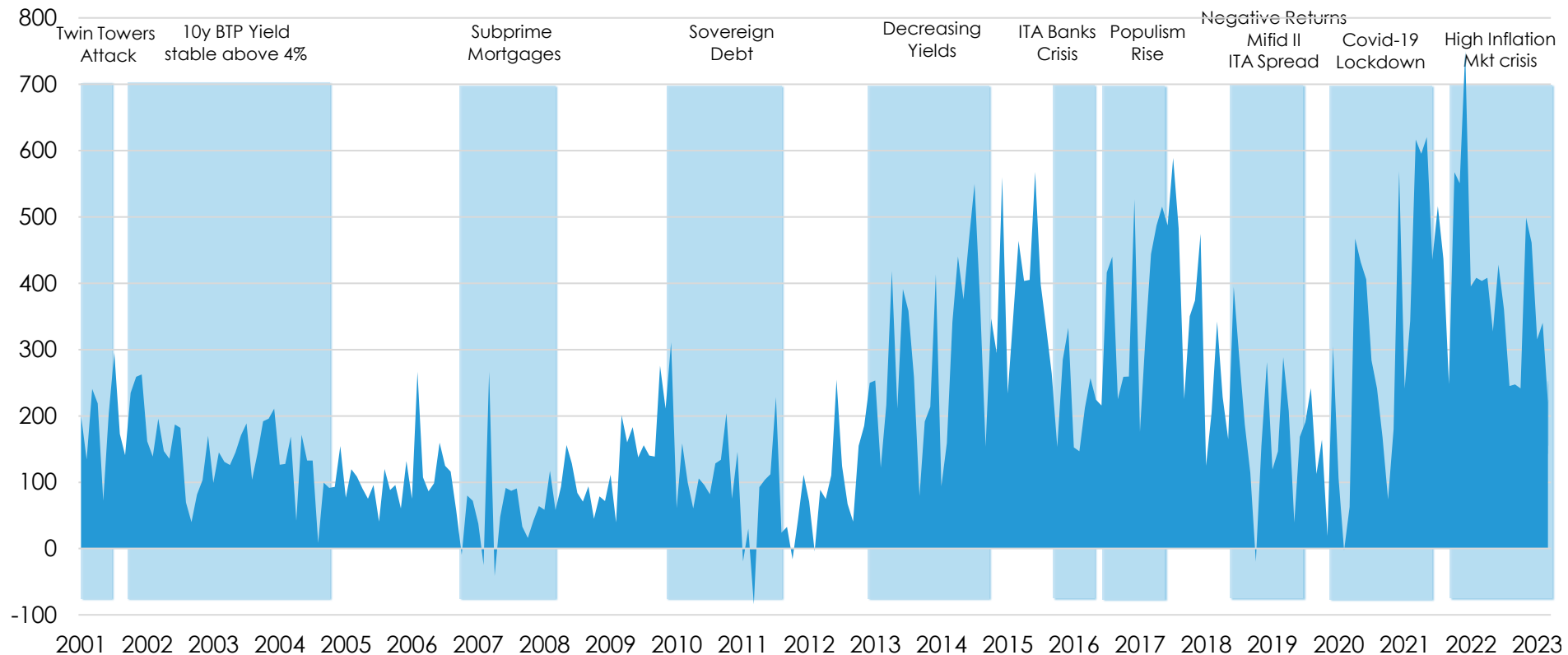
Special dividends

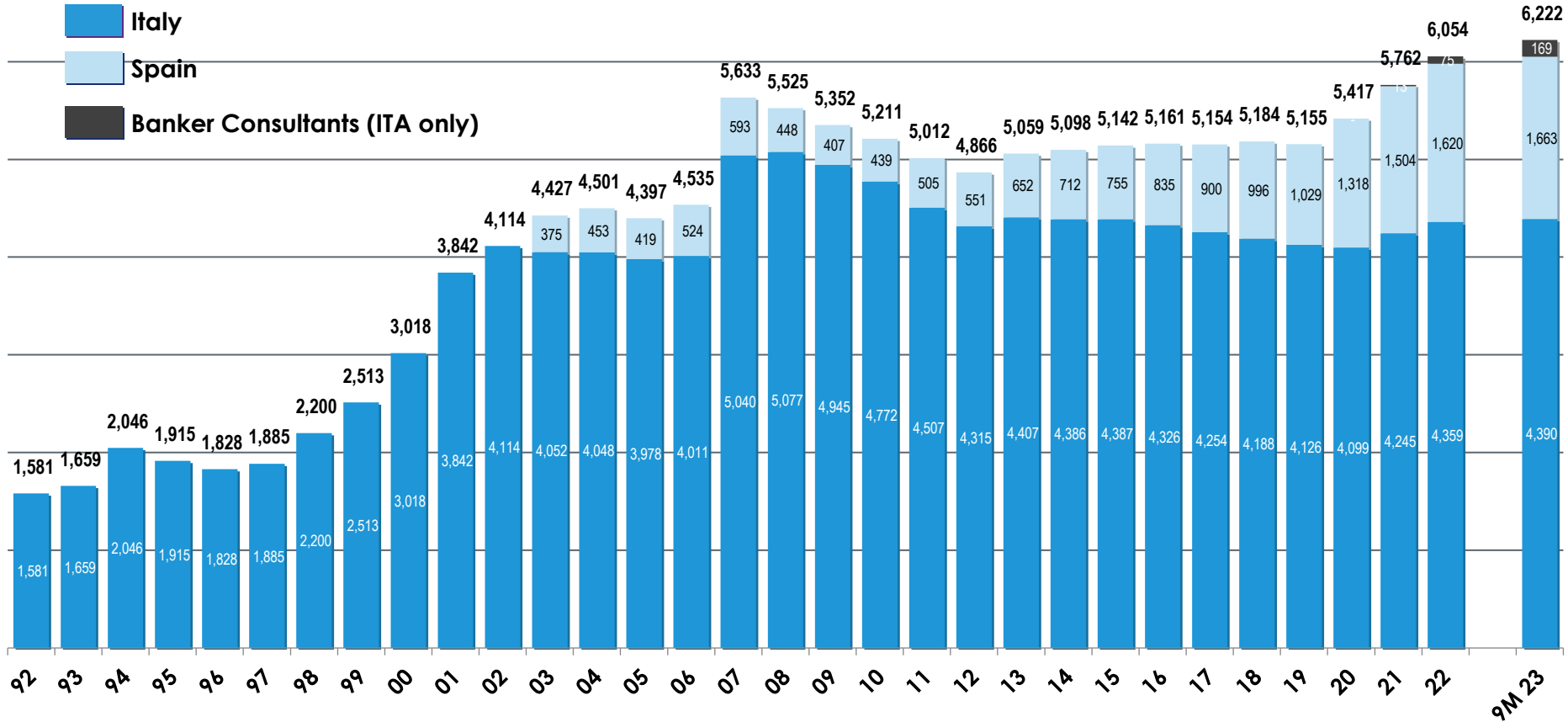


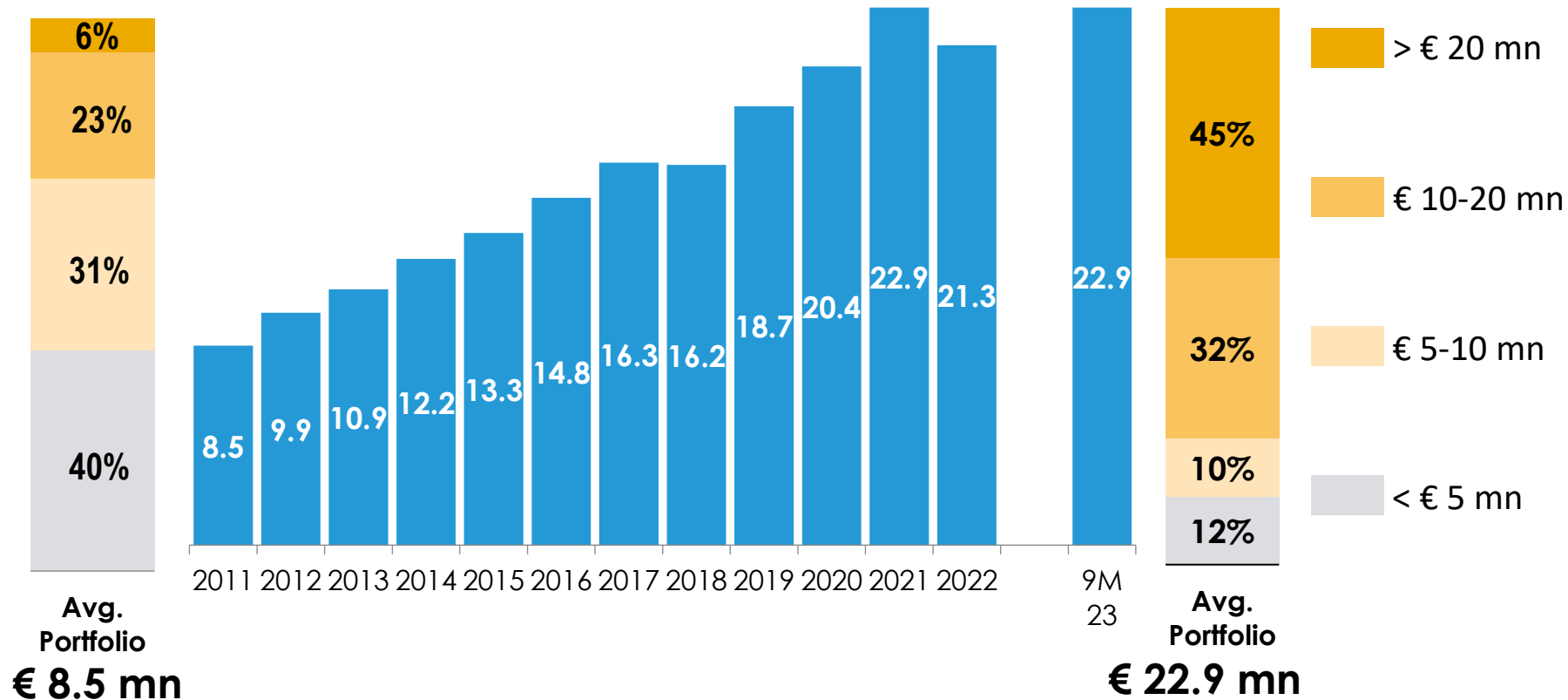
DPS (€ cents)

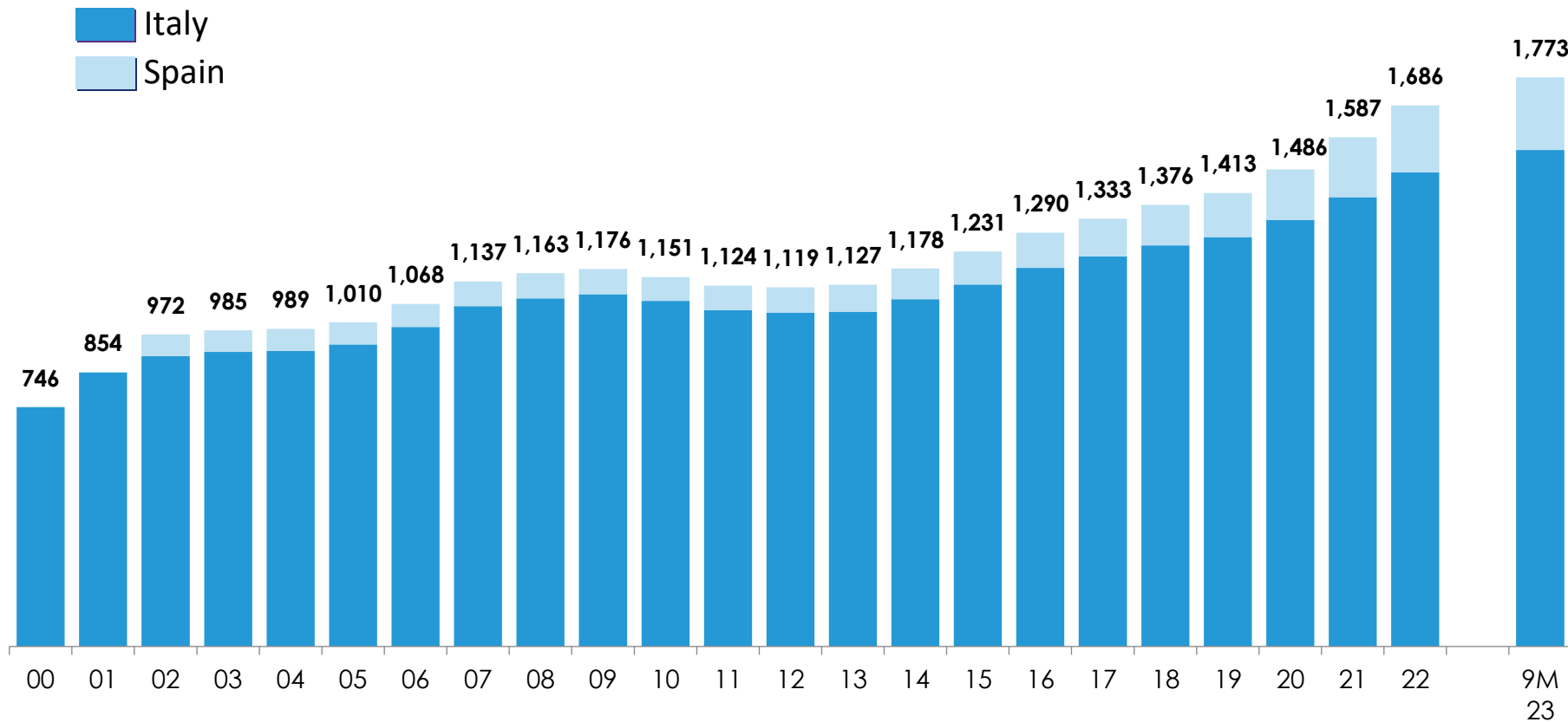


2019 dividend balance & 2020 dividend paid in Oct. 2021 due to Covid-19 ECB ban

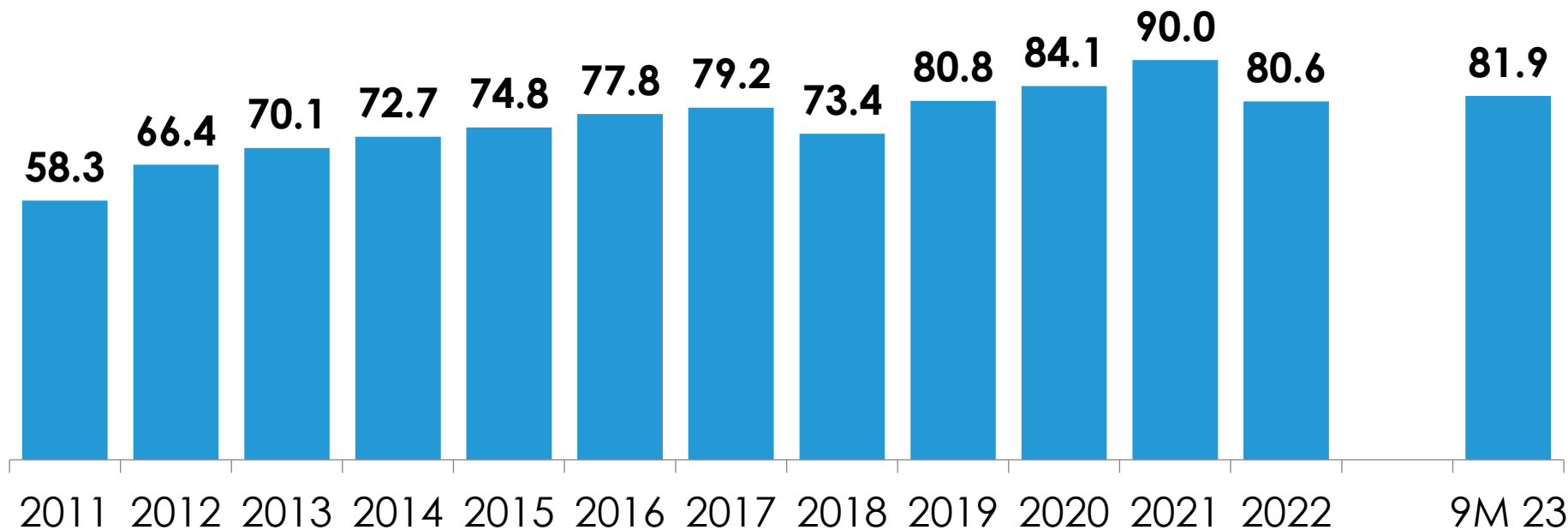


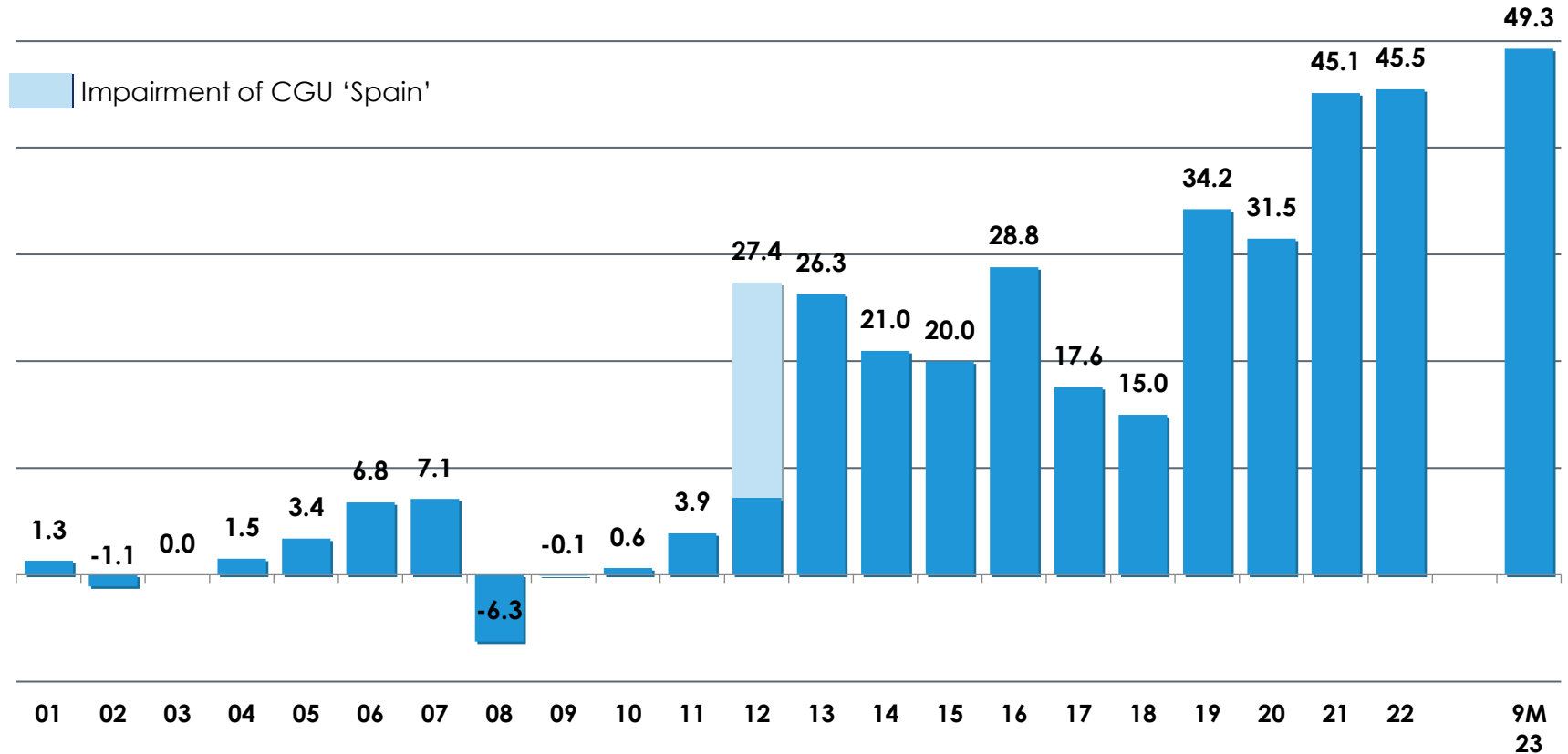






Primary Bank Account Holders

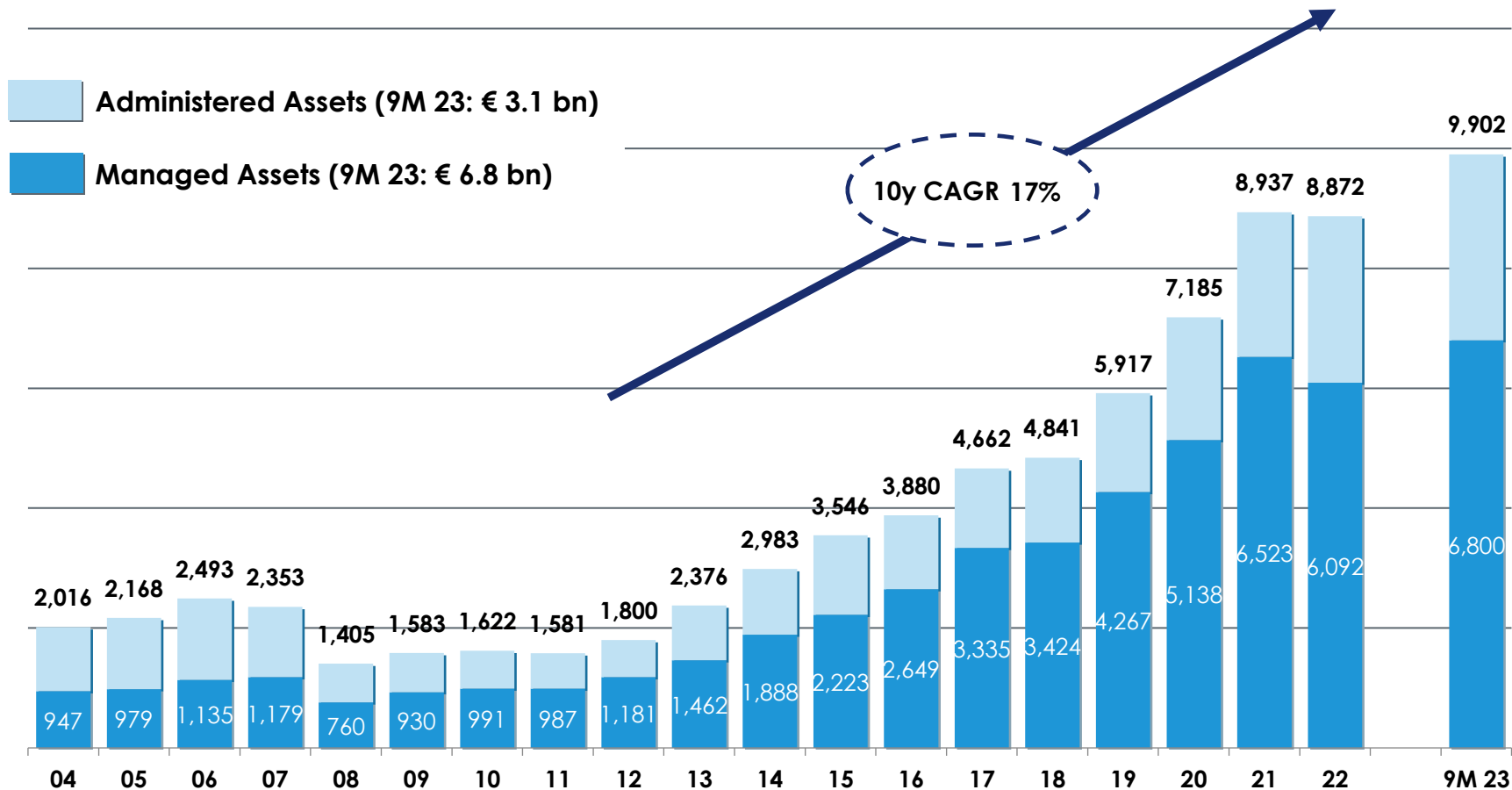




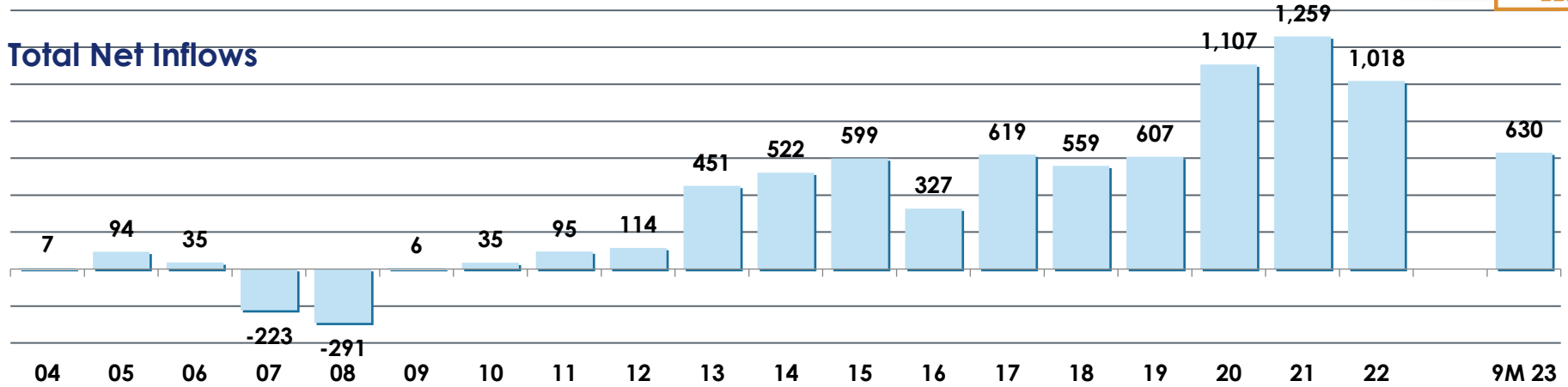
63 Spain - Assets under Administration

€ mn

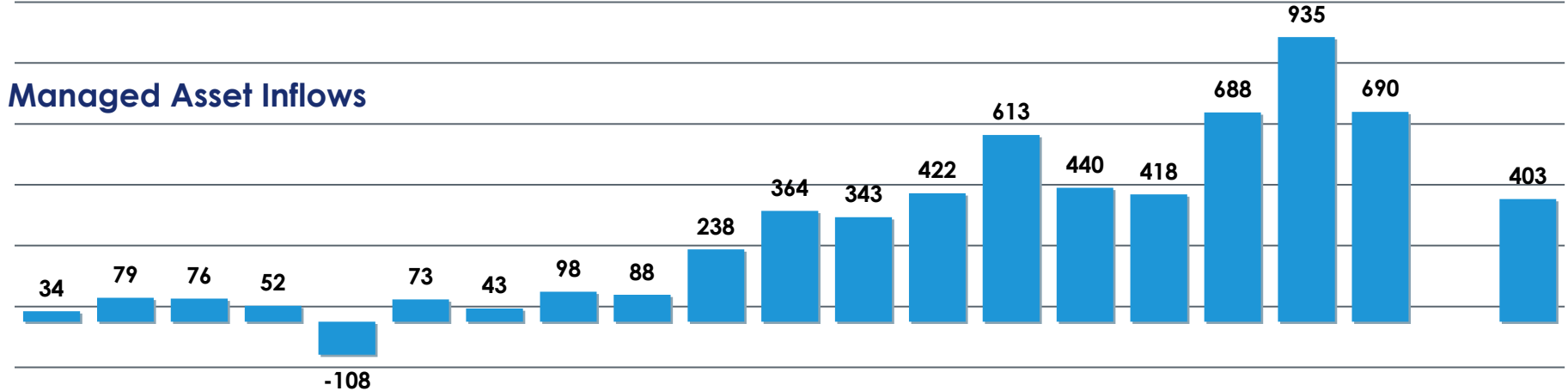
Mediolan

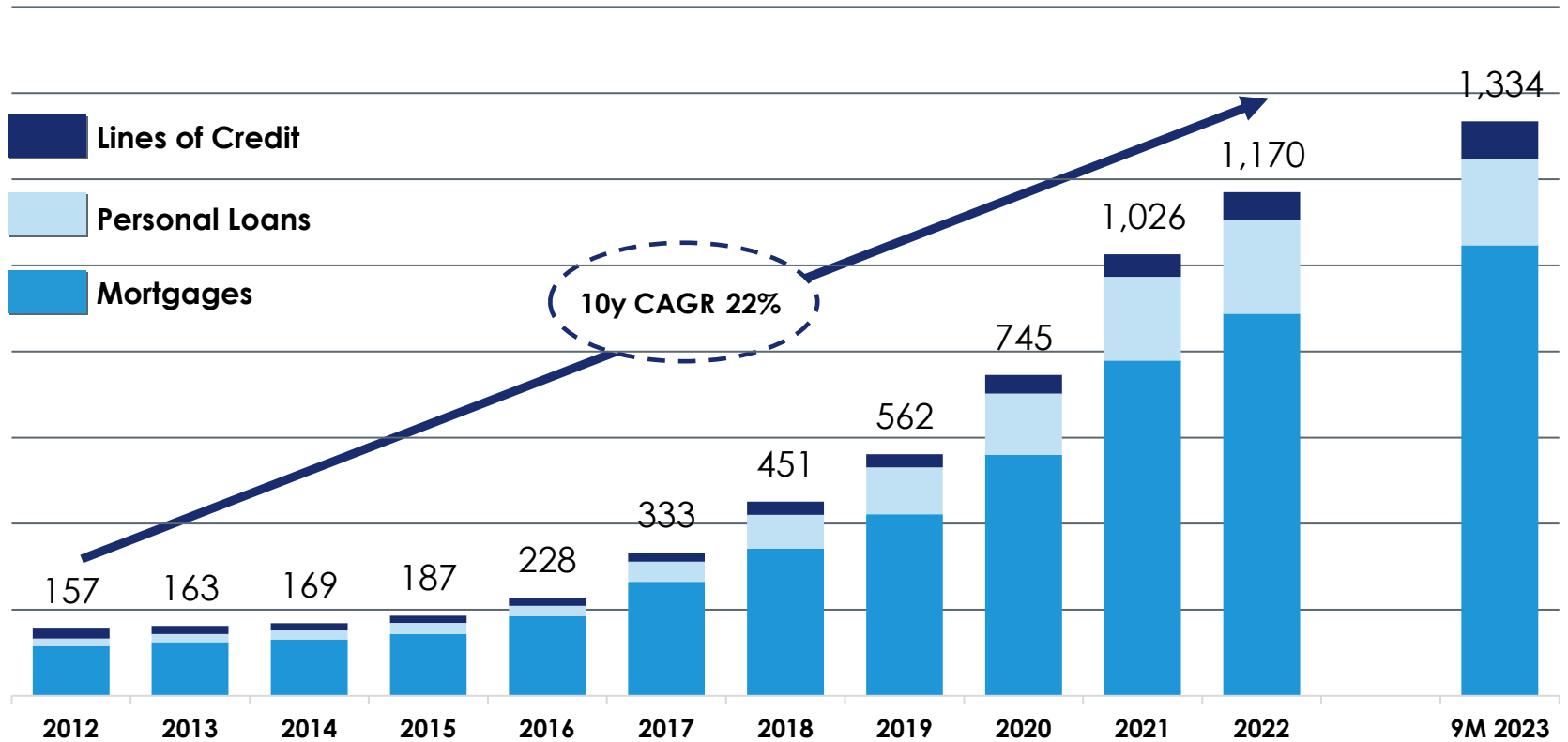


Total Net Inflows

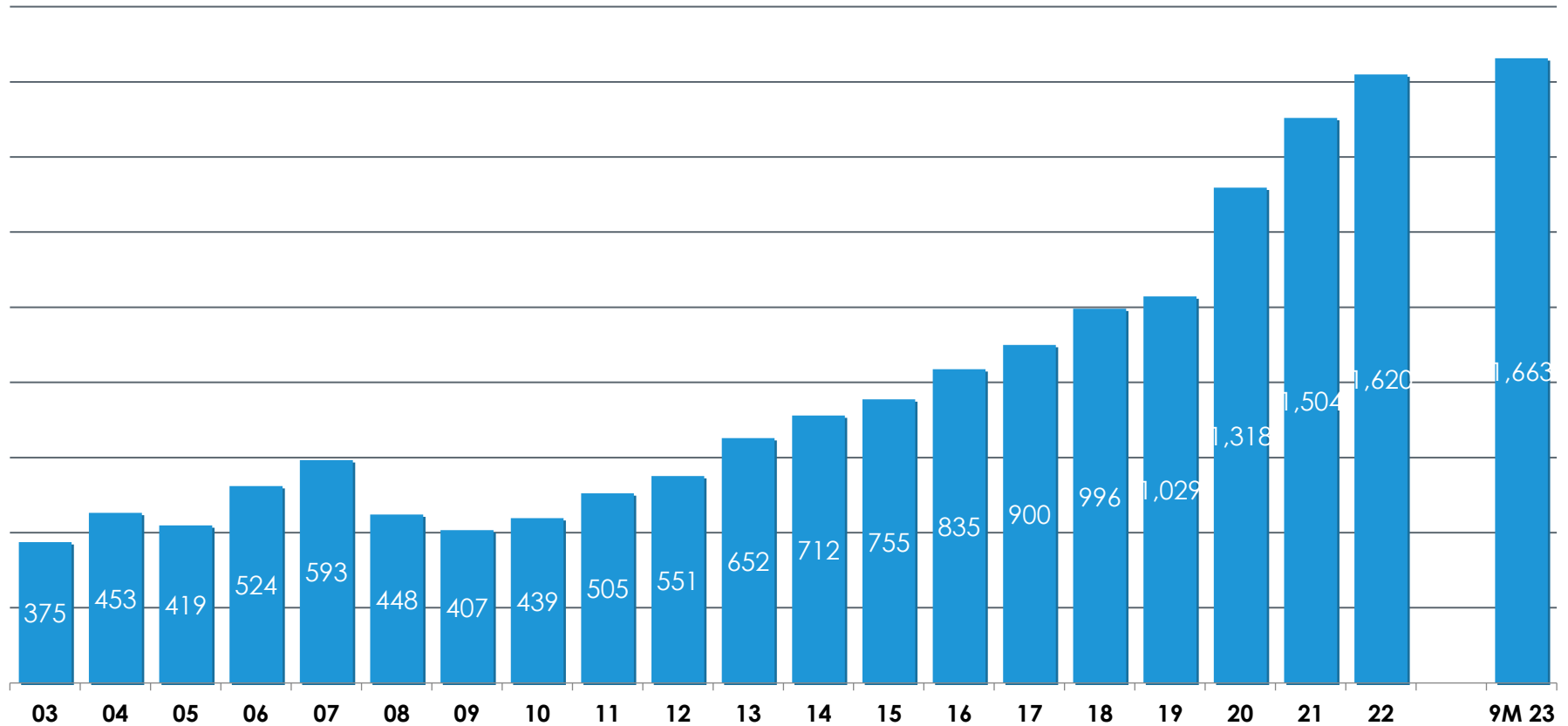


Managed Asset Inflows





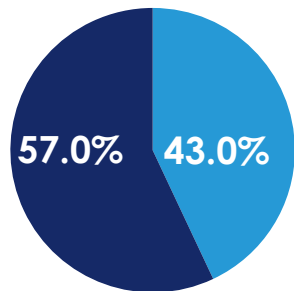
66 Spain – Family Banker Network



Banking Book: € 18.2 bn (nom. values)

Rate Type

- Fixed
- Floating

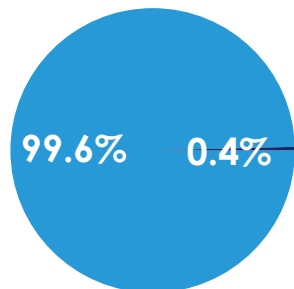


€ 10 bn of floaters directly linked to EUR6M and benefiting from rate increase

Sector	%
Government	99.6%
Financial	0.4%
Govies	
Italy	85.1%
Spain	11.0%
Other EU Countries	3.9%

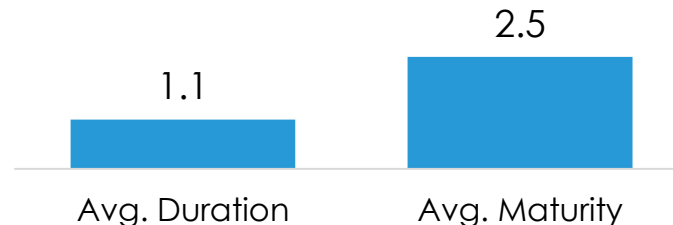
Portfolio

- HTC
- HTCS



No sensitivity to ITA spread as the entire book is measured at amortised cost

Portfolio



Prudent & very flexible approach thanks to short duration & very low risk appetite

Our investment strategy explains the consistency of our inflows & transfers 'technical performance' into 'customer performance'

- We advise our customers proposing products & services that correspond to each of their **specific needs**
- Investor needs remain fundamentally the same, they are **not influenced by market crises**
- We do not engage in stock-picking, tactical asset allocation decisions, or market-timing
- We recommend a series of **diversification criteria**, the most important being **time horizon** (5D Strategy)
- **Equity** investments are only considered for the **long term** (>10 yrs) and are diversified across the **global economy** to further reduce risk
- We strongly advise investors who have a long-term outlook to view **market crises as buying opportunities**

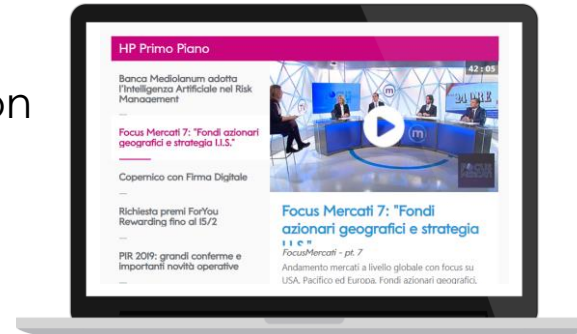
- Inaugurated March 2009
- Centralises our training know-how, in coordination with top universities, professors and individuals who are experts in the field
- Provides our Family Bankers & employees with a resource for life-long education
- Develops financial education programs dedicated to our customers & the community



A proprietary state-of-the-art tool established in 1989

Online programs to train, motivate & communicate with our Family Bankers

- Financial news commented by top company executives
- Company news & product information
- Online training course support
- Inspirational thoughts for personal motivation & sales techniques



**Daily specials dedicated to crisis-related topics
were added to the ongoing programming
in 2008, 2009, 2011, 2020 & 2022**

- **7 nation-wide in-person events**, streamed live to over **500,000 viewers** in 2022
- Over **2,000 digital/in-person events** organised by Family Bankers: over **110,000 attendees**

Results are measurable:

- Net inflows into managed assets of invited customers in the 3 months post-events
- Expenses are reimbursed to Family Bankers only if set commercial target is met
- Average commercial value of media coverage is also regularly tracked



INTESA  SANPAOLO 69%

 UniCredit 55%

 **mediolanum** ^{BANCA} 51%

Banco**Posta** 27%

 **MONTE
DEI PASCHI
DI SIENA**
BANCA DAL 1472 25%

ING  DIRECT 23%

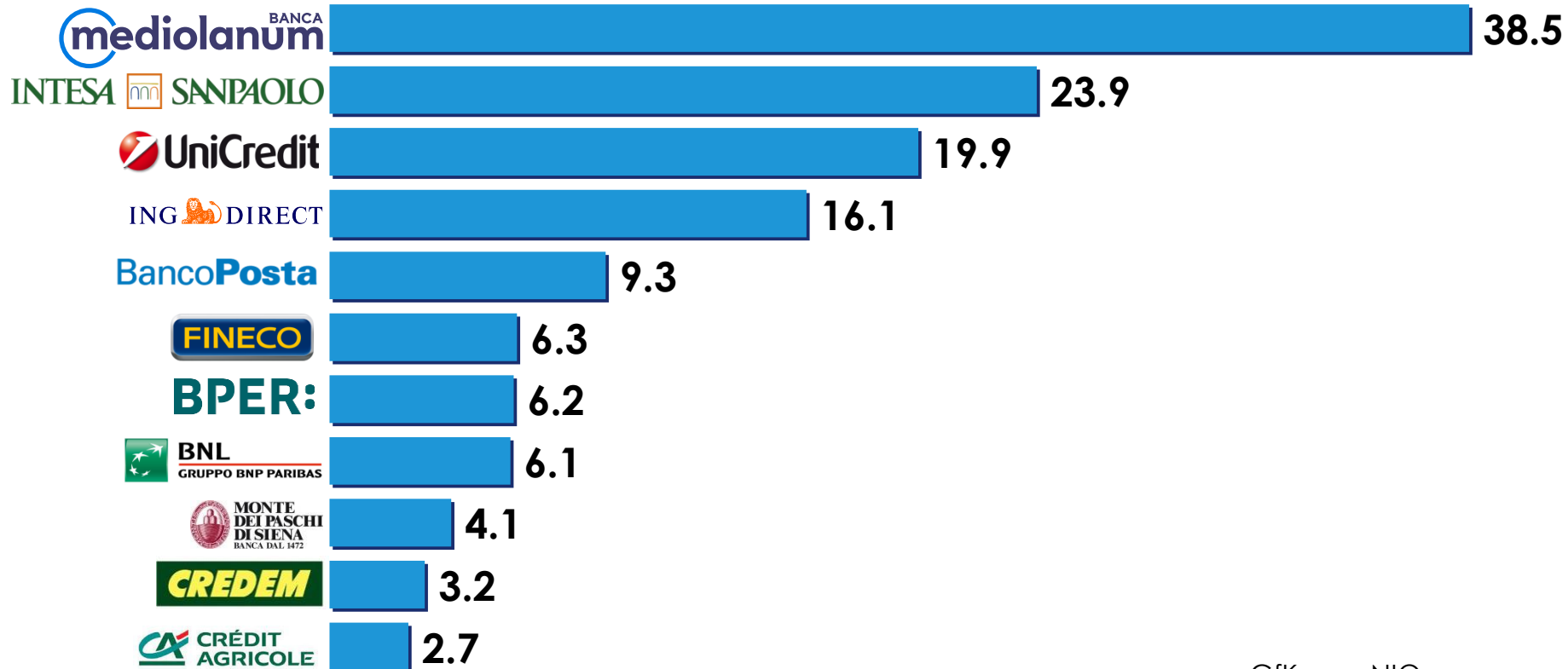
 **BNL**
GRUPPO BNP PARIBAS 21%

BPER: 17%
Banca

 **BCC**
CREDITO COOPERATIVO 14%

 **CRÉDIT
AGRICOLE** 12%

Spontaneous recall of advertisement – Italian banks – 9M 2023



A totally digital Bank account addressing the needs of 'digital young adults'

- For those who require a full-service account, but **aren't in the market for advice** like the typical BMED customer
- Not only an account but a **comprehensive offer of banking services**
- **Credit, managed assets & general insurance products** available
- Able to be managed on a 'do-it-yourself' basis, **'à la carte'**
- **Over 110,000 Selfy customers** as at Sept. 30, 2023
- **Cross-selling activity growing** according to expectations

MEDIOLANUM È COME VUOI TU

Massimo Doris
Amministratore Delegato
Banca Mediolanum

Fai tutto in completa autonomia
Apri SelfyConto

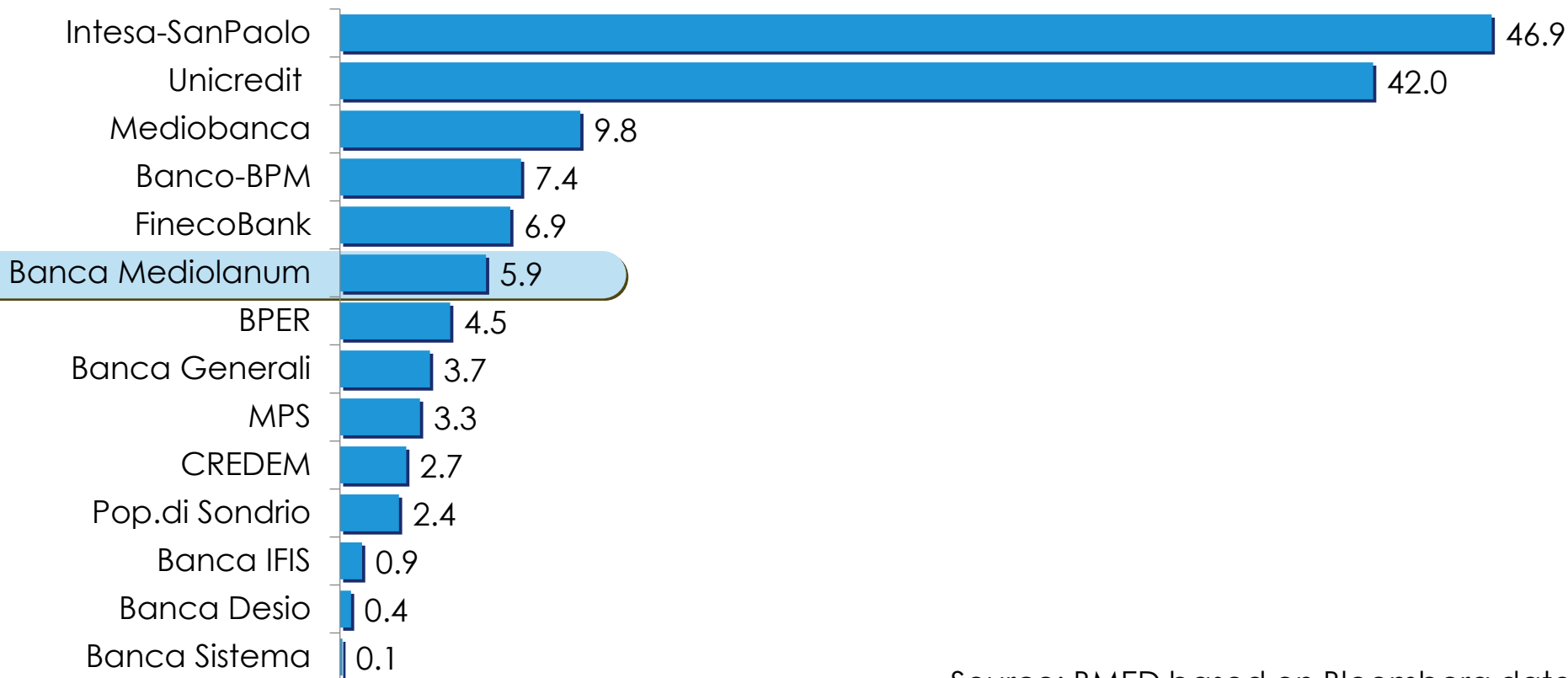
Affidati a un esperto
Contatta un Family Banker

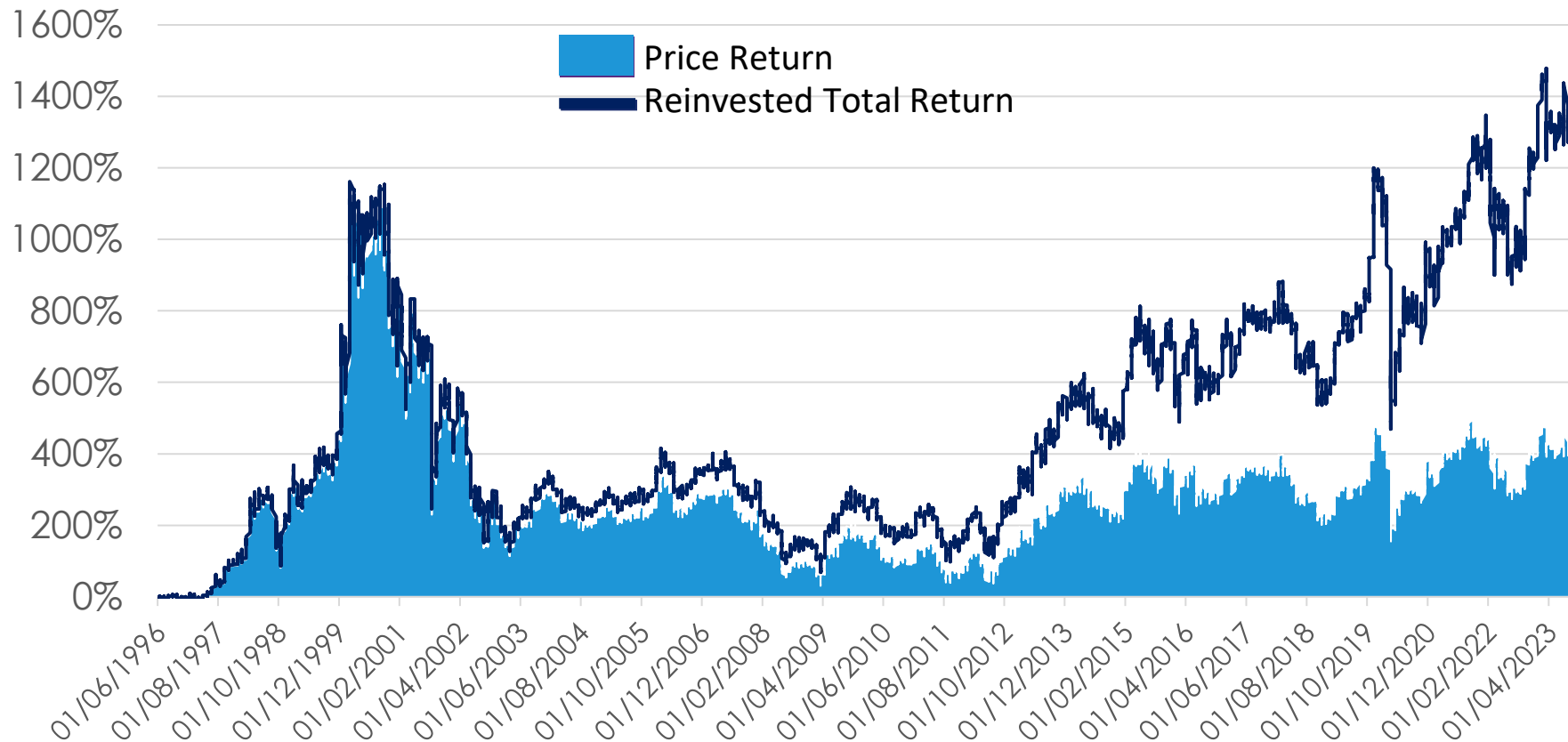
UN'OFFERTA COMPLETA DI PRODOTTI E SERVIZI

- Principali Operazioni Bancarie gratuite
- Prelievi gratuiti in Area Euro
- Canone zero fino a 30 anni di età
- Prestiti
- Canone zero il primo anno
- Carta di debito gratuita
- Pagamenti digitali istantanei
- Trading
- Un consulente a tua disposizione
- Una pianificazione finanziaria a 360°
- Un Banking Center per supportarti nell'operatività

selfy

BANCA mediolanum





* Total Return Index includes dividend reinvestments, June 3, 1996 – Sep. 29, 2023

Source: Datastream



Appendix - Transition to IFRS 17

Very limited impact across the board

Capital management

- **Solvency & Capital adequacy** of the Group **not impacted**
- **Dividends not impacted**
- **Return on Equity not impacted**

Balance sheet

- **Shareholders' equity stable** at transition
- **9M Contractual Service Margin: € 2.1 bn**

Income statement

- No impact on **earnings quality & growth trajectory**
- Minor impact on some P&L line items (see Appendix slides)
- Less volatility than under IFRS 4: Net Insurance Result is mainly driven by CSM unwinding & less from new business
- **Operating margin & Net income differ negligibly** from pre-IFRS 17 figures

Asset Management & Insurance Profitability

- **Total earnings over lifetime of impacted insurance products remain the same**, they are just **recognized in a different way & timing**
- Management fees down at transition **merely because a part are now deferred to CSM & gradually unwound through the P&L** in the Net Insurance Result line item.
- As a result, **avg. recurring fees** are lower but **overall AUM profitability is not affected**
- **No change in business strategy** (products we offer) nor in **operations** (how we run the business)

	Q1 2022 restated	Q1 2022 reported	Q2 2022 restated	Q2 2022 reported	Q3 2022 restated	Q3 2022 reported
Entry fees	13.5	13.5	10.6	10.6	8.7	8.7
Management fees	260.5	322.6	253.9	314.5	256.2	320.2
Investment Management fees	49.3	49.3	48.3	48.3	49.8	49.8
Net insurance result	36.8	14.9	46.7	20.6	42.1	16.6
Banking service fees	48.9	48.9	35.3	35.3	29.1	29.1
Other fees	11.1	11.0	10.5	10.6	11.4	11.4
Gross Commission Income	420.2	460.2	405.4	440.0	397.2	435.8
Acquisition costs	(144.1)	(172.6)	(135.0)	(166.9)	(127.8)	(160.1)
Other commission expenses	(26.1)	(26.1)	(21.7)	(21.7)	(26.8)	(26.3)
Net Commission Income	250.0	261.6	248.7	251.4	242.6	249.4
Net interest income	71.9	70.4	95.6	93.4	90.2	89.2
Net income on other investments	(0.8)	(0.2)	(0.8)	(0.5)	1.1	0.5
LLP (Impairment on loans)	(3.2)	(3.2)	(4.6)	(4.6)	(3.3)	(3.3)
Other revenues & expenses	(0.7)	2.0	0.9	3.0	(0.5)	1.7
Contribution Margin	317.3	330.6	339.8	342.5	330.1	337.5
G&A expenses	(145.2)	(154.6)	(152.5)	(165.5)	(135.7)	(146.7)
Regular Contributions to Banking Industry	(8.1)	(8.1)	(2.2)	(2.2)	(15.0)	(15.0)
Depreciation & Amortization	(10.2)	(10.2)	(10.1)	(10.1)	(10.2)	(10.2)
Provisions for risk & charges	(14.2)	(15.6)	0.2	0.6	1.0	1.5
Operating Margin	139.5	142.0	175.2	165.4	170.4	167.1
Market effects	2.2	2.0	(11.7)	(11.2)	8.4	8.6
- o/w Performance fees	5.9	5.9	0.7	0.7	0.9	0.9
- o/w Net income on investments at fair value	(3.8)	(4.0)	(12.3)	(11.9)	7.6	7.7
Extraordinary items	(0.4)	(0.4)	0	0.0	(6.0)	(6.0)
PROFIT BEFORE TAX	141.3	143.6	163.6	154.3	172.8	169.7
Income tax	(28.9)	(29.3)	(34.8)	(30.7)	(36.8)	(36.0)
NET INCOME	112.4	114.3	128.7	123.6	136.0	133.7

Management fees

Stand-alone mutual funds & financial insurance policies (i.e. My lffe): management fees unimpacted

Other U-L policies: 40% of mgmt. fees unimpacted. Fee rebate to the insurance company from underlying mutual funds (60%) & wrap fees are now deferred to CSM and unwound over time through Net insurance result line item

Net insurance result

Now includes CSM unwinding + Experience adjustments (change in expected vs. actual cash flows) + some Life insurance loadings (only on policies out of scope)

Acquisition

Network payout related to in-scope products now deferred to CSM & unwound over time through Net insurance result line item

G&A

Insurance operating expenses related to in-scope products now deferred to CSM & unwound over time through Net insurance result line item

Mechanical improvement of cost/income ratio

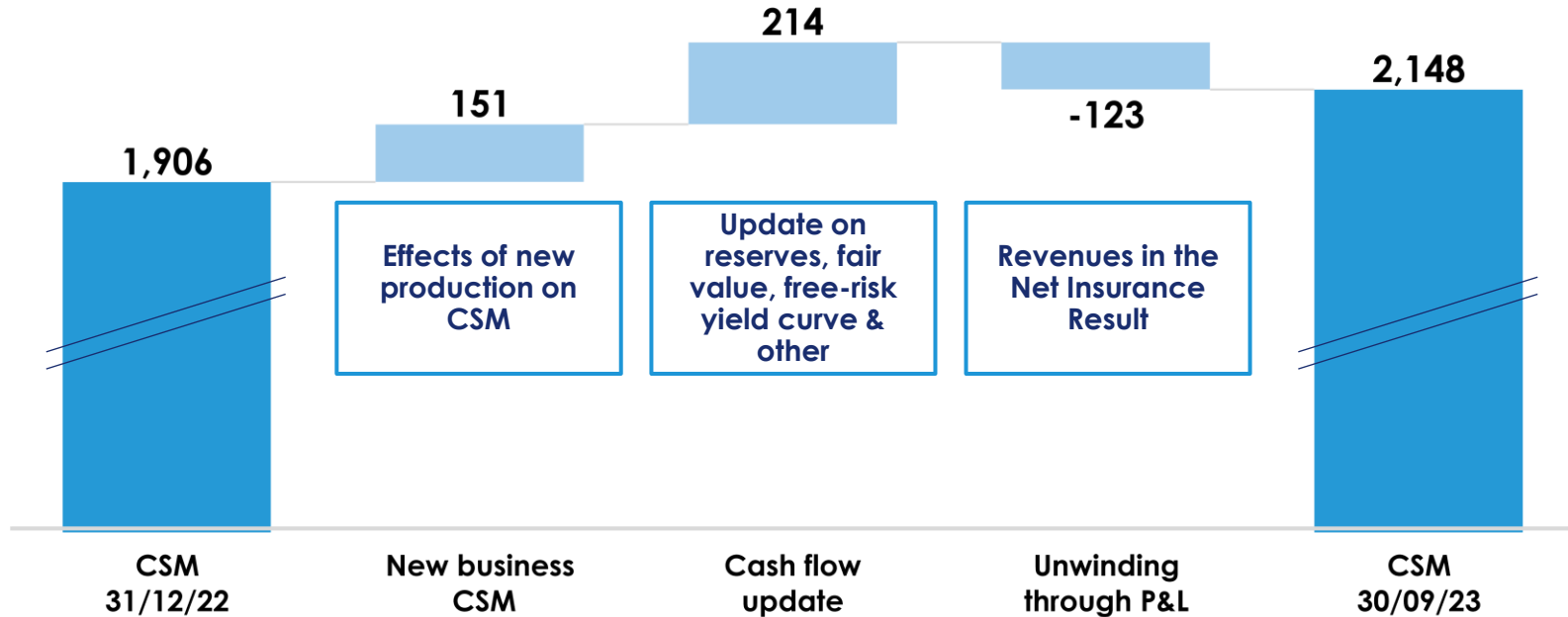
Only 28 % of AUM impacted by IFRS 17

Insurance products considered financial investment are excluded (i.e. 'My Life')

		30/09/2023
Group Asset under Management¹		76,102
Mutual Funds & Managed Accounts	No impact	40,904
Unit-Linked Policies	o/w No impact (Financial)	14,197
	o/w Variable Fee Approach	18,908
Other Life Insurance Products	o/w Variable Fee Approach	1,959
	o/w General Measurement Model	135
Other Technical Reserves (not included in AUM)	General Measurement Model	204

CSM is the new key metric showing size and stability of revenues ready to be recognised in future years

Greater visibility on future earnings from insurance business



This document has been prepared by Banca Mediolanum S.p.A. for the sole purpose of providing information and presenting the Group's strategies.

The information, opinions, valuations and forecasts it contains have not been audited by any independent body; they may be altered at any time without notice.

No guarantee, express or implicit, is given by Banca Mediolanum S.p.A. or by any of the Mediolanum Group companies as to the reliability, completeness or accuracy of the information or opinions in the present document.

Publication, communication to others, and reproduction of all or any of this document's contents are forbidden, except with the express written consent of Banca Mediolanum S.p.A.

Neither Banca Mediolanum S.p.A., nor the companies belonging to the Mediolanum Group, nor their representatives, managers or employees accept liability for any losses directly or indirectly resulting in any manner whatsoever from use of the present document or of information in any way attributable thereto.

Forecasts in this document has been prepared with the greatest care, but is nevertheless based on assumptions which could prove wrong because of risk factors outside the control of Banca Mediolanum S.p.A. and the Mediolanum Group companies. There is no guarantee that present forecasts will match future performance.

This document is not a recommendation to invest in any financial instrument, nor an invitation to subscribe or purchase shares, nor is any part thereof intended to serve as a basis or reference source for any contract or undertaking whatsoever on the part of Banca Mediolanum S.p.A. or any of the companies belonging to the Mediolanum Group.

Receipt of this document implies acceptance of its limitations as described above.

DECLARATION BY THE SENIOR MANAGER IN CHARGE OF DRAWING UP COMPANY ACCOUNTS

The undersigned, Mr. Angelo Lietti, declares, pursuant to Section 154 bis (2) of Legislative Decree 58/98 "*Testo Unico della Finanza*", that the accounting data set out in this presentation agree with the documentary records, books and accounting entries.

The senior manager in charge of drawing up Company Accounts

Angelo Lietti

Figures contained in this document are rounded for presentation purposes.

● **Alessandra Lanzone**
+39-02-9049.2039
alessandra.lanzone@mediolanum.it

● **Lisa Maxon**
+39-02-9049.2997
lisa.maxon@mediolanum.it

● **Luca Pugliese**
+39-02-9049.2721
luca.pugliese@mediolanum.it

Banca Mediolanum
S.p.A.

Via Francesco Sforza 15
20080 Basiglio MI – Italy

<http://www.bancamediolanum.it>