Group Remuneration Policy and Report

28 October 2024

MEDIOBANCA

Content

Preamble

In the twelve months under review, the governing bodies of Mediobanca have continued to pay close attention to the Bank's staff remuneration and incentivization policies.

This report – which is published on Mediobanca's website, in both English and Italian – incorporates all the changes to the regulations, and meets the disclosure requirements set forth in the Consob Regulations and the Bank of Italy's Supervisory Instructions.

It is divided into two sections:

A) The Mediobanca Group Remuneration Policy for the 2024-25 financial year, as approved by the Board of Directors at a meeting held on 19 September 2024. This section includes the policy adopted in cases where a beneficiary leaves office or their employment with the Group comes to an end, approved most recently by shareholders at the Annual General Meeting held on 28 October 2022, and not required to be approved again as it is unchanged compared to last year;

B) The Mediobanca Group Remuneration Report for the 2023-24 financial year, in application of the Group Remuneration Policy, including tables providing quantitative data (analytical and aggregated).

SECTION 1

Mediobanca Group Remuneration and Incentivization Policy FY 2024-25

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1 Introduction

A) Scenario and general aspects

UPDATES

Compared to the previous version, the new Mediobanca Group Remuneration Policy:

- Expands and updates the list of operators included in the peer group used by Mediobanca as part of its ongoing efforts to compare itself with best market practice; and contains further explanation of: i) the underlying reasons for the selection and exclusion of potential comparable players, with reference in particular to the samples suggested by the proxy advisors; and ii) disclosure of the Group's positioning relative to the compensation paid by the sample of peers selected;
- Introduces new quantitative rules for the gateways triggering the payment of variable remuneration, consistent with the revised version of the Risk Appetite Framework, and strengthening the alignment between risks, the Bank's performance, and the remuneration and incentivization systems;
- Provides details on the new structure of the scorecard and incentivization curve adopted for the CEO and Group General Manager, into which, while a predominant weighting of 85% for financial KPIs has been maintained, non-financial/qualitative KPIs have been integrated directly, including evidence of pre-established drivers, consistent with the Group's strategy and having regard to market practice;
- Increases the stock ownership requirement for the CEO and Group General Manager to three times (vs two times) and two times (vs one time) their fixed salaries, as per best market practice;
- Alters the additional qualitative criteria for Financial Advisors to be included within the scope of Identified Staff, with the indicator now set at 7.5% of the TFAs attributable to the individual FA, compared with 10% previously, making the criteria for FAs to be defined as Identified Staff more prudential;
- Goes once again into considerable detail, in the second section, in terms of the quantitative and qualitative information provided regarding the Group's positioning with reference to the Gender Pay Gap and Equal Pay Gap;
- Enhances the disclosure provided in order to ensure increasing transparency and clarity of exposure.

In line with the past, the Policy:

- Highlights the links between remuneration policy, corporate sustainability and ESG objectives;
- Is aligned with the applicable regulations;
- Enables the areas of the Bank and Group which create value, including in corporate social responsibility terms, to be suitably rewarded based on objective performance criteria;

- Allows the Group to attract and retain professionals with the appropriate skills for its needs;
- Is aligned with the policies adopted by other leading Italian and international operators.

A cap on variable remuneration continues to be adopted, set at 200% of fixed remuneration, with the exception of beneficiaries working for companies subject to other sector regulations (such as asset management or investment companies), for whom different limits are set.

B) Relations with shareholders and engagement activities

Mediobanca, through the Group Strategy team, has a tried and tested process with institutional investors, proxy advisors and ESG rating companies, in place for some years now, to foster the exchange of transparent and constructive feedback and opinions on all issues subject to approval by shareholders in Annual General Meeting, including the Group Remuneration Policy. Such dialogue enables the Bank to receive useful guidance on the remuneration approach adopted by it, to ensure it is aligned with best practice at international level and with all stakeholders' expectations. The results of the AGM voting and discussions with investors and proxy advisors are analysed specifically and at regular intervals by the Remunerations Committee.

Among the observations taken on board, the following should be noted: i) in the financial year under review, the peer group and the stock ownership requirement have been revised, and non-financial KPIs have been integrated into the scorecards of the CEO and the Group General Manager through preset assessment criteria; ii) the new structure of the 2023-26 LTI Plan, already included in the Group Remuneration Policy for FY 2023-24, relative to the Strategic Plan time horizon, reflecting the increased weight of long-term performance in the pay mix for the Mediobanca CEO and Group General Manager, and the higher number of beneficiaries, and the introduction of a new Employee Share Ownership Scheme, with a view to increasing Group staff involvement.

At the Annual General Meeting held on 28 October 2023, 75.8% of the company's share capital took part in the voting for the remuneration items on the agenda.

The two leading proxy advisors (ISS and Glass Lewis) said they were in favour of all the remuneration issues included in the agenda.

Some 57.8% of the shareholders at the AGM voted in favour of the Mediobanca Group Remuneration Policy for FY 2023-24 (compared with 64% for the FY 2022-23 Policy). The reduction in the favourable vote was due to the following factors: i) shareholder Delfin, which owned 19.74% of the share capital as at the date of the meeting, abstained from voting (as indeed it had at the AGM held in October 2022; ii) shareholder Caltagirone, who owned 9.98% as at the same date, and had not attended the previous AGM, voting against the proposal. By contrast, virtually all institutional investors and retail investors voted in favour of the Group Remuneration Policy, with 97% voting in favour (compared with 94% at the previous AGM).

The Performance Share Scheme, the LTI Plan 2023-26 and the ESOP Plan 2023-26 were all approved with approx. 85% voting in favour, with the support of Delfin, Caltagirone voting against, and virtually all institutional and retail shareholders voting in favour.

The Policy in the event of beneficiaries leaving office or whose employment arrangement is terminated in force was approved by shareholders at the AGM held on 28 October 2022 with 99.6% voting in favour.

2. Transparency and sustainability principles

Growth and sustainability are distinctive features of the Mediobanca Group, and play an integral and fundamental role in defining its strategies. The Group's remuneration and incentivization policy also seeks to generate sustainable value over the long term: responsible, equal pay and transparent remuneration mechanisms increase and protect reputation, credibility and consensus over time, forming the basis for developing business with the objective of creating and protecting value for all stakeholders.

As required by Article 5 of Regulation (EU) 2019/2088 (the "SFDR"), sustainability risks (defined as "environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investment"), are integrated into the Mediobanca Group Remuneration Policy through the adoption of compensation mechanisms with constituents that enable the adverse effects deriving from ESG factors to be reduced, and promote long-term behaviours instead:

- Pre-established governance mechanisms involving various different bodies, organizational units and parties, to guarantee that the processes followed are structured, controlled, and verifiable *ex post*;
- An overall remuneration package that reflects a balanced pay mix between fixed and variable components according to company role, which does not encourage or promote risky behaviour or conduct that is unduly geared to achieving short-term results, and completed by a series of corporate welfare solutions intended to meet the needs and improve the well-being of staff members and their families;
- An ongoing commitment to offering a fair level of remuneration (equal pay), reflecting the competences, abilities and professional experience of each staff member, ensuring that the principle of equal opportunities is applied, with the objective of pursuing equal pay without discrimination in terms of age, gender, sexual orientation, married status, religion, language, ethnic or national origins, physical or mental disabilities, pregnancy or parenthood (including parents of adopted children), personal convictions, political opinions, or trade union affiliation or activities;
- A short- and long-term incentive structure based on risk-adjusted indicators and aligned to the Risk Appetite Framework (RAF), with a view to achieving business continuity and sustainable results over the long term that combines balanced growth with the conviction that ethics and profit do not necessarily have to be in opposition to one another;
- Relevant space being dedicated to the achievement of environmental, social and governance (ESG) objectives, as part of the performance evaluation process used in connection with the remuneration policy;
- A correlation between the incentivization system and the principles set out in the Group policies on sustainability issues and the ESG objectives included in the Strategic Plan; ESG criteria being integrated

into the models used for lending, investing and advisory services, as set out in the Group ESG Policy; and the inclusion of sustainability issues in the Group's short- and long-term business and financial strategies;

- Limits or cap on variable remuneration;
- Ongoing attention to the remuneration of all Group staff, with the adoption of robust governance processes and continuous benchmarking relative to the market, and ensuring internal equity and the absence of internal pay disparities between the different company organizational levels;
- Ongoing monitoring of the staff remuneration package's positioning relative to the reference market, including with the assistance of specialist consultants, and close scrutiny of the gender pay gap in order to identify any corrective measures that are necessary;
- Clear and transparent evaluation of individual performances, based on merit and in accordance with the principle of equal opportunities, seeking to valorize talent and to promote the professional and personal growth of all Group collaborators;
- Variable remuneration is deferred and paid over a time horizon of several years, including in the form of equity instruments, in order to link incentives to the creation of value over the long term;
- Reputational issues have a central role in this system, ex ante and ex post, in the form of malus and clawback mechanisms which have been introduced in the knowledge that proper, transparent and responsible conduct increases reputation, credibility and consent and protects them over time, all of these being fundamental prerequisites to achieving sustainable business development with the objective of creating and protecting value for all stakeholders;
- Pre-established, transparent means of treatment for staff in the event of their employment with the Mediobanca Group ceasing, with pre-established caps in terms of the maximum number of monthly salaries that can be paid and the absolute value of the severance payable;
- Transparency of reporting.

The Policy is published on the official website of Mediobanca, and is disclosed internally to all Group staff in Italian and in English.

Governance

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3. Governance

The governance process for the Group remuneration and incentivization policy is structured across two levels.

A) Governing bodies

GENERAL MEETING

- Shareholders, through the general meeting, set the annual fixed fee payable to members of the Board of Directors when the latter are appointed, and for the entire duration of their term of office, to be allocated among the individual members based on the Board's own decisions. The Board of Directors is responsible for establishing, after consulting with the Statutory Audit Committee, the remuneration payable to Directors vested with particular duties as defined in Article 2389, paragraph 3, of the Italian Civil Code. Directors who are not members of the Group's senior management are entitled to receive refunds for expenses incurred by them in the performance of their duties.
- Shareholders, through the general meeting, also approve, within the terms set by the regulations in force at the time, the remuneration policies and compensation schemes based on financial instruments for Directors, staff and other Group collaborators, and set the criteria for establishing compensation to be agreed in the event of a beneficiary leaving the company or office.
- At the Board of Directors' proposal, shareholders through the general meeting, with the majorities provided by Article 10, paragraph 1 of the Articles of Association, may establish a ratio between the variable and individual remuneration components for Group staff and collaborators above 1:1, provided this does not exceed the maximum set by the regulations in force at the time.

BOARD OF DIRECTORS

- The Board of Directors compiles the staff remuneration and incentivization policy, submits it to the approval of shareholders in general meeting, reviews it at least once a year, and is responsible for ensuring it is applied correctly in practice. The Board also: approves the results of the Material Risk-Takers identification process, including any exclusions; defines the remuneration and incentivization systems for senior figures; ensures that these systems are consistent with the Bank's overall choices in terms of risk-taking, strategies, long-term objectives, corporate governance structure and internal controls system; monitors the policy's gender neutrality; and ensures, among other things, that the remuneration and incentivization systems are able to guarantee compliance with the legal, regulatory and statutory provisions and any codes of ethics or conduct in force, encouraging recipients to adopt conduct in accordance with such provisions or codes.

REMUNERATIONS COMMITTEE

- The Remunerations Committee consists of between three and five non-executive members, the majority of whom qualify as independent, including the Chairperson. The Committee's duties include proposing compensation for staff whose remuneration is decided by the Board of Directors. It serves in an advisory capacity for decisions regarding the criteria to be used for compensation payable to all identified staff, with a focus on senior management and the heads of the principal business units in particular, along with the Chief Executive Officers/General Managers of the main Group Legal Entities if they are also Group Material Risk Takers; and monitors application of the rules governing the remuneration of the heads of the company's control units, working closely with the Statutory Audit Committee in this connection. It works together with the other internal committees, in particular the Risks and Sustainability Committees; and ensures that all relevant company units are involved in compiling and checking the remuneration and incentivization policies and practices. It gives its opinion on the results of the Material Risk-Takers identification process, including any exclusions, and on whether the performance objectives (including assessment of any non-recurring events), to which the incentivization schemes are linked, have been reached. It establishes whether the other conditions precedent to payment of compensation have been met, on the basis inter alia of information received from the other company units; monitors the policy's gender neutrality; and provides feedback on the activities performed to the governing bodies. The Remunerations Committee is endowed with sufficient funds to guarantee it is independent in operational terms, and may call on the services of experts, including from outside the company, on matters that fall within its remit. The Committee is regularly constituted at meetings where the majority of the directors in office is in attendance, and adopts resolutions on the basis of the majority of those present voting in favour. Minutes of Committee meetings are taken and kept in separate registers.

RISKS COMMITTEE

- The Risks Committee ascertains whether the incentives provided by the remuneration system take due account of the Group's risks and comply with the minimum capital and liquidity requirements at consolidated level, liaising with the Remunerations Committee in this connection. With the Risk Management unit's support, the Committee assesses the basket of indicators (known as the KPI Bluebook), which is then sent to the Remunerations Committee for use in the individual scorecards of the most senior Group figures whose performance is subject to direct evaluation by the governing bodies. It gives its view, in a formal opinion addressed to the Remunerations Committee and the Board of Directors, on the incentivization system's alignment to the Group's risk profile for the CEO/Group General Manager, leading Material Risk Takers (senior management and heads of the principal business units), the CEOs/General Managers of the leading Group Legal Entities if they are Group Material Risk Takers, and for the heads of the control units (in the latter case the opinion is addressed also to the Statutory Audit Committee).

SUSTAINABILITY COMMITTEE

- The Sustainability Committee is involved in analysis of the gender pay gap and in assessment of the ESG indicators provided for in the remuneration and incentivization systems.
- The Chief Executive Officer presents the proposed Group staff remuneration and incentivization policies to the governing bodies, is responsible for staff management, and after consulting with the Group General Manager, determines the variable remuneration based on the criteria established in the policies approved by shareholders in the Annual General Meeting, and then distributes it.

B) Organizational units

INTERNAL FUNCTIONS

GROUP HUMAN CAPITAL

Group Human Capital assists the Chief Executive Officer and the Group General Manager in governing the entire remuneration and incentivization process, supporting the governing bodies and involving the control units and other teams responsible for verifying the Group's earnings and financial data.

GROUP CHIEF FINANCIAL OFFICER

The Group Chief Financial Officer area provides the data for ascertaining that the gateways and the performances of the earnings, management and size indicators for the business areas and divisions, annual and long-term, have been met.

GROUP RISK MANAGEMENT

The Group Risk Management unit helps in defining the metrics used in order to calculate the risk-adjusted company performance, validating the results and the gateways, and checking that these are consistent with the provisions of the RAF. The unit supports the Risks Committee in performing activities relating to assessment of the incentivization system and its alignment to the Group's risk profile.

GROUP CHIEF FINANCIAL OFFICER E GROUP RISK MANAGEMENT

The Group Chief Financial Office and Group Risk Management units – each for their own areas of responsibility, and the types of KPI monitored respectively by them – are also responsible for:

- Setting the target levels for each of the KPIs included in the annual scorecards, in accordance with the annual budget and Strategic Plan approved by the Board of Directors;
- Checking any extremely high/challenging targets against the long-term strategic plan, changes in the market scenario, and the annual and/or historical trend in results;
- Consolidating the results for each indicator included in the scorecard.

COMPLIANCE

The Compliance unit carries out an annual assessment of the remuneration policies' compliance with the sector regulatory framework, the Bank's Articles of Association, and any applicable codes of ethics or standards of conduct. It is also responsible, after consulting with the other control units, for checking whether any compliance breaches have been committed that might be relevant for purposes of assessing the performance and award of the variable remuneration component. The Compliance unit is involved in the processes of revising, adapting and managing the remuneration systems to ensure these are in line with the regulations in force at the time, including in terms of establishing the identified staff, analysing the metrics adopted, and the practice in cases where the beneficiary has left the company. The unit also takes part in Remunerations Committee meetings, to update them on any changes in the regulations in this area.

GROUP AUDIT

The Group Audit Unit checks, at least on annual basis, that the staff remuneration and incentivization practices correspond to this policy and to the regulations. It also carries out annual controls on the data and process, and brings any irregularities to the attention of the relevant bodies for the appropriate corrective action to be taken.

Other company units are also involved in the process, based on their respective areas of responsibility. Of particular relevance in this respect are the following units: Group Corporate Affairs, which supervises the governance processes; Group Sustainability, which is responsible for defining and integrating ESG principles and objectives; and Group Strategy, for engagement with institutional investors and proxy advisors.

All activities are suitably documented, and evidence is retained to ensure that the activities can be tracked over time.

C) Application to Banking Group

Mediobanca, as part of its activities of direction and co-ordination of its own Group companies, ensures that the remuneration and incentivization systems operating within the Banking Group are consistent, while respecting the specific nature of their sectors of operation and the applicable sector regulations, organizational structures, regulations applicable according to type of business and geographical location. In particular, the parent company manages the process of defining Identified Staff, issues guidance to be adopted, and takes part in drafting documents relating to the remunerations policies to be compiled by the subsidiaries.

Mediobanca, in its capacity as parent company, checks, as part of the various Board and management committees and procedures provided in the Group Regulations, that the variable remuneration paid by the individual Group legal entities, including the remuneration payable to identified staff, is consistent with the budget and closing data, and defines the basic principles of the guidelines of the incentives mechanism for staff.

The process (see section entitled "Governance – Governing bodies") entails the involvement of the parent company's Remunerations and Risks Committees. The Remunerations Committee in particular assesses: i) the performance indicators set for the CEOs and General Managers of the largest Group Legal Entities, if they are Group Material Risk Takers; ii) the variable remuneration pool of the Group Legal Entities which qualify as relevant business units.

The Mediobanca CEO and Group General Manager, with the support of Group Human Capital and the other competent units, assist the parent company's governing bodies in setting the objectives for the CEOs and General Managers of the largest Group Legal Entities, if they are Group Material Risk Takers, and monitors performance to ascertain if they have been met.

The foregoing is without prejudice to the responsibilities of the Group Legal Entities' own governing bodies, which give their opinion on the incentivization system for senior management and heads of the control units, with also the independent Directors' opinion.

D) Exceptional circumstances

For certain specific circumstances, the Policy provides for detailed temporary procedures, governing specific areas and limited exclusively to: (i) economic parameters for the Incentivization System (cf. section on "Variable remuneration for retention and motivational purposes and floors"), ii) management of "good leavers" (cf. section on "Treatment of 'good leavers'").

As provided by Italian Legislative Decree 49/19, which transposed Shareholders' Rights Directive II into the Italian legislative framework, amending the Italian Finance Act as enacted in the Regulations for Issuers in force since January 2021, in the event of exceptional circumstances, attributable exclusively to the general instances provided for in Article 123-ter of the Italian Finance Act, i.e. if an exception to the ordinary provisions of the remunerations policy is necessary in order to pursue the long-term interests and sustainability of the company overall and ensure its ability to remain competitive on the market, exclusively in the areas referred to in the previous paragraph, the governing bodies, each according to their respective powers (approval by the Board of Directors, at the proposal of the Remunerations Committee and Chief Executive Officer, subject, where necessary, to the Related Parties Committee expressing a prior favourable opinion – to be released in accordance with the terms of the Regulations Governing Transactions with Related Parties, their Associates and Company Representatives as defined by Article 136 of the Italian Banking Act), may make exceptions, without prejudice to the obligation to comply with all relevant regulatory restrictions. Mediobanca provides disclosure on any exceptions to the remuneration policies applied in specific circumstances in Section II of this document (Group Remuneration Report) the following year.

4 Policy for identification of Material Risk-Takers

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4. Policy for identification of Material Risk-Takers

Material Risk-Takers, i.e. staff members whose professional activity may impact substantially on the Mediobanca Group's risk profile, are identified annually at the end of a formalized process involving Mediobanca S.p.A. and the other Group Legal Entities.

A) Criteria adopted

In order to identify Material Risk-Takers, the Mediobanca Group adopts the Regulatory Technical Standards introduced by Commission Delegated Regulation (EU) 2021/923 of the European Commission of 25 March 2021, published in the Official Journal of the European Union on 9 June 2021. The criteria are:

- **Qualitative:** linked to role (including for non-executive directors) and to decision-making powers assigned and responsibilities taken within the Group structure, consistent with the nature, range and complexity of the activities performed. Factors considered include organizational position within the Group, materiality of the business unit (not just in terms of the capital allocated to them, but also of volumes and complexity),[1] risk profile, including with reference to reputation, participation in internal Group committees, independence in terms of decision-making and operations, geographical location of the office at which they work (in view of the pay differences between different countries), and specific characteristics of the sectors concerned (e.g. asset management, investment firms).
- **Quantitative**: Quantitative: based on the total overall remuneration received in the previous financial year.[2]

The definition of Material Risk-Taker also includes financial and insurance brokers and financial advisors authorized to offer products door-to-door.[3]

1. The regulatory criterion for inclusion as a material business unit is that the capital allocated to it must represent at least 2% of the Banking Group's overall capital. Additional criteria may include: whether or not the individual entities/business units form part of higher-level divisions in accordance with management reporting and the strategic plan; business volumes; organizational complexity and size; geographical location, specific characteristics of the business managed, and regulations applicable on an individual basis; type of activity performed if the primary risk profile involved is not credit, market or liquidity risk. For the asset management area, in addition to the above, the main criteria considered is the amount of AUM above the limit that would qualify it as a material company under the regulations normally applicable in the respective national legislations on UCITS/AIFM.

2. Mediobanca may also decide that individual staff members, including Financial Advisors, do not impact on the Group's risk profile despite receiving total remuneration in excess of the quantitative limits set by the regulations in force.

3. With reference to the Mediobanca Premier Financial Advisors, all Network Managers and Area Managers with a percentage of AUM managed by the FAs under their responsibility above 7.5% are included in the definition of Group identified staff by qualitative criteria. All the Group's FAs who individually manage more than 7.5% of their network's AUM are also included in the definition of Group identified staff by qualitative criteria. The 7.5% limit has been adopted starting from FY 2024-25 (vs 10% up to the financial year ended 30 June 2024).

B) Process

GROUP HUMAN CAPITAL

Group Human Capital is responsible for the process, and ensures that a unified approach is adopted at Group level;

COMPLIANCE

Compliance validates the process, ascertaining that the applicable regulations have been properly applied;

GROUP CHIEF FINANCIAL OFFICER

The Group Chief Financial Office collects the earnings data to be analysed and applies the criteria;

GROUP RISK MANAGEMENT

Group Risk Management takes part in the analysis, to identify the impact of the same resources on the risk profile of material and non-material business units;

GROUP AUDIT

Group Audit checks that the criteria have been correctly applied and the assessment made has been properly formalized. The unit participates in the process, providing support to Group HR in checking that the regulations have been properly applied.

All the Group Legal Entities take part in the annual definition of Identified Staff. The mapping is carried out on an individual basis by all the banks in the Group (Mediobanca Premier, CMB Monaco, Compass and MB International Luxembourg), and the asset management companies, based in Italy (MB SGR) and elsewhere (Polus Capital, RAM and MB Management Company), subject to the sector regulations. The information collected is then sent to Mediobanca S.p.A. to be consolidated, whereas for the other, non-banking subsidiaries, the parent company carries out its own assessment.

Group Human Capital monitors organizational changes that could lead to differences in the scope of definition on an ongoing basis.

In application of its Policy for the Identification of Material Risk-Takers, Mediobanca has adopted a Group Directive for Identifying Staff with a Material Impact on the Mediobanca Group's Risk Profile, which serves to:

- Provide criteria to ensure that the overall identification process is consistent at Group level and between the Bank of Italy instructions and the other rules that may apply to each individual company, in view inter alia of the sector in which they operate and/or the applicable local regulations;
- Set out detailed guidelines to be adopted by each Group company subject on an individual basis to the CRD and the Bank of Italy Instructions in order to identify its own Material Risk-Takers, an exercise which must be performed once a year;
- Provide guidance to the Group companies to ensure their active participation in the process of identifying Material Risk-Takers for the Group as a whole, supplying parent company Mediobanca S.p.A. with the necessary information by means of a shared standard;
- Identify the consolidation criteria at Group level for defining the scope of material risk takers for the Mediobanca Group, to take account of the results of the assessments performed by the individual Group companies and having regard to all legal entities, regardless of whether or not they are subject to the regulations on a stand-alone basis (with reference in particular to the non-Italian fintech and/or non-banking Group Legal Entities which perform advisory activities, which are assessed using the same approach as the one used in the Group Remuneration Policy, in order to guarantee a level

playing field is maintained).

The Mediobanca Group's intention, then, through the Policy and the Directive which implements it, is to ensure consistency in application of the criteria, and appropriate formalization and certification of the assessments adopted in order to identify MRTs both at Group level and by the individual Group companies, in accordance with. The Directive sets out in more detail the company units/divisions and staff involved, the timescales to be adopted, and the documentation to be produced in order to ensure that the MRTs in each financial year are identified promptly, at both the individual and consolidated level.

A record of the whole process is kept in the form of minutes of the meetings held by the parent company units involved. When the process is complete, a list with the names of the Identified Staff for the financial year concerned is drawn up, specifying those who have been included for the first time and any others who have been excluded, with an indication of their roles, responsibilities and the divisions of which they form part, and a comparison with the previous financial year. Any exclusions are highlighted and duly justified. A leading external consultancy company certifies the entire process.

The results are approved by the Board of Directors, at the Remuneration Committee's proposal. Once the process is complete, individual notice is provided in writing to staff included in the scope of Material Risk-Takers.

If, at the end of the identification process, there are staff identified by quantitative criteria for whom the authorization to exclusion process must be launched, Group Human Capital launches the administrative procedure provided in accordance with the Bank of Italy Supervisory Instructions and the regulations in force.

C) Identified staff as at 30 June 2024

As at 30 June 2024 the Group's "identified staff" (including the non-executive directors), identified based on the Regulatory Technical Standards issued by the EBA and adopted by Commission Delegated Regulation (EU) 2021/923, published in the Official Journal of the European Union on 9 June 2021 which also sets out the criteria for exclusion from the definition,[4] breaks down as follows:

CLUSTER	DEFINITION	EBA REGULATIONS	MRT #2024	MRT #2023
1. Non-executive directors	Non-executive members of BoD, including Chairman	Article 92.3(a) CRDV	**(13)**	**(13)**
2. Directors with executive duties	MB CEO and GGM	Article 92.3(a) CRDV	**2**	**2**
3. Senior management and heads of relevant BUs (principal business lines, geographical areas and other senior business figures)	_ Co-Heads, CIB _ CEO Compass/Mediobanca Premier _ Head, Insurance & Principal Investing _ Head, MB Private Banking _ Group Chief Financial Officer _ Head, CIB Markets Division _ Head, CIB Debt Division _ Head, Finance Division _ CEO, CMB Monaco	Article 92.3 (a)(b) CRDV	**10**	**10**
4. Heads and senior staff of internal control units	_ Compliance & Group AML _ Group Risk Management _ Group Audit	Article 92.3(b) CRDV	**22**	**20**

4. For the twelve months ended 30 June 2024, a total of two such staff have been identified (employed in advisory business in France – Messier & Associés), all of whom with overall remuneration in the previous year of above €750,000 and below €1,000,000, for which prior authorization was requested for exclusion from the scope of identified staff.

CLUSTER	DEFINITION	EBA REGULATIONS	MRT #2024	MRT #2023
5. Staff with managerial responsibilities in relevant business units	_ Heads of trading desks, liquidity, origination, trading, and brokerage/sales _ Staff with significant responsibility in business and product areas _ General and commercial managers of Compass and Mediobanca Premier, CEO/general manager of SelmaBipiemme Leasing, MB SGR, MBFACTA and MB International _ Financial Advisors with managerial responsibilities and/or 10% of their network's AUM	Article 92.3(b) CRDV	**39**	**36**
6. Heads and senior staff in Staff and support units	_ Head of Group Governance _ Chief Operating Officer _ Chief and Senior Information Tech. Officers _ Group Head of Human Capital _ Group Head of Reward _ Group Strategy _ Legal Counsel _ Macroeconomic Strategist _ Heads of relevant outsourcing lines	Art. 5 RTS	**12**	**11**
7. Quantitative criteria	Holders of roles with total compensation which meets the criteria of Article 92 CRD and Article 6.1 (a) b) of Commission Delegated Regulation (EU) 2021/923	Article 92.3 (c) CRDV Article 6.1(a)(b)	**28**	**24**
	TOTAL as at 30 June 2024[5] As % of total Mediobanca Group personnel As % of total Mediobanca Group employees		**113 (126)** **1.86%** **2.07%**	**103 (116)** **1.75%** **1.97%**

Management with strategic responsibilities (as defined in Article 3 of Regulation (EU) 596/2014) who are not Directors consist of the three heads of the control units, the Group Chief Financial Officer, the head of Group Human Capital, Organization & Change, the head of the Consumer Finance Division, the two Co-Heads of the Corporate & Investment Banking Division, and the head of the Insurance & Principal Investing Division. They are all included in the definition of identified staff.

D) Identified staff as defined by Bank of Italy provisions on transparency of operations in banking and financial services

The "Provisions on transparency of operations and banking and financial services: proper conduct in relations between intermediaries and clients", issued by the Bank of Italy in March 2019, implementing the "Guidelines on remuneration policies and practices related to the sale and provision of retail banking products and services", issued by the EBA in 2016, include certain provisions regarding the means of drawing up and approving remuneration policies and their contents.

In particular, the Provisions require Identified Staff to be identified along with their role and function, highlighting those with management roles (section XI, paragraph 2-quater).

The Mediobanca Group's Identified Staff, as defined under the terms of the Provisions on Transparency, include staff employed by Mediobanca Private Banking, those forming part of the commercial networks of Compass, Mediobanca Premier and SelmaBipiemme Leasing, and the Financial Advisors (21 staff as at 30 June 2024).[6]

5. The Mediobanca Group headcount as at 30 June 2024 consists of 5,443 staff, split as follows: 732 Corporate & Investment Banking (33 Identified Staff), 2,259 Wealth Management (14 Identified Staff, two of whom in the control units of the companies that form part of the division), 1,563 Consumer Finance (six Identified Staff, two of whom in the control units of the companies comprising the division), 880 Holding Functions (41 Identified Staff employed by Mediobanca S.p.A., 18 of whom in the control units and 23 in other units), 9 Principal Investing (one Identified Staff). The definition of Identified Staff also includes (for the Wealth Management division) 15 Financial Advisors, eight of whom qualify by the qualitative criterion and seven by the quantitative criterion (out of a total of 618 FAs linked to the Mediobanca Group as at 30 June 2024), plus another three individuals who are not employees of the Group (one in Consumer Finance and two in CIB) identified by the quantitative criterion.
6. As provided by the regulations, the Group's banks located outside Italy, fiduciary companies and Group companies or divisions which perform activities with corporate clients are not included.

The following also qualify as Identified Staff as at 30 June 2024 under the terms of the same regulations: for the WM Division – Mediobanca Private Banking, 107 staff – 35 of whom have management roles – plus three FAs; for the WM Division – Premier (Mediobanca Premier) 838 staff – 23 of whom have management roles – plus 615 FAs, 65 of whom have management roles; and for the Consumer Finance Division 932 network persons – 38 of whom with management roles – plus 20 affiliated to the external networks. Compass also owns 100% of Compass Link, a financial agent which operates through 219 introducers, 73 of whom work under a single mandate for Compass Link itself. At SelmaBipiemme there are 27 network professionals, one of whom has a management role, and 20 in the external networks.

BUSINESS UNIT	TOTAL NO. OF STAF	OF WHICH IN MANAGEMENT ROLE	OF WHICH GROUP MATERIAL RISK TAKERS
WM - HNW Mediobanca Private Banking	107	35	3
WM – HNWI Mediobanca Private Banking – FAs	3		1
WM – Premier Mediobanca Premier	838	23	2
WM – Premier Mediobanca Premier – FAs	615	65	14
Consumer Finance Compass	932	38	1
Consumer Finance Compass – external networks	239		
SelmaBipiemme Leasing	27	1	
SelmaBipiemme Leasing external networks	20		
	2,781	**162**	**21**

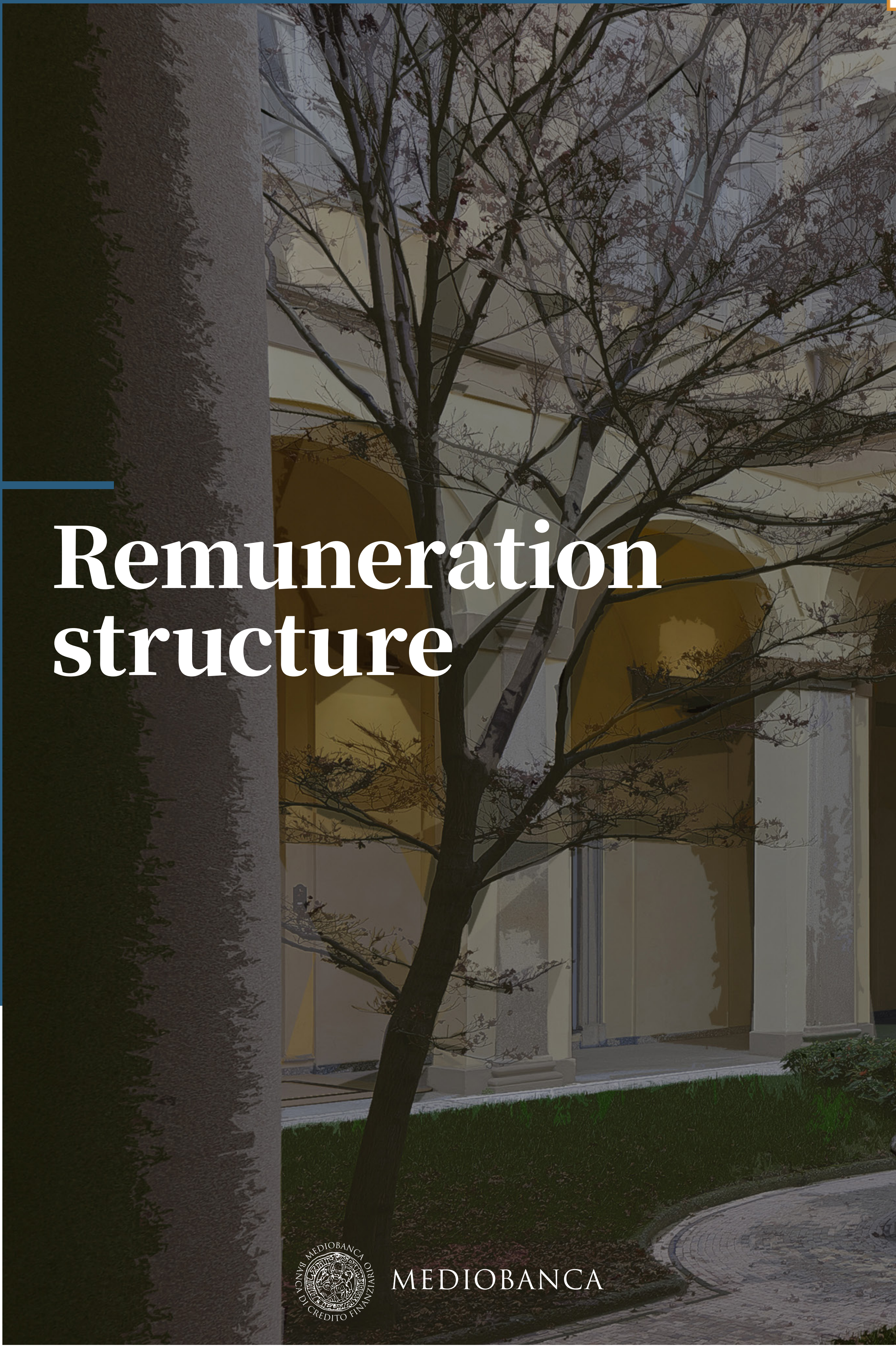
For details on the incentivization system for the networks, see the following sections: Section 6), paragraph b) Annual variable remuneration, Section II) Determination and allocation of annual divisional variable remuneration, paragraph "Mediobanca Private Banking"; Section 7, paragraph f) Staff working for Group Legal Entities, and paragraph h) External networks, Financial Advisors and Senior Advisors.

E) Relevant Staff for purposes of the Bank Recovery and Resolution Directive (BRRD; Directive No. 2014/59/EU)

Directive no. 2014/59/EU (the "Bank Recovery and Resolution Directive", or the "BRRD)") was issued in the spring of 2014 to equip the Resolution Authorities with powers and instruments to: i) plan crisis management; ii) intervene in a timely manner, before the crisis has been manifested in full; iii) manage the resolution phase as effectively as possible.

The guidance issued by the Single Resolution Board, together with other obligations, stipulate that banks must put governance processes in place to ensure that staff retention measures are implemented rapidly and appropriately as part of their Resolution Plan. Banks are therefore required to identify their Relevant Staff (divided into Critical and Essential), which should include, within the critical functions or core business lines, at least the senior management and other key function holders depending on the impact of the role if not covered and if such staff cannot be replaced by other similarly competent personnel within a reasonable space of time.

For this reason the Group has adopted a specific Directive for identifying relevant staff for Resolution Plan purposes, the scope of which is revised on a regular basis, and issues guidance on the remuneration, succession and development of Relevant Staff as part of the policies approved. The Resolution Plan adopted by Mediobanca enables the Group to manage business continuity and develop, among other things, a) retention, b) remuneration policies, and c) succession policies for Relevant Staff.



Remuneration structure

MEDIOBANCA

5. Remuneration structure

A) General principles and objectives

The Mediobanca Group remuneration and incentivization policy is intended to attract and retain highly qualified professional and ethical staff members, who are suited to the complexity, increasing internationalization and specialization of its businesses, based on a rationale of prudent management and sustainability of costs and results over time, while guaranteeing pay equity and the absence of internal pay disparity.

B) Pay mix constituents

The structure of the Group's staff remuneration is based on various components, with the objective of: balancing the fixed and variable parts over time (pay mix), implementing a flexible approach to remuneration, and ensuring that compensation remains geared towards performance in view of the significance of role within the company without encouraging risky and/or short-term behaviour.

BENCHMARKING

To ensure that the remuneration package on offer is competitive and retain the best talent in terms of performance and potential, Mediobanca carries out an annual benchmarking activity in order to assess the Group staff's positioning in terms of compensation relative to the market. The benchmarking, which is performed with the support of leading independent specialist consultants, takes account of aspects such as the specific business area in which staff are employed and their geographical location, comparing them with a meaningful reference benchmark which is different for each of the Group's divisions, as follows:

- For the Corporate and Investment Banking Division, the positioning refers to the bulge bracket investment banks, independent advisory boutiques, and the CIB divisions of the leading European commercial banks;
- For the WM HNWI Division (MB Private Banking), the panel refers to the market consisting of Italian and international operators active in private banking in Italy;
- For the Consumer Finance (Compass) and WM Premier divisions (Mediobanca Premier), the leading commercial players operating are considered;
- For the Group Legal Entities that perform asset management activities, the panel consists of independent players and companies forming part of banking groups or insurance companies operating in the reference geographical areas.

PEER GROUP

For the Chief Executive Officer and Group General Manager, the reference peer group is made up of a combination of entities identified in view of the balance of the following comparability criteria relative to the distinctive features of Mediobanca:

- Reference size (balance of assets, workforce and profitability to reflect the specific features of the business model);
- Industry scope, i.e. the presence of mixed products (Wealth Management – Corporate & Investment Banking – Consumer Finance) with the related complexity of the organizational model;
- Geographical area;
- Regulatory scenario;
- Benchmark and positioning adopted by institutional investors, as revealed at the engagement stage;
- Competition for talent, i.e. potential attraction market;
- Pay strategy, i.e. the structure of the pay mix and incentivization curves, in order to be able to analyse the competitiveness of the pay package correctly and to compare its positioning.

Considering the above criteria, and compared to the previous peer group, in view of the changes in the sector in recent years, plus the developments in UK regulations and hence the strategic direction that marks out Mediobanca, Barclays and Schroders have exited the peer group and been replaced by BPER Banca, Deutsche Bank, EFG International and KBC Group.

The benchmark peer group therefore consists of the following twelve companies: BNP Paribas, BPER Banca, Deutsche Bank, Fineco Bank, Intesa Sanpaolo, EFG International, Julius Baer Group, KBC Group, Lazard, Santander, Société Générale, and Unicredit.

Based on information in the public domain, the comparison regards the average, median and quartiles of the total compensation (and separately for the fixed compensation, short- and long-term variable compensation, and fringe benefits) for the senior figures at the companies included in the peer group. In order to assess positioning in terms of pay for performance, account is also taken of certain indicators considered to be significant, primarily the Total Shareholder Return and ROE, plus the compensation/income ratio, cost/income ratio, and revenues and assets per staff member (in which Mediobanca is positioned in the higher percentiles). The results are subject to specific analysis by the Remunerations Committee and the Board of Directors.

I. Fixed salary

FIXED SALARY

This reflects technical, professional and managerial capabilities, and the related responsibilities, in accordance with the principle of equal opportunities and equal pay. Mediobanca devotes continuous attention to the value of the fixed salaries it pays, which are adapted to changes in the market scenario on a regular basis, avoiding excessive reliance on the variable component while at the same time taking care not to make the overall package unduly inflexible. Fixed remuneration is always adopted in compliance with the locally applicable minimum wage levels.

II. Variable remuneration

VARIABLE REMUNERATION

This is the incentivizing component that functions as recognition and reward for the results achieved and objectives met, and is calculated based on risk-adjusted indicators. It constitutes an important motivational factor, and for some business figures (in the Wholesale Banking and Wealth Management divisions in particular) forms a significant portion of their annual pay, in line with reference market practice, without prejudice to the cap and to the other conditions established by the regulations in force.

Variable remuneration (see Section 6 "Incentivization system" below) is paid on the basis of pre-set performance indicators. The time horizon for evaluation may be short-term (i.e. linked to the annual budget, as is typical of short-term incentive systems) or long-term, consistent with the objectives of the Group's Strategic Plan (as in the case of the Long-Term Incentive Plan, or other long-term plans for specific roles and businesses, such as Financial Advisors). Individual awards are made on the basis of the individual performance evaluation obtained, and of the individual contribution to the business unit's results. The award also takes account of any benchmark or compensation standards for similar roles, market positioning, experience in the position, and importance of the role.

The variable remuneration is paid in cash and equity instruments, in part upfront and in part deferred to subsequent years, subject to additional performance conditions being met. Any shares awarded are subject, after the respective rights have vested, to an additional holding period for retention purposes).

III. Limits on variable remuneration

BANKING GROUP CAP

Subject to approval by shareholders in annual general meeting, in accordance with the national and international regulations in force on this subject, the upper limit on variable remuneration for all staff belonging to the Mediobanca Group[7] and hence the entire scope of Identified Staff has been set, most recently by shareholders at the Annual General Meeting held on 28 October 2021, and in line with the previous policies, at 200% of the fixed salary (without prejudice to the provisions in force for staff employed in the control units).

The reasons that justify this limit are primarily:

- The need to attract and retain the most talented staff, in investment banking especially, by aligning the Bank's practice with that of its competitors;
- The need to maintain the appropriate operating flexibility, minimizing the risks that would be associated with increasing the fixed labour cost component excessively;
- To ensure that the remuneration policy is consistent with incentives which seek to promote virtuous conduct in the pursuit of business objectives and value creation;
- To align the Bank with the policies adopted by the leading Italian and international banks;
- The increasing presence of competitors in sectors (financial institutions which are not banks, private equity, hedge funds) or geographies (United States, Far East) with a less restrictive regulatory framework;
- The possibility of ensuring that funds are distributed appropriately between the most deserving candidates.

The rationale for setting a cap on variable remuneration at 200% of fixed remuneration is unchanged from previous years. The sustainability of this limit is guaranteed by the provisions of the remunerations policy regarding the determination of the variable component, the correlation between risk and performance, the performance conditions, and methods of payment that include deferral over time and payment in financial instruments, with the provision of malus conditions and clawback clauses. Adoption of the cap has no implications regarding Mediobanca's capabilities, in view of its high capital ratios,

7. With the exception of Financial Advisors linked to the Group under agency contracts, and for staff employed at the Group's non-Italian companies which are not banks which perform pure advisory services, despite not being included in the definition of Group Identified Staff.

but also the prudential regulations, in particular the requirements in terms of own funds.

In view of the above, the subject of the cap will not be resubmitted to the approval of shareholders in annual general meeting.

As permitted by the Bank of Italy's Supervisory Instructions currently in force, Mediobanca has taken up the option to be exempted from the Instructions, including the 2:1 cap on variable remuneration relative to fixed salary, for all Group staff working for an investment firm or an asset management company, including those qualifying as Identified Staff at Group level, if they work exclusively for such firm or company. Such exemption refers, as at the date on which this Policy is approved, specifically to those Mediobanca Group legal entities which perform asset management activities, in Italy (MB SGR) and elsewhere (Polus, RAM, MB Management Company, and CMG),[8] and those that perform investment firm activities (Arma Partners). These companies still adopt their own specific cap on variable remuneration, which is five times fixed remuneration (5:1). This cap, which is in line with the practice adopted by the Group's leading Italian and international competitors, is based on the following points:

- The companies are individually subject to sector regulations that do not set limits on variable remuneration;
- The need to safeguard the attractiveness and competitiveness of the remuneration packages paid to staff working in asset management and investment firms, a market which includes players that do not set caps, because they are a) independent; b) part of international banking groups that can apply exceptions to the salary cap under the regulations in force in the countries where they are headquartered; and c) owned by insurance companies;
- Strengthening in the Wealth Management sector is one of the Group's main pillars of growth;
- The asset management companies have a different risk profile to the dominant one in the Banking Group's activity, and are not subject to direct financial risks (market, credit or liquidity) for investment products where the assets at risk belong to the client subscribing to them. For asset management products, the risk profile for the client is an integral part of the management regulations, and as such is governed and expressly represented in the documentation which the customer receives when they subscribe to the product;
- The incentivization system designed for the fund manager is based on the same mechanisms provided for clients, meaning their interests are aligned within the system of controls that can be implemented for the asset management sector;
- With reference to operational and reputational risks linked to the product investment process and potential related complaints from customers, including complaints related to conduct issues by staff, no incentive for staff is permitted that would increase the company's exposure to financial risks in order for them to reach their remuneration targets.

Application does not impact on the earnings/financial sustainability of the companies involved, as a cap is applied in any case to the variable remuneration, and their staff remuneration and incentivization mechanisms guarantee close correlation to results, consistent with the companies' characteristics and size, internal organization, nature, and the range and complexity of their activities. The mechanisms are implemented over a period of time which is appropriate to the life and/or investment cycle of the UCITS or AIFs managed, or to the holding period for the instruments recommended to the investors, to ensure that the valuation process is based on longer-term results and that actual payment of the results-based remuneration components is distributed over a period that takes due account of the investment risks and repayment policy (if any).

8. As at 30 June 2024, the Group's Identified Staff employed by the asset management companies consist exclusively of one employee working for MB SGR identified on the basis of qualitative criteria (cluster 5). The Group's asset managers and investment firms located in third countries (i.e. the United Kingdom and Switzerland) are in any case subject to specific regulations on remuneration and incentivization systems in their respective countries. As at 30 June 2024, there was a total of seven staff working for companies subject to sector regulations, who qualify as identified staff but not subject to the CRD remuneration rules because they perform activities exclusively for the companies for which they work (i.e. Polus and Arma Partners).

IV. Other remuneration components

The Mediobanca Group has adopted the following New Joiner Policy, which provides for, in limited cases: i) the possible attribution of a "sign on", "joining" or "entry" bonus for figures with especially important profiles and significance, to be provided for contractually, and assigned exclusively as part of the recruitment process and for the first year in which the recipients work for the company; ii) the possibility of payment, again as part of the recruitment process, of an amount to compensate for the loss of earnings in previous employment, through the consolidated sector practice of the "buyout". This structure, to be governed as part of the recruitment processes, again applies strictly to the recipient's first year of working for the Group, and serves to guarantee the appropriate level of appeal for high-quality resources, who are generally the only recipients of this kind of treatment, in what is now a highly competitive market for talented individuals.

The other aspects provided for in the Policy also apply to the components referred to above (for buyouts and based on inclusion in the scope of identified staff, these will include deferral over a period of several years, payment in cash and financial instruments, and payment being subject to malus and clawback conditions), thus guaranteeing that these structures are continually aligned with long-term risks and sustainability. Decisions and payment are in all cases made in accordance with the limits provided for in the Policy, and must necessarily comply with the regulations governing the applicable cases in force, including with reference to the 2:1 cap.

For specific categories of staff and/or on an individual basis, in cases which involve ongoing employment or its termination, contracts may be signed with minimum guaranteed duration clauses (sometimes referred to as stability pacts), non-competition agreements, extended notice arrangements, retention bonuses or other arrangements as permitted under the applicable employment law and other regulations. The internal regulations set out the guidelines for managing such ancillary arrangements, and in particular govern the treatment of sums paid as compensation under such agreements, especially with reference to their inclusion in the variable remuneration components.[9] Such components are of particular importance in the retention policies applicable as part of the Resolution Plan adopted by the Group.

Any compensation paid to Group management for positions held on behalf of Mediobanca in Group or investee companies is paid to Mediobanca itself.

V. Offering in terms of benefits and welfare

Based on an awareness that corporate welfare makes a significant contribution to the implementation of CSR, and the conviction that sound working conditions should be an integral part of all remuneration policies, the Group has adopted instruments which produce positive effects outside the company, benefiting not only staff members but also their family and the local community in general. Corporate welfare creates value that is shared with a broad range of stakeholders, thus helping to produce collective benefits that endure over time. Welfare and benefits are therefore an integral part of the Mediobanca Group's corporate culture, and play a crucial role in terms of:

- Helping to improve employer branding and staff loyalty retention;
- Creating a more close-knit, positive and inclusive working environment in connection with the D&I objectives;
- Offering instruments to improve the well-being of Group staff throughout their entire life cycle;

9. As variable remuneration, such arrangements may fall within the situations regulated by Bank of Italy circular no. 285 on "Limits on distributions and capital conservation plan". Such provisions are the only ones that could justify suspension of the treatment of this contractual component for both Group employees included in the definition of Identified Staff and for other employees as well. The gateways included in the Group Remuneration Policies applicable to Identified Staff and/or those provided by the individual legal entities' policies apply only to payment of the annual or long-term variable incentivization system component. Any suspension of the amount of the ancillary arrangement is valid only temporarily, for the period in which the limit on distribution is manifested.

- Pursuing the desire to guarantee an appropriate balance between working life and private live;
- Encouraging work engagement;
- Representing an incentive to obtain the best possible results and increase the quality of work performed in Mediobanca.

From this viewpoint and in line with the market, the remuneration package is complemented by a set of benefits that reflect the attention devoted by Mediobanca to the personal needs and welfare of its staff, including those already in retirement. The benefits are for the Group's entire population (staff employed on permanent and temporary contracts, full-time and part-time), and may be distinguished by families of professionals and geographical areas but do not make provision for individual discretionary systems.

COMPLEMENTARY PENSION SCHEMES

Complementary pension schemes: employees are entitled to participate in complementary, defined-contribution corporate pension schemes, with the contribution rates distinguished by category and length of time employed by the company. Such pension schemes are external and legally distinct from the Mediobanca Group. The schemes' performance depends on the management results achieved and the investment product chosen, where appropriate, based on the beneficiary's own risk appetite. No discretionary pension benefits are provided.

HEALTHCARE SCHEME

Healthcare scheme: this scheme covers healthcare, dental and preventative medicine expenses for staff members and their family. An extensive network of doctors and dentists who are part of the scheme enables beneficiaries to have direct access to services without having to pay in advance and providing significant financial benefits.

ACCIDENT INSURANCE POLICY, PERMANENT INVALIDITY FOLLOWING ILLNESS POLICY, LIFE INSURANCE POLICY, AND LONG-TERM CARE INSURANCE POLICY

Accident insurance policy, permanent invalidity following illness policy, life insurance policy, and long-term care insurance policy: these policies guarantee coverage to staff in the event of their having an accident, either work- or non-work-related, and/or in the event of invalidity following illness, and/or entitle claimants to a guaranteed capital sum in the event of an employee's death, and/or pay out an annuity in the event of permanent incapacitation in terms of performing the basic acts of everyday life. The policies' performances are defined by the regulations executed with the insurer when the contract is signed.

COMPANY WELFARE/ FLEXIBLE BENEFIT SYSTEMS

Company welfare/flexible benefit systems: these have been instituted for all staff or like-for-like categories of staff, as provided by the applicable tax legislation and regulations in force.[10] Such systems involve the provision of non-cash services and instruments (e.g. training activities, study and education courses, welfare services, etc.), which Group companies make available to their staff and families, with the possibility of any unused amounts being paid into the complementary pension scheme. Production and/or result bonuses provided for under complementary company contracts may be used to this end, or other amounts earmarked for the welfare of similar categories of employee and according to marginality criteria relative to the capacity to pay principle. The objective is to: expand the range of welfare initiatives offered contractually, in order to provide increased benefit to staff members and their families by enabling them to access specific products and services which can be tailored to their specific requirements; offer increased protection for public welfare provision; and obtain improved purchasing power for overall remuneration, through relief on tax and social security contributions permitted by law.

COMPANY CARS

Company cars: these are assigned only to certain professional figures, including commercial roles. The range of cars available is notable for the number of hybrid and/or electric vehicles, continuously updated, in accordance with environmental sustainability criteria.

WORK LIFE BALANCE

The Group believes that promoting a healthy work-life balance is fundamental in order to safeguard the objective of creating value that is solid and sustainable in economic, financial, social and environmental terms, based also on the value of people. The Mediobanca Group, to the extent permitted by the provisions of the law, collective contracts and negotiated agreements in force, offers a variety of solutions (such as working part-time, remote working, flexible hours, policies for parenting, and mobility management), that differ according to the Group Legal Entity involved, that promote policies to improve balance and help staff manage the time requirements of their personal lives relative to the company's organizational needs.

GROUP DISABILITY MANAGER

The Group has also identified a Group Disability Manager, whose mission is to ensure that the value of persons with employees is recognized and developed. The Group Disability Manager provides in particular effective governance of the regulations in this area, is involved in disability projects, proposes initiatives and solutions to improve the working conditions of staff with different disabilities, and acts as a first point of contact for such people within the company, especially at the recruitment or onboarding stage.

VI. Gender Pay Gap (GPG) and remuneration policy neutrality (Equal Pay)

NEUTRALITY PRINCIPLES

The Group Remuneration Policy reflects gender neutrality principles to ensure equal treatment regardless of gender and any other form of diversity, basing evaluation and remuneration criteria exclusively on professional ability. The Group is committed to offering remuneration in line with the market, which reflects each employee's role, capabilities contribution to company performance objectively measured, and professional experience, thus guaranteeing that the principle of equal opportunities is applied in practice.

10. In Italy the applicable regulations are laid down by Article 51, paragraphs 2 and 3 of the Italian Income Tax Act, as amended by the 2016 budget law as amended. These have introduced certain changes to how income from paid employment is taxed, increasing the range of possibilities and examples of sums and benefits not included in the calculation of income from paid employment, and which for this reason were previously considered to be instances requiring protection from the legislator. The changes have made it easier to introduce corporate welfare schemes, which make available a basket of options to staff members from which they can choose the benefits that are most appropriate to their own needs and family situations.

With reference to inclusion, the Group guarantees that all its collaborators are treated without distinction, exclusion, restriction or preference, whether direct or indirect, based on their: age, gender, sexual orientation, civil status, religion, language, ethnic or national origins, physical or mental disabilities, state of pregnancy, maternity or paternity (including as a result of adoption), personal convictions, political opinions, and/or trade union affiliation or activities.

GENDER PAY GAP (GPG)

The Gender Pay Gap (GPG) is measured and monitored based on the provisions of the sector regulations in force and the Bank of Italy's Supervisory Instructions (with the related methodology, with distinctions between identified and other staff, and by geography and division and /or legal entity, including separate consideration for roles as member of the management body in its supervisory and management functions). The other data analysis methodology contemplated by the EBA Guidelines is also used primarily for comparison purposes. Despite role being a material factor, the Gender Pay Gap does not take account of it in granular form. As provided by the Supervisory Instructions, which allow banks to identify additional methods for detecting and monitoring the gap, the Mediobanca Group also carries out more indepth analysis with a view to being able to take action in a more targeted manner.

In order to facilitate the application of gender-neutral policies, assess their effectiveness and monitor the application of equal pay criteria and compliance with gender neutrality more accurately, the Group has adopted a granular analysis model for compensation data relative to the position held, which takes account of the level of responsibility and organizational complexity of the different management roles. The model was developed in 2020 in conjunction with advisor Deloitte Consulting, and completed in 2021 with the assistance of Mercer. Further fine-tuning of the methodology adopted will enable its development to be monitored over time.

EQUAL PAY GAP (EPG)

The objective of equity is therefore also pursued through analysis of the Equal Pay Gap (EPG), which compares Equal Pay for Equal Work by assessing: i) equity in terms of remuneration between men and women doing similar jobs with the same "weighting", through analysis by role/title/profile as indicated by Global Grade (see below), using both an unadjusted and an adjusted approach (in the latter case adjusted for any gaps deriving from other objective factors, such as family of profession, tenure in the role, or geographical location); ii) the actual wage gap, based on the number of people with the same role. The methodology therefore measures the wage gap for each job class or cluster, weighted for the number of persons within that cluster as a percentage of the Group's whole corporate population. Access to variable remuneration for both men and women is another of the indicators monitored.

GLOBAL GRADING SYSTEM

To establish the organizational weightings of all company roles, the Mediobanca Group has adopted the "Global Grading System", which uses the WTW methodology. This instrument meets the need to provide responses to monitoring requests received from the regulatory authorities, and also allows any misalignment between organizational positions with the same value to be picked up, including relative to the market (Italian and non-Italian), and identify suitable remediation actions to be implemented in order to ensure that the remunerations policies are complied with in full. The grading, once assigned, enables ongoing monitoring of:

- Internal equity, assessing the consistency of employees' remuneration packages by comparing staff employed at the same levels of classification according to their respective organizational divisions and the business areas managed by them;
- External competitiveness, by comparison with the reference market through benchmarking activity.

For specific business units (the CIB and Private Banking divisions in particular), the assignment of job titles aligned with international practice allows: i) shared roles and responsibilities to be defined; ii) set pay scales to be applied for fixed salaries, and iii) accurate comparison with market trends for the variable component as well.

Furthermore:

- The Group has also instituted the role of Group Diversity & Inclusion Manager as well as a Diversity, Equity and Inclusion Steering Committee, which monitors and promotes diversity among staff members within the Group, with a view to implementing and embedding a policy to foster the inclusion of all forms of diversity.
- The Mediobanca Group Diversity, Equity and Inclusion Code serves to define the Group's approach in terms of objectives, strategies and active practices, to promote a collaborative and inclusive working environment, where the contributions of all employees are welcomed, with a view to supporting equal growth and improving the level of inclusion and social cohesion among staff, clients, and civil society in general.
- The Group Sustainability Policy further confirms the importance which the Group places on valorizing different perspectives and experiences, through promoting an inclusive culture which does not tolerate any form of discrimination. It seeks to foster a working environment in which diversity and personal and cultural perspectives are respected and considered to be key success factors.
- The Group Human Resource Management Policy includes specific commitments to ensure equal opportunities and gender parity in HR processes, with a particular focus on those for staff selection, management, evaluation and career advancement. The Group seeks to promote a healthy work-life balance. Compliance with these commitments is monitored regularly, including with a view to implementing remediation action in conjunction with the D&I unit.
- The Group Code of Conduct and Code of Ethics incorporate the same principles of inclusion in order to safeguard equal opportunities, both in internal HR management, laying down the procedures by which any instances of discrimination, harassment or bullying are dealt with, and in external relations with counterparties.

These documents have all been published on the Bank's website and are freely available.

The Mediobanca Group pursues the appropriate balance between genders at all levels of the company, focusing in particular on senior and management positions where the gender gap is most felt. Each announcement for selection processes encourages all candidates in possession of the requisite qualifications and/or experience to apply. The same principle underpins the assessment process for internal opportunities arising within each individual Group company (transfers between organizational units) or within the Group (intra-Group transfers). To meet the objectives set for gender balance (and so impact on the gender pay gap accordingly), the selection procedures require Group Human Capital, based on actual availability on the market, to guarantee that at the CV collection and screening stage, at least 50% of the candidates will be given to the less represented gender in the organizational unit where the appointment is to be made where more than one candidate have the same professional qualifications and experience. The Group has also set clear and challenging medium-/long-term objectives to foster the development of talented women within the company.

The Consolidated Non-Financial Statement, to which reference is made, contains further detail on the gender pay gap according to the relevant methodology, the projects launched and the results achieved in the Diversity, Equity & Inclusion area, describes the Group's commitment in concrete terms to ensuring that gender-neutral principles are applied and respected in all the Group's processes and activities.

In its regular review of the policies in force, the Board of Directors, with Remuneration Committee's support and with the Sustainability Committee's involvement, analyses the gender neutrality of the Remuneration Policy, examining the gender pay gap in particular and its development over time, monitoring its reduction and the actual adoption of Equal pay for Equal work in practice.

Incentivization system

MEDIOBANCA

6. Incentivization system

Variable remuneration and the correlation between risks and performance are determined via a process which aims to reward staff based on the Bank's and the Group's risk-adjusted performances, in line with the risk profile defined in the Risk Appetite Framework (RAF), with a view to achieving business continuity and sustainable results over the long term.

A) Gateways and risk-performance correlation

GATEWAYS

Distribution of the variable remuneration earmarked for the remuneration of the "identified staff" in each Group organizational division only takes place if the following indicators or "gateways" are met:

- Capital adequacy and liquidity requirements at levels which are higher than those stated in the Risk Appetite Framework11 approved by the Board of Directors, which are the primary indicators taken into consideration in the ICAAP. These are: CET 1 ratio, Leverage ratio, AFR/ECAP, Liquidity Coverage Ratio, Net Stable Funding Ratio.
- Positive operating profit delivered at Group level[12].

GROUP GATEWAYS	KPIS 2025
CET 1 ratio	≥ 12.35%
Leverage ratio	≥ 4.5%
AFR/ECAP	≥ 140%
Liquidity Coverage Ratio	≥ 120%
Net Stable Funding Ratio	≥ 105%
Positive operating profit at Group level	> 0

11. The **Risk Appetite Framework** identifies the risks which the Bank is willing to take, and for each risk defines the objectives and limits in normal and stressed conditions, identifying the management actions necessary to bring the risk back within the set limit. It is based on assessment of the principal risk drivers to which the Bank is exposed, both macroeconomic and specific. The RAF is subject to ongoing fine-tuning and update, in line with the continual changes in the risk metrics and analysis methodologies adopted, not to mention to the regulatory framework and the corporate processes with which it is integrated.

12. Total income less operating costs and loan loss provisions, as shown in the consolidated restated financial statements.

B) Annual variable remuneration (Short-Term Incentives)

I. Budget phase

The process for defining the annual incentivization system and subsequently determining the divisional variable remuneration provides that the budget approved by the Board of Directors should include the estimated cost of labour for the financial year to come, including the amount of variable component, determined on the basis of the all the Mediobanca Group divisions' expected earnings performance targets, the market scenario and historical pay trends.

The budget is defined through a structured process which involves continuous dialogue between the units involved at both parent company and Group Legal Entity level, and responds, in terms of sustainability and sensitivity, to the regulator's requirements with reference to the likelihood or otherwise of various macroeconomic scenarios occurring (base and/or stressed). It is compiled in accordance and continuity with the process for implementing the 2023-26 Strategic Plan, and includes the results of the actions intended to deliver the growth strategies and quantitative objectives for each business segment and at Group level.

II. Determination and allocation of annual divisional variable remuneration

ANNUAL BONUS POOL

Once the final results have been closed, the annual variable remuneration payable to the Group's divisions and business units, including the share attributable to identified staff, is calculated based on the risk-adjusted earnings performances of the respective divisional areas (Economic Profit and/or RORWA and/or other risk-adjusted metrics) and on other secondary quantitative and qualitative objectives.

MEDIOBANCA WHOLESALE BANKING

The Chief Executive Officer of Mediobanca identifies the share of the share of the division's Economic Profit[13] to be used for the variable remuneration. The aggregate amount reflects assessment of other quantitative parameters (Group results, Risk Appetite Framework indicators other than those already included among the gateways, comparison of performances delivered versus annual budget objectives and the long-term business plan, comparison versus historical performances, and cost/income and compensation/income ratios) and qualitative parameters (market positioning and share, retention of key staff, need to recruit new professional talent). The amount thus determined is compared with those derived from the individual business units' scorecards, and different payout ratios are applied – based on the activity performed – to Economic Profit or to other risk-adjusted metrics, then to other secondary metrics, both quantitative (such as reference to budget objectives and historical results trends) and qualitative. A cap is in place on these amounts, which may be fine-tuned to preserve the overall sustainability of the Group's variable remuneration.

MEDIOBANCA PRIVATE BANKING

For the Private Banking division, the Chief Executive Officer of Mediobanca identifies the share of the Economic Profit to be set aside as variable remuneration. To determine this amount, other secondary quantitative metrics, such as inter-company cross-selling, cash/AUA transformation

13. **Economic Profit** (EP) is defined as the pre-tax profit from ordinary activities earned by the Wholesale Banking division net of the capital absorbed (Tier I and Tier II) required to perform such activities. It therefore measures the additional profit generated after the return on capital and hence the actual positive impact on profitability. The cost of capital is calculated based on a risk-free rate in the medium/long term, the risk premium and taking into account the cost of funding. As required by the supervisory authorities, the EP metric reflects both present and future risks and the sustainability of results over time.

to AUM, and operational risk assessment) and qualitative metrics (adequate transparency in banking and financial transactions and services provided to clients; management of resources, compliance with regulations, including with reference in particular to the Bank of Italy's Supervisory Instructions on transparency of banking and financial operations and services), are also used. Variable remuneration is allocated on the basis of an evaluation of the individual's contribution to area results (indicators used include Net New Money, AUM, revenues, cost/income ratio attributable to each individual banker) and their internal organizational unit, and on compliance with the criteria of professionalism, transparency and proper conduct by private bankers in their relations with customers.

INSURANCE AND PRINCIPAL INVESTING

The variable remuneration is determined on the basis of specific qualitative and quantitative performance indicators for the area.

GROUP TREASURY, STRATEGIC AND TRADING PORTFOLIO

Aggregate variable remuneration is determined on the basis of scorecards which use quantitative metrics, linked to both risk and earnings indicators according to the nature of the business and activity (e.g. Liquidity Coverage Ratio, Net Stable Funding Ratio, cost of funding, HQLA and P&L thresholds). Secondary qualitative metrics are also provided.

HOLDING FUNCTIONS/ CONTROL, STAFF AND SUPPORT UNITS

The aggregate variable remuneration is established by the Chief Executive Officer of Mediobanca on the basis of general earnings sustainability. The variable component, which is usually small, is not related to earnings performance or the Group's results, but to individual qualitative performance (value of staff, quality of performance, retention strategies) and to the role's positioning relative to the reference market.

FOR THE OTHER DIVISIONS AND BUSINESS LINES

(Consumer Finance, Mediobanca Premier, CMB Monaco and the entities performing asset management activities, Specialty Finance and Advisory), the amounts are determined by the Boards of Directors of the legal entities concerned and their CEOs, as part of the process outlined above in the sections entitled "Governance – Governing Bodies" and "Application to Banking Group". Such processes also provide for the parent company's Remunerations and Risks Committees' involvement, as well as that of the Mediobanca CEO and Group General Manager, plus the other parent company units, in the Board and management committees' activities, and in the internal procedures provided for in the Group Regulations.

III. KPI Bluebook and Compensation Manual

KPI BLUEBOOK

Mediobanca has adopted a system known as the KPI Bluebook, containing a basket of indicators for use in the individual scorecards of the Group's senior management representatives whose performance is evaluated directly by the governing bodies and as part of the performance evaluation of the other non-senior management Material Risk Takers (MRTs) using a cascade approach.

The Bluebook contains a detailed entry for each of the indicators, which includes: i) a description of the indicator and its consistency with the company business objectives; ii) the type of indicator involved, and its alignment with the Group's RAF and risk strategies; iii) the level an organizational unit responsible for recording the indicator and an indication of the likely recipients; iv) a general description of the method by which the indicator is general calculated, with reference to other relevant internal regulations where appropriate; v) the time horizon over which the indicator is recorded.

The Group Risk Management unit, Group Chief Financial Office and Group Human Capital are jointly responsible for the proposals and for preparing the document, each for their own respective areas of responsibility. The document, on which the Risk Management unit gives its opinion, is assessed annually by the Risks Committee which sends it to the Remunerations Committee.

KPIS: CLASSIFICATION AND BALANCE

The indicators are classified into the following categories:

- **Pure risk**: used as risk management metrics;
- **Risk-adjusted**: indicators for which risk metrics are built into the calculation methods;
- **Earnings**: indicators of profitability, efficiency and growth by division;
- **ESG**: indicators related to environmental, social and governance objectives.

The KPI Bluebook includes guidelines for ensuring that risk-based objectives are balanced with the financial and/or quantitative earnings targets, so that risk management is consistent with the Group's capital requirement planning and Risk Appetite Framework. This structure completes the ex-ante risk adjustment at the level of gateways and divisional bonus pool.

The KPI Bluebook also highlights the possible categories of non-recurring events, to allow these to be managed as appropriate in the assignation of variable remuneration. In general terms, non-recurring events are defined as all instances of one-off occurrences that do not form part of the Bank's normal course of business, for which provision has not been made ex-ante at the budget phase. Such events are duly mapped and identified by the relevant units responsible (Group CFO, Group Risk Management and Group Human Capital) as part of the review by the corporate bodies responsible, highlighting their impact on the bonus pools and scorecards in order to assess the sustainability of results over the long period.

COMPENSATION MANUAL

In order to meet the need for a full and formal internal procedure through which, in addition to the provisions of this Policy, it is possible to record the entire process for the payment of the variable remuneration component, along with a description of the company units and governing bodies involved, Mediobanca has also produced a Compensation Manual, describing and formalizing the criteria and processes used, the responsibilities and supporting instruments, to allow activities to be tracked more easily. This tool, which is compiled by Group Human Capital, defines, for each process, the scope of application, along with the organizational flow (including evidence of the different phases), reporting flows between the different company units involved, and materials produced, even at intermediate stages, which are useful for tracking and formalizing the underlying decision-making process which led to the final result being produced. The formalization of each individual process is accompanied by a responsibility assignment matrix relating the units and/or bodies involved to the activities, identifying and formalizing both the type of involvement and relation.

IV. Individual performance evaluation

INDIVIDUAL PERFORMANCE

The individual incentivization system and assignment of variable remuneration to individual beneficiaries are established via an annual performance assessment process based on merit and professional quality, with particular attention to reputational issues: indeed variable remuneration may be ruled out or reduced for staff guilty of committing compliance breaches of either internal or external regulations in the course of the year. The entitlement to receive variable remuneration is subject to the beneficiary remaining an employee[14] of the Mediobanca Group throughout the assessment period and still being in the company's employment at the actual date of distribution and/or not serving a period of notice for resignation or dismissal. The remuneration may not be split over fractions of years, hence if the employment relationship begins or ceases in the course of the relevant financial year, the staff member concerned is not entitled to any variable remuneration, even pro rata. For identified staff, the amounts are validated by the Chief Executive Officer of Mediobanca and Group General Manager with the support of Group Human Capital.

MERITOCRACY AND DIVERSITY

Mediobanca valorizes its staff on a meritocratic basis, developing their professional capabilities and career opportunities in accordance with the principle of equal opportunities and in line with the Bank's own strategic, organizational and business choices. Difference of gender and thought is treated as a value to be leveraged, providing a source of enrichment in cultural and professional terms. Professional development is facilitated through the provision of the appropriate training, practical work experience under the leadership of line managers, mobility across different positions, assessment of performance, and ultimately the career advancement and promotion process. The Group also encourages its staff to get involved in its company volunteering programme, to foster talent, passion and commitment on the part of staff by including them in the various environmental and social initiatives which the Group supports.

EVALUATION INSTRUMENTS

All these instruments together provide an opportunity for the Group's staff to feel valued. Our people represent a fundamental part of our capital and are indispensable to making us competitive and so helping the Bank deliver performances that are sustainable over the long term.

At the start of the year the professional, personal and company objectives for each staff member are assigned and discussed with the respective line manager. Such objectives are meant to be achievable, challenging and weighted according to the priority assigned to each staff member. Particular attention is paid to proper individual conduct in accordance with the provisions of the Code of ethics, Organizational model and Business conduct policy, and in general terms with the principles established by the laws, regulations, operational rules and internal procedures, with reference in particular to those considered to be most relevant in terms of reputational risk. Increasing consideration is being devoted as part of the evaluation process to the achievement of environmental, social and governance (ESG) objectives with reference to the individual and business areas of responsibility (see section e) below, Inclusion of environmental, social and governance (ESG) objectives).

At the end of each year, the line managers make their managerial assessment of the individual staff members based on these objectives. Mid-term feedback throughout the year also allows the line managers and staff to agree on the extent to which the objectives have been met, as part of objective discussion of individual performances. In this way, the organization is able to reach its objectives while respecting its corporate values, and transparency is assured in the area of training opportunities, professional development and evaluation criteria.

An additional staff management and development instrument has also been introduced and made available to all Group legal entities, known as "Continuous Feedback". This instrument, which is complementary to the mandatory performance evaluation, enables constructive feedback to be

14. The other contractual forms provided for by the regulations apart from full employment contracts (e.g. collaboration or employment agency contracts) are considered equivalent.

given immediately on specific activities performed or projects covered from all Mediobanca Group colleagues with whom the staff member has worked. Constructive feedback may be positive or may highlight areas for improvement, and is an effective tool for learning and change. It is indispensable for improving company performance and interpersonal relations, and for keeping motivation at high levels, providing satisfaction and stimulus for improvement at the same time.

For staff belonging to the business units, the evaluation reflects:

- Earnings results achieved, with regard to the budget objectives and risk/return and cost/income ratios;
- Qualitative criteria: development of product offering, professional conduct and reliability, quality in terms of customer relationships, technical and analytical skills in the field of finance, ability to control costs, project initiatives, importance placed on achieving operating efficiency, and co-operation with other areas of the Bank, reputational and compliance issues, and adherence to the Bank's values.

For all the other units, the main aspects of the evaluation are based on qualitative objectives and a broader appraisal regarding compliance with regulations, control of costs and efficient management of resources, and project activities. In particular, for staff employed in the accounting, planning and control areas the following aspects are considered: all obligatory, supervisory and market disclosure requirements being complied with, all the accounting processes, related electronic procedures and tax requirements being managed efficiently and accurately.

For staff employed in the internal control units (i.e. Group Audit, Compliance and Risk Management), assessment is made of the continuous monitoring and control of the Bank's processes and operations carried out by them, independently and autonomously, to prevent risk situations developing and ensure irregular behaviour or events is picked up swiftly. Also evaluated is these units' continuous assessment of compliance with the regulations in the form of appropriate audit plans, updates to internal guidance, training of internal units; correct development of models, methodologies and metrics with which to measure market, credit and operational risks, producing adequate reporting for monitoring processes; and accurate analysis of new products and their risk profiles.

In close relation to the evaluation process, staff may also be promoted to a new contractual level or being assigned a new corporate title, as part of the career advancement process linked to covering new organizational roles based on experience acquired and results achieved. Promotions are proposed by the head of the business unit concerned, agreed with the relevant Human Resources department, and approved by the General Manager and/or the Chief Executive Officer (for middle management). For higher levels (senior management or equivalent), the process involves specific appraisal of the candidate concerned, including by other senior Bank staff from a variety of different professional backgrounds, experience and roles. The process is closely linked to that of succession planning which involves researching, identifying and managing individual candidates for senior positions (specifically Executive Directors, including in cases where such figures have to be replaced ahead of the scheduled expiry of their term of office, and Key Function Holders). The process also requires a pool of possible high-potential replacements to be identified (the "senior talent pool") for key positions, including the business areas, control units, and staff and support roles, in view of likely future requirements in terms of strategic leadership and/or professional and managerial capabilities based on a global organizational approach, without neglecting to monitor the market on an ongoing basis. Growth and career development pathways are devised for such staff, including involvement in specific strategic projects, exposure to Board/committee meetings, and international and intra-Group rotation. Selection is based on assessment of professional and technical skills, as shown by CV and company record as well as performance over time, possession and development of key leadership capabilities.

Thus the remunerations policy is co-ordinated with the selection, appointment, succession and assessment of the adequacy of company representatives and Key Function Holders and the Staff management policies.

V. Variable remuneration for retention and motivational purposes and floors

EXCEPTIONS

The Board of Directors, at the Chief Executive Officer's proposal and with the Remunerations and Related Parties' Committees approval, may approve payment of variable remuneration in favour of Identified Staff in order to safeguard the most critical professional capabilities, even if the gateways have not been met. The possibility of paying variable remuneration for motivational and retention purposes is assessed in the light of the causes for the individual gateways not being met, and the impact of the individual indicator on the Group's capital adequacy, liquidity and profitability, including through assessment of the causal link with the Group's various divisions. The scope of the staff and the amount involved is based mainly on the following criteria: the contribution of the individual beneficiary to the overall results of the division and the Group, the importance of the profile to the sustainability of future results, benchmark analysis of the market and competitive scenario, the need to ensure business continuity, and consistency with the succession planning policy.

Furthermore, if the gateways are met but an Economic Profit or other divisional indicator is delivered which is negative or small, the Chief Executive Officer may also propose a variable remuneration floor pool for identified staff, agreeing the rationale for distributing the proceeds with the governing bodies based on the individual contributions of the business activities to the company's results.

Nonetheless, variable remuneration assigned in these situations is always subject, on an individual basis, to all the rules in force on variable remuneration: deferral over a time horizon of several years, payment in financial instruments, and being conditional upon performance, malus and clawback conditions being met.

C) Long-term variable remuneration (Long-Term Incentive)

LONG TERM INCENTIVE

Upon the approval of a long-term Group strategic plan, the Board of Directors may choose to adopt a long-term incentivization scheme conditional upon the objectives set out in the plan itself being reached.

This plan directs the conduct of the beneficiaries towards creating long-term value for shareholders; correlates a part of the variable remuneration to achieving objectives over the medium and long term; is constructed in such a way as to ensure that achieving the plan's results does not encourage taking more risk than the governing bodies have decided is sustainable; and promotes loyalty retention. It is consistent with sustainability objectives that endure over time and is able to create value that is shared with all stakeholders.

The long-term incentive scheme has specific financial and non-financial objectives linked to the scheme's time horizon, and is subject to gateways. Of these gateways, the capital and liquidity indicators included in the RAF are assessed at the end of each year for the period covered by the Plan, while the earnings indicators on an aggregated basis at the end of the Plan itself.

Payment is made in accordance with the terms, conditions and methods provided for the variable remuneration component in this Policy, unless stipulated otherwise by the Board of Directors after consulting with the Remunerations Committee, in accordance with the regulations in force for long-term incentivization schemes and for payment of the variable remuneration accrued, including any specific resolutions requiring to be adopted in general meetings. In addition to the Chief Executive Officer and Group General Manager, other Group senior representatives may be included in the Plan, with a specific pay mix identified for them between short- and long-term variable components. The 2:1 cap on variable/fixed remuneration approved by the shareholders in general meeting must be complied with for each year.

The Long-Term Incentive Plan linked to the Strategic Plan 2023-26 was approved by shareholders at the Annual General Meeting held on 28 October 2023. For all details regarding the LTI Plan with reference to the Mediobanca CEO and Group General Manager, reference should be made to section 7 of the Policy. Provision is made under the terms of the Plan for Group staff to be allocated bonus shares up to a maximum number of three million shares resulting from a bonus issue implemented for such purposes. Alternatively, the treasury shares freely available, the use of which is not reserved for other purposes, may be used in connection with the plan.

The increase for use in connection with this Plan involves less than 0.3% of the company's share capital, which is comfortably below the dilution limits accepted by institutional investors and proxy advisors, even when added to the other share schemes presently in force (see "2023-26 Employment Share Ownership Scheme" and "Performance Share Scheme" below).

D) 2023-26 Employee Share Ownership and Coinvestment Plan

EMPLOYEE SHARE OWNERSHIP PLAN (ESOP)

The desire to invest in people and engage them directly in achieving the company's objectives will result in an Employee Share Ownership and Coinvestment Plan (ESOP) for Group staff to be launched over the time horizon covered by the 2023-26 Strategic Plan. The advantages of this scheme include:

- Investment in the Group's people, to guarantee they participate directly in achieving the company's objections and creating sustainable value;
- A sense of involvement and belonging to be stimulated among Group staff;
- A culture of ownership being embedded at all levels;
- The remuneration strategy being expanded with the adoption of innovative instruments;
- An enhanced sense of financial awareness, risk management culture and entrepreneurial spirit being developed in the Group's staff;
- The remuneration of Group staff being correlated to the achievement of positive results over time, having regard to performances delivered, consistent with an overall approach based on sustainable pay mechanisms;
- Alignment with Italian and international best practices.

The Plan is an important motivational tool for the long term, in line with market practice, and in accordance with the limits and other terms and conditions set by the regulations in force.

The scheme provides for:

- The opportunity to buy Mediobanca shares based on pre-established packages ("buy"). Each staff member will be able to issue instructions to the intermediary selected by the Group to acquire shares for a value equal to a maximum investment amount set, in accordance with the different sizes of buy tranches defined in the Scheme;
- Such shares to be received on favourable terms with a contribution from the employer ("discount");
- A premium to be paid ("matching") when certain conditions are met (including conditions related to ESG indicators), with a specific share issue to be made for use in connection with the Scheme.

  The Plan was approved by shareholders at the Annual General Meeting held on 28 October 2023, and reference should be made to it for all details regarding the scheme. Provision is made for bonus shares to be allocated to Mediobanca Group staff as part of the Plan in a total of up to one million new shares to be issued through a dedicated bonus issue. Alternatively, the treasury shares freely available, the use of which is not reserved for other purposes, may be used in connection with the plan.

The Plan will account for less than 0.1% of the company's share capital, significantly below the limits in terms of dilution tolerated by institutional investors and proxy advisors, even when added to the other share schemes presently in force (see sections entitled "Long-term variable remuneration – Long-Term Incentive" above and "Performance Share Scheme" below).

E) Inclusion of Environmental, Social and Governance (ESG) objectives

ESG KPIS

As part of the performance evaluation process in connection with the remuneration and incentivization policy, the Mediobanca Group devotes special and increasing attention to the achievement of environmental, social and governance (ESG) objectives. These are structured according to individual scope of responsibility, and taking account the incentivization systems applied to the individuals and/or divisions concerned.

Provision has been made in the Long-Term Incentive Plan 2023-26, the recipients of which are the Mediobanca Chief Executive Officer and the Group General Manager plus certain other senior Group figures, for two quantified and measurable ESG objectives to be included among the KPIs for the scorecards forming part of the new 2023-26 Long Term Incentive Plan, in which the objectives have a total weight of 20% (10% each):

- Climate Change: % reduction in the portfolio's carbon intensity (portfolio decarbonization);
- Diversity & Inclusion: % of women in management positions at Group level.

Equivalent ESG indicators about Climate Change and D&I are included among those that will entitle staff to have their shares matched as part of the Employee Share Ownership and Coinvestment Scheme in force over the 2023-26 Strategic Plan horizon.

Financial ESG and sustainability criteria are also included in the annual scorecards (Short Term Incentives) for the Chief Executive Officer and Group General Manager of Mediobanca, to be assessed over the one-year time horizon for the performance. Their weighting is up to 10% of the quantitative component, and they refer to the annual ESG objectives contained in the Strategic Plan for the Group's principal businesses, with financial KPIs related to, for example, growth in the volume of ESG products (new loans; CIB, Compass and Mediobanca Premier), deeper penetration rates for SFDR Article 8/9 ESG funds in clients' portfolios.

The CEO's and Group General Manager's annual scorecards also include non-financial ESG and CSR objectives, with an overall weighting of 15% of the total indicators. For FY 2024-25 the focus is on the following issues: "Our People", "Our Community", and "Digital Journey", also structured as projects and using quantitative as well as qualitative evaluation methodologies (for details of which see Section 7, paragraph c), "Mediobanca CEO and Group General Manager").

Performance evaluation is also supported by quantitative indicators and measurable evidence provided in detail to the Board of Directors to assist them in making the correct assessment.

The short-term incentive scheme for other senior figures (strategic management and Material Risk-Takers heading up the main business lines, including the CEOs/general managers of the main Group legal entities) also includes, both individually and as part of the scorecards used to define the divisional bonus pools, and where appropriate to the scope under consideration, the presence of quantitative, measurable ESG indicators with weightings of up to 10%. These include, without limitation: higher volumes of green products (new loans) and deeper penetration of ESG funds in clients' portfolios; number of green and sustainability bonds issued; monitoring and accounting for assets in portfolios from an ESG standpoint; integrating ESG evaluations into the fund investment process. Other targets include: increasing green-/ESG-linked bond issues and lending activities; assessment of suppliers according to ESG criteria; target levels for electricity from renewable resources; and cutting CO2 emissions. Non-financial ESG objectives have also been set for these figures, with a focus chiefly on People Strategy and Innovation issues (diversity, training, succession planning, work/life balance; staff conditions, technological innovation), possibly also structured as projects.

The rest of the Group staff are assigned a Group objective (with a weighting of between 5% and 10% of the total) to evaluate the performance delivered in terms of the adoption of socially responsible behaviour on a management basis, in line with the Group's Corporate Social Responsibility policies, with reference in particular to protection of the environment, corporate diversity, and defence of human and social rights.

F) Payment of variable component

I. Timing and payment instruments

DEFERRALS

A substantial proportion of the variable component is deferred over time and distributed in the form of equity instruments, in order to link incentives to the objective of value creation in the long term, and to allow the continuity of the company's positive results to be verified. Payments are made through annual pro rata instalments and depends on the beneficiary's role and the variable remuneration payable to them.

For directors with executive duties and senior management (i.e. groups 2 and 3 in the table of Identified Staff), the deferral period is always five years. The deferred component is:

- 60% (55% in equities and 45% in cash), for variable remuneration equal to or higher than €436,000;
- 50% (56% in equities and 44% in cash) for variable remuneration of less than €436,000.

For other Identified Staff, deferral is over a four-year time horizon, made up as follows:

- 60% (50% in equities and 50% in cash), for variable remuneration equal to or higher than €436,000;
- 40%, (50% in equities and 50% in cash), for variable remuneration of less than €436,000.

For the Material Risk-Takers, the upfront component is paid half in cash and half in Mediobanca shares.

The €436,000 threshold has been identified in accordance with the regulations, as the lower amount between 10x the average overall compensation within the Group (approx. €101,700 in the last financial year) and 25% d of the overall remuneration for Italian high earners stated in the EBA 2024 report (based on 2022 data), i.e. €436,000. This threshold may be reviewed from time to time, at least once every three years.

For Identified Staff, the deferral mechanism does not apply if their annual variable remuneration does not exceed the materiality threshold of €50,000 and does not represent more than one-third of their total compensation.

After the vesting period, the shares are subject to a further retention holding period of one year.

The time horizon over which the variable remuneration is distributed, in cash and shares, is therefore six years for senior management and five years for the other Identified Staff. An overview of the timing for the various distributions is shown in the table below:

	YEAR T	T+1	T+2	T+3	T+4	T+5
Senior management with variable remuneration ≥ €436,000	20% Upfront cash	20% Upfront equity	13% Deferred cash	11% Deferred equity	11% Deferred equity	11% Deferred equity 14% Deferred cash
Senior management with variable remuneration < €436,000	25% Upfront cash	25% Upfront equity	11% Deferred cash	9% Deferred equity	10% Deferred equity	9% Deferred equity 11% Deferred cash
Other Identified Staff with variable remuneration ≥ €436,000	20% Upfront cash	20% Upfront equity	15% Deferred equity 5% Deferred cash	15% Deferred equity 5% Deferred cash	20% Deferred cash	
Other Identified Staff with variable remuneration < €436,000	30% Upfront cash	30% Upfront equity	10% Deferred equity 5% Deferred cash	10% Deferred equity 5% Deferred cash	10% Deferred cash	

Specific deferral rules may be applied locally and incorporated into the remuneration policies of the banks/international branch offices affected, if more restrictive regulations than those adopted by the Group are introduced at national level.

Mediobanca also applies a 30% deferral over a three-year time horizon, all in cash, subject to malus conditions and also to the beneficiary continuing to work for Mediobanca when the payment is made, to all staff not included in the definition of identified staff who receive variable remuneration equal to or higher than €100,000.[15]

II. Performance share scheme

EQUITY INSTRUMENTS

In order to have ordinary shares for use as components of staff remuneration, Mediobanca has adopted an incentivization system based on performance shares (ordinary Mediobanca shares) subject to approval by shareholders gathered in Annual General Meeting. At the Annual General Meeting held on 28 October 2023, the shareholders of Mediobanca approved the Annual Incentivization System for FY 2023-24, which involved up to 3 million performance shares being awarded to members of the Group's staff, to determine the variable remuneration payable in respect of the financial year ending on 30 June 2024. A similar resolution, involving up to 3 million shares, will be submitted to the approval of shareholders at the Annual General Meeting to be held on 28 October 2024 with the Performance Share Compensation Scheme for FY 2024-25 for the performance shares to be paid in respect of the financial year ending on 30 June 2025. Reference is made to the relevant report for all details.

The scheme involves the award of Mediobanca shares to staff members (employees, collaborators,

15. For personnel not included among the definition of Identified Staff, the Group companies are free to adopt or not adopt their own internal deferral mechanisms and respective thresholds, including on the basis of specific sector regulations (e.g. in asset management, investment firm). The deferral structure adopted to this end by Mediobanca applies to those Group companies which do not have a policy or other specific remuneration and incentivization of their own, and which therefore adopt the Group policy directly without further specification. The foregoing is also without prejudice to application of deferral mechanisms other than those described in this section, if set by the local regulations in force, in particular for companies based in non-EU member states, but in any case consistent with the regulations applicable to the Mediobanca Group and consistent also with the provisions of this Policy.

staff on agency contracts) as the equity component of the variable remuneration granted to them as a result of the performance evaluation process, both short-term in relation to the annual budget (short-term incentive plan) and longer-term (plans for personnel such as Financial Advisors linked to the Group, or other staff with long-term performance evaluation linked to specific plans for Group legal entities ending in FY 2024-25).

The performance shares allocated as upfront equity component are subject to a holding period of no less than one year before they are actually awarded, subject to the beneficiary continuing to work with the Mediobanca Group.[16]

The performance shares awarded as deferred equity component are:

- Assigned within an overall vesting period for all deferred components over a time horizon of at least three years, provided that the beneficiaries are still employed by the Group[17] and that the additional performance conditions stipulated in the remuneration policy in force at the time regarding the sustainability of the results achieved have been met, with the conditions regarding the company's capital solidity and liquidity and/or proper individual conduct in particular respected;
- Subject to a further holding period of at least one year prior to their actual assignation, which remains conditional upon the beneficiary continuing to work with Mediobanca.[18]

Dividends do not accrue during the vesting and holding periods.

Awards which are spread over time are an incentive to staff, depending on their role and business activities, to adopt conduct that ensures the Mediobanca Group's results are sustainable over the long-term, in accordance with the requirements in terms of capital, liquidity and control of all risks.

The Chief Executive Officer of Mediobanca may also use the performance shares, as part of remuneration packages awarded in connection with the recruitment of key staff and/or for retention purposes, including outside of the annual award cycle, but still from the proposed upper limit in this resolution, with specific deferral mechanisms as provided under the terms of the resolution being submitted to the approval of shareholders. The governing bodies may also award quantities of performance shares as part of compensation agreed in respect of early termination of the working relationship, to link it to the performance delivered and the risks taken by the individual and the Bank, as required by the regulations and consistent with the provisions of the remunerations policy in force at the time.

The shares received are personal, without prejudice to inheritance rights. The right to receive shares is retained in the event of retirement or the beneficiary being permanently disabled and/or suffering from an illness which makes them unable to continue working, and also in the event of intra-Group transfers. Conversely, the right to receive shares is forfeited in cases where the working relationship ends, whether governed by an employment contract or some other arrangement, due to resignation, dismissal and/or withdrawal. Exceptions to the foregoing are handled by the governing bodies within their respective areas of authority, namely the Board of Directors, Remunerations Committee, other competent committees, and the Chief Executive Officer of Mediobanca, based on the powers vested in them, particularly in cases which involve departures by mutual consent within the limits defined by the remuneration policy in force at the time (cf. section entitled "Treatment of "good leavers"). The foregoing is without prejudice to any decisions that may be taken by a third party authorized for such purpose, namely judicial authorities and/or arbitration and/or conciliation bodies, and without prejudice to any regulations providing for more

16. I.e. the existence of a co-operation agreement between the beneficiary and the company, whether an employment contract or some other arrangement, not during a period of advance notice for resignation/withdrawal/termination, whether voluntary or due to dismissal/withdrawal on the part of the company. For Directors of Group companies who are not tied to the Group by employment contracts, when their terms of office come to an end as a result of expiring naturally or failing to be renewed, the rights are maintained subject to the provisions of the specific individual agreements and provided that the person concerned has not left office due to compliance breaches or other deeds attributable to them.
17. See previous note.
18. See note 16.

favourable treatment instituted by the applicable local legislations.[19]

Performance shares are awarded from capital increases approved by the shareholders in general meeting or from any treasury shares the Bank may possess or acquired on the market (once again subject to a resolution being passed in general meeting). The maximum number of shares that may be awarded under the terms of the scheme due to be approved at the next AGM is 3 million, from the treasury shares currently held by the Bank not reserved for other purposes or acquired on the market. At present a total of 7,685,680 performance shares have been assigned, under limits set previously by shareholders in annual general meeting, but not yet awarded as they are still subject to vesting/holding periods.[20] The fully-diluted percentage of the share capital accounted for by the equity instruments already assigned to Group staff amounts to approx. 0.9%, significantly below the limits in terms of dilution tolerated by institutional investors and proxy advisors. The impact on the stock's value and the possible dilution of the share capital is negligible, given that there are several schemes in operation over different years and with different vesting and holding periods over a medium-/long-term time horizon.

III. Additional performance conditions for the deferred components

PERFORMANCE CONDITIONS FOR DEFERRALS

The deferred variable remuneration component is paid, after the performance evaluation process has been completed over the relevant timeframe, i.e. annual (short-term incentive) or long-term (long-term incentive), provided that:

- The beneficiary is still a Group employee[21] and not serving a period of notice for resignation or dismissal;
- In each of the financial years, the performance conditions equating to the gateways described in the section entitled "Gateways and risk-performance correlation" are met;
- The beneficiaries' business units post a positive risk-adjusted result net of extraordinary items and the effects of strategic decisions, as validated by the Group Risk Management unit.

This method is consistent with the requirement for staff, in accordance with their role and business activity, to conduct themselves at all times in such a way as to ensure that Mediobanca retains a solid capital and liquidity base, control of all risks as well as positive earnings results, thus guaranteeing that the remuneration systems remain sustainable over the long term.

For staff employed at other Group companies, the Chief Executive Officer may choose to identify one or more specific economic indicators in place of those referred to above.

The Board of Directors, with the favourable opinion of the Remunerations Committee, may, at the Chief Executive Officer's proposal, authorize payment of the deferred component, including in part, even if the gateways are not achieved, either to business divisions or individuals who during the year have delivered particularly outstanding performances or who are expected to be decisive with regard to the sustainability of results over time, for retention purposes.

G) Malus and clawback conditions

MALUS CONDITION

The remuneration and incentivization system must not only discourage improper behaviour, but must also contribute to promoting virtuous conduct. Conduct is therefore an important component

19. The provisions of this paragraph also apply to the deferred cash component 20. Includes the maximum number of performance shares awarded individually in connection with the LTI Plan 2023-26 to be closed subsequent to 30 June 2026.
21. Equivalent provisions have also been made for working arrangements other than employment itself (e.g. co-operation or agency contracts). For Directors of Group Legal Entities who are not tied to the Group by employment contracts, when their terms of office come to an end as a result of expiring naturally or failing to be renewed, the rights are maintained subject to the provisions of the specific individual agreements and provided that the person concerned has not left office due to compliance breaches or other deeds attributable to them.

of the remuneration policies, which must take account of individual and collective responsibilities in cases of misconduct and must define their impact on remuneration.

Variable remuneration components may only be assigned, when awarded and when deferred payment takes place, if the beneficiary has not committed any of the instances contemplated in the Group Directive on Compliance Breaches (i.e. has not been subject to disciplinary proceedings based *inter alia* on the provisions of the Code of Ethics, Organizational Model instituted pursuant to Italian Legislative Decree 231/01, or violations of the Business Conduct policy and/or the other internal guidelines issued by Mediobanca), and if no losses are attributable to their actions.

COMPLIANCE BREACH

Mediobanca has prepared a Group Directive to this end, defining the rules to identify and evaluate compliance breaches and to assess their impact on the variable remuneration component, both those already assigned and those still to be assigned. In particular, malus mechanisms may be activated in the event of compliance breaches, that reduce or cancel the value of: (i) variable remuneration, to be assigned for each financial year during the annual performance evaluation process, both individual or for a specific unit; and/or (ii) the deferred component for previous years not yet paid; and clawback mechanisms which require the beneficiary to pay back the amount of variable remuneration that has already been paid.

In order to identify a compliance breach, the instances of violations detected by the control units (Compliance & Group AML, Group Audit and Group Risk Management) and the authorities (e.g. Bank of Italy and Consob) are the primary sources taken into consideration. To ensure greater effectiveness, and in accordance with the principle of proportionality, under the terms of the Directive only material violations constitute compliance breaches, i.e. those which have exposed the Bank to a significant non-compliance risk. In general this means breaches of the regulations that entail criminal or administrative liability (e.g. pursuant to Italian Legislative Decree 231/01) or of regulations specific to the banking and finance sector (e.g. market abuse, provision of banking and investment services, anti-money-laundering and business conduct). Any more minor breaches detected by a control unit, and/or behavioural infringements noted by Group Human Capital, which do not constitute compliance breaches may nonetheless be taken into consideration in the assignment of variable remuneration, as part of the performance evaluation process which includes general compliance with the conduct requirements among its criteria, along with individual management objectives.

The significance of a breach is assessed on the basis of the following aspects: seriousness of the breach, size of the breach, external detection. Each compliance breach is evaluated based on the above criteria, being assessed as nil, low, medium or high, resulting in an overall score being assigned. A reduction in the variable remuneration component is associated with each score, which may affect the amount of variable remuneration paid for the year in progress (known as an "in-year adjustment") and/or the reduction of the deferred component assigned in previous years and not yet paid. If enquiries or disciplinary proceedings by the authorities are still in progress and which have not yet established clear breaches of the procedures in force, the Group may decide to suspend payment of the variable upfront and/or deferred component as yet unpaid until the results of the enquiry process are known. The outcome of the enquiries and the impact on variable remuneration, both individual or in terms of the unit's scorecard, are formalized and filed by the Compliance unit. Regular reporting to the governing bodies on this issue has been instituted.

CLAWBACK

Mediobanca reserves the right to take all measures necessary to claim back variable remuneration already paid (the "clawback" mechanism) in the event of damages emerging to the integrity of its capital, profitability and earnings/financial or reputational situation, which are attributable to the conduct of individual staff members even without fraud and/or wilful misconduct being established. In particular, provision for such measures is made in cases involving breach of the obligations imposed under Article 26 of the Italian banking act (company representatives – personal and professional qualifications and independence) or, where relevant to the party involved, Article 53, paragraphs 4ff (regulatory supervision), of the obligations in respect of remuneration and incentivization.

Clawback clauses can be applied to Identified Staff up to the fifth year following payment of variable remuneration, upfront or deferred, and up to one year for other staff.

H) Ban on hedging strategies

ANTI HEDGING POLICY

Staff members are not allowed to use hedging or insurance strategies on their remuneration or other aspects which could alter or otherwise distort the risk alignment effects inherent in the compensation mechanisms, especially if they refer to the variable component paid in the form of financial instruments.

As governed by the applicable internal regulations,[22] Identified Staff must give notice of transactions executed by them directly or indirectly in financial instruments issued by Mediobanca and those with Mediobanca instruments as underlying, transactions identified as potentially able to affect the risk alignment mechanisms, and more generally, to impact on achieving the objectives of the regulations in force in the area of remuneration.[23] Identified Staff are required to give notice of contracts executed with counterparties that generate the same effect (e.g. OTC derivatives). They are also obliged to disclose, from the moment they are included in the definition of Identified Staff and once a year if their inclusion is confirmed:

- All custody and administration accounts – opened with the Group or with other intermediaries – of which they are holders and/or joint account holders at the disclosure date. Also relevant in this connection are any accounts attributable to them indirectly (e.g. made out to companies 100% owned by them);
- The list of the financial instruments listed above with an indication of their respective quantities;
- The fact that no contracts have been entered into with third parties for hedging and/or insurance purposes.

Failure to disclose the above information constitutes a compliance breach.

The foregoing is without prejudice to the obligations and restrictions in force under any additional internal regulations governing trading in financial instruments on a personal basis.

Based on the information contained in the above disclosures, the control units carry out checks on the accounts and make further enquiries which may include asking to see the statements of account as appropriate.

22. Disclosure of accounts and trades by Group Identified Staff", "Regulations on internal dealing" and "Regulations governing personal transactions involving financial instruments made by relevant persons".
23. Specific provisions are adopted for the companies operating in asset management, as the variable remuneration in such cases may be assigned in the form of fund stock units and/or fund-linked products.

Remuneration structure for particular categories of staff

MEDIOBANCA

7. Remuneration structure for particular categories of staff

A) Non-executive Directors

NON EXECUTIVE DIRECTORS

The fixed compensation payable to members of the Board of Directors for performing their duties is established by the shareholders of Mediobanca at the Annual General Meeting (and the same is true for the Group Legal Entities) when they are appointed and for their entire term of office. Such compensation is split between the individual members in accordance with the Board's own decision. The Board of Directors also establishes, after consulting with the Statutory Audit Committee, the remuneration payable to Directors vested with particular responsibilities as defined in Article 2389, paragraph 3, of the Italian Civil Code. Directors who are not members of the Group's management are also entitled to have expenses incurred in the exercise of their duties refunded.

No provision is made for incentives linked to the company's performance or for any form of severance pay upon leaving office.

The Chairperson of Mediobanca is entitled to compensation for holding such office, to be established by the Board of Directors pursuant to Article 2389, paragraph 3, of the Italian Civil Code (cf. Article 13 of the company's Articles of Association). It has been set by the Board of Directors at €800,000 per annum.[24] The emolument of €100,000 per annum payable for holding the office of Director and that of €25,000 per annum for the role of member of the Appointments Committee remain separate from the above compensation.[25]

DIRECTORS' COMPENSATION, FY 2023-26	
Compensation approved by shareholders at AGM held on 28/10/23	**2,500,000**
No. of Directors	**15**
Board of Directors	**1,570,000**
Compensation payable per Director	100,000
Additional compensation payable to Deputy Chairs	35,000
Appointments Committee (5 members)	**135,000**
Compensation per member	25,000
Additional compensation for Committee Chair	10,000
Risks Committee (5 members)	**370,000**
Compensation per member	70,000
Additional compensation for Committee Chair	20,000
Remuneration Committee (5 members)	**185,000**
Compensation per member	35,000
Additional compensation for Committee Chair	10,000
Related Parties Committee (4 members)	**70,000**
Compensation per member	15,000
Additional compensation for Committee Chair	10,000
Sustainability Committee (5 members + 1 executive Director)	**125,000**
Compensation per member	25,000
Compensation payable to Lead Independent Director	**25,000**
Total	**2,480,000**

24. Based on a market benchmark compiled by independent advisor Mercer which has analysed the remuneration of the Chairpersons for a peer group consisting of Banca Mediolanum, Banco BPM, BPER Banca, Fineco Bank, Intesa San Paolo, Unicredit, Assicurazioni Generali, Barclays, BNP Paribas, Crédit Agricole, Deutsche Bank, LLoyds Banking Group, and Société Générale.
25. The benchmarking exercise performed by Deloitte Consulting, including as regards the role of the Chairman in addition to and in order to confirm the exercise referred to in the previous note, analysed the compensation paid to the governing bodies of Intesa San Paolo, Unicredit, BancoBPM, BPER and Assicurazioni Generali.

The Directors of Mediobanca and all the Group companies are covered by a D&O insurance policy.

B) Statutory Audit Committee

STATUTORY AUDIT COMMITTEE

The annual compensation payable to the Statutory Audit Committee is set in a fixed amount by the Bank's shareholders gathered in general meeting. For the Statutory Audit Committee currently in office, the shareholders of Mediobanca, at the Annual General Meeting held on 28 October 2023, in view of the commitment required by the office, set annual gross compensation for the Committee Chair of €180,000 and of €140,000 for each Standing Auditor.

The Statutory Auditors take part in meetings of the Board of Directors, the Executive Committee, the Remunerations Committee, the Related Parties Committee and the Risks Committee. The Statutory Audit Committee has also been tasked by the Board with performing the duties of the supervisory body instituted pursuant to Article 6 of Italian Legislative Decree 231/01 (under paragraph 4-bis of this Article, as amended by Italian Law 183/11), in line with the Bank of Italy's instructions on internal controls.

The compensation proposed and approved by shareholders in the Annual General Meeting has therefore been determined taking into account the high commitment required by the office, the significant competences and previous experience required and the need to attract and retain candidates of high standing for the office. In determining the compensation, benchmarking analysis relative to other comparable issuers was performed. No provision is made for variable remuneration or severance pay on leaving office. Statutory Auditors are entitled to have any expenses incurred in the course of their duties refunded.

The Statutory Auditors of Mediobanca and all the Group legal entities are also covered by a third-party liability insurance policy (D&O).

C) Mediobanca CEO and Group General Manager

CEO AND GM

The remuneration of the Mediobanca CEO and the Group General Manager is regulated by individual agreements approved by the Board of Directors, and comprises:

FIXED REMUNERATION

1) Fixed salary of €1,800,000 for the Chief Executive Officer and of €1,500,000 for the Group General Manager. The fixed salaries of both has remained unchanged since 1 July 2011;

SHORT TERM INCENTIVE

2) A variable annual component (short-term incentive) which only accrues if the gateways stipulated in this Policy (see the section entitled "Gateways and risk-performance correlation"), commensurate with the quantitative/financial and qualitative/non-financial performance indicators contained in an individual scorecard approved annually by the Board of Directors at the Remunerations Committee's proposal being met. Based on the 2:1 cap and taken in conjunction with the Long-Term Incentive Plan described under point 3) below, the annual short-term variable component can be as much as 1x the fixed remuneration, i.e. no more than 50% of the maximum potential variable remuneration payable on an annual basis.

   The scorecards include financial and non-financial performance objectives for their respective areas of responsibility, bearing in mind that the combination of KPIs used for senior roles in any case requires objectives to be met at the Banking Group level, based among other things on a prudential approach. The financial objectives may, for example, regard: risk-adjusted profitability; risk indicators; revenues, at Group level or for specific Divisions and/or areas of responsibility; other objectives consistent with the guidelines of the Strategic Plan with regard to capitalization, liquidity or new business initiatives. Each objective is weighted according to the relevance assigned to it by the Board of Directors and the actual margin of autonomy in terms of decision-making. The objectives are chosen on the basis of the KPI Bluebook.

   Non-financial ESG and CSR objectives, including in the form of projects, are also an integral part of the scorecard, linked to the role of the CEO and Group General Manager as "enablers" of Environmental, Social and Governance initiatives to support value creation for society (e.g. in the areas of human capital, social responsibility, and innovative content).

All the objectives included in the scorecard are appropriately weighted to guarantee an overall weighting of 100%, as follows:

- 85% of the overall weighting refers to financial KPIs, with 10% reserved on a fixed basis for financial ESG objectives;
- 15% refers to non-financial qualitative indicators, which are pre-established and expressed in the evaluation drivers.

The incentivization curve is structured so that the overall objectives being met triggers the payment of a variable component, which is structured as follows: 85% of the fixed annual salary if the financial and non-financial targets are met, and 100% in the event of outperformance in both:

- When the financial targets, which represent 85% of the total KPIs, are met and exceeded, the amount of the bonus payable to the Mediobanca CEO and the Group General Manager is comprised in a range between 75% (when the target, which is usually set on the basis of the budget and/or in accordance with the annual sub-division of the Strategic Plan targets) and 85% (in the event of out-performance and/or especially outstanding results, determined specifically on the basis of the individual type of objective involved) of their annual gross fixed salary for the respective weighting. An amount equal to between 50% and 75% of their annual gross salary accrues if at least 85% of the target is achieved. The measurement is performed by means of linear interpolation.
- The qualitative KPIs section with their respective weightings, up to a total of 15% of all the KPIs, is included in the scorecard's functioning and assessed via specific pre-established drivers (also linked to earnings indicators where appropriate), and finalized using an evaluation scale based on their achievement.[26]
- The variable remuneration is determined on the results of each of the targets, each based on their own weighting.
- The cap on variable remuneration for the short-term component set at 100% of the fixed salary for purposes of consistency with the Long-Term Incentive Plan described in the following paragraph applies in any case.

26. The Committee may, if it prefers, make a global evaluation of all the KPIs based on the activities performed (expansion of initiatives, results achieved ahead of schedule, deferral/change/reassessment of underlying drivers, optimization of expense budget, etc.).

FINANCIAL KPIs	WEIGHT (85%)	KPI TARGET	KPI OVER PERFORMANCE
Risk Adjusted KPIs Risk KPIs	Min.40%	Vs. Budget/Annual sub-division of the Strategic Plan	> Incremental according KPIs' type vs. KPI target
Profitability KPIs	Max.35%		
ESG KPIs	10%		
Varable remuneration amount related to financial KPIs		75% Fixed remuneration	85% Fixed remuneration
NON FINANCIAL/QUALITATIVE KPIs	**WEIGHT (15%)**	**KPI TARGET**	**KPI OVER PERFORMANCE**
Non financial KPIs with activities/objectives individually weighted, identifed and reported via rating scale KPI a) Description&driver KPI b) Description&driver	15%	◇ Not achieved 0% ◇ Partially achieved 7,5% ◇ Target archieved 10% ◇ Fully achieved 15%	
Variable remuneration amount related to non financial/qualitative KPIs		10% Fixed remuneration	15% Fixed remuneration
SCORECARD OVERALL	**WEIGHT 100%**	**KPI TARGET**	**KPI OVER PERFORMANCE**
Total Variable remuneration amount		85% Fixed remuneration	100% Fixed remuneration

Of the variable component, 60% is deferred over a five-year time horizon, in cash and in Mediobanca shares, in accordance with the provisions of this Policy in the section entitled "Timing and payment instruments". All deferred components are subject to the performance and malus conditions stipulated in these Policies (see sections entitled "Additional performance conditions for the deferred components" and "Malus conditions and clawback").

For the financial year ending 30 June 2025, the Chief Executive Officer has been assigned the following quantitative objectives:

SCORECARD CEO 2025

FINANCIAL OBJECTIVES	TOTAL WEIGHTING 85%	KPI TARGET = 75% FIXED SALARY	Δ KPI OUT- PERFORMANCE =85% FIXED SALARY
RORWA Banking Activity: Profit before Taxes (PBT) Group Banking Activities/Banking RWAs *Optimization of return on RWAs allocated to banking activities*	25%	vs budget/plan	+ 11% target
Gross Non-Performing Loans (NPL Ratio) *Focus on asset quality*	15%	vs budget/plan	+ 5% target
Total Revenues (€m) *Focus on Group total revenues*	20%	vs budget/plan	+ 4% target
Capital Generation (bps) *Focus on growth in the Group's capital position through profit generation*	15%	vs budget/plan	+ 2% target
ESG objectives	10%	vs budget/plan	
a) Loans with ESG characteristics as percentage of total new loans in Corporate Banking (CIB)			+ 27% target
b) Incidence of ESG disbursement on new retail production (Consumer Finance – WM Premier)	3.3 each		+ 6% target
c) Percentage of SFDR Article 8/9 Funds and ETFs in Mediobanca Premier and Mediobanca Private Banking client portfolios			+ 3% target

NON-FINANCIAL/QUALITATIVE OBJECTIVES	TOTAL WEIGHTING 15%	KPI TARGET = 10% FIXED SALARY	Δ KPI OUT-PERFORMANCE = 15% FIXED SALARY
Our People ESG objectives to support diversity and inclusion, develop skills and promote engagement. a) toDEI initiatives implemented b) Mediobanca Academy c) Employee engagement (YoY trend in participation)	7.5%	Evaluation scale Not achieved Partially achieved Target archieved Fully achieved	
Our Community ESG objectives to support value creation for society (linked to the Mediobanca Group's CSR): a) Sustainability initiatives (no.) b) Third sector initiatives c) Support for social initiatives with Group staff volunteering (YoY trend in participation)	7.5%	Evaluation scale Not achieved Partially achieved Target archieved Fully achieved	
Total scorecard	**100%**	**KPI TARGET= 85% FIXED SALARY**	**Δ KPI OUT-PERFORMANCE = 100% FIXED SALARY**

The Group General Manager has been assigned the following objectives:

SCORECARD GM 2025

FINANCIAL OBJECTIVES	TOTAL WEIGHTING 85%	KPI TARGET = 75% FIXED SALARY	Δ KPI OVER PERFORMANCE = 85% FIXED SALARY
RORWA Banking Activity: Profit before Taxes (PBT) Group Banking Activities/ Banking RWAs *Optimization of return on RWAs allocated to banking activities*	25%	vs budget/ plan	+ 11% target
Gross Non-Performing Loans (NPL Ratio) *Focus on asset quality*	10%	vs budget/ plan	+ 5% target
RORWA Wealth Management *Optimization of return on RWAs absorbed by WM Division*	20%	vs budget/ plan	+ 7% target
Cost of Funding *Focus on treasury management, one of the Group's primary sources of revenues*	10%	vs budget/ plan	+ 4% target
Banking Cost/Income Ratio *Balanced growth in income and costs*	10%	vs budget/ plan	+ 3% target
ESG objectives	10%		
a) Loans with ESG characteristics as percentage of total new loans in Corporate Banking (CIB)	3.3 each	vs budget/ plan	+27% target
b) Incidence of ESG disbursement on new retail production (Consumer Finance – WM Premier)			+ 6% target
c) Percentage of SFDR Article 8/9 Funds and ETFs in Mediobanca Premier and Mediobanca Private Banking client portfolios			+3% target

NON-FINANCIAL/QUALITATIVE OBJECTIVES	TOTAL WEIGHTING 15%	KPI TARGET = 10% FIXED SALARY	KPI TARGET = 10% FIXED SALARY
Our People ESG objectives to support diversity and inclusion, develop skills and promote engagement. a) toDEI initiatives implemented b) Mediobanca Academy c) Employee engagement (YoY trend in participation)	7.5%	Evaluation scale Not achieved Partially achieved Target archieved Fully achieved	
Mediobanca Digitalization Journey focusing on the technology and digital transformation in progress within the Group, for the work planned with reference to the following project drivers: development of the digital proposition, development of solutions to support interaction with clients, technology updates	7.5%	Evaluation scale Not achieved Partially achieved Target archieved Fully achieved	
Total scorecard	**100%**	**KPI TARGET= 85% FIXED SALARY**	**Δ KPI OUT-PERFORMANCE = 100% FIXED SALARY**

The targets for each objective will be disclosed ex-post in the Group Remuneration Report for FY 2024-25. While the KPIs are consistent with the annual sub-division of the Strategic Plan targets, they also constitute price-sensitive information linked to the Group's strategies.

3) A long-term variable component (the Long-Term Incentive Plan): in conjunction with the approval of the 2023-26 Strategic Plan on 23 May 2023, based on the provisions of the Remuneration Policy, the Board of Directors approved the inclusion of the Chief Executive Officer and Group General Manager in the Long-Term Incentive Plan linked to the Strategic Plan's objectives,[27] and approved by the shareholders at the Annual General Meeting held on 28 October 2023. Based on the 2:1 cap and taken in conjunction with the Short-Term Incentive Plan described under point 2) above, the annual long-term variable component constitutes up to 1x the fixed remuneration for each year of the plan, i.e. up to 50% of the maximum potential variable remuneration payable on an annual basis.

Individual scorecards are used to show when the financial and non-financial objectives have been reached, whereupon the amount of the bonus awarded to the CEO and Group General Manager ranges from 65% to 100% of the value of their annual fixed remuneration for each year of the Strategic Plan.

The final amount payable at the end of the Plan, pro rata to the overall performance delivered, is determined by evaluating each of the objectives contained in the scorecard based on the weighting assigned to them. The main features of the Plan are as follows:

ELEMENTS	INDICATIONS
PERFORMANCE EVALUATION TIME HORIZON	N°3 fiscal years from FY 2023/024 to FY 2025/2026, consistent with Srategic plan 23 – 26
LTI GROUP RECIPIENTS	_ Mediobanca CEO and GM _ Cluster 3 Group MRT – Key business unit managers _ Cluster 5 Group MRT – Selected top managers of the Group _ Other Group resources relevant to the achievement of the Plan's objectives
PAY MIX STI/LTI	On annual basis propoted pay mix max: _ CEO / GM Mediobanca 50% STI – 50% LTI _ Others approximately 80% STI – 20% LTI however differentiated on an individual basis (at the overall variable target estimated at the beginning of the plant) _ To comply with the 2:1 cap approved by the Shareholders' Meeting, on an annual basis, redefine short-term plans on an individual basis.
GATEWAYS	Those under the Remuneration policies, assessed over the Plan period as follows: _ Verification at the closing date in each financial year for the caital adequacy and liquidity indicators in the RAF; _ In aggregate at the end of the Plan for income indicatiors.
KPI	_ Integrated scorecard Financial KPIs (70%)., financial and non-financial ESG (20%), rTSR (10%) _ KPIs are selected from Plan targets, linked to value creation objectives: capital, ris-adjusted, profitability, growth, ESG
DISBURSEMENT MODE	In accordance with the deferral schemes of the current Remuneration Policies adapted talking into accunt an all-equity payment (60% deferred ove five-year and four-year time horizon). The value of the MB share is determined based on the normal value of the Mediobanca stock in the 30 days prior to the approval of the 23-26 Strategic Plan by the BoD (May 23.2023 – namely € 9.822)
MALUS AND CLAWBACK	Malus and clawback as peer the Remuneration Policies

27. Other senior figures considered to be material for the delivery of the Group's strategic objectives are also included in the Plan. The incentivization curve for such figures is calibrated in accordance with the decisions taken for the CEO/Group General Manager, and in relation to the target maximum gross annual salary assigned.

		KPI[1]	WEIGHT	ASSESSMENT CRITERIA THRESHOLD KPIs	KPIs	% FIXED SALARY - ANNUAL BASIS - PLAN HORIZON FOR CEO/GM
70% - FINANCIAL KPIS	GROWTH	EPS Growth	25%	Max and/or >	15,5%	100%
				BTW Target and Max	15% - 15.5%	85% - 100% linear interpolation
				Target Plan	15%	85%
				BTM Min and Target	13% - 15%	65% - 85% linear interpolation
				Below Min	13%	0
	RISK ADJUSTED PROFITABILITY	Group ROTE	25%	Massimo e/o >	15,5%	100%
				BTW Target and Max	15% - 15.5%	85% - 100% linear interpolation
				Target Plan	15%	85%
				BTM Min and Target	13% - 15%	65% - 85% linear interpolation
				Below Min	13%	0
	CAPITALISATION	CET 1 (fully loaded)	20%	Massimo e/o >	14%	100%
				BTW Target and Max	13.5% - 14%	85% - 100% linear interpolation
				Target Plan	13.5%	85%
				BTM Min and Target	13% - 13.5%	65% - 85% linear interpolation
				Below Min	13%	0

1. All targets are subject to appropriate ECB approvals about € 1 bln buyback and Danish Compromise validation. They refer to the Strategic Plan published on 24 May 2023

		KPI[1]	WEIGHT	ASSESSMENT CRITERIA THRESHOLD KPIs	KPIs	% FIXED SALARY - ANNUAL BASIS - PLAN HORIZON FOR CEO/GM
20% - ESG KPIS	CLIMATE RISK RELATE	% reduction in portfolio carbon intensity (portfolio decarbonization)[1]	10%	Max and/or >	>-22%	100%
				BTW Target and Max	-18% / -22%	85% - 100% linear interpolation
				Target Plan	18%	85%
				BTM Min and Target	- 16% / -18%	65% - 85% linear interpolation
				Below Minimum	<-16%	0
	D&I (TODEI) HUMAN CAPITAL	% women Executives among the Group	10%	Max and/or >	> 23%	100%
				BTW Target and Max	20%-23%	85% - 100% linear interpolation
				Target Plan	20%	85%
				BTM Min and Target	19% - 20%	65% - 85% linear interpolation
				Below Minimum	< 19%	0
10% - RTSR	RELATIVE PERFORMANCE TOTAL SHAREHOLDER RETURN (RTSR)	Relative positioning of Mediobanca stock performance vs. Peers Banks[2]	10%	Max and/or >	> 90% percentile	100%
				BTW Target and Max	75%-90% perc	85% - 100% linear interpolation
				Target Plan	75% percentile	85%
				BTM Min and Target	Median – 75% perc.	65% - 85% linear interpolation
				Below Minimum	< median	0

1. Climate emissions intensity (tCO2eq./€mil.) Purpose 1-2-3 of loans granted by the CIB division (excluding Specialty Finance) to non-financial counterparties
2. Over the time horizon 1/7/23 - 30/6/2026: includes the change in value of the stock and all dividends distributed during the benchmark period (subject to the implicit assumption that these dividends are reinvested in the stock itself). Peer used for the purpose of benchmarking CEO remuneration, public in the Remuneration Policy (in2023 Policy: Barclays, BNP Paribas, Fineco Bank, Intesa Sanpaolo, Julius Baer Group, Lazard, Santander, Schroders, Société Générale, Unicredit)

The variable component will be paid by the terms, conditions and methods set out in this policy according to the following scheme:

INSTRUMENT 100% MB SHARES	LONG TERM INCENTIVE 2023 - 2026								TOTAL
	PERFORMANCE ASSESSMENT	DISBURSEMENT							
	FY 23/24 - FY 25/26	2026	2027	2028	2029	2030	2031	2032	
CEO/GM AND TOP MNGT.			40%	12%	12%	12%	12%	12%	100%
OTHER MNGT.			40%	15%	15%	15%	15%		100%
	3 Years		5 / 6 years						
	8 / 9 years								

upfront deferred

The share-based component has been valued at €9.822 per share. This is equal to the average Mediobanca stock market price in the thirty days prior to 23 May 2023, the date on which the Board of Directors approved the Strategic Plan 2023-26 "One Brand-One Culture". No exogenous events occurred during that time span to distort the performance of stock markets in general or the Mediobanca shares in particular. The actual number of shares to be assigned, subject to the additional performance/malus conditions and/or holding periods provided for in the Remuneration Policy will be finalized and rebalanced when the Plan is completed, and the variable component has effectively accrued. The total number of shares that can be awarded is 549,785 to Alberto Nagel and 458,157 to Francesco Saverio Vinci.

In the event of substantial changes to the Strategic Plan or exceptional events, the Board of Directors, if the Remunerations Committee and the other competent Committees are in favour, may choose to cancel or revise the Plan, or alter its characteristics and/or manage its respective impact on the individual beneficiaries.[28]

4) The Chief Executive Officer and Group General Manager also receive their emoluments as directors, in an amount of €100,000 each, but not those due in respect of participation in committees. An insurance policy is available to cover them for third-party liability, and they also benefit from participation in the complementary pension scheme, other benefits and welfare schemes operated for Mediobanca Group management staff.

STOCK OWNERSHIP REQUIREMENT

5) The Chief Executive Officer is required to hold a number of Mediobanca shares equal in value to three times the amount of his fixed salary (including the emolument payable for holding such office, as measured at the end of the financial year and based on the average Mediobanca stock market price recorded in the same financial year), and the Group General Manager twice the amount of his fixed salary, even after the shares deriving from the award of the variable component have actually been assigned, until the respective vesting/holding periods expire. The equivalent amount of shares, to be delivered over a timespan of five years from the date of their first award, must be held throughout the duration of their terms of office, to ensure their interests are aligned with those of the shareholders (this is known as the "stock ownership requirement").[29]

28. In the event of a beneficiary ceasing to work for Mediobanca during the life of the plan, and assuming they qualify as a "good leaver", their participation in the Long-Term Incentivization Plan may be confirmed pro rata to the period actually worked by them, subject to assessment of whether or not the scorecard KPIs have reached the requisite levels (this calculation to be made based on the results of the plan itself), and subject further to the vesting conditions, deferral mechanisms and time horizons provided.
29. At 30 June 2024 the required limits set in the guidelines for both had been exceeded. The Chief Executive Officer owned 3,153,850 Mediobanca shares and the Group General Manager 1,353,700 Mediobanca shares, equal to approx. 20.5 and 10.5 their fixed remuneration at the year-end (including the emoluments payable for the office held by them) based on the average Mediobanca stock market price during FY 2023-24 (€12.3572 per share).

D) Management with strategic responsibilities (as defined in Article 3 of Regulation EU No. 596/2014) who are not Directors and Senior Group Material Risk Takers (including CEOs/General Managers of relevant Legal Entities)

As specified in the section on Governance, in particular the sub-sections on Governing Bodies and Application to the Banking Group, to which reference is made, the competent governing bodies are directly involved in the ex-ante determination and ex-post consolidation of the incentivization system for management with strategic responsibilities who are not Directors and Senior Group Material Risk Takers, to differing degrees.

As part of the performance evaluation process for management with strategic responsibilities who head up business divisions and senior Material Risk Takers (senior management and heads of the main business units), as well as the CEOs/General Managers of relevant Legal Entities if Group Material Risk Takers, staff whose performance can be evaluated based on scorecards consisting primarily of financial/quantitative indicators in accordance with the KPI Bluebook using a cascade approach, a benchmark value is established for variable remuneration relative to the fixed salary, and/or an absolute target for variable remuneration, in relation the cap set by shareholders in Annual General Meeting. This takes account of the benchmarks or equivalent compensation for similar roles, market position, number of years in the post, and materiality of the role. The target value will be set, and may be revised, annually, including on the basis of the budget values estimated and the annual change in them, to guarantee consistency in pay for performance relative to the targets assigned which too may vary from year to year.

The maximum short-term component takes account of whether or not the recipient is included in the Group Long-Term Incentive Plan linked to the Strategic Plan or to other long-term performance evaluation mechanisms, according to the specific pay mix between the variable short-term and long-term components established individually. The 2:1 cap on variable remuneration approved by the shareholders in Annual General Meeting must be respected for each financial year.

Target values for the indicators are usually set based on the budget figures approved by the Board of Directors and/or the annual structure the Strategic Plan targets (see Section 6, Incentivization system, b) i) Budget phase). ESG indicators are also taken into account, consistent with the scope of operations governed and related to the budget or Strategic Plan figures, or to be assessed based on how much they have changed versus the previous financial year. Between at least 80% and the budget/target, a figure of two-thirds of the reference value is set (percentage of fixed salary);[30] above the target figure, the calculation is completed by means of a linear interpolation up to the maximum amount. The final variable remuneration may be subject to fine-tuning, which shall be adequately documented, justified and tracked, based on: i) criteria of overall economic sustainability; ii) consistency with the annual change in the respective bonus pool and divisional and/or company result.

FINANCIAL/QUANTITATIVE OBJECTIVES[31]	WEIGHTING	MINIMUM	MAXIMUM	FINAL RESULT
Earnings/financial objective 1 **Earnings/financial objective 2** **Earnings/financial objective 3** **Earnings/financial objective 4**	Min 90%	vs budget/ plan	> incremental vs target depen- ding on type of objective	Fixed % linear
Objective 5 **ESG financial/quantitative objective**	Max 10%	vs budget/ plan and/or YoY chg.	> target and/or YoY chg.	Fixed % linear
Variable component amount	**100%**	**100% gross annual salary(or different %)**	**160% gross annual salary (or different %)**	

30. The calculation is also completed by means of linear interpolation for results between 80% of the target and the threshold itself.
31. Table for illustrative purposes. For some CEOs/General Managers of major Group Legal Entities, if they are Group MRTs, the scorecards may be adopted in line with the incentivization system for the Legal Entity concerned, and in view of the guidelines provided for in the Policy and the KPI Bluebook.

With reference to non-financial/qualitative objectives, the evaluation of which completes the variable component derived from consolidation of the quantitative/financial targets, the scorecard contains specific drivers for each of them, defined ex-ante to identify whether or not they have been met, and also, where appropriate measurable in quantitative terms (for example: operating output of a project, quantitative indicators supporting qualitative indicators, event and/or organizational or management situation defined *ex-ante*).

NON-FINANCIAL/QUALITATIVE OBJECTIVES: -15%/+20%	MANAGEMENT EVALUATION	RANGE
Objective 1 **ESG project/qualitative/non-financial**	Not achieved / Partially achieved / Target achieved/ Fully Achieved	-7.5% / + 10%
Objective 2	Not achieved / Partially achieved / Target achieved / Fully achieved	-7.5% / + 10%

For strategic management and the leading Group Material Risk Takers, i.e. i) heads of business divisions whose performances can be evaluated by means of qualitative and/or quantitative scorecards, or: ii) with roles of responsibility in the control and staff units too, a maximum figure is set for variable remuneration relative to fixed salary, in connection with the cap set by shareholders in the Annual General Meeting. This maximum figure takes account of the salary benchmarks or references for similar roles, market positioning, experience in the position and importance of the role.

The scorecards include both financial/quantitative objectives consistent with the reference scope of operations, and also non-financial/qualitative objectives based on the activities performed by them. For the heads of the control and staff units, the objectives are primarily project-based and qualitative, including in relation to ESG issues, with the inclusion of earnings indicators generally linked to the efficiency of the area covered. Specific drivers for performance evaluation are identified ex-ante in order to assess whether or not such objectives have been met objectively and measurably *ex-post*.

OBJECTIVES	WEIGHTING	MANAGEMENT EVALUATION	FINAL RESULT
Operating sustainability objective (FTE-HC/Direct Cost/Efficiency)	15%	Not achieved / Partially achieved/ Target achieved / Fully achieved	Variable up to a maximum of 33% in cases where objectives are exceeded for control units and up to around 100%[32] for other staff units. Specific for other business units
Objective 1 - Project and/or area-specific and/or strategic	Min 75%		
Objective 2 - Project and/or area-specific and/or strategic			
Objective 3 - Project and/or area-specific and/or strategic			
ESG Objective project/qualitative/non-financial	Max 10%		
Variable component amount	**100%**		

The variable component is only calculated after it has been established that no compliance breaches have been committed (as per the Compliance Breach Directive).

32. For the Head of Company Financial Reporting and the Group Human Capital Officer, the maximum variable component amount has been set at 100% of their fixed salary, including the annual share of the LTI Plan pro rata if applicable.

E) Identified Staff employed in control units

CONTROL FUNCTIONS

The remuneration package for the Group's Identified Staff in the control units (Group Audit, Compliance and Risk Management) is structured so that the fixed component represents the majority, with a variable component assigned annually based on qualitative criteria in relation to the effectiveness and quality of control action. The variable component has a maximum limit of 33% of the fixed component, while that of the heads of unit is set annually by the Board of Directors, at the Remuneration Committee's proposal.

F) Staff working for Group Legal Entities

GROUP COMPANIES

The sections on Governance (in particular the sub-sections on Governing bodies and Application to Banking Group) and on the Incentivization System (in particular the sub-section on Determination and allocation of annual divisional variable remuneration) specify the process for determining the aggregate variable remuneration for relevant Legal Entities, and also the individual variable remuneration for their respective CEOs/Group Managers if they are also Group Material Risk Takers.

At the Group Legal Entities, the internal incentivization system is reserved specifically to the relevant senior staff members who, on account of their professional specialization, organizational role and importance to the business, have an impact on their companies' performance and value creation. The beneficiaries are identified by the Chief Executive Officers and/or General Managers of the companies themselves (including the senior management – CEO/Group General Manager – of companies directly controlled by them, if not already included among the Group MRTs), and the General Manager of Mediobanca and Group Human Capital are informed accordingly. Each beneficiary is notified of their inclusion in the incentives scheme, with a defined annual bonus target and calculation method. For each Group legal entity that has its own individual RAF, checks are carried out to ascertain if the risk profile has been kept consistent during the year with the objectives and limits set on an individual basis, to enable the incentivization system for identified staff at the individual company to be accessed. The bonus is determined annually on an individual basis in view of the risk-adjusted earnings performance delivered by the company (the indicator used for the Group companies is usually the Economic Profit and/or RORWA delivered by the business division in which they work or by other specific risk-adjusted metrics based on the type of activity, as is the case with Wealth Management and Asset Management, and other secondary, quantitative objectives, inter alia ESG-related. The evaluation is completed by the achievement of individual management and project objectives.

Specific long-term incentivization plans may also be implemented, with performances evaluated over a time horizon of several years if linked to new strategic initiatives related to the relevant business unit or if related to inclusion in management roles; some of the recently-acquired non-Italian entities also have their own incentive schemes based on equity instruments, consistent with their governance structure.

COMMERCIAL NETWORK AND TRANSPARENCY

For the commercial branch and credit management network, the variable component takes due consideration inter alia of the supranational and national regulations in the area of transparency. The EBA Guidelines and the Bank of Italy's Supervisory Instructions serve to protect consumers against disputes that could derive from improper incentives for sales staff, based exclusively on commercial objectives, or of a kind that would encourage them to sell products that are inappropriate to the consumers' financial needs. Intermediaries are asked to adopt remuneration policies and practices for staff and third parties forming part of the sales network which are based on criteria of professionalism, transparency and proper conduct in relations with clients, that take due account of consumers' rights and interests.

The incentivization system for the networks is therefore based on specific quantitative indicators that can be applied individually or collectively by organizational unit:

- For Compass, the incentivization system for the commercial network is based on commercial and credit objectives being set at branch level rather than for individual collaborators. The performance criteria are balanced between objectives based on volumes and the quality of the risk assumed, with upper limits set both at the branch and the individual levels;

- For Mediobanca Premier the system is based on commercial objectives set at both individual and team level. No incentive is based on individual products. The weightings for each of the two components and the target bonuses are based on the individual recipient's role, with a cap set in both relative terms (i.e. as a percentage) and absolute terms.

Furthermore, for all the networks valuation indicators are also adopted, to incentivize proper relations with clients, including (but not limited to): customer satisfaction analysis, commodity checks, lack of complaints attributable to specific responsibilities due to improper conduct versus clients, transparency in banking and financial transactions and services offered to clients, evaluation of other quality indicators (e.g. correct MiFID profiling, absence of contractual irregularities, observance of internal processes in the area of powers, proxies and guidelines). Due consideration is also taken of the results of checks made by the control units. The evaluation is completed by consideration of whether or not individual and project objectives have been achieved.

For the staff, support and control units, allocation is based primarily on qualitative criteria.

All staff are required to adopt socially responsible conduct, in line with the Group Corporate Social Responsibility policies, with reference in particular to the protection of environmental resources and corporate diversity and to the defence of human and social rights.

Below given limits, the bonus is paid entirely in cash in the year in which it accrues. Above such limits provision is made for forms of deferral, on a three-year basis. In the event of losses related (including, but not limited to) to provisions which prove to be insufficient, contingent liabilities or other items which might prejudice the integrity of the accounts (such instances not to be construed restrictively; the "malus conditions"), and subject to the beneficiary continuing to work for the company at the time when payment is made, all or part of the deferred share may not be paid.

In line with the provisions in place for Mediobanca, the incentivization schemes in operation at the Group companies too place particular emphasis on the issue of proper individual conduct (i.e. compliance with regulations and internal procedures, and transparency versus clients) by adopting the concept of compliance breaches, both at the stage of award of the variable component, and in assessment of whether or not to pay any deferred components.

G) Personnel working for asset management and investment firms

The Group includes companies in the asset management sector (UCITS and AIFs) which operate in different jurisdictions (Italy, United Kingdom, Switzerland, Luxembourg, Principality of Monaco) and investment firms (Arma Partners, UK). As permitted by the Bank of Italy's Supervisory Instructions currently in force, Mediobanca has availed itself of the option for exemption from the Instructions, including with reference to the 2:1 cap on variable remuneration relative to fixed salary, for all staff, including those within the scope of the Group's definition of Identified Staff, working for an investment firm or an asset management company. The general principles of the Group Remuneration and Incentivization Policy are applicable in any case to such companies, with the proviso that the companies continue to be subject to the sector regulations instituted by the local regulators (for the European and asset management companies this means the national regulations transposing the UCITS V and AIFMD directives[33]) based inter alia on the criteria of proportionality and within the broader framework of the consolidated banking regulations on subjects including:

33..In Italy this refers to the deed amending the joint Bank of Italy/Consob regulations issued on 27 April 2017 which transposes and combines the UCITS V and AIFMD guidelines, and which, since December 2019, have been included in the Bank of Italy's Regulations in pursuance of Article 4-undecies and Article 6, paragraph 1, letters b) and c) bis of the Italian Finance Act.

- Role of shareholders in general meeting, governing bodies, Remunerations Committee, and governance processes in general where applicable;
- Definition of identified staff at individual and consolidated levels;
- Remuneration and incentivization system structures correlated to performance indicators for the manager and the UCITS and AIFs managed and measured net of the risk concerning their operations, and which take account of the level of the capital and liquidity resources necessary to cover the activities and investments made;
- Use of carried interest plans among the variable remuneration instruments;
- Integration of ESG criteria into the investment processes and the remuneration and incentivization systems, also in order to integrate sustainability risks;
- Application of specific means of deferral between different categories of risk-takers, including variable remuneration assigned in the form of financial instruments linked to shares in funds or equivalent non-cash instruments, and including specific rules for the non-Italian companies to manage such components during the holding period;
- Caps on variable remuneration, if any, including in relation to the individual roles performed in the Group and the regulations applicable to it from time to time and/or the relevant jurisdiction (see section above on "Limits on variable remuneration");
- Observance of gender neutrality and the principle of equal opportunities in the respective remuneration policies;
- Specific malus clauses and clawback mechanisms;
- Dismissal or resignation;
- Disclosure requirements.

H) External networks, FAs and senior advisors

EXTERNAL NETWORKS AND FINANCIAL ADVISORS

To achieve its strategic objectives and provide services to its clients, the Group also uses financial advisors retained on the basis of agency contracts in the Wealth Management division, and wealth managers in the Consumer Finance division. This allows them to promote and sell financial products and services without representation, on an independent and exclusive basis.

The incentivization system for FAs and introducers differs from that for employees, as it consists entirely of fee-based mechanisms which in turn are distinguished on the basis of the activities performed and the products sold. In view of the independent nature of their employment relationship, the FAs' remuneration is entirely variable but split, in accordance with the Bank of Italy's instructions, between recurring and non-recurring components.

- The recurring component chiefly consists of:
    - Direct commissions (on various products, such as asset management, individual portfolio management, insurance, asset administration, direct funding, bank services, bank products offered by the Mediobanca Group);
    - Indirect commissions ("oven" fees if a management mandate is issued, calculated based on the business promoted by the advisors co-ordinated and concluded by the Bank).

These are credited back on various grounds (e.g. sales, maintenance, management, negotiation and distribution fees) based on the commission table in force from time to time and attached as an annex to the agency contract. They constitute the more stable, ordinary component of their remuneration and in themselves do not serve for incentivization purposes (comparable to the fixed remuneration component for employees).

- The non-recurring component does serve for incentivization purposes (and is therefore comparable to the variable remuneration component for employees) and is linked, for example, to beating certain targets in terms of funding (bonus for developing portfolios or growing the Bank's customers), launch of new products, the length of the arrangement, long-term incentivization plans operating over several years, etc.

As required by the regulations in force, the Group includes staff members belonging to this category in its definition of Identified Staff based on the qualitative (i.e. responsibility for the relevant organizational units or for the earnings, financial or reputational risk to which they could expose the Group) and quantitative criteria set by the regulations.

As for staff employed by the Group, for Financial Advisors and introducers too, and assessment of individual conduct is taken into account, along with control of operational and reputational risks (such as compliance with the regulations and internal procedures, and transparency versus clients) through adoption of the mechanism known as compliance breach. Specific events or behaviours are monitored ex post, including (without limitation): sanctions or precautionary measures taken by the supervisory authorities against the Financial Advisor or introducer, complaints made by clients for actions attributable to the Financial Advisor or introducer, fraudulent behaviour or wilful misconduct by the Financial Advisor or introducer, failure to comply with the sector regulations, internal procedures and conduct obligations versus clients, with reference in particular to the duty to act in accordance with the principles of professionalism and proper conduct in relations with clients. Appropriate organizational procedures to prevent such situations from occurring are put in place ex ante; and such attention is also aligned with the requirements of the regulations on transparency.

The same rules apply to non-recurring remuneration received by Financial Advisors or introducers included in the definition of Group Identified Staff as apply to the payment of variable remuneration for the other Identified Staff (i.e. gateways, cap, deferral, malus clause and clawback, ban on hedging strategies).

SENIOR ADVISORS

Mediobanca and the Group legal entities which operate in the Corporate & Investment Banking sector may also enter into agreements with external collaborators, or "Senior Advisors", who, working on a freelance basis, without power of representation, facilitate commercial relations and the expansion of business initiatives with clients and counterparties. This kind of agreement is common practice among investment banks and advisory boutiques, and serve to increase the likelihood of success of securing investment banking mandates that are typically one-off and do not entail an ongoing relationship with the client being established. Such agreements generally include a fixed retainer fee and/or expense refunds, plus an additional fee, where an amount is paid which is calculated as a percentage of the fee collected for the individual deal which the Senior Advisor has helped secure and execute.

In view of the occasional nature of the arrangement and the lack of a permanent employment contract (similar to the arrangements with business procurers), the rules laid down by the relevant regulations to not apply to Senior Advisors as they do with FAs and introducers.

The competent corporate bodies are in any case informed in advance of any agreements entered into with senior advisors that contain aspects of relevance in compensation or reputational terms, and are also informed subsequently of the total amount of fees paid to them.

Policies in the event of the beneficiary leaving office or the employment arrangement being terminated

(approved by shareholders at AGM held on 28 October 2022)

MEDIOBANCA

8. Policies in the event of the beneficiary leaving office or the employment arrangement being terminated

(approved by shareholders at AGM held on 28 October 2022)

As provided by the regulations and the Articles of Association, the shareholders in ordinary general meeting are responsible for determining the compensation to be awarded in cases where beneficiaries leave office or the employment arrangement is terminated early, including the limits set on such compensation in terms of the annual fixed salary and the maximum amount deriving from applying them.

A) Treatment for Directors leaving office early

Mediobanca does not make payments other than the ordinary component to directors who leave office for any reason.

B) Treatment for employees

Treatment for individuals linked to Mediobanca Group companies under the terms of employment contracts (i.e. including directors who are members of the Group's senior management and all Identified Staff, including the aggregate of management with strategic responsibilities) may involve payment of:

The amount established and due in accordance with the provisions of law and the locally applicable contractual regulations in respect of the cost of failure to give notice[34] and other entitlements payable upon termination (statutory end-of-service payment, holiday leave not taken, etc.);

An additional amount by way of severance if appropriate: severance pay is the main instrument recognized in the various jurisdictions for cases where the employment arrangement is terminated by mutual consent, in order to minimize the earnings and reputational risks, present and future, which the Bank might face as a result of possible disputes;

Other types of arrangement, e.g. to cover non-competition agreements.

C) Severance – General aspects

SEVERANCE

The amount of severance pay is determined by taking into account the various factors normally stipulated in the applicable provisions of employment law and jurisprudence and in employment contracts (collective

34. In Italy the period of notice required is established on the basis of the national collective labour contracts in force at the time. Usually the notice period will be from six to twelve months, depending on the employees' number of years' service.

or individual), as well as the practice adopted on the respective reference markets. Although it is difficult to provide an exhaustive definition of the concrete situation *ex ante*, given the variety of individual cases, the following factors in particular are taken into account: number of years' service within the Group, age and personal and social conditions, role and organizational position held, the historical performance in qualitative/quantitative terms delivered by the individual, the reasons for employment arrangement being terminated (which in some cases may be organizational and strategic rather than related to individual performance), the performance of activities that have caused problems for the risk profile decided by the Group, personal conduct that does not conform to company values, and the existence of risks for the Bank linked to possible disputes. The approach adopted reflects the effective and long-term results of the individual and company performance.

The basis for calculating the additional monthly salaries to be paid by way of severance is usually the most recent fixed salary, the average variable remuneration paid over a given time horizon (generally the last three years), and in some cases the value of fringe benefits.

CAP

Mediobanca defines the total maximum amount payable by way of severance as 24 monthly salaries, as previously defined and in any case no more than €5m, unless provided otherwise by shareholders in Annual General Meeting.[35] Such maximum limits do not imply any right or even the expectation that they will be fully applied, as application follows the criteria set by practice and/or by the legal and contractual provisions locally in force.

For non-identified staff only, severance does not include any amounts paid as indemnity for failure to give notice. Amounts to all staff due in connection with termination of the employment relationship compulsory by law (statutory end-of-service payment, holiday leave accrued but not taken, etc.) are always excluded from the definition. Severance does, however, include any sums paid under non-compete agreements. Severance payments may not under any circumstances exceed the limits set by the law, regulations and applicable collective bargaining contracts.

No provision is made for individual agreements that trigger the application of particular terms or conditions upon termination of the employment arrangement when the employment contract is signed.

D) Severance for Identified Staff

For all Group Identified Staff, including the Executive Directors and members of strategic management, Mediobanca has set a maximum of amount payable by way of severance as 24 monthly salary payments and, without prejudice to the foregoing, €5m. This amount includes any indemnity payable in lieu of notice[36] and/or sums paid in connection with non-compete agreements, save where provided otherwise by the shareholders in Annual General Meeting.

Amounts paid as severance, with the exception of the equivalent of the cost of any indemnity payable in lieu of notice and sums payable in connection with non-compete agreements, as specified below, are included in calculating the 2:1 cap on variable remuneration as a percentage of fixed remuneration, where instituted, with reference to the last year of employment.

Any amounts agreed and/or paid under the terms of a non-competition agreement are included for purposes of calculating the same 2:1 cap only up to the amount which exceeds the share of the last year's annual fixed salary, for each year of the non-competition agreement's duration.

35. To express this in terms of number of years' annual fixed salary, for staff members who have received variable remuneration equal to 2x their fixed salaries (given the 2:1 cap) on an ongoing basis over the whole time horizon taken into consideration, a total of six annual fixed salaries would be payable. This estimate, which is purely theoretical, is balanced by the maximum amount payable in absolute terms established by the remuneration policies.
36. Cf. note 34 on the number of months' notice to be included in the total.

However, as provided by the regulations in force, in calculating whether or not the 2:1 cap has been reached, no account is taken of any amounts agreed and/or paid under the terms of agreements between the Bank and staff to settle a dispute that has already arisen (or is feared with good reason, current or potential, or which could realistically result in the case being taken to court), at any stage of the settlement process, calculated as illustrated below. In order to quantify the risk objectively, the Bank takes advice from external lawyers specializing in employment law whose opinions are substantiated by objective legal references.

FORMULA

Amounts agreed and/or paid as severance under the terms of an agreement between the Bank and staff in order to settle a dispute which has already arisen (or is feared with good reason, current or potential, or which could realistically result in the case being taken to court), without reference to the cap, are therefore determined[37] based on the following:

Severance = Mensilità di remunerazione (TCM) x Indicatore anni di servizio (Y) ± Fattore correttivo (FC)

or

Severance = (TCM x Y) ± FC

TCM

Calculation basis: average monthly total gross compensation, or fraction thereof, usually derived from the most recent annual fixed salary, the average variable remuneration paid over a given time horizon (last three years where applicable), and the value of any fringe benefits.

Y

Indicator representing the number of years' service in the Mediobanca Group: these are considered as not less than 7 and not more than 12.

Severance = (TCM x Y) ± FC

FC

Correction factor: determined and justified, on the basis of objective and suitably documented parameters, to be calculated according to the criteria set forth below:

- Age;
- Personal and social conditions provided for under the internal regulations;
- Role and position within organization;
- Historical individual qualitative and quantitative performance delivered;
- Reason for end of employment arrangement (in some cases may be organizational and strategic and not strictly related to individual performance);
- Activities performed that have caused problems with respect to the risk profile adopted by the Group;
- Personal behaviour not aligned with company values;
- Existence of risks for the Bank as a result of disputes that have already arisen or are feared with good reason, based on opinions obtained from leading lawyers; and
- Specific refinements which take into account the employment law provisions in force in the specific countries other than Italy where the Group operates.

The Bank determines analytically in its internal regulations the weightings used to define the overall correction factor applicable in practice, which in general terms may vary between - 100% and + 100%..

37. Net of the cost of any amounts paid by way of indemnity in lieu of notice and amounts due in connection with severance mentioned in point b) above, and with the provisions specified in the foregoing note 34.

where:

Severance may not be paid in cases where the conduct of individual staff members has damaged the integrity of the Bank's capital, profitability and earnings/financial or reputational situation, whether or not fraud and/or wilful misconduct is established.

E) Timing and payment instruments

For identified staff included in clusters 2 and 3 in the table shown in the section entitled "Policies for identification of Material Risk-Takers", the methods and timescales provided for in making severance payments and any compensation for non-competition agreements (except in the latter case for the share of any such amounts that does not exceed the last year's payment in terms of fixed salary) entered into upon terminating an employment relationship, and excluding the equivalent of the cost of the indemnity in lieu of notice, include payment based on the timescales and deferral mechanisms instituted for payment of variable remuneration, use of shares or instruments related to them, payment being made subject to malus conditions in the event of liability being established in cases of fraud and/or wilful misconduct and/or attributed in a court of law to the individual staff member's own responsibility during the period in which they worked for the company which emerge after the employment relationship has been terminated. For other identified staff, forms of deferral and risk adjustment may be applied, with the appropriate methods to be identified based on the amount to be paid by way of severance, in addition to the considerations described under point c) above. The Bank also reserves the right to use the claw back mechanism in the cases provided for in the applicable employment law regulations.

F) Treatment of deferred component and fringe benefits

Entitlement to receive deferred variable remuneration components, in cash and/or equity, awarded in previous years but not yet paid, is forfeited in cases where staff members tender their resignations or are dismissed, as does the entitlement to any company benefits.

G) Treatment of "good leavers"

GOOD/BAD LEAVERS

"Good leavers" are defined as those staff members whose employment arrangement ends by mutual consent (including in cases of retirement or early retirement, collective retirement incentive schemes addressed to the population at large or to groups of staff following extraordinary transactions or restructuring processes defined inter alia on the basis of agreements with trade unions and in accordance with the legal and regulatory provisions in force at the time, possible terminations as a result of business units being spun off, or agreed transfers to legal entities not part of the Mediobanca Group), or by death or permanent incapacity, duly certified, if it renders the person concerned unable to perform their duties.

For treatment of good leavers, exceptions providing for more favourable treatment in individual cases may be granted, with the possibility also of applying more favourable local legislations, with regard to: i) management of any deferred items outstanding, including in view of their value; ii) assignation of any variable remuneration payable pro rata for the financial year still in progress (but in any case referring to results actually delivered, in accordance with the Remuneration and Incentivization policies in force); iii) retention of fringe benefits (generally temporary and for a limited period of time following the termination of the employment relationship). Consultancy and/or collaboration agreements may also be entered into. The responsibility for this lies with the governing bodies in accordance with their respective powers, namely the Board of Directors, Remunerations Committee, the Related Parties Committee, and the Chief Executive Officer of Mediobanca.

In all other cases where the employment arrangement is ended, including resignations, the staff members concerned are considered "bad leavers", even though the Bank may decide to treat them as "good leavers" in any case, in view of the specific features of the case concerned, to be evaluated on the basis of suitably justified and documented objective criteria.

The following may be of relevance in this connection: historical performance, number of years' service, reason for the employment terminating, absence of conduct not in line with the company values or infringements of regulations (compliance breaches), interest in maintaining a relationship with the staff member even after their employment has ended (including, but not limited to, execution of a consultancy and/or collaboration agreement), and the desire to minimize possible reputation and/or litigation risks.

Provisions for employees included within the scope of Identified Staff include the following: i) involvement of the competent governing bodies if and when required by the regulations; ii) without prejudice to the foregoing, and as specified hereunder, regular reporting to the Remunerations Committee on any decisions taken regarding them; and iii) prompt involvement of the Committee itself in the treatment of the most significant cases.

H) Decisions by third parties

The foregoing is without prejudice to any decisions that may be taken by a third party authorized for such purpose, namely judicial authorities and/or arbitration and/or conciliation bodies.

I) Involvement of governing bodies

Regular reporting is made to the Remunerations Committee on any decisions taken vis-à-vis employees qualifying as Identified Staff, and the Committee itself is involved promptly in deciding on the treatment of the most significant individual cases.

J) Arrangements for the CEO of Mediobanca and Group General Manager

In cases where the Chief Executive Officer and/or Group General Manager leave the Bank's employment for any reason, the provisions of the Group's remuneration policy for Identified Staff and the sector regulations in force from time to time shall apply. Any amounts paid in cash, in addition to notice, shall be subject to contributions to the company's complementary pension scheme, and save in cases of dismissal for just cause, the said persons will be allowed to retain any deferred components in cash and financial instruments assigned to them up to the time when the employment arrangement is terminated.

Activities and checks performed by the Compliance unit on the Mediobanca Group Remuneration and incentivization policy

MEDIOBANCA BANCA DI CREDITO FINANZIARIO

MEDIOBANCA

9. Activities and checks performed by the Compliance unit on the Mediobanca Group Remuneration and incentivization policy

Under the regulations on remuneration policies and practices, the Compliance unit is required to check that the reward system in place meets the objectives of complying with the regulations and the company's Articles of Association and Code of Ethics. The Compliance unit has reviewed the new Remunerations Policy to be submitted to the approval of shareholders at the Annual General Meeting, and has carried out its own checks on its compliance with the regulatory framework.

In addition to its review of the document governing the new Remuneration Policy, the Compliance Unit has also performed other activities and checks during the year, to ascertain that the incentivization system is compliant with the regulations, in particular as follows:

- Governance process management: the unit has worked together with Group Human Capital and the other control units in ensuring that the internal processes for remuneration issues are governed appropriately, with the Risks and Remunerations Committees too playing a significant role.
- Identification of MRTs: the unit took part in the process for identifying the scope of the Group's MRTs at the consolidated level, and ascertained that: (i) the scope of the MRT is consistent with the regulatory criteria; (ii) the identification process was duly formalized and tracked, including with the support of external advisors, who confirmed that the process and choices made were correct. The unit also worked together with Group Human Capital on updating the internal regulations for identifying MRTs, and took part in activities relating to the performance of the administrative procedure asking for certain Group staff to be excluded from the MRT scope both for FY 2023-24 and following the 2024 mapping exercise as well.
- Asking for information on the accounts/transactions of MRTs: the Compliance unit, once again in co-operation with Group Human Capital, has, like in previous years, asked the MRTs to provide disclosure on the custody accounts held by them and the transactions they have executed that could impact on the risk alignment mechanisms, and more generally, on pursuit of the objectives of the regulations in the area of remuneration. Such requests also enable sample-based controls to be run to ascertain compliance with the Supervisory Instructions (e.g. no hedging strategies implemented on remuneration).
- Identification of compliance breaches and minor infringements: the Compliance unit, in conjunction with Group Human Capital and the Group Audit Unit, has checked whether or not any compliance breaches/minor infringements have been committed that could impact on variable remuneration.

The unit has checked that the remuneration and incentivization systems are in line with the Bank's objectives in terms of sound and prudent management, and meet the fundamental objectives of the regulations in this area. Based on the considerations summarized above, and having regard to the activities and controls performed in FY 2023-24, the unit has found that the new Remunerations Policy is compliant with the regulations. Similar checks were also run by the Compliance units of the main Group legal entities for their relevant companies. The evidence compiled by the Compliance unit was submitted to review by the Board of Directors of Mediobanca at the meeting held on 19 September 2024.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SECTION 2

Group Remuneration Report FY 2023-24

MEDIOBANCA

Group Remuneration Report FY 2023-24

A) Introduction and scenario[38]

GROUP RESULTS

In FY 2023-24 the Group delivered the best results it has ever posted in terms of revenues (€3.6bn), net profit (almost €1.3bn), profitability (ROTE 14%), and distributions to shareholders (€1.1bn, in the form of both dividends and share buybacks), successfully launching the principal initiatives contained in the Strategic Plan 2023-26.

RECORD RESULTS

The Mediobanca Group continues to grow, ending the financial year with record results: revenues of €3,606.8m (up 9% YoY), net profit of €1,273.4m (up 24% YoY), EPS 12M €1.53 (up 27% YoY), ROTE 14% (up 1pp), RORWA 2.7% (up 30 bps YoY), and DPS €1.07 (up 26% YoY).

The 12M results represent an impressive start to the "One Brand-One Culture" Strategic Plan, bearing out the objectives (EPS €1.80, ROTE 15%), vision and trajectory, based on i) priority growth in WM; ii) CIB increasingly K-light, international and synergic with WM; iii) high, sustainable contributions from both CF and INS; iv) Shareholder remuneration and value creation at best sector levels.

Highlights for FY 2023-24 include the following:

GROWTH
ASSET QUALITY
CAPITALIZATION

- The commercial performance was robust, geared towards increasingly selective growth in assets, and driven by value and lower capital absorption: TFAs climbed by 13% YoY, with an additional €11bn, to reach €99.4bn; Risk-Weighted Assets (RWAs) decreased by over €3.8bn in 12M (to €47.6bn, down 7.4% YoY) due to the trend towards greater selectivity in CIB lending coupled with the launch of risk mitigation measures.
- Total revenues climbed to €3,606.8m (up 9.2% YoY), reflecting growth by all divisions (WM up 13% to €923.6m, CIB up 7% to €762.6m, CF up 6% to €1,188.9m, INS up 14% to €530.2m, and HF up 1% to €223.5m), with revenues from the capital-light components in particular growing by 17%:
  - Net interest income totalled €1,984.8m (up 10.2% YoY);
  - Net fee and commission income rose by 11.5%, to €939.4m, with a record quarterly performance in 4Q, driven by an impressive performance in CIB confirming the Investment Banking market recovery and the Group's strong positioning in the main domestic and international deals;
  - The contribution from Assicurazioni Generali, which is equity-accounted, totalled €503m, much higher than last year (€442.8m).

38. The information on the Mediobanca Group's results for the year ended 30 June 2024 is taken from the press release issued on 1 August 2024 and the material for investors published on the Mediobanca website on the same date (Investor Relations section) to which reference is made.

- The cost/income ratio was stable at 43%, including the ongoing investments in distribution, innovation and talent, and despite the impact of inflation.
- The Group's cost of risk declined to 48 bps, with the increase in CF (from 143 bps to 168 bps mitigated by the trend in CIB, where writebacks amounting to 5 bps were credited. Asset quality remains excellent, with high overlays.
- Net profit increased to €1,273.4m (up 24.1% YoY), with EPS 1.53 (up 27% YoY), ROTE adj. 14% (up 1pp), and RORWA adj 2.7%.
- The capital base remains high, with a CET1 ratio of 16.1% (15.2% net of the proposed new share buyback to be completed during FY 2024-25) and a leverage ratio of 7.1%.

ESG FOCUS

The Group is committed to placing sustainability at the centre of its strategy, pursuing an appropriate balance between economic growth, social welfare and preservation of the environment. The Group has renewed its membership of some of the most important international protocols, such as the UN Global Compact, the Principles for Responsible Banking, and the Net-Zero Banking Alliance.

The Group's participation in initiatives such as these, coupled with the decision to factor in ESG criteria to all areas of its business, have contributed to improve the Bank's position in certain ESG ratings, including ISS (Institutional Shareholder Services), which has assigned Mediobanca its top score in all three ESG areas – Environmental, Social and Governance, and the CDP (Carbon Disclosure Project), which has improved the Bank's score from "C" to "B", in recognition of its commitment to addressing its impact on the environment.

The broad ESG product offering is differentiated by business lines, and an ESG culture has been embedded throughout the company. All the activities are illustrated in the detailed sustainability reporting, the main component of which is the Consolidated Non-Financial Statement, complete with information on EU Taxonomy eligibility, accompanied by the Task Force on Climate Related Financial Disclosures (TCFD) Report, and the Principles for Responsible Banking (PRB) Report, which for the first time is subject to limited assurance. In addition to the above, further information on sustainability can be found in the Pillar III ESG and Green and Sustainability Bond Reports.

Decisions on staff remuneration and incentivization have therefore been taken with a view to realizing a business scenario which:

PAY FOR PERFORMANCE

- Rewards outstanding professionals operating in all business areas who have impressed by their contribution to the Group's results ("Pay for performance");

TALENT

- Pursues a remuneration policy geared towards attracting and retaining the best talent available in a highly competitive market in its search for high-quality collaborators ("talent attraction and retention");

SUSTAINABILITY

- Has respected, on remuneration matters, the principles of prudence, long-sightedness and sustainability, with further improved governance processes ("Sustainability").

B) Governance

The corporate bodies and company units have governed the entire process of applying the Remuneration Policy.

REMUNERATIONS COMMITTEE MEETINGS

In particular, as described inter alia in the Annual statement on corporate governance and ownership structure, the Remunerations committee in office was appointed by the Board of Directors on 30 October 2023, and consists of five non-executive Directors who qualify as independent as defined in Article 13 of Italian Ministerial Decree 169/2020 and Article 19 of the Articles of Association. More than one member possesses adequate expertise and experience in financial matters or remuneration policies.

The Committee met on ten occasions in twelve months ended 30 June 2024 (six of which since 30 October 2023). The average duration of Remunerations Committee meetings was approx. two hours. The average

attendance rate by Committee members was 100%.
The Statutory Audit Committee also participated in the Committee meetings, as did the Chief Risk Officer and the head of Group Human Capital, along with other members of the Group's staff.
The main items discussed in Committee meetings, in addition to this report, are as follows:

REMUNERATIONS COMMITTEE AGENDA

Formulation of an opinion on the proposed compensation for the new Board and Statutory Audit Committee submitted to the approval of the Board itself and of shareholders at the Annual General Meeting held on 28 October 2023, and the proposed allocation of the compensation between the Directors established by the shareholders in Annual General Meeting based on the positions held by them (Board Committee members and Chairpersons, Lead Independent Director);

The proposal submitted to the new Board to confirm the emolument payable for the position of Board Chairman pursuant to Article 2389 of the Italian Civil Code;

The proposals regarding the variable remuneration of the Chief Executive Officer and General Manager (defining and marking their annual scorecards);

Decisions made regarding the performance evaluation and variable remuneration of senior management and heads of the main business units, the CEOs/General Managers of the main Group Legal Entities if they are also Group Material Risk Takers, heads of the control units, including those who also qualify as strategic management members;

Analysis of the performances of the Group's main divisions and Legal Entities, with definition of the aggregate bonus pools for Mediobanca S.p.A. and the main Group Legal Entities;

The implementing regulations for the 2023-24 Performance Share Scheme, the ESOP 2023-26, and the Long-Term Incentivization Scheme 2023–26);

Assessment of the participation rate for the ESOP 2023-26 for the Group corporate population;

Revision of the scope of Identified Staff and management with strategic responsibilities, and of the Policy for identifying them;

The gender neutrality of the Remuneration Policy, and data on the Gender Pay Gap and Equity Pay Gap;

Continued improvement in the internal remuneration processes (relations with Risks Committee, whit the production of dedicated opinions and the evaluation of the KPI Bluebook);

Update of regulations based on documents issued by national and supranational regulators on the subject of remuneration, and briefings on discussions with the supervisory authorities;

Assessment, expansion and adaption of the Mediobanca peer group for the CEO and Group General Manager as part of the ongoing efforts to achieve best market practice;

Analysis of market benchmark compensation relative to a sample of peers for senior staff, and assessment of positioning in terms of remuneration for staff employed in the business divisions;

Analysis of guidance and reports from institutional investors and proxy advisors, and assessment of the results of the voting at last year's Annual General Meeting, with focus also on those shareholders who abstained or voted against the motions;

Application of the severance policy.

INDEPENDENT ADVISOR

The Remunerations Committee, like last year, chose to retain an independent advisor in the performance of its duties for FY 2023-24, which contributes to the debate on the main items on the agenda, giving its opinion on the policies adopted and on certain aspects of process, including through the issue of fairness opinion on specific topics. Deloitte Consulting was the independent advisor until the Group Remuneration Policy for FY 2022-23 was approved (in October 2023), while the new advisor engaged in February 2024 is WTW. The independent advisor has taken part in Committee meetings.

RISKS COMMITTEE

The Risks Committee, with the support of the Risk Management unit, has reviewed the incentivization system's alignment to the Group's risk profile, and has revised the basket of indicators (KPI Bluebook) for use in the individual scorecards of the Group's senior management members whose performance is evaluated directly by the governing bodies. It has also reviewed the 2024 remuneration package for the heads of the control units. It also issued a specific opinion addressed to the Remunerations Committee and to the Board of Directors, on the incentivization system for the CEO and Group General Manager and for the Group's senior Material Risk Takers (senior management and heads of the main business units), the CEOs/General Managers of the main Group Legal Entities if also Group Material Risk Takers, and the heads of the control units (in this last case the opinion was also addressed to the Statutory Audit Committee).

INTERNAL FUNCTION

Group Human Capital has provided full support in all activities, co-ordinating the process of formulating the proposals and resolutions, and executing them. The services of leading external consultants have also been used in the course of various activities, in particular market benchmark analysis, the Gender Pay Gap and Equity Pay Gap, and in finalizing the new Group Remuneration Policy.

The Compliance unit has issued a report stating that the remunerations policies conform to the Bank of Italy and internal regulations, and the Group Audit Unit checked that they were implemented correctly. A summary of their reports is also contained in this document.

Group Risk Management has: i) checked that the gateways have been met; ii) reviewed the main first- and second-pillar risks (ICAAP risk map); and iii) identified the main non-recurring events and their effects.

The company units responsible (Group CFO and Group Risk Management) have co-ordinated with each other to consolidate the quantitative indicators for which they are responsible, for the individual scorecards for the CEO and Group General Manager, and for the leading Group MRTs (for the earnings and risk-adjusted KPIs and the risk KPIs respectively), and for the divisional results in order to determine the aggregate bonus pools for the variable remuneration.

The non-financial indicators have been consolidated based on input from the Group Sustainability and Group Human Capital units and from the Group COO, according to their respective areas of responsibility.

C) Relations with shareholders and engagement activities

AGM VOTE 2023

As with the Staff Remuneration Policy, Mediobanca, through the Group Strategy unit, engages and enjoys constructive exchanges of opinions and feedback with institutional investors, proxy advisors and ESG rating companies on compensation as well. At the Annual General Meeting held on 28 October 2023, approx. 57.5% of shareholders voted in favour of the Group Remuneration Report for FY 2022-23 (65% in FY 2021-22). As described in the section on the Group Remuneration Policy, the reduction in the percentage of shareholders voting in favour was attributable to: i) shareholder Delfin (which owned 19.74% of the share capital as at the date of the AGM) abstaining, as it did in the AGM held in October 2022; ii) shareholder Caltagirone (which owned 9.98% of the share capital at the same date) voting against the motion, after not participating in the AGM the previous year. Virtually all the institutional investors and retail shareholders voted in favour of the Group Remuneration Report for FY 2022-23, as much as 96% (similar to the previous AGM).

D) Incentivization system: determination of variable remuneration and allocation using risk-adjusted metrics based on sustainable results over time

I. Assessment of gateways

All the Group's gateways for the year ended 30 June 2024 were met:

GATEWAYS

GROUP GATEWAYS	2024 THRESHOLD	KPIS – 30 JUNE 2024
CET 1 ratio	≥ 11%	15.2%
Leverage ratio	≥ 4%	7.1%
AFR/ECAP	≥ 110%	165%
Liquidity Coverage Ratio	≥ 120%	160%
Net Stable Funding Ratio	≥ 105%	116.8%
Group GOP	> 0	€1,813m

The objective of maintaining a risk profile consistent with risk appetite has been met at individual as well as Group level, by virtue of careful risk management and the effective control and mitigation processes adopted by the Group Legal Entities. For the banks in the Mediobanca Group which adopt their own RAF on an individual basis (Compass, Mediobanca Premier and Mediobanca International), in the course of the twelve months their risk profile in fact remained consistent with the objectives and limits set, with no breaches of the thresholds recorded.

Further review of the main risk management indicators confirms that the principal pillar I and pillar II risks (ICAAP risk map) show readings significantly above the trigger values set in the RAS and in line with the target levels set by the Mediobanca Group in the 2023-26 Strategic Plan. None of the risk management indicators analysed raised any issues with reference to the incentivization system. Non-recurring events have also been mapped and highlighted (i.e. one-off occurrences not forming part of the normal course of business, which were not provided for ex-ante at the budgeting stage), which had the potential to influence the bonus pool and so compromise the sustainability of the incentivization system of the medium and/or long term. The data, which raised no issues, was presented to the competent governing bodies.

The other quantitative and qualitative metrics were also met, in the sense that the Group's results reflected the required risk/return balance, in compliance with all the objectives set in the Risk Appetite Framework. From a qualitative perspective, Mediobanca confirmed its positioning and market share in a difficult market scenario.

II. Performance and results of main divisions and business units

As previously mentioned, the Group delivered the following results in the year ended 30 June 2024:

- Record revenues (€3.6bn);
- High profitability (net profit €1,273m and ROTE 14%);
- Solid capital base (CET1 16.1%);
- High asset quality, with cost of risk falling to 48 bps;
- High stakeholder remuneration;
- ESG objectives reached and expanded.

All the divisions delivered material growth on the back of their solid market positioning.

WEALTH MANAGEMENT

Prioritized and distinctive growth launched for WM, by leveraging on the Private Investment Banking model, rebranding and repositioning Mediobanca Premier, and enhancement of the product offering. Double-digit growth of revenues (~€925m) and net profit (~€210m), with TFAs up 13% YoY to ~€100bn, on inflows of AUM/AUA of just under €9bn in 12M, at best sector levels. RORWA up to 3.6%.

Development of the platform has continued, with:

- The Division's revenues and net profit reporting double-digit growth (of 12.6% and 28.8% respectively). The cost/income ratio decreased to 66.4% (from 67.7% last year), and the CoR declined to 4 bps. At Group level, the WM Division is the second contributor to results by revenues and the first in terms of fee income (contributing more than half of the Group's total fees);
- Assets managed on behalf of clients (TFAs) totalled €99.4bn (30/6/23: €88bn; 31/3/24: €96.5bn), with €71.5bn in AUM/AUA (30/6/23: €59.8bn) and deposits of €27.9bn (€28.2bn);
- Leveraging the distinctive Private Investment Banking model: Mediobanca's unique positioning versus entrepreneurial families, based on PB-IB dual coverage, allowed a total of 9 mid-cap IB deals to be generated in 12M, and approx. €1bn in liquidity events to be intercepted, approx. €250m of which through cross-selling with the CIB Division;
- The repositioning and renaming of CheBanca! as Mediobanca Premier, which took place in January 2024, is the most important and iconic of the strategic initiatives, because it has significantly repositioned the Mediobanca brand versus Premier clients, which is the largest and most attractive segment of the domestic Wealth Management market. Since the rebranding there has been a significant acceleration in recruitment of bankers and financial advisors with larger-sized portfolios, and an increase in higher-end clients (3K HNWI clients added, 40K fewer mass market clients).

- Enhancement of the distribution structure, which was revitalized following the launch of Mediobanca Premier: 70 new people were recruited (with the total up from 1,236 to 1,306 professionals), 1,151 of whom in the Premier segment, split between bankers (536, with 14 recruited) and FAs (615, with 50 new recruits), working at 102 branches and 107 POS. The number of Private Bankers rose by six to reach 155.

CORPORATE & INVESTMENT BANKING RESULTS

CORPORATE & INVESTMENT BANKING

Significant recovery in revenues to over €760m (up 7% YoY), the highest ever recorded, driven by the K-light component (up from 27% to 35%), the acceleration in Investment Banking, the higher contribution from international activities (up from 40% to 55%), and the synergistic approach with WM. Net profit €244m (up 8% YoY), with RORWA 1.4% (up 20 bps), helped by asset optimization activities (RWAs €14.9bn, down 23.5% YoY).

The "One Brand-One Culture" Strategic Plan has outlined a growth path for the Corporate and Investment Banking division, based on which it will become increasingly capital-light, international and synergistic with Wealth Management.

- Shift in the direction of capital-light businesses and products, and increased discipline in the deployment of capital in K-intensive products, reflected in the increased revenue efficiency (revenues/RWAs ratio up from 3.6% to 4.5%). The share of revenues generated from K-light businesses has increased to 35%, and RWAs have reduced by approx. €4.6bn (down 23.5% YoY).
- Positive start made to the main initiatives, envisaged by the 2023-26 Strategic Plan: the Group has strengthened its leadership position in the Advisory Tech/Digital segment with the acquisition of Arma Partners; the Mid-Cap platform has been strengthened with the opening of the Frankfurt branch office on 1 July 2024; a dedicated Energy Transition team has been set up; and BTP specialist status has been obtained.
- Mediobanca has confirmed its position as advisor of choice in Italy, taking part in the most important deals announced.

CONSUMER FINANCE RESULTS

CONSUMER FINANCE

Net profit totalled €383m (30/6/23: €374m), confirming the Division's capability to make a high and sustainable contribution to the Group's earnings. Record commercial results (new loans €8.4bn) and resilient margins offset the normalization of the cost of risk, now back to pre-Covid levels (168 bps, vs 145 bps last year). A good start has been made on strategy to enhance direct and digital distribution, with rapidly increasing commercial penetration in BNPL segment. RORWA 2.7%.

INSURANCE

The division delivered a net profit of €522m for the twelve months, higher than last year (€439.5m). RORWA for the division stood at 3.8% (30/6/23: 3.2%).

The division has confirmed its high and solid contribution, decoupled from the Group's other businesses (Investment Banking in particular), in terms of dividend flows, as well as representing a value option, in the sense of ensuring the Group has funds available in the event of potential acquisitions.

HOLDING FUNCTION

Improving results, due to the interest rate scenario plus active treasury management. Comfortable and diversified funding position, with optimized CoF. The net loss reduced to €43.8m (compared to €95.3m last year). Total revenues were stable relative to last year, at €223.5m (30/6/23: €220.4m), reflecting the marked improvement in treasury operations (NII up €49m), which more than offset the reduction in revenues from NPL management (down €41m); conversely, the reduction in operating costs (from €202m to €192.3m) and loan loss provisions (from €21.6m to €9.7m) include the effects of the disposal of Revalea since October 2023.

III. Determination of variable component for the main divisions and business units: pay for performance

Having therefore ascertained that all the conditions precedent to the distribution of the variable component have been met, and in application of the criteria provided for in the remuneration policies, the Chief Executive Officer of Mediobanca, after consulting with the Group General Manager, and the relevant internal and control units, each for the areas for which they are responsible, has determined the amount of the variable remuneration payable to the parent company's divisions and staff.

The aggregate variable component for the parent company Mediobanca S.p.A. has therefore been set at approx. €97m, approx. €28m of which will be paid to Material Risk Takers (MRTs), slightly higher than in 2023 (approx. €93m, some €26.5m of which to MRTs, an increase of 4%). This reflects the results delivered as shown by the product and business unit scorecards, and takes into account: i) the higher staff numbers (up 5%); ii) the increasing contribution from capital-light activities (WM – Private Banking and CIB Client – Investment Banking/Corporate Finance; iii) the Group's strongly improving results. The overall amount is made up as follows:

- For Mediobanca Wholesale Banking the aggregate variable component has been set at €58m (vs approx. €56m in 2023) (approx. €17m payable to MRTs, vs €16m in 2023), for a payout ratio vs Economic Profit of 32% (37% in 2023). Of these, €55m was assigned to staff working in CIB Client solutions, slightly higher YoY (€52m in 2023), consistent with the improved results delivered by fee-based products with higher payouts (Investment Banking/CF). The fixed/variable remuneration ratio for staff working in Mediobanca Wholesale Banking is 90% (as in 2023), and for Identified Staff rises to 127% (vs 123% in 2023).

- For Mediobanca Private Banking the aggregate variable component is equal to approx. €14m, approx. €1.5m of which for the MRTs, with a payout ratio of 23% (vs 31% in 2023). The fixed/variable ratio for MB Private Banking staff is 57%, compared with 55% in 2023, while for the MRTs it is 148% (vs 150% in 2023).

- For staff in the Insurance & Principal Investing and the Parent Company staff units supporting MAAM and the Wealth Management divisions, a total of €2.5m has been allocated, basically the same as in 2023 (€2.4m).

- A total of €22.2m has been set aside for staff in the Holding Functions division, approx. €8m of which for the MRTs (vs €21m in 2023, approx. €8.5m of which for the MRTs), which includes the variable component assigned to the Chief Executive Officer and the Group General Manager, as well as the heads of the control units of the parent company.

Considering all staff employed by the parent company Mediobanca S.p.A., the variable/fixed ratio is 64%, virtually stable compared to 2023 (66%).

Some of the primary objectives in making the individual variable remuneration awards are to:

- Reward the positive results delivered by the highest-performing products (CIB Client Investment Banking Division/Corporate Finance and Mediobanca Private Banking);
- Make the variable remuneration paid to staff in the Holding Functions division consistent with the positive performance delivered by the Group as a whole;
- Ensure that the individual variable remuneration awarded reflects the objective of maintaining a competitive remuneration package with a view to talent attraction and development, against a backdrop of strong market competition.

Group Human Capital and the Compliance unit both reviewed potentially relevant instances in connection with application of the compliance breach mechanism.

With reference to the main Group Legal Entities:

MAIN GROUP ENTITIES BONUS POOL

- For Mediobanca Premier the aggregate variable component was approx. €14m, substantially in line with FY 2022-23, €1.8m was paid to the MRTs (due to expansion in the scope of reference, vs €1.2m paid to the MRTs in 2023). The variable/fixed ratio for Mediobanca Premier staff who are Group MRTs was 102%, compared with 85% in 2023; considering all staff employed by the company, the ratio was 13% (vs 14% in 2023). A further approx. €2m was paid in non-recurring components to the FAs network, compared to the approx. €1m paid in 2023, due to the growth in the network and the effectiveness of the reward system.
- The aggregate variable component for the Consumer Finance Division was approx. €8m, €2m of which for the MRTs, as in 2023, as a reward of the results delivered by the Division despite the macroeconomic scenario. The variable/fixed ratio for Consumer Finance staff who are Group MRTs was 78%, compared with 94% in 2023; considering all staff employed by the Division, the ratio was 9% (10% in 2023).
- For Mediobanca SGR, the 2024 aggregate variable component was approx. €2.6m, aligned with 2023 (approx. €0.6m of which was paid to the MRTs, stable YoY).
- For Specialty Finance (MBFACTA and MBCS), as in 2023, the aggregate variable remuneration component was approx. €0.6m and approx. €0.5m respectively.
- For the Group Legal Entities including within the Holding Functions Division, the aggregate variable remuneration component is in line with the previous financial year: for SelmaBipiemme the component totalled approx. €1m, rewarding in particular the ordinary portfolio management (including the deleveraging process), helped by the careful cost management and the reduction in provisioning. For Mediobanca International, the variable component, which is very low in absolute terms, was stable YoY at approx. €0.5m. For Mediobanca Innovation Services, the services company supporting the Group's technological development, which has grown in size, the aggregate variable component amounts to approx. €1.4m (vs €1.2 in 2023).

The variable component assigned to the Group's Identified staff accounts for some 5 bps of CET1 (approx. €33m), like last year (4 bps, with €31m allocated to the MRTs), with a minimal impact on the Group's solidity requirements.[39]

The aggregate performance bonus pools for the main Group Legal Entities previously listed (those whose financial years end on 30 June 2024) thus reflect an increase in absolute terms (from approx.

39. The bonus pools for the Mediobanca Group Legal Entities whose financial year ended on 31 December 2023 were as follows: CMB €13.2m (vs €10.8m at end-2022), RAM €1.7m (vs €1.5m at end-2022), Polus €12.4m (vs €9.8m at end-2022), and MA €5.9m (vs €6m at end-2022), approx. €1.2m of which to Group MRTs not including the LTI Plan. The 2024 variable remuneration for the minor Group Legal Entities (Spafid, MB US, MB Management Company) totalled €1.1m.

€121m to approx. €126, up 4%), consistent with the improvement in the divisions' performance, according to the specific type of pay mix involved. The bonus pool/total revenues indicators are substantially in line with those of last year, on an improved Group performance, which confirms that the "pay for performance" approach is sustainable from a long-term perspective.

As at 30 June 2024, management with strategic responsibilities as defined in Article 3 of Regulation (EU) 596/2014 (i.e. other than Directors) consisted of eight persons: the three heads of the control units, the Group CFO/Head of Company Financial Reporting, the Group HR & Organization Director, the head of the Consumer Finance division and the Wealth Management/Premier business line, plus the two Co-Heads of the Corporate and Investment Banking division. Their remuneration package reflects the provisions of the Staff Remuneration Policy, based on the individual category of Identified Staff to which they belong.

E) Annual variable remuneration of Mediobanca CEO and Group General Manager (Short-term incentive scheme)

CEO&GM 2024 SCORECARDS

The annual variable remuneration reflects the achievement of the quantitative and qualitative targets assigned in the annual individual scorecards approved by the Board of Directors. If the quantitative/financial targets are met, the amount of the annual variable remuneration payable to the CEO and the Group General Manager may be between 75% and 90% of their gross fixed annual salary. This amount may be adjusted by the BoD according to whether or not the qualitative/non-financial objectives have also been met up to 100% of the fixed salary (without prejudice to the 2:1 cap on an annual basis in connection with the Long-Term Incentive Plan 2023-26 described in point g) below).

The quantitative objectives assigned to the CEO for the financial year ended 30 June 2024 are shown below, along with an indication of the target assigned relative to budget, the maximum incentive offered, and whether or not the targets had been reached at year-end:

OBJECTIVE	WEIGHTING	KPI TARGET	Δ KPI OVER PERFORMANCE	FY 2024
RORWA Banking Activities: Profit before Taxes (PBT) Group Banking Activities /Banking RWAs *Optimization of return on capital allocated to banking activities*	30%	2.9%	3.1%	3.18% Greatly exceeds target
Cost of Risk[40] *(bps)* *Focus on cost of Risk*	20%	49	46	46.5 Exceeds target
Banking Revenues (€m) *Focus on revenues from banking businesses (WM, CF, CIB and Treasury/HF)*	20%	3,000	3,060	3,097 Greatly exceeds target
Total fee income (€m) *Focus on capital-light revenues*	20%	938	960	939 On target
ESG objectives	10% (2.5% each)			
a) CIB Corporate new loans with ESG characteristics		27%	35%	38% Greatly exceeds target
b) ESG new loans to retail clients (CF - WM Premier (€m)		440	500	430 Below target
c) Percentage of SFDR Article 8/9 funds/ETFs out of total WM Premier customer portfolios		68%	70%	73% Greatly exceeds target
d) Percentage of SFDR Article 8/9 funds/ETFs out of total MB Private Banking customer portfolios		36%	38%	36% On target

40. Adjusted for target use of overlays.

OBJECTIVE	WEIGHTING	KPI TARGET	Δ KPI OVER PERFORMANCE	FY 2024
RORWA Banking Activities: Profit before Taxes (PBT) Group Banking Activities /Banking RWAs *Optimization of return on capital allocated to banking activities*	20%	2.9%	3,1%	3.18% Greatly exceeds target
Cost of Risk (bps) *Focus on cost of Risk*	20%	49	46	46.5 Exceeds target
Net New Money distribution (WM clients) (€m) *Focus on funding flows from the WM Division distribution structures*	20%	7,613	8.000	7,575k Below target
Net interest income (€m) *Focus on the Group's primary source of income*	15%	1,885	1,960	1,985k Greatly exceeds target
Banking cost/income ratio *Balanced growth in income and costs*	15%	50,1%	49,25%	49.8% Exceeds target
ESG objectives	10% (2.5% each)			
a) CIB Corporate new loans with ESG characteristics		27%	35%	38% Greatly exceeds target
b) ESG new loans to retail clients (CF – WM Premier (€m)		440	500	430 Below target
c) Percentage of SFDR Article 8/9 funds/ETFs out of total WM Premier customer portfolios		68%	70%	73% Greatly exceeds target
d) Percentage of SFDR Article 8/9 funds/ETFs out of total MB Private Banking customer portfolios		36%	38%	36% On target

As for the qualitative objectives, for the Chief Executive Officer these involved:

- **Our People** to focus on initiatives linked to diversity and inclusion, development of staff competences, and engagement. Some of the main activities that have taken place in the twelve months under review include the following:
  - The partnership with non-profit-making organization Parks – liberi e uguali, which supports companies in their efforts to unlock the business potential inherent in LGBTQI+ inclusivity strategies, which has seen various awareness-raising initiatives carried out withing the Group;
  - FY 2023-24 has also seen the first mentoring project involving Group staff of different ages and § seniority, with employees from several business units involved;
  - Mediobanca obtained UNI PDR 125/2022 gender parity certification in December 2023;
  - The governance arrangements for the Mediobanca Academy have been finalized, the internal team has been set up, and the "Schools" have been identified;
  - The Mediobanca Group's digital sporting challenge TeamUp4Good has been run for the third team, and has seen an increase in the participation rates.
- **Our Community** to focus on social initiatives with impact on the community and related to the Mediobanca Group's corporate social responsibility. Some of the main activities that have taken place during the year are as follows:

- The Insieme/Together project "Quartieri di Milano", which promotes sporting activities for children in socially vulnerable areas of society at risk of exclusion in certain areas of Milan (Quarto Oggiaro, Via Padova and Baggio), with 141 children and young people involved, a total of 250 days' training sessions at three training facilities, and a total of seventeen schools and 173 classes involved;
- The "Conta sul Futuro!" (Count on the Future) project for 2023-26, to promote financial education in schools, with over 10,000 students participating;
- The female refugees project promoted by the UNHCR, which provides an integrated programme of protection for women who are refugees or asylum seekers who have either survived or at risk of becoming victims of gender-based violence in Italy;
- A total of 370 Group employees have taken part in the corporate volunteering activities, providing a total of 1,764 hours of volunteering.

For the Group General Manager:

- **Our People** as for the CEO.
- **Digital Strategy & Innovation** with a focus on the digital and technological transformation process underway in the Group, with reference to the initiatives provided for in the Strategic Plan. Achievements here include:
  - Continuation of the initiatives contained in the Digital Platform Private Banking multi-year programme aimed at developing a single front end in which to concentrate Private Banking business opportunities;
  - Launch of the partnership with Founder's Factory through the Group Legal Entity MB SpeedUp, to launch and support startups in the fintech area;
  - Completion of the Group's "Journey To Cloud" process with operations commencing.

For both, the objectives were comfortably exceeded.

CEO & GM 2024 VARIABLE COMPENSATION

The Board of Directors, at the Remunerations Committee's proposal, resolved to award the following short-term variable remuneration for the year ended 30 June 2024:

- For the Chief Executive Officer: €1,766,000, equal to 98% of his fixed salary;
- For the Group General Manager: €1,357,000, equal to 90% of his fixed salary.

Contributions to the complementary pension scheme are paid on the upfront cash component only. Of the variable remuneration awarded, 47% in cash and 53% in shares, 60% will be deferred over a five-year time horizon and is subject to performance conditions being met. The upfront equity component is subject to a one-year holding period.

For the financial year ended 30 June 2023, the Chief Executive Officer was awarded annual variable short-term remuneration of €2,194,000 (equal to122% of his fixed salary) and the Group General Manager of €2,025,000 (equal to 135% of his fixed salary).

The short-term variable component awarded for the twelve months ended 30 June 2024 is therefore lower than that awarded for the financial year ended 30 June 2023, primarily as a result of the effect of a rebalancing between the annual short-term and long-term incentives after the Long-Term Incentive Plan 2023-26 was approved on 28 October 2023. The Plan now accounts for up to 50% of the recipients' total variable remuneration for each year of its duration, and hence is equivalent to 1x the fixed salary of both the CEO and the Group General Manager. The Plan will end with the completion of the Strategic Plan 2023-26 "One Brand-One Culture" on 30 June 2026. The short-term variable component therefore may not exceed 100% of the fixed remuneration.

The remuneration package has been cut by 10% for the CEO and by 19% for the Group General Manager compared to last year.

PAY RATIO

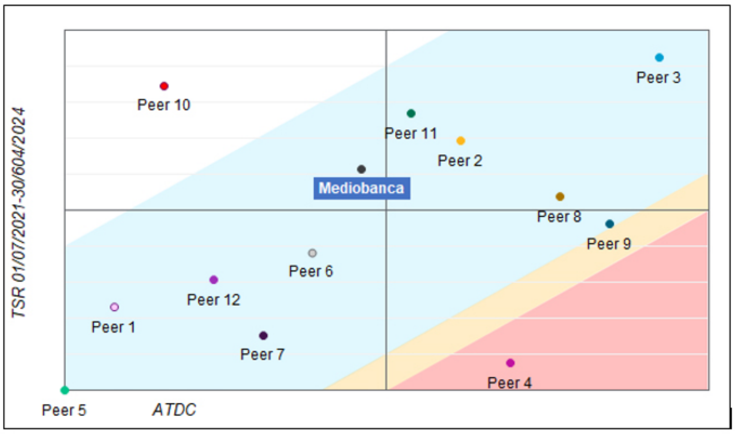
The ratio in 2024 between the CEO's gross total compensation and the average gross total compensation for Group staff members was approx. 45x.[41]

The total maximum remuneration payable to the Chief Executive Officer is consistent with performance of both the Group itself and that of the Peer Group selected by Mediobanca. The two diagrams below compare the Actual Total Direct Compensation (ATDC – representing the sum of the fixed salary, variable compensation attributable to the last year's performance, i.e. that for FY 2023-24, and the fair value of the maximum annual component of the Long-Term Incentive – which for Mediobanca is the LTI Plan 2023-26) paid by the companies included in the Mediobanca Peer Group with the equivalent values for the Bank itself for the following indicators:

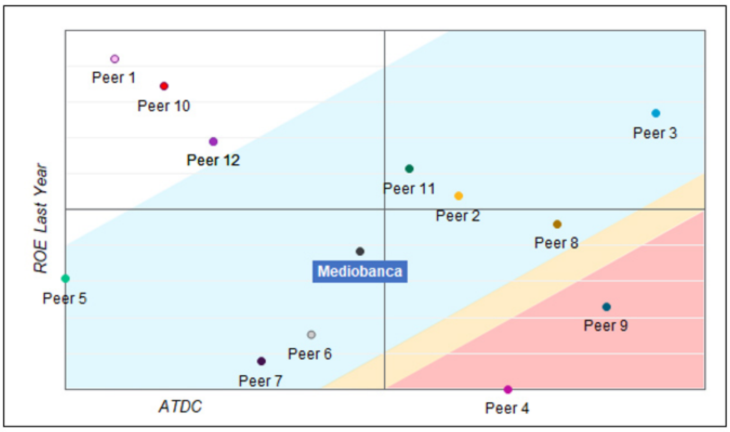
- Total Shareholder Return (TSR) (%) in the three years ended 30 June 2024.
- Return on Equity (ROE) (%) al 31/12/2023 per il Peer Group, al 30/06/2024 per Mediobanca.

The X axis represents the ATDC, from highest (right) to lowest (left), while the Y axis represents the TSR and ROE readings, again ranging from the highest (top) to the lowest (bottom).

ATDC vs. TSR[42] (3-years 07/2021-06/2024)



ATDC vs. ROE[43] (Last Fiscal Year)



41. See the relevant table in the section at the end of this document, providing analytical quantitative information
42. Data compiled by WTW, advisor to the Remunerations Committee. Source: Bloomberg. The TSR figures reflect the Δ share value for the period and dividends distributed.
43. Data compiled by WTW, advisor to the Remunerations Committee. Source: S&P. All ROE figures are taken from closing data at the end of the relevant financial year (which for the companies included in the Peer Group is 31 December 2023, and for Mediobanca is 30 June 2024).

F) Means by which variable component is distributed (Short-Term Incentive Plan)

The means of distribution are as provided in the Group Remuneration Policy.

PERFORMANCE SHARE AWARD

The equity component ("performance shares") to be paid to Identified Staff for the financial year ended 2024 is equal to a fair value di approx. €13m, part of which will be booked to the accounts over the next five financial years under the accounting standards in force. Accordingly, Group staff have been awarded a total of 1,535,613 performance shares[44] (at the average stock market value of Mediobanca shares in the month prior to the award, i.e. €13.9591 per share), including those awarded to Identified Staff employed at Group Legal Entities. The performance shares allocated to the CEO and the Group General Manager were decided by the Board of Directors as part of the process for determining their variable remuneration.

For Identified Staff employed in the asset management area (Mediobanca SGR), the financial instruments component was awarded in cash linked to an index representative of the SGR funds' stock units, as permitted by the sector regulations in force.

G) Long Term Incentive Plan 2023-26

LONG TERM INCENTIVE 2023-2026

The component linked to the LTI Plan 2023-26 approved by shareholders at the Annual General Meeting held on 28 October 2023 (to which reference is made for further details) will be finalized when the Plan has ended (July/September 2026). In addition to the Chief Executive Office and the Group General Manager, the recipients of the plan also include other Group senior management members, for whom a specific pay mix has been identified between the short-term and long-term components.

Under the terms of the plan, further recipients may be identified by the end of the Plan's first year (30 June 2024). The number of participants has therefore been finalized, and the maximum number of shares that may be allocated when the Plan ends is 2,177,135 (which is below the maximum funding available of 3 million shares), 549,785 of which shares have been allocated to Alberto Nagel and 458,157 to Francesco Saverio Vinci. The actual numbers will be finalized at the end of the Plan based on the results achieved.

The results for the twelve months ended 30 June 2024 represent an impressive start to the "One Brand-One Culture" Strategic Plan, bearing out the objectives (EPS €1.80, ROTE 15%), vision and trajectory, based on:

- Priority growth in Wealth Management:

  WM has reached almost €100bn TFAs, €925m revenues, and €490m fees, contributing 30% of the Group's banking revenues and 52% of its fee income. With a net profit of almost €210m, and NNM of over €8bn, Mediobanca WM is now a recognized player delivering above-average growth rates on the back of the synergic approach with CIB (liquidity events of approx. €1bn in 12M) plus the acceleration in recruiting of FAs/bankers and acquisition of HNWI clients following the launch of Mediobanca Premier.

- Corporate & Investment Banking increasingly K-light, international and synergic with WM

  CIB RWAs have been trimmed by 23.0% (to €14.9bn) and now make up less than one-third of the Group total. The push on products that absorb less capital plus the enhancement of the PIB model has increased revenue efficiency (total revenues/RWAs up from 3.6% to 4.5%), with the international component increasing from 40% to 55%, helped by the acquisition of Arma Partners in October 2023.

- High, sustainable contributions from both Consumer Finance and Insurance & Principal Investing

  CF revenues ~€1.2bn (up 6% YoY) – INS revenues €530m (up 14% YoY).

- Shareholder remuneration and value creation at best sector levels

44. Of which 67,050 to the Chief Executive Officer and 51,522 to the Group General Manager. The total includes 337,651 performance shares already awarded to Group MRTs working for CMB Monaco in respect of the financial year ended on 31 December 2023, and others linked to Identified Staff ceasing to work for the Group.

Some €1.1bn is being distributed to shareholders in FY 2023-24 (up ~50% YoY, ~€885m of which dividends and €200m share buybacks and cancellation), with DPS up 26% to €1.07 (€0.56 of which payable in November 2024), EPS up 27% to €1.53, and TBVPS €11.6.

All the qualitative and quantitative ESG targets included in the Strategic Plan 2023-26 "One Brand-One Culture" are progressing in line with expectations, in particular as follows:

- Environmental
  As part of the commitment entered into with membership of the Net-Zero Banking Alliance (NZBA), to reach carbon neutrality by 2050, the interim targets for 2030 set for all high-emissions sectors will be published in September 2024. Furthermore, the actions intended to ensure that climate issues are more fully integrated into the Group's strategy will be described for the first time in the Group's Transition Plan.

  The reduction in the carbon intensity of the CIB Division's loan book is also proceeding in line with expectations, having been cut by more than 20%[45] (more than the 18% target for the whole plan time horizon). The Group is continuing to make progress in reducing its direct impact, confirming the use of 100% electricity from renewable sources and retaining carbon neutrality for the Group's own emissions (Scope 1 and Scope 2 market-based).

- Social
  On diversity and inclusion issues, there has been an increase in all the target indicators included in the Strategic Plan, including as follows: 20.2% of the total number of management are now women (compared to 18.7% in FY 2022-23), and the rate of progress in terms of women being promoted has now reached 18% (as opposed to 14.7% in FY 2022-23). The progress envisaged by the Strategic Plan is also being met for the objective of providing support to projects with environmental and social impact, with more than €7m donated (2026 target: cumulative total of €20m). The objective regarding assessment of suppliers using ESG criteria has now reached 65% of global spending, relative to an objective of 70% by the end of the Plan. As regards sustainable finance, the Group has already issued one of the two sustainable bonds contemplated over the time horizon of the Strategic Plan (the €500m Sustainability SNP issued in September 2023).

  Sensitivity to the needs of the community and the inclusion of socially vulnerable categories at risk of exclusion, especially among young people, is the focus of the numerous initiatives that have been launched, with more than €7m donated during the twelve months.

H) Employee Share Ownership and Coinvestment Plan 2023-26

ESOP PLAN 2023-2026

The subscription campaign for "One Share", the first ESOP scheme addressed to Mediobanca Group staff members, was completed successfully in December 2023. The scheme, which offers staff members an opportunity to invest in Mediobanca shares voluntarily and on favourable terms, has reported a take-up rate equal to 28% of the in-scope staff population, a success story compared to recent similar schemes launched in the financial sector.

The initiative, which was approved by shareholders at the recent Annual General Meeting, is consistent with Mediobanca's desire to reinforce a sense of ownership within the Group, giving employees a leading role in reaching the objectives set as part of the "One Brand-One Culture" Strategic Plan and in the creation of sustainable value. Staff members who have chosen to take up the opportunity to participate in "One Share" will receive an additional reward if the 2026 targets are met, in the form of an extra portion of shares to be granted free of charge by the Mediobanca Group, to complement their initial investment.

A total of 415,600 Mediobanca shares were subscribed with a maximum of 166,240 matching shares attributable.

45. Data as at 31 March 2024.

This instrument, which is aligned with best market practice, is a fundamental lever for Mediobanca to maintain and attract high-quality professional resources. The strong take-up recorded for this round of One Share One Share testifies to the commitment of the Group's staff to reaching the ambitious targets set as part of the Strategic Plan to 2026.

I) Equal Pay for Equal Work

TODEI PROJECT

The cultural change programme launched with the name of "*toDEI*" in March 2022, has continued with various training and awareness-raising initiatives, both internal and external, which have increased the corporate population's engagement on diversity and inclusion issues, and enabled improvement in some of the KPIs included in the Strategic Plan in the area of recognizing female talent and reducing the gender gap.

In quantitative terms, the Group has set certain objectives, which have been included in the 2023-26 Strategic Plan and incorporated into the KPIs for the annual senior management short-term incentivization system, the LTI Plan 2023-26, and the ESOP 2023-26. These indicators are intended to monitor the gender balance both at senior level and for new recruits, as well as for career advancement.

GENDER EQUALITY CERTIFICATION

As confirmation of the Group's focus on gender diversity issues, in December 2023 Mediobanca obtained UNI/PdR 125:2022 gender parity certification, after MBCredit Solutions had done the same, and the certification has been confirmed for this financial year too. Activities have also been launched for the certification to be extended to Compass and Mediobanca Premier as well, including drawing up an action plan for each company to achieve and/or maintain the stated objectives, by measuring the results using the appropriate KPIs. A total of six areas of interest are covered by the action plan:

- Selection and recruitment (e.g. selection procedures, job descriptions, recruitment processes)
- Parenting and caring (e.g. specific programmes for parental leave, shared parenting, initiatives and welfare services);
- Work-life balance (e.g. flexible working hours, holding meetings at times that are compatible with a healthy work-life balance, etc.);
- Career management (e.g. equal opportunities in professional development and promotions, balanced leadership teams, transparent reporting of HR data);
- Fair pay (e.g. parity in terms of wages, salary, benefits and bonuses);
- Safety in the workplace and compliance (e.g. risk assessment document, training in zero tolerance for all kinds of abuse).

In 2023 the Mediobanca Group launched an inclusive language project called "WORDS" ("Win Over Radicated Diversity Stereotypes"), to promote increased awareness of the power of language to foster inclusion and respect for each individual's unique talents. The project began with an engagement phase led by the Catholic University of Milan to investigate the roots and contents of the corporate population's resistance and reluctance to change their way of speaking. After the first phase was completed, a book was compiled, under the co-ordination of a linguistician, containing the opinion of experts on some of the different issues to emerge from the process, and a cycle of podcasts was put together.

Also during 2023, the Mediobanca Group consolidated its commitment to inclusion and to recognizing the value of diversity by joining forces with non-profit-making organization Parks – liberi e uguali set up to support companies in their efforts to understand and to unlock the business potential inherent in developing strategies and good practices that are respectful of people's individual characteristics and promote an inclusive workplace, with a focus on the LGBTQ+ community. The aim of this partnership is to implement specific initiatives to raise awareness in the area of emotional and sexual orientation and gender identity. The partnership is consistent with the objectives of the Strategic Plan 2026 "One Brand-One Culture", which leverages on the responsible approach to banking which is strongly rooted in the Bank's identify, and identifies the creation of an inclusive corporate culture as a priority objective integrated in the process to grow the Group's business activities.

Following these initiatives, and in accordance with the regulatory requirements in force, as part of its regular review of the Group's policies, the Board of Directors, with the support of the Remuneration Committee and the Sustainability Committee's involvement, has analysed the gender-neutrality of the Remuneration Policy, checking both the Gender Pay Gap (as required by the regulatory obligations), and the Equal Pay Gap (EPG), which compares "Equal Pay for Equal Work", as explained in the Group Remuneration Policy (see Section 5, "Remuneration structure", sub-section VI. "Gender Pay Gap (GPG) and remuneration policy neutrality (Equal pay)".

GENDER PAY GAP & EQUAL PAY GAP ANALYSIS

The analysis was based on a snapshot of the Mediobanca Group situation in terms of pay and scope, including all the Italian and non-Italian divisions' pay situations in force in 2023. The main findings were as follows:

- The Equal Pay Gap metric, which analyses the wage gap for each professional job class in granular form, weighted for the percentage of the Group's total population represented by the number of people included in each cluster, reflects much lower levels than those for the Gender Pay Gap as a whole;
- The gender gap with reference to fixed salaries is low at Group and at divisional level, confirming Mediobanca's commitment to reward its people fairly for the organizational role which they cover;
- The gender gaps noted were mainly due to the nature of the roles which give access to the highest variable remuneration within the organization;
- The category of clerical or white-collar staff, which is the largest in numerical terms, reflects the best balance between men and women;
- The largest wage gap is in the Corporate & Investment Banking and Wealth Management/Private Banking divisions as a whole, areas which reflect the highest proportion of men in senior roles, and also the highest remuneration levels of all in absolute terms;
- In the Consumer Finance, Holding Functions and Wealth Management (Premier) divisions, there is a Gender Pay Gap, but it is on average lower;
- The observable gap is therefore concentrated in the more highly-specialized divisions where female representation is lower.

As part of the gradual adaptation process to the transparency of disclosure required by Directive (EU) 2023/970 of the European Parliament and of the Council of 10 May 2023 to strengthen the application of the principle of equal pay for equal work or work of equal value through pay transparency and enforcement mechanisms, the main indicators are shown below, aggregate and by division, for the GPG and the EPG[46] (median) the overall percentage for access to variable remuneration by gender.

46. Indicator calculated in cases where there are at least three function holders for each gender for categories of comparable role.

BUSINESS UNIT	GENDER		EQUAL PAY GAP- MEDIAN				GENDER PAY GAP-MEDIAN			
	2022	2023	SALARY 2022	SALARY 2023	SALARY 2022	SALARY 2023	SALARY 2022	SALARY 2023	SALARY 2022	SALARY 2023
GRUPPO MEDIOBANCA	U: 58% D: 42%	U: 58% D: 42%	3.6%	3.3%	3.9%	5.0%	24.16%	24.14%	26.18%	26.00%
Consumer	U: 52% D: 48%	U: 52% D: 48%	0.6%	1.0%	1.9%	3.0%	10.01%	10.95%	10.20%	12.18%
IB – CIB Client	U: 78% D: 22%	U: 78% D: 22%	4.4%	5.5%	10.2%	5.3%	40.44%	39.95%	48.07%	40.45%
Wealth - Premier	U: 55% D: 45%	U: 56% D: 44%	1.2%	2.2%	2.2%	3.0%	15.67%	15.03%	19.44%	19.57%
Wealth - Private	U: 58% D: 42%	U: 57% D: 43%	2.9%	2.2%	4.7%	5.7%	52.30%	51.51%	59.21%	60.61%
Holding Function	U: 62% D: 38%	U: 62% D: 38%	2.9%	4.8%	3.1%	3.9%	10.60%	14.69%	13.26%	15.04%

ACCESS TO VARIABLE	
MEN	78.69%
WOMEN	71.86%

The Consolidated Non-Financial Statement, too, to which reference is made, sets out the Group's situation by professional category for the year ending 30 June 2024.

J) Activities and checks performed by the Group Audit unit on the Mediobanca Group Remuneration Policy and Group Remuneration Report FY 2023-24

As required by the regulations in force, the Group Audit Unit has carried out an audit of the adoption and implementation of the Group Staff Remuneration Policy. The Remuneration Policy for FY 2023-24 approved by Mediobanca shareholders at the Annual General Meeting held in October 2023 and its implementation during the course of 2024 were analysed in particular. The controls regarded the organizational and procedural aspects, the quantitative data and indicators impacting on the process under review, and the minutes taken of the various meetings of the relevant governing bodies and internal management. The main offices involved in the audits were Group Human Capital, Group CFO, Compliance & Group AML, and Group Risk Management.

The audits performed were summarized in a report submitted to the governing bodies, and showed that the situation overall was adequate. It was ascertained that the Staff remuneration and incentivization policy had been applied correctly, and the checks on the process revealed no major issues. The documentation submitted was exhaustive, and the process for managing the remuneration and incentivization system found to be compliant with the internal regulations in force. The following aspects in particular were noted:

- Supervision of governance processes: the internal processes for remuneration issues have been correctly managed, with broad roles for the Risks and Remuneration Committees.
- Identification of MRTs: the process was conducted with the involvement of the required organizational units, having regard to organizational criteria and based on quantitative data; both the process itself and the end result were subjected to external assessment by a specialist consultant, whose opinion

was positive. The minutes of the meetings, including the considerations shared, the decisions taken, and the final reports drawn up, were found to be thorough and exhaustive.

- Review of gateways: the process was found to be structured in accordance with the internal regulations and adequately formalized. The final data showing that the quantitative requisites stated in the Policy had been met were presented to the governing bodies at meetings held in June and July.

- Definition of variable remuneration bonus pool: regular updates were provided in the course of the year on the state of progress in the business areas' results, in specific meetings held with management, as shown in the minutes for the meetings obtained by the Group Audit Unit. The business units' scorecards were also checked as part of the audit. The material prepared for the governing bodies was found to be exhaustive (at the meetings held in June and July) was found to be exhaustive.

- The composition of the remuneration structure for the Chief Executive Officer of Mediobanca and the Group General Manager was also reviewed: the structure comprises a fixed salary plus a variable component linked to the achievement of quantitative and qualitative objectives, short-term and long-term, set in specific individual scorecards, as described in the Group Remuneration Policy.

- Performance evaluation: based on the information provided by Group HR and Organization, the performance evaluation process was implemented correctly at Bank level.

- Allocation of individual variable remuneration: it was verified that for all Group staff, based on anonymous payroll data supplied by Group HR, that the quantitative limits (caps of 200% and 33% for MRTs employed in the control units) for payment of the variable component had been met, checking also, where applicable, the deferral and split (cash vs equity) criteria adopted. For the share-based remuneration mechanisms, it was ascertained that the internal policies had been properly applied for all the Group's Material Risk Takers, making further enquiries in specific cases where necessary.

- Management of specific cases (severance/good leavers, compliance breach, malus conditions).

The Group Audit Unit's findings were submitted to the Board of Directors of Mediobanca for review on 19 September 2024.

Dear shareholders,

In view of the foregoing, we invite you to adopt the following proposed resolution, with the proviso that approval of section 2 of this Report containing the disclosure on compensation paid in FY 2023-24 is purely for consultation purposes:

"In annual general meeting, the shareholders of Mediobanca,

in view of the Board of Directors' report on the Policy on remuneration and compensation paid

HEREBY RESOLVE

a) To approve the new staff remuneration policies for the Mediobanca Group for FY 2024-25, as illustrated in Section 1 of the Board of Directors' report,

b) To approve, under a vote which has purely consultative status, the disclosure on compensation paid in FY 2023-24, as illustrated in Section 2 of the Board of Directors' report;

c) To confer on the Board of Directors and the Chief Executive Officer and/or the Group General Manager on its behalf, jointly or severally, the broadest powers to execute all deeds and perform all measures and formalities necessary in order to implement the new Group Staff Remuneration Policy and to make all amendments that prove necessary to bring them into line with the regulations in force from time to time".

Milan, 19 September 2024

The Board of Directors

SECTION 3

Tables of analytical quantitative datas

MEDIOBANCA

1. Tables compiled pursuant to Consob resolution no. 18049 of 23 December 2011 as amended

Comparative data for FY 2020-24 on changes in company results, staff compensation and remuneration

As required by Consob's Regulations for Issuers, as updated on 11 December 2020, the comparative data for the past five financial years is presented below, illustrating the annual change in the:
– Total remuneration of each of the persons for which named information is provided in this section of the Report;
– The company's results;
– The annual average gross remuneration, based on the number of FTEs, for staff other those for whom named information is provided in this section of the Report.
For further details see the following Issuers' Regulation Tables (see below).

		30.6.2024	30.6.2023	30.6.2022	30.6.2021	30.6.2020	DELTA 2024/2023
Chief Executive Officer	**Alberto Nagel**						
Total remuneration for the year (Consob Table 1 including payments in equity measured at fair value)		4,581,549	5,815,467	4,490,679	4,255,304	4,007,394	-21%
of which Fixed salary including emolument		1,900,000	1,900,000	1,900,000	1,900,000	1,800,000	=
of which non-cash benefits		423,954	570,263	449,426	471,694	355,475	-26%
STI Plan variable remuneration awarded		*1,766,000*	*2,194,000*	*2,500,000*	*1,800,000*	*964,000*	-20%
LTI Plan 2019-23 variable remuneration awarded			*2,880,000*				
Group General Manager	**Francesco Saverio Vinci**						
Total remuneration for the year (Consob Table 1 including payments in equity measured at fair value)		3,794,871	4,965,876	3,663,500	3,534,930	3,471,597	-24%
of which Fixed salary including emolument		1,600,000	1,600,000	1,600,000	1,600,000	1,500,000	=
of which non-cash benefits		354,613	468,550	371,028	354,293	341,637	-24%
STI Plan variable remuneration awarded		*1,357,000*	*2,025,000*	*1,925,000*	*1,500,000*	*1,175,000*	-33%
LTI Plan 2019-23 variable remuneration awarded			*2,400,000*				
Chairman of Board of Directors	**Renato Pagliaro**	928,799	928,740	2,595,741	2,290,150	2,155,475	=
of which Fixed salary including emolument		925,000	925,000	1,575,753	1,900,000	1,800,000	=
of which holiday leave not taken				711,665			
of which non-cash benefits		3,799	3,740	308,323	390,150	355,475	=
Member of Board of Directors	**Mana Abedi**	90,738	-	-	-	-	-
Member of Board of Directors	**Virginie Banet**	140,036	140,000	140,000	93,973	-	=
Member of Board of Directors	**Maurizio Carfagna**	127,329	269,192	255,000	255,000	235,000	-53%
Member of Board of Directors	**Laura Cioli**	198,351	205,000	205,000	137,603	-	-3%
Member of Board of Directors	**Maurizia Angelo Comneno**	70,685	215,000	215,000	218,288	205,000	-67%
Member of Board of Directors	**Maurizio Costa**	44,384	135,000	135,000	131,712	105,000	-67%

		30.6.2024	30.6.2023	30.6.2022	30.6.2021	30.6.2020	DELTA 2024/2023
Member of Board of Directors	**Angela Gamba**	198,163	230,000	214,657	200,137	160,000	-14%
Member of Board of Directors	**Marco Giorgino**	127,705	-	-	-	-	-
Member of Board of Directors	**Valerié Hortefeux**	151,666	155,000	155,000	173,082	190,000	-2%
Member of Board of Directors	**Maximo Ibarra**	153,479	140,000	140,000	126,849	80,000	+10%
Member of Board of Directors	**Alberto Lupoi**	50,959	155.000	166.945	178,973	143,233	-67%
Member of Board of Directors	**Elisabetta Magistretti**	62,466	190,000	190,000	199,863	200,000	-67%
Member of Board of Directors	**Sandro Panizza***	-	-	-	-	-	-
Member of Board of Directors	**Laura Penna**	174,344	-	-	-	-	-
Member of Board of Directors	**Vittorio Pignatti-Morano Campori**	224,730	180,000	180,000	180,000	160,000	+25%
Member of Board of Directors	**Sabrina Pucci**	145,478	-	-	-	-	-
Member of Board of Directors	**Angel Vila Boix**	100,820	-	-	-	-	-
Member of Board of Directors	**Gabriele Villa**	89,863	230,000	230,000	233,288	220,000	-61%
Chairman of Statutory Audit Committee	**Mario Matteo Busso**	120,984	-	-	-	-	-
Chairman of Statutory Audit Committee	**Francesco Di Carlo**	59,178	180,000	180,000	166,849	112,000	-67%s
Member of Statutory Audit Committee	**Elena Pagnoni**	140,000	140,000	140.000	93,973	-	=
Member of Statutory Audit Committee	**Ambrogio Virgilio**	140,000	140,000	140,000	93,973	-	=
Staff	**Average total annual remuneration Group**	101,700	95,000	92,400	85,600	84,200	+7%
Mediobanca Group results	**Mediobanca Group net profit**	€ 1,273.4 mln	€ 1,026.8 mln	€ 907 mln	€ 807.6 mln	€ 600.4 mln	+24%
	Mediobanca Group gross operating profit	€ 1,813 mln	€ 1,621 mln	€ 1,296 mln	€ 1,142 mln	€ 949 mln	+12%
	Revenues	€ 3,606.8 mln	€ 3,304.5 mln	€ 2,851 mln	€ 2,628 mln	€ 2,513 mln	+9%
Total compensation CEO vs total compensation staff		**45**	**61**	**49**	**50**	**48**	

- The table reflects the reappointment of the governing bodies during FY 2023-24 (at the Annual General Meeting held on 28 October 2023), as per Table 1, Regulations for Issuers (see below).
- For the CEO and Group General Manager: the Consob Table 1 total amount is stated, including payments in equity for the year measured at fair value according to the International Financial Reporting Standards; for purposes of full disclosure, information on the variable remuneration assigned for the short-term incentive based on performance for the year and the LTI Plan 2019-23 which concluded on 30 June 2023 have been stated separately.
- *Mr. Panizza waived compensation for the office as Director, Chairman of Related parties committee and Member of Risks committee.
- For full-time employees, this figure refers to the total gross annual remuneration payable for the financial year concerned, i.e.: fixed salary, variable remuneration assigned (regardless of any deferral mechanisms applied), excluding any marginal benefits provided under the terms of their contracts, including complementary pension schemes/housing allowance for identifies staff (as per CRR REM table).

Table 1: Compensation paid to members of the Bank's governing and control bodies, general managers and other managerial staff with strategic responsibilities

A NAME AND SURNAME	B POST	C PERIOD FOR WHICH POST HAS BEEN HELD		TERM OF OFFICE EXPIRES	1 FIXED COMPENSATION			2 FEES PAYABLE FOR PRTICIPATION IN COMMITTEES	3 VARIABLE COMPENSATION (NON-EQUITY)		4 NON-CASH BENEFITS	5 OTHER FORMS OF COMPEN-SATION	6 TOTAL	7 FAIR VALUE OF EQUITY COMPEN-SATION	8 INDEMNITY PAYABLE ON LEAVING OFFICE/ SEVERANCE
					Fixed salary	Fixed salary	Total		Bonus and other incentives	Interest in earnings					
Renato Pagliaro	Chairman	01/07/2023	30/06/24	30/06/26	800,000		800,000				3,799		803,799		
	Director	01/07/2023	30/06/24	30/06/26	100,000		100,000						100,000		
	Member of Appointments committee	01/07/2023	30/06/24	30/06/26	25,000		25,000						25,000		
	Compensation in company preparing the accounts				**925,000**		**925,000**				**3,799**		**928,799**		
	Compensation from subsidiaries/associates at 30/06/2024				-		-								
	Total				**925,000**		**925,000**				**3,799**		**928,799**		
Alberto Nagel	CEO	01/07/2023	30/06/24	30/06/26	100,000	1,800,000	1,900.000		830,020		423,954 of which comple-mentary pension scheme 418,134		3,153,974	1,427,575	
	Compensation in company preparing the accounts				**100,000**	**1,800,000**	**1,900.000**		**830,020**		**423,954**		**3,153,974**	**1,427,575**	
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**100,000**	**1,800,000**	**1,900.000**		**830,020**		**423,954**		**3,153,974**	**1,427,575**	
Francesco Saverio Vinci	General Manager	01/07/23	30/06/2024	30/06/2026	100,000	1,500,000	1,600.000		637,790		354,613 c 342,351		2,592,403	1,202,468	
	Compensation in company preparing the accounts				**100,000**	**1,500,000**	**1,600,000**		**637,790**		**354,613**		**2,592,403**	**1,202,468**	
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**100,000**	**1,500,000**	**1,600,000**		**637,790**		**354,613**		**2,592,403**	**1,202,468**	
Mana Abedi	Director	29/10/23	30/06/24	30/06/26	67,213		67,213						67,213		
	Member of Remunerations committee	29/10/23	30/06/24	30/06/26	23,525		23,525						23,525		
	Compensation in company preparing the accounts				**90,738**		**90,738**						**90,738**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**90,738**		**90,738**						**90,738**		
Virginie Banet	Director	01/07/23	30/06/24	30/06/26	100,000		100,000						100,000		
	Member of Remunerations committee	01/07/23	28/10/23	30/06/23	9,863		9,863						9,863		
	Member of Sustainability committee	01/07/23	30/06/24	30/06/26	20,091		20,091						20,091		
	Member of Related parties committee	29/10/23	30/06/24	30/06/26	10,082		10,082						10,082		
	Compensation in company preparing the accounts				**140,036**		**140,036**						**140,036**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**140,036**		**140,036**						**140,036**		
Laura Cioli	Director	01/07/23	30/06/24	30/06/26	100,000		100,000						100,000		
	Member of Appointments committee	01/07/23	30/06/24	30/06/26	25,000		25,000						25,000		
	Member of Risks committee and Related parties committee	01/07/23	28/10/23	30/06/23	26,301		26,301						26,301		
	Member of Risks committee	29/10/23	30/06/24	30/06/26	47,049		47,049						47,049		
	Compensation in company preparing the accounts				**198,351**		**198,351**						**198,351**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**198,351**		**198,351**						**198,351**		

A NAME AND SURNAME	B POST	C PERIOD FOR WHICH POST HAS BEEN HELD		TERM OF OFFICE EXPIRES	1 FIXED COMPENSATION			2 FEES PAYABLE FOR PRTICIPATION IN COMMITTEES	3 VARIABLE COMPENSATION (NON-EQUITY)		4 NON-CASH BENEFITS	5 OTHER FORMS OF COMPEN-SATION	6 TOTAL	7 FAIR VALUE OF EQUITY COMPEN-SATION	8 INDEMNITY PAYABLE ON LEAVING OFFICE/ SEVERANCE
					Fixed salary	Fixed salary	Total		Bonus and other incentives	Interest in earnings					
Angela Gamba	Director	01/07/23	30/06/24	30/06/26	100,000		100,000						100,000		
	Chairman of Risks committee and Member of Related parties committee	01/07/23	28/10/23	30/06/23	32,877		32,877						32,877		
	Member of Sustainability committee	01/07/23	30/06/24	30/06/26	20,091		20,091						20,091		
	Lead Independent Director	01/07/23	28/10/23	30/06/23	6,575		6,575						6,575		
	Lead Independent Director	23/11/23	30/06/24	30/06/26	15,096		15,096						15,096		
	Chairman of Appointments committee	29/10/23	30/06/24	30/06/26	23,525		23,525						23,525		
	Compensation in company preparing the accounts				**198.163**		**198.163**						**198,163**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**198,163**		**198,163**						**198,163**		
Marco Giorgino	Director	29/10/23	30/06/24	30/06/26	67,213		67,213						67,213		
	Chairman of Risks committee	29/10/23	30/06/24	30/06/26	60,492		60,492						60,492		
	Compensation in company preparing the accounts				**127,705**		**127,705**						**127,705**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**127,705**		**127,705**						**127,705**		
Valérie Hortefeux	Director	01/07/23	30/06/24	30/06/26	100,000		100,000						100,000		
	Member of Remunerations committee	01/07/23	28/10/23	30/06/23	9,863		9,863						9,863		
	Member of Appointments committee	01/07/23	30/06/24	30/06/26	25,000		25,000						25,000		
	Member of Sustainability committee	29/10/23	30/06/24	30/06/26	16,803		16,803						16,803		
	Compensation in company preparing the accounts				**151,666**		**151,666**						**151,666**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**151,666**		**151,666**						**151,666**		
Maximo Ibarra	Director	01/07/23	30/06/24	30/06/26	100,000		100,000						100,000		
	Member of Remunerations committee	01/07/23	30/06/24	30/06/26	33,388		33,388						33,388		
	Member of Sustainability committee	01/07/23	30/06/24	30/06/26	20,091		20,091						20,091		
	Compensation in company preparing the accounts				**153,479**		**153,479**						**153,479**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**153,479**		**153,479**						**153,479**		
Sandro Panizza (1)	Director	29/10/23	30/06/24	30/06/26											
	Chairman of Related parties committee	29/10/23	30/06/24	30/06/26											
	Member of Risks committee	29/10/23	30/06/24	30/06/26											
	Compensation in company preparing the accounts														
	Compensation from subsidiaries/associates at 30/06/2024														
	Total														
Laura Penna	Director	29/10/23	30/06/24	30/06/26	67,213		67,213						67,213		
	Member of Risks committee	29/10/23	30/06/24	30/06/26	47,049		47,049						47,049		
	Member of Related parties committee	29/10/23	30/06/24	30/06/26	10,082		10,082						10,082		
	Compensation in company preparing the accounts				**124,344**		**124,344**						**124,344**		
	Compensation from subsidiaries/associates at 30/06/2024 (2)				**50,000**		**50,000**						**50,000**		
	Total				**174,344**		**174,344**						**174,344**		

A NAME AND SURNAME	B POST	C PERIOD FOR WHICH POST HAS BEEN HELD		TERM OF OFFICE EXPIRES	1 FIXED COMPENSATION			2 FEES PAYABLE FOR PRTICIPATION IN COMMITTEES	3 VARIABLE COMPENSATION (NON-EQUITY)		4 NON-CASH BENEFITS	5 OTHER FORMS OF COMPEN-SATION	6 TOTAL	7 FAIR VALUE OF EQUITY COMPEN-SATION	8 INDEMNITY PAYABLE ON LEAVING OFFICE/ SEVERANCE
					Fixed salary	Fixed salary	Total		Bonus and other incentives	Interest in earnings					
Vittorio Pignatti-Morano	Director	01/07/23	30/06/24	30/06/26	100,000		100,000						100,000		
	Deputy Chairman of Board of Directors	23/11/23	30/06/24	30/06/26	21,134		21,134						21,134		
	Member of Risks committee (and Chairman of Related parties committee till at 28.10.2023)	01/07/23	30/06/24	30/06/26	73,351		73,351						73,351		
	Chairman of Remunerations committee	29/10/23	30/06/24	30/06/26	30,246		30,246						30,246		
	Compensation in company preparing the accounts				**224,730**		**224,730**						**224,730**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**224,730**		**224,730**						**224,730**		
Sabrina Pucci	Director	29/10/23	30/06/24	30/06/26	67,213		67,213						67,213		
	Deputy Chairman of Board of Directors	23/11/23	30/06/24	30/06/26	21,134		21,134						21,134		
	Member of Remunerations committee	29/10/23	30/06/24	30/06/26	23,525		23,525						23,525		
	Member of Appointments committee	29/10/23	30/06/24	30/06/26	16,803		16,803						16,803		
	Member of Sustainability committee	29/10/23	30/06/24	30/06/26	16,803		16,803						16,803		
	Compensation in company preparing the accounts				**145,478**		**145,478**						**145,478**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**145,478**		**145,478**						**145,478**		
Angel Vilà Boix	Director	29/10/23	30/06/24	30/06/26	67,213		67,213						67,213		
	Member of Related parties committee	29/10/23	30/06/24	30/06/26	10,082		10,082						10,082		
	Member of Remunerations committee	29/10/23	30/06/24	30/06/26	23,525		23,525						23,525		
	Compensation in company preparing the accounts				**100,820**		**100,820**						**100,820**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**100,820**		**100,820**						**100,820**		
Maurizia Angelo Comneno	Director	01/07/23	28/10/23	30/06/23	32,877		32,877						32,877		
	Deputy Chairman of Board of Directors	01/07/23	28/10/23	30/06/23	11,507		11,507						11,507		
	Member of Executive Committee	01/07/23	28/10/23	30/06/23	26,301		26,301						26,301		
	Compensation in company preparing the accounts				**70,685**		**70,685**						**70,685**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**70,685**		**70,685**						**70,685**		
Maurizio Carfagna	Director	01/07/23	28/10/23	30/06/23	32,877		32,877						32,877		
	Chairman of Remunerations committee	01/07/23	28/10/23	30/06/23	13,151		13,151						13,151		
	Member of Risks committee and Related parties committee	01/07/23	28/10/23	30/06/23	26,301		26,301						26,301		
	Compensation in company preparing the accounts				**72,329**		**72,329**						**72,329**		
	Compensation from subsidiaries/associates at 30/06/2024 (3)				**55,000**		**55,000**						**55,000**		
	Total				**127,329**		**127,329**						**127,329**		
Maurizio Costa	Director	01/07/23	28/10/23	30/06/23	32,877		32,877						32,877		
	Chairman of Appointments committee	01/07/23	28/10/23	30/06/23	11,507		11,507						11,507		
	Compensation in company preparing the accounts				**44,384**		**44,384**						**44,384**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**44,384**		**44,384**						**44,384**		

A NAME AND SURNAME	B POST	C PERIOD FOR WHICH POST HAS BEEN HELD		TERM OF OFFICE EXPIRES	1 FIXED COMPENSATION			2 FEES PAYABLE FOR PRTICIPATION IN COMMITTEES	3 VARIABLE COMPENSATION (NON-EQUITY)		4 NON-CASH BENEFITS	5 OTHER FORMS OF COMPEN-SATION	6 TOTAL	7 FAIR VALUE OF EQUITY COMPEN-SATION	8 INDEMNITY PAYABLE ON LEAVING OFFICE/ SEVERANCE
					Fixed salary	Fixed salary	Total		Bonus and other incentives	Interest in earnings					
Elisabetta Magistretti	Director	01/07/23	28/10/23	30/06/23	32,877		32,877						32,877		
	Member of Risks committee	01/07/23	28/10/23	30/06/23	26,301		26,301						26,301		
	Member of Sustainability committee	01/07/23	28/10/23	30/06/23	3,288		3,288						3,288		
	Compensation in company preparing the accounts				**62,466**		**62,466**						**62,466**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**62,466**		**62,466**						**62,466**		
Gabriele Villa	Director	01/07/23	28/10/23	30/06/23	32,877		32,877						32,877		
	Member of Executive Committee	01/07/23	28/10/23	30/06/23	26,301		26,301						26,301		
	Compensation in company preparing the accounts				**59,178**		**59,178**						**59,178**		
	Compensation from subsidiaries/associates at 30/06/2024 (4)				**30,685**		**30,685**						**30,685**		
	Total				**89,863**		**89,863**						**89,863**		
Alberto Lupoi	Director	01/07/23	28/10/23	30/06/23	32,877		32,877						32,877		
	Member of Remunerations committee	01/07/23	28/10/23	30/06/23	9,863		9,863						9,863		
	Member of Appointments committee	01/07/23	28/10/23	30/06/23	8,219		8,219						8,219		
	Compensation in company preparing the accounts				**50,959**		**50,959**						**50,959**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**50,959**		**50,959**						**50,959**		
Dirigenti con respon-sabilità strategiche*		01/07/2023	30/06/24			4,744,632	4,744,632		2,129,800		347,728 of which complementary pension scheme 296,149		7,222,160	2,422,685	
	Compensi nella società che redige il bilancio					**4,744.632**	**4,744.632**		**2,129,800**		**347,728**		**7,222.160**	**2,422,685**	
	Compensation from subsidiaries/associates at 30/06/2024					**904,121**	**904,121**		**453,550**		**12,981**		**1,370,652**		
	Total					**5,648,753**	**5,648,753**		**2,583,350**		**360,709**		**8,592,812**	**2,422,685**	
Mario Busso	Chairman of Statutory Audit Committee	29/10/23	30/06/24	30/06/26	120,984		120,984						120,984		
	Compensation in company preparing the accounts				**120,984**		**120,984**						**120,984**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**120,984**		**120,984**						**120,984**		
Elena Pagnoni	Member of Statutory Audit Committee	01/07/23	30/06/24	30/06/26	140,000		140,000						140,000		
	Compensation in company preparing the accounts				**140,000**		**140,000**						**140,000**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**140,000**		**140,000**						**140,000**		
Ambrogio Virgilio	Member of Statutory Audit Committee	01/07/23	30/06/24	30/06/26	140,000		140,000						140,000		
	Compensation in company preparing the accounts				**140,000**		**140,000**						**140,000**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**140,000**		**140,000**						**140,000**		
Francesco Di Carlo	Chairman of Statutory Audit Committee	01/07/23	28/10/23	30/06/23	59,178		59,178						59,178		
	Compensation in company preparing the accounts				**59,178**		**59,178**						**59,178**		
	Compensation from subsidiaries/associates at 30/06/2024														
	Total				**59,178**		**59,178**						**59,178**		

1) Mr. Panizza waived compensation for the office as Director, Chairman of Related parties committee and Member of Risks committee.
2) Fees due in respect of position held in Compass Banca.
3) Fees due in respect of position held in Mediobanca SGR
4) Fees due in respect of position held in Spafid
*At 30 June 2024 there were a total of eight members of strategic management.

Table 3A: Incentivization schemes based on financial instruments other than stock options in favour of members of the governing bodies, general managers and managerial staff with strategic responsibilities

			FINANCIAL INSTRUMENTS AWARDED IN PREVIOUS YEARS WHICH HAVE NOT VESTED DURING THE COURSE OF THE YEAR		FINANCIAL INSTRUMENTS AWARDED DURING THE YEAR					FINANCIAL INSTRUMENTS VESTED DURING THE YEAR AND NOT ALLOCATED	FINANCIAL INSTRUMENTS VESTED DURING THE YEAR AND ALLOCATED		FINANCIAL INSTRUMENTS ATTRIBUTABLE TO THE YEAR
A	B	1	2	3	4	5	6	7	8	9	10	11	12
Name and surname	Post	Scheme	No. and type of instrument	Vesting period	No. and type of financial instrument	Fair value at award date	Vesting period	Award date	Market price at award	No. and type	No. and type	Value upon vesting	Fair value
Alberto Nagel	CEO	28/10/2015 (FY 2018)									18,119	204,413	
		28/10/2015 (FY 2019)	17,083	Nov. 2024							34,166	385,451	19,202
		28/10/2015 (LTI 2019 - 2023)	150,597	Nov. 2024 - Nov. 2028									150,789
		28/10/2015 (FY 2020)	30,746	Nov. 2024 - Nov. 2025							15,373	173,434	26,815
		28/10/2020 (FY 2021)	60,477	Nov. 2024 - Nov. 2026									85,165
		28/10/2021 (FY 2022)	101,517	Nov. 2024 - Nov. 2027							61,525	694,107	97,597
		28/10/2022 (FY 2023)	103,856	Nov. 2024 - Nov. 2028									288,192
		28/10/2023 (LTI 2023 - 2026)			549,785	2,575,635	Nov. 2027 - Nov. 2032	08 feb 2024	11.846				529,760
		28/10/2023 (FY 2024)			67,050	673,563	Nov. 2025 - Nov. 2029	27 Sept 2024	15.370				230,055
Francesco Saverio Vinci	General Manager	28/10/2015 (FY 2018)									15,099	170,342	
		28/10/2015 (FY 2019)	12,248	Nov. 2024							24,496	276,357	13,767
		28/10/2015 (LTI 2019 - 2023)	125,496	Nov. 2024 - Nov. 2028									125,657
		28/10/2015 (FY 2020)	37,476	Nov. 2024 - Nov. 2025							18,738	211,396	32,685
		28/10/2020 (FY 2021)	50,397	Nov. 2024 - Nov. 2026									70,970
		28/10/2021 (FY 2022)	78,168	Nov. 2024 - Nov. 2027							47,374	534,459	75,149
		28/10/2022 (FY 2023)	95,857	Nov. 2024 - Nov. 2028									265,993
		28/10/2023 (LTI 2023 - 2026)			458,157	2,146,372	Nov. 2027 - Nov. 2032	08 feb 2024	11.846				441,468
		28/10/2023 (FY 2024)			51,522	517,576	Nov. 2025 - Nov. 2029	27 Sept 2024	15.370				176,779

			FINANCIAL INSTRUMENTS AWARDED IN PREVIOUS YEARS WHICH HAVE NOT VESTED DURING THE COURSE OF THE YEAR		FINANCIAL INSTRUMENTS AWARDED DURING THE YEAR					FINANCIAL INSTRUMENTS VESTED DURING THE YEAR AND NOT ALLOCATED	FINANCIAL INSTRUMENTS VESTED DURING THE YEAR AND ALLOCATED		FINANCIAL INSTRUMENTS ATTRIBUTABLE TO THE YEAR
A	B	1	2	3	4	5	6	7	8	9	10	11	12
Name and surname	Post	Scheme	No. and type of instrument	Vesting period	No. and type of financial instrument	Fair value at award date	Vesting period	Award date	Market price at award	No. and type	No. and type	Value upon vesting	Fair value
Managerial staff with strategic responsibilities (8)		28/10/2015 (FY 2018)									13,129	144,896	
		28/10/2015 (FY 2019)	15,665	Nov. 2024							33,284	366,958	17,608
		28/10/2015 (LTI 2019 - 2023)	62,748	Nov. 2024 - Nov. 2028									62,828
		28/10/2015 (FY 2020)	52,628	Nov. 2024 - Nov. 2025							29,576	327,328	45,899
		28/10/2020 (FY 2021)	84,309	Nov. 2024 - Nov. 2026							2,036	22,970	119,641
		28/10/2021 (FY 2022)	258,465	Nov. 2024 - Nov. 2027							167,531	1,872,642	255,424
		28/10/2022 (FY 2023)	230,889	Nov. 2024 - Nov. 2028									670,543
		28/10/2023 (LTI 2023 - 2026)			577,272	2,711,820	Nov. 2027 - Nov. 2032	'08 feb 2024	11.846				557,980
		28/10/2023 (FY 2024)			193,034	1,967,611	Nov. 2025 - Nov. 2029	'27 Sept 2024	15.370				692,762
Total			**1,568.622**		**1,896.820**	**10,592.577**					**480,446**	**5,384,752**	**5,052,728**

At 30 June 2024 there were a total of eight members of strategic management.
**Value of Mediobanca shares at 26 September 2024.*

Maximum number of performance shares (Mediobanca shares) that may be assigned upon the achievement of performance objectives and/or subsequent to the holding period based on the Remuneration Policies in force at the time. The maximum number of shares is calculated based on the average official Mediobanca stock market price in the 30 days prior to the date on which the Remunerations Committee and the Board of Directors adopt resolutions approving the incentivization system, or the date provided by the relevant Plan, or the date on which the shares themselves are assigned (in cases where performance shares are assigned in connection with the recruitment of identified staff or employment termination agreements).

For the award made on 8 February 2024 (the date on which the BoD approved the Implementing Regulations for the 2024 Long-Term Incentivization Plan 2023-26 approved by shareholders at the AGM held on 28 October 2023), the actual number of performance shares (Mediobanca shares) will be established when the Plan itself ends.

Table 3B: Cash incentivization schemes based on financial instruments other than stock options in favour of members of the governing bodies, general managers and managerial staff with strategic responsibilities

A	B	1	2			3			4
NAME AND SURNAME	POST	SCHEME	BONUS FOR THE YEAR			PREVIOUS YEARS' BONUSES			
			A	B	C	A	B	C	
			Payable/paid	Deferred	Deferral period	No longer payable	Payable/paid	Still deferred	Other bonuses
Alberto Nagel	CEO	FY 2023/2024	353,200	476,820	Nov.'26-nov.'29				
		FY 2022/2023 (STI)						592,380	
		FY 2022/2023 (LTI 19-23)						777,600	
		FY 2021/2022						675,000	
		FY 2020/2021					234,000	252,000	
		FY 2019/2020						134,960	
		FY 2018/2019					159,000	318,000	
		FY 2017/2018					298,080		
Francesco Saverio Vinci	General Manager	FY 2023/2024	271,400	366,390	Nov.'26-nov.'29				
		FY 2022/2023 (STI)						546,750	
		FY 2022/2023 (LTI 19-23)						648,000	
		FY 2021/2022						519,750	
		FY 2020/2021					195,000	210,000	
		FY 2019/2020						164,500	
		FY 2018/2019					114,000	228,000	
		FY 2017/2018					248,400		
Management with strategic responsibilities (8)		FY 2023/2024	1,253,400	1,329,950	Nov.'26-nov.'29				
		FY 2022/2023 (STI)						1,275,400	
		FY 2022/2023 (LTI 19-23)						324,000	
		FY 2021/2022						1,731,500	
		FY 2020/2021					338,300	361,600	
		FY 2019/2020					22,500	231,000	
		FY 2018/2019					145,800	291,600	
		FY 2017/2018					216,000		
(I) Compensation in company preparing the accounts			**1,685,000**	**1,912,610**			**1,698,380**	**7,949,740**	
(II) Compensation from subsidiaries/associates			**193,000**	**260,550**			**272,700**	**1,332,300**	
(III) Total			**1,878,000**	**2,173,160**			**1,971,080**	**9,282,040**	

At 30 June 2024 there were a total of eight members of strategic management.

Investments held by members of the governing and control bodies and by general managers

NAME AND SURNAME	ROLE	INVESTEE COMPANY	No. OF SHARE HELD AT END OF PREVIOUS YEAR	No. OF SHARE ACQUIRED	No. OF SHARE SOLD	No. OF SHARE OWNED AT END OF PRESENT YEAR
Pagliaro Renato	Chaiman	MEDIOBANCA	2,000,000	==	==	**2,000,000**
Nagel Alberto	CEO	MEDIOBANCA	3,093,050	129,183 [1]	68,383	**3,153,850**
Vinci Francesco Saverio	GM	MEDIOBANCA	1,301,000	105,707 [1]	53,007	**1,353,700**
Pignatti-Morano Vittorio	Director	MEDIOBANCA	500,000	==	500,000	**==**
Vilà Boix Angel	Director	MEDIOBANCA	==	25,000	==	**250,000**
Carfagna Maurizio	Director	MEDIOBANCA	81,000	==	==	**81,000** [2]

NB – For Directors appointed or leaving office during the financial year, the initial/final investment refers to the situation as at the date on which they were either appointed or left office.
1) Shares deriving from incentivization schemes.
2) Of which 80,000 shares held via controlled companies and 1,000 shares owned by their spouse.

Investments held by other managerial staff with strategic responsibilities

No. OF MANAGERIAL STAFF WITH STRATEGIC RESPONSIBILITIES	INVESTEE COMPANY	No. OF SHARE OWNED AT END OF PREVIOUS YEAR	No. OF SHARE ACQUIRED	No. OF SHARE SOLD	No. OF SHARE OWNED AT END OF PRESENT YEAR
8*	MEDIOBANCA	197,095	254,257	221,299	**230,053****

N.B. Holdings at the start and the end of the period may vary due to changes in the composition of management with strategic responsibilities.
* Included one strategic manager employed till 25 February 2024. At 30 June 2024 there were a total of eight members of strategic management.
** Shares deriving from incentivization schemes.

2. Tables compiled pursuant to Article 450 of the CRR (EBA)

Table EU REMA: Remuneration policy

Qualitative disclosures

Institutions shall describe the main elements of their remuneration policies and how they implement these policies. In particular, the following elements, where relevant, shall be described:.

a)	**Information relating to the bodies that oversee remuneration. Disclosures shall include:**
	nName, composition and mandate of the main body (management body or remuneration committee as applicable) overseeing the remuneration policy and the number of meetings held by that main body during the financial year;
	The Remuneration Committee consists of five non-executive members, all of whom are independent. In FY2023-24 the Remuneration Committee met ten times, with an average meeting duration of approximately 2 hours. The Remuneration Committee has the task of making proposals on the remuneration of personnel whose remuneration is the responsibility of the Board of Directors; it has consultative tasks regarding the determination of criteria for the remuneration of all key personnel; it oversees the correct application of the rules relating to the remuneration of the heads of corporate control functions. It collaborates with the other internal committees, in particular with the Risk and CSR Committees; it ensures the involvement of the competent corporate functions in the process of drawing up and monitoring remuneration and incentive policies and practices. It expresses its opinion on the results of the identification process of the most relevant personnel, including any exclusions; on the achievement of the performance objectives to which the incentive plans are linked and on the verification of the other conditions set for the payment of remuneration, also making use of the information received from the competent corporate functions; it monitors the gender neutrality of the policy; it provides adequate feedback on the activities carried out to the corporate bodies.
	External consultants whose advice has been sought, the body by which they were commissioned, and in which areas of the remuneration framework;
	As in the previous financial year, in FY 2023-24 too, the Remunerations Committee chose to retain an independent advisor in the performance of its duties. The advisor contributes to the debate on the main items on the agenda, giving its opinion on the policies adopted and on certain aspects of process, including through the issue of fairness opinion on specific topics. Deloitte Consulting was the advisor until the Group Remuneration Policy for FY 2022-23 was adopted (in October 2023), while WTW was engaged as from February 2024. The advisor took part in Remunerations Committee meetings.
	A description of the scope of the institution's remuneration policy (e.g. by regions, business lines), including the extent to which it is applicable to subsidiaries and branches located in third countries;
	The Mediobanca Group's Policy, as part of the activities of guidance and coordination of its subsidiaries, ensures the consistency of the remuneration and incentive systems within the Banking Group, in accordance with the specific nature of the sectors to which they belong, their organisational structures, and the applicable regulations based on the type of business and geographical location. In particular, it oversees the process of identifying the most relevant personnel, provides the guidelines to be adopted and collaborates in drafting the documents relating to any remuneration policies drawn up by Group companies. The identification of the most relevant personnel, i.e. personnel whose professional activities may have a significant impact on the Group's risk profile, takes place annually at the end of a formalised process involving the Parent Company and the subsidiaries. The information is forwarded for consolidation to the Parent Company, which carries out the assessment for the other non-banking subsidiaries.
	A description of the staff or categories of staff whose professional activities have a material impact on institutions' risk profile.
	For the identification of the most relevant personnel, Mediobanca Group adopts the regulatory standards set out in Delegated Regulation (EU) 2021/923 of the European Commission of 25 March 2021, published in the EU Official Journal on 9 June 2021. The criteria are: - Qualitative: relating to the role (including non-executive Directors), the decision-making powers granted, and the responsibilities assumed, adopted within the Group structure consistent with the nature, scope and complexity of the activities performed. Consideration is given to the organizational position within the Group, the relevance of the business unit (not only in terms of capital allocation, but also of volumes and complexity), the risk profile assumed, including reputational, participation in internal committees of the Group, decision-making and management autonomy, the place of work given the differences in pay mix between the various countries, and the specificities of individual sectors, such as asset management. - Quantitative: related to the total remuneration awarded in the previous year. The scope also includes agents in financial activities, insurance agents and financial advisors authorised to offer their services outside their offices. Details are given in Section 4 of the Group Remuneration Policy ("Policy for Identification of Material Risk-Takers").

Qualitative disclosures

b)

Information relating to the design and structure of the remuneration system for identified staff. Disclosures shall include:

An overview of the key features and objectives of remuneration policy, and information about the decision-making process used for determining the remuneration policy and the role of the relevant stakeholders;

The Group's remuneration and incentive policy is designed to seek the generation of long-term sustainable value through:

- ◇ An overall remuneration balanced between fixed and variable portions according to the company's role, which does not induce risky and short-term oriented behaviour;
- ◇ A fair level of remuneration that reflects the skills, abilities and professional experience of each employee, thus ensuring the application of the principle of equal opportunities;
- ◇ A structure of short- and long-term incentives, based on risk-adjusted indicators and aligned with the Risk Appetite Framework with a view to business continuity and sustainability of results in the long term;
- ◇ The correlation of the incentive systems to the principles defined by the Group policies on sustainability issues and the ESG objectives contained in the Strategic Plan; the inclusion of sustainability in the Group's strategies;
- ◇ Limits to variable remuneration (caps);
- ◇ Verification of the positioning of the remuneration package of the resources compared to the reference market and a careful assessment of the gender pay gap;
- ◇ Individual performance assessed in a clear and transparent manner, on a meritocratic basis and according to the principle of equal opportunities;
- ◇ Deferment and disbursement of variable remuneration over a multi-year horizon, including equity instruments to link incentives to long-term value creation;
- ◇ Centrality of ex ante and ex post reputational issues, through malus and clawback mechanisms to remuneration;
- ◇ Predetermined and transparent methods of treatment attributable in the event of termination of employment, with predefined caps in terms of maximum monthly payments to be assigned and the absolute value of the amount;
- ◇ Transparency in reporting.

Every year, the Group Remuneration Report is approved by the Shareholders' Meeting, after approval by the Board of Directors, with the opinion of the Remuneration Committee. The internal functions Group Human Capital, Group CFO, Group Risk Management, Compliance and Group Audit actively participate in the process, according to their respective competences. The activities are adequately tracked and documented.

Details can be found in sections 2 "Transparency and Sustainability Principles" and 3 "Governance" of the Group Remuneration Policy.

Information on the criteria used for performance measurement and ex ante and ex post risk adjustment.

The determination of variable remuneration and the correlation between risk and performance is achieved through a process that aims to remunerate staff according to the risk-adjusted performance of the Bank and the Group, in compliance with the risk profile defined by the Risk Appetite Framework (RAF) and with a view to business continuity and sustainability of results in the long term. The payment of variable remuneration for the "most significant personnel" of each organisational division of the Group is envisaged only if the following indicators ("gateways") are met:

a) capital adequacy and liquidity requirements exceeding the values indicated in the Risk Appetite Framework approved by the Board of Directors and which are the main indicators considered in the ICAAP. They are: CET 1 ratio, Leverage ratio, AFR/ECAP, Liquidity Coverage Ratio, Net Stable Funding Ratio.
B) Positive Group Operating Result.

The total annual variable remuneration of the Group's divisions and business units, including the portion attributable to the most significant personnel, is determined on the basis of the risk-adjusted economic performance of the respective divisional scopes (Economic Profit and/or RORWA and/or other risk-adjusted metrics) and other secondary quantitative and qualitative objectives.
For control functions, staff units and support, the total variable remuneration is determined according to general economic sustainability. Malus condition and claw back mechanisms are foreseen.
Details are provided in section 6 "Incentivization System" of the Group Remuneration Policy.

Whether the management body or the remuneration committee where established reviewed the institution's remuneration policy during the past year, and if so, an overview of any changes that were made, the reasons for those changes and their impact on remuneration;

In FY 2023-24 the governing bodies revised the Group Staff Remuneration Policy and Report, to align it with changes in the regulations and with best sector practice. Compared to the previous version, the new Mediobanca Group Staff Remuneration Policy:

- ◇ Expands and updates the list of operators included in the peer group used by Mediobanca as part of its ongoing efforts to compare itself with best market practice; and contains further explanation of: i) the underlying reasons for the selection and exclusion of potential comparable players, with reference in particular to the samples suggested by the proxy advisors; and ii) disclosure of the Group's positioning relative to the compensation paid by the sample of peers selected;
- ◇ Introduces new quantitative rules for the gateways triggering the payment of variable remuneration, consistent with the revised version of the Risk Appetite Framework, and strengthening the alignment between risks, the Bank's performance, and the remuneration and incentivization systems;
- ◇ Provides details on the new structure of the scorecard and incentivization curve adopted for the CEO and Group General Manager, into which, while a predominant weighting of 85% for financial KPIs has been maintained, non-financial/qualitative KPIs have been integrated directly, including evidence of pre-established drivers, consistent with the Group's strategy and having regard to market practice;
- ◇ Increases the stock ownership requirement for the CEO and Group General Manager to three times (vs two times) and two times (vs one time) their fixed salaries, as per best market practice;
- ◇ Alters the additional qualitative criteria for Financial Advisors to be included within the scope of Identified Staff, with the indicator now set at 7.5% of the TFAs attributable to the individual FA, compared with 10% previously, making the criteria for FAs to be defined as Identified Staff more prudential;
- ◇ Goes once again into considerable detail, in the second section, in terms of the quantitative and qualitative information provided regarding the Group's positioning with reference to the Gender Pay Gap and Equal Pay Gap;
- ◇ Strengthens the disclosure to ensure increased transparency and clarity.

In line with the past, the policy:

- ◇ Highlights the links between remuneration policy, corporate sustainability and ESG objectives;
- ◇ Is aligned with all applicable regulations;
- ◇ Enables the areas of the Bank and Group which create value, including in corporate social responsibility terms, to be suitably rewarded based on objective performance criteria;
- ◇ Allows the Group to attract and retain professionals with the appropriate skills for its needs;
- ◇ Is aligned with the policies adopted by other leading Italian and international operators.

Qualitative disclosures	
	Information of how the institution ensures that staff in internal control functions are remunerated independently of the businesses they oversee.
	For the Control Functions, staff and support units, the variable component, which is normally limited, is not related to the Group's economic performance and results but rather to individual qualitative performance (value of resources, quality of their performance, retention strategies) and the remuneration positioning of the role with respect to the reference market. For the staff of the Control Functions, i.e. Group Audit, Compliance, Risk Management, the constant monitoring and control of the Bank's processes and operations is assessed in an independent and autonomous manner for the prevention of risk situations and for the timely detection of anomalous behaviours or events, the continuous assessment of compliance with regulations through appropriate verification plans, the continuous assessment of compliance with regulations through adequate audit plans, the updating of procedures and internal guidelines, the training of internal structures, the correct development of models, methodologies and metrics for the measurement of market, credit and operational risks with adequate production of reports for their monitoring, as well as a
b)	**Policies and criteria applied for the award of guaranteed variable remuneration and severance payments.**
	The Mediobanca Group adopts a so-called "New Joiner Policy", which provides for the possible assignment of "buy out", "sign on" and "entry" bonuses for particularly valuable figures, to be allocated solely at the time of recruitment and for the first year of employment with the company. It also provides for the possibility of assigning an amount at the time of hiring to compensate for any loss of compensation accrued in previous jobs, in accordance with established industry practice. Determination and payment are made in compliance with the provisions of the policy and regulations in force. The application of the other elements provided for by the Policy (possible deferment, disbursement in cash and financial instruments, subjection to the provisions of malus and clawback) guarantees in any case the constant alignment of this remuneration structure to the risks and long-term sustainability. As provided for by the regulations and the Articles of Association, the shareholders in Annual General Meeting approve as ordinary business the criteria for determining the remuneration to be granted in the event of early termination of office or termination of employment, including the limits set for said remuneration in terms of annual fixed remuneration and the maximum amount deriving from their application. Details are provided in section 8 of the Group Remuneration Policy: "Policy in the event of the beneficiary leaving office or the employment arrangement being terminated".
c)	**Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures shall include an overview of the key risks, their measurement and how these measures affect remuneration.**
	The determination of variable remuneration and the correlation between risk and performance is achieved through a process that aims to remunerate staff according to the risk-adjusted performance of the Bank and the Group, in compliance with the risk profile defined by the Risk Appetite Framework and with a view to business continuity and sustainability of results in the long term. Variable remuneration for the "most significant personnel" of each organizational division of the Group is paid only if indicators ("gateways") linked to capital adequacy and liquidity requirements (CET 1 ratio, Leverage ratio, AFR/ECAP, Liquidity Coverage Ratio, Net Stable Funding Ratio) are met, which are higher than the values indicated in the Risk Appetite Framework approved by the Board of Directors and income. The total annual variable remuneration of the Group's divisions and business units, including the portion attributable to the most relevant personnel, is determined on the basis of the risk-adjusted economic performance of the respective divisional scopes (Economic Profit and/or ROAC and/or other risk-adjusted metrics) and other secondary quantitative and qualitative targets.
d)	**The ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) CRD.**
	Subject to the approval of shareholders in Annual General Meeting, in accordance with national and supranational regulations, the maximum limit set for the variable remuneration of all staff belonging to the Mediobanca Group, and therefore of the entire key personnel, is set at 200% of the fixed remuneration. The remuneration package of the Group's most significant personnel belonging to control functions (Group Audit, Compliance, Risk Management) is structured with a prevailing fixed component and a variable portion allocated annually on the basis of qualitative criteria and linked to the effectiveness and quality of control action. Their variable remuneration is capped at 33% of the fixed component and that of the managers is decided annually by the Board of Directors, on the proposal of the Remunerations Committee. Different limits apply to staff employed at the asset management companies and investment firms.
e)	**Description of the ways in which the institution seeks to link performance during a performance measurement period with levels of remuneration. Disclosures shall include:** **An overview of main performance criteria and metrics for institution, business lines and individuals;**
	First of all, the payment of variable remuneration to the "most relevant personnel" of each organisational division of the Group is envisaged only if indicators ("gateways") linked to capital adequacy and liquidity requirements exceeding the values indicated in the Risk Appetite Framework approved by the Board of Directors and income requirements are met. The total annual variable remuneration of the Group's divisions and business units, including the portion attributable to the most relevant personnel, is determined on the basis of the risk-adjusted economic performance of the respective divisional perimeters (Economic Profit and/or RORWA and/or other risk-adjusted metrics) and other secondary quantitative and qualitative targets. The individual incentive system and the allocation of variable remuneration to individual beneficiaries are determined through an annual performance evaluation process based on merit and professional quality, with particular attention to reputational issues. Details are provided in section 6 of the Group Remuneration Policy: "Incentivization system".
	An overview of how amounts of individual variable remuneration are linked to institution-wide and individual performance;
	Individual variable remuneration is mainly based on the overall performance of the Group and of the individual Group Legal Entities/business units in order to determine the size of the bonus pools available and subsequently on individual performance.

Qualitative disclosures

e)

Information on the criteria used to determine the balance between different types of instruments awarded including shares, equivalent ownership interest, options and other instruments;

A significant part of the variable remuneration is deferred and paid in part with equity instruments to link incentives to long-term value creation, making it possible to verify the continuity and sustainability of positive results. Payments are made annually on a pro-rata basis, depending, jointly, on the role held and the amount of variable remuneration awarded.
For details, see section 6 of the Group Remuneration Policy: "Incentivization system - f) Payment of variable component".

Information of the measures the institution will implement to adjust variable remuneration in the event that performance metrics are weak, including the institution's criteria for determining "weak" performance metrics.

The incentive system provides for gateway conditions for the disbursement of the bonus pool to the most Significant Personnel and the quantification of the total annual variable remuneration, depending on the risk-adjusted economic performance of the respective divisional scopes (Economic Profit and/or RORWA and/or other risk-adjusted metrics) and other secondary quantitative and qualitative objectives that allow the sizing of the bonus pools on the basis of the results obtained (pay for performance). The Board of Directors, on the proposal of the Chief Executive Officer and with the favourable opinion of the Remuneration Committee and the Related Parties Committee, may resolve to pay variable remuneration to the most important personnel in order to safeguard the most critical professional skills, also in the event of non-compliance with the "gateways". In particular, the disbursement of a variable retention component is assessed on the basis of the underlying causes of the failure to comply with the individual gateways and the relevance of the individual indicator on the Group's capital adequacy, liquidity and profitability, also verifying the causal link with the individual Divisions of which it is composed. Moreover, if the "gateways" are met, but the Economic Profit or other divisional risk-adjusted indicator is negative or of a limited amount, the Chief Executive Officer may propose a "floor pool" of variable remuneration for the most significant personnel, sharing the distribution logic with the corporate bodies, based on the contribution of the individual business activities to the company's results.

f)

Description of the ways in which the institution seeks to adjust remuneration to take account of longterm performance. Disclosures shall include:

An overview of the institution's policy on deferral, payout in instrument, retention periods and vesting of variable remuneration including where it is different among staff or categories of staff:

A significant part of the variable remuneration is deferred and paid in part with equity instruments to link incentives to long-term value creation, making it possible to verify the continuity and sustainability of positive results. Payments are made annually on a pro-rata basis, depending jointly on the role held and the amount of variable remuneration awarded.
For executive directors and senior management, the deferral always takes place over a five-year period. The deferred component is:

- 60%, of which 55% in shares and 45% in cash, in case of variable remuneration equal or higher than €436,000;
- 50%, of which 56% in shares and 44% in cash, in the event of variable remuneration of less than €436,000.

For the remaining key personnel, deferment takes place over a four-year time horizon, with shares of:

- 60%, of which 50% in shares and 50% in cash, in the case of variable remuneration equal to or exceeding €436,000;
- 40%, of which 50% in shares and 50% in cash, in the event of variable remuneration of less than €436,000.

For the most significant personnel, the upfront component is paid half in cash and half in Mediobanca shares.
For the most relevant personnel, the deferral does not apply if the annual variable remuneration does not exceed €50,000 (the so-called materiality threshold) and does not represent more than one-third of total remuneration.
The shares are subject, after vesting, to a one-year holding period for retention purposes.
For details, see section 6 of the Group Remuneration Policy: "Incentivization system - f) Payment of variable component".

Information of the institution' criteria for ex post adjustments (malus during deferral and clawback after vesting, if permitted by national law);

Variable components, both at the time of allocation and at the time of deferred payment, may only be awarded if the beneficiary has not fallen into the cases envisaged by the Directive on compliance breaches (i.e., has not been subject to disciplinary action in accordance with, inter alia, the provisions of the Code of Ethics, the Organisational Model, the Business Conduct Policy and other internal regulations of Mediobanca) and no losses have been incurred as a result of his actions. The deferred component of variable remuneration, following the assessment of performance over the reference time horizon, whether annual (Short Term Incentive) or multi-year (Long Term Incentive), is paid on condition that

- The beneficiary is still an employee of the Group and not in a notice period due to voluntary resignation or dismissal;
- The performance conditions coinciding with the "gateways" are met in each financial year;
- The business units to which they belong have achieved a positive risk-adjusted result, net of extraordinary items and anything attributable to strategic decisions, validated by the Group Risk Management unit.

Mediobanca reserves the right to initiate all initiatives aimed
at restoring variable remuneration already paid ("clawback") in the event of evidence of damage to its capital integrity, profitability, economic and financial situation or reputation, attributable to the conduct of individual resources, even in the absence of wilful misconduct or gross negligence.
The application of the clawback clauses is applicable to the most significant personnel up to the fifth year following the payment of a portion of variable remuneration, whether upfront or deferred, and up to one year for the remaining personnel.
For details, see section 6 of the Group Remuneration Policy: "Incentivization system - f) Payment of variable component"..

Where applicable, shareholding requirements that may be imposed on identified staff.

The Chief Executive Officer is required to hold in his portfolio, even after the shares deriving from the assignment of any variable component have actually been allocated, at the end of the vesting/holding periods, a number of Mediobanca shares with a value equal to three times his fixed salary (fixed remuneration, including the emolument for the office, at the end of the financial year and the average stock market value of the Mediobanca share recorded during the financial year) and the Group General Manager equal to two times. The equivalent amount of shares - to be achieved within a period of five years from the first assignment - must be held for the entire duration of the mandate in order to align interests with those of shareholders (so-called "stock ownership requirement").

Qualitative disclosures	
g)	**The description of the main parameters and rationale for any variable components scheme and any other non-cash benefit in accordance with point (f) of Article 450(1) CRR. Disclosures shall include:** **Information on the specific performance indicators used to determine the variable components of remuneration and the criteria used to determine the balance between different types of instruments awarded, including shares, equivalent ownership interests, share-linked instruments, equivalent non cash-instruments, options and other instruments.**
	The total annual variable remuneration of the Group's divisions and business units, including the portion attributable to the most relevant personnel, is determined on the basis of the risk-adjusted economic performance of the respective divisions (Economic Profit and/or RORWA and/or other risk-adjusted metrics) and other secondary quantitative and qualitative targets. A significant portion of variable remuneration is deferred and paid partly with equity instruments to link incentives to long-term value creation, allowing the continuity and sustainability of positive results to be verified. Payments are made annually on a pro-rata basis, depending, jointly, on the role held and the amount of variable remuneration awarded. For details, see section 6 of the Group Remuneration Policy: "Incentivization system - f) Payment of variable component".
h)	**Upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management.**
	See the "Tables with quantitative and analytical information" in the Group Remuneration Report
i)	**Information on whether the institution benefits from a derogation laid down in Article 94(3) CRD in accordance with point (k) of Article 450(1) CRR.** **For the purposes of this point, institutions that benefit from such a derogation shall indicate whether this is on the basis of point (a) and/or point (b) of Article 94(3) CRD. They shall also indicate for which of the remuneration principles they apply the derogation(s), the number of staff members that benefit from the derogation(s) and their total remuneration, split into fixed and variable remuneration.**
	Derogation based on point b): number of staff benefiting from the derogation 15; total remuneration €3,266k, €2,724k of which fixed and €542k variable.
j)	**Large institutions shall disclose the quantitative information on the remuneration of their collective management body, differentiating between executive and non-executive members in accordance with Article 450(2) CRR.**
	See the "Tables with quantitative and analytical information" in the Group Remuneration Report.

Table EU REM1: Remuneration awarded for the financial year

			a MANAGEMENT BODY SUPERVISORY FUNCTION	b MANAGEMENT BODY MANAGEMENT FUNCTION	c OTHER SENIOR MANAGEMENT	d OTHER IDENTIFIED STAFF
1	Fixed remuneration	Number of identified staff	13	2	10	101
2		Total fixed remuneration	3,079,995	4,516,891	9,486,349	36,572,693
3		Of which cash based	3,076,196	3,500,000	8,790,012	35,040,787
4		(Not applicable in EU)				
EU-4a		Of which shares or equivalent equity ownership interest				
5		Of which share-linked instruments or equivalent non-cash instruments				
EU-5x		Of which other instruments	3,799	1,016,891	696,337	1,531,906
6		(Not applicable in EU)				
7		Of which other forms				
8		(Not applicable in EU)				
9	Variable remuneration	Number of identified staff		2	10	81
10		Total variable remuneration		3,123,000	11,829,000	24,694,175
11		Of which cash based		1,467,810	5,585,070	12,733,388
12		Of which deferred		843,210	3,165,870	6,117,625
EU-13a		Of which shares or equivalent equity participations		1,655,190	6,243,930	11,690,787
EU-14a		Of which deferred		1,030,590	3,872,730	5,955,625
EU-13b		Of which share-linked instruments or equivalent non-cash instruments				
EU-14b		Of which deferred				
EU-14x		Of which other instruments				270,000
EU-14y		Of which deferred				162,000
15		Of which other forms				
16		Of which deferred				
17	**Total remuneration (2 + 10)**		**3,079,995**	**7,639,891**	**21,315,349**	**61,266,868**

Gross remuneration.
Other forms of fixed remuneration: excludes contractual fringe benefits and benefits for the entire workforce, includes supplementary pension fund paid or house allowance,
Variable remuneration: includes any stability/extension of notice agreements, any guaranteed, incentives granted during the financial year and excludes any incentives paid for previous periods as shown in table REM2.
Group Material Risk Takers as of 30 June 2024 (Remuneration figures include all members on the Board of Directors - Supervisory function during the year).
Includes Financial Advisors (recurring component included in fixed compensation and any non-recurring component in variable compensation),

Table EU REM2: Special payments to staff whose professional activities have a material impact on institution's risk profile (identified staff)

		a	b	c	d
		MANAGEMENT BODY SUPERVISORY FUNCTION	MANAGEMENT BODY MANAGEMENT FUNCTION	OTHER SENIOR MANAGEMENT	OTHER IDENTIFIED STAFF
	Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff				1
2	Guaranteed variable remuneration awards -Total amount				165,000
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap				165,000
	Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year – Number of identified staff				2
5	Severance payments awarded in previous periods, that have been paid out during the financial year – Total amount				301,435
	Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff				1
7	Severance payments awarded during the financial year – Total amount				999,755
8	Of which paid during the financial year				199,951
9	Of which deferred				799,804
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap				199,951
11	Of which highest payment that has been awarded to a single person				999,755

Gross remuneration.
For incentives paid relating to prior years, Group MRTs have been mapped to the relevant FYs.

Table EU REM3: Deferred remuneration

		a	b	c	d	e	f	EU-g	EU-h
	DEFERRED AND RETAINED REMUNERATION	TOTAL AMOUNT OF DEFERRED REMUNERATION AWARDED FOR PREVIOUS PERFORMANCE PERIODS	OF WHICH DUE TO VEST IN THE FINANCIAL YEAR	OF WHICH VESTING IN SUBSEQUENT FINANCIAL YEARS	AMOUNT OF PERFORMANCE ADJUSTMENT MADE IN THE FINANCIAL YEAR TO DEFERRED REMUNERATION THAT WAS DUE TO VEST IN THE FINANCIAL YEAR	AMOUNT OF PERFORMANCE ADJUSTMENT MADE IN THE FINANCIAL YEAR TO DEFERRED REMUNERATION THAT WAS DUE TO VEST IN FUTURE PERFORMANCE YEARS	TOTAL AMOUNT OF ADJUSTMENT DURING THE FINANCIAL YEAR DUE TO EX POST IMPLICIT ADJUSTMENTS (I.E., CHANGES OF VALUE OF DEFERRED REMUNERATION DUE TO THE CHANGES OF PRICES OF INSTRUMENTS)	TOTAL AMOUNT OF DEFERRED REMUNERATION AWARDED BEFORE THE FINANCIAL YEAR ACTUALLY PAID OUT IN THE FINANCIAL YEAR	TOTAL OF AMOUNT OF DEFERRED REMUNERATION AWARDED FOR PREVIOUS PERFORMANCE PERIOD THAT HAS VESTED BUT IS SUBJECT TO RETENTION PERIODS
1	Management body Supervisory function								
2	Cash based								
3	Shares or equivalent ownership interests								
4	Share-linked instruments or equivalent non-cash instruments								
5	Other instruments								
6	Other forms								
7	Management body - management	12,662,317	2,179,600	10,482,717			2,171,750	2,179,600	931,120
8	Cash based	6,315,420	1,248,480	5,066,940				1,248,480	
9	Shares or equivalent ownership interests	6,346,897	931,120	5,415,777			2,171,750	931,120	931,120
10	Share-linked instruments or equivalent non-cash instruments								
11	Other instruments								

12	Other forms						
13	**Other members of senior management**	19,717,152	3,453,414	16,263,738	3,255,885	3,453,414	1,596,814
14	Cash based	9,477,090	1,856,600	7,620,490		1,856,600	
15	Shares or equivalent ownership interests	10,240,062	1,596,814	8,643,248	3,255,885	1,596,814	1,596,814
16	Share-linked instruments or equivalent non-cash instruments						
17	Other irumnstents						
18	Other forms						
19	**Other identified staff**	27,553,208	8,250,598	19,302,610	3,156,365	8,250,598	4,530,710
20	Cash based	16,899,449	3,719,888	13,179,561		3,719,888	
21	Other identified staff	10,287,759	4,389,710	5,898,049	3,156,365	4,389,710	4,389,710
22	Share-linked instruments or equivalent non-cash instruments						
23	Other irumnstents	366,000	141,000	225.000		141,000	141,000
24	Other forms						
25	**Total amount**	59,932,677	13,883,612	46,049,065	8,584,000	13,883,612	7,058,644

Gross remuneration.
Identified staff as at 30 June 2024.
1) Shares still deferred/subject to holding period: average value of Mediobanca share for the financial year 1/7/23 – 30/6/24 (€12.3572).
2) Correction calculated as the delta between the value at assignment and the average value of Mediobanca shares for the financial year 1/7/23 – 30/6/24 (€12.3572).

Table EU REM4: Remuneration of EUR 1 million or more per year

		a
	EUR	IDENTIFIED STAFF THAT ARE HIGH EARNERS AS SET OUT IN ARTICLE 450(I) CRR
1	1,000,000 -1,500,000	13
2	1,500,000 – 2,000,000	7
3	2,000,000 – 2,500,000	1
4	2,500,000 – 3,000,000	
5	3,000,000 – 3,500,000	1
6	3,500,000 – 4,000,000	
7	4,000,000 – 4,500,000	2
8	4,000,000 – 4,500,000	1

Table EU REM5: Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

		a	b	c	d	e	f	g	h	I	J
		MANAGEMENT BODY REMUNERATION			BUSINESS AREA						
		MANAGEMENT BODY SUPERVISORY FUNCTION	MANAGEMENT BODY MANAGEMENT FUNCTION	TOTAL MANAGEMENT BODY	INVESTMENT BANKING	RETAIL BANKING	ASSET MANAGEMENT	CORPORATE FUNCTIONS	INDEPENDENT INTERNAL CONTROL FUNCTIONS	ALL OTHER	TOTAL
1	**Total number of key personnel**										113
2	**Of which members of the management body**	13	2								
3	**Of which other members of senior management**				6	3		1			
4	**Of which other key personnel**				36	27	2	14	22		
5	**Total remuneration of key personnel**	3,079,995	7,639,891		44,241,280	24,557,486	1,372,946	6,901,084	5,509,421		
6	**Of which variable remuneration**		3,123,000		22,538,755	9,569,340	540,000	2,667,000	1,208,080		
7	**Of which fixed remuneration**	3,079,995	4,516,891		21,702,525	14,988,146	832,946	4,234,084	4,301,341		

Gross remuneration – definitions as included and specified in Table REM1.
Group Material Risk Takers as of 30 June 2024. Remuneration figures include all members on the Board of Directors - Supervisory function during the year.

Aggregate quantitative information by division

MEDIOBANCA GROUP AREA	FTE	FIXED SALARY	VARIABLE REMUNERATION
Management body Supervisory function – Mediobanca	13	3,079,995	
Management body – management – (CEO/GM) - Mediobanca	2	4,516,891	3,123,000
Staff, Support, holding units	1,383	93,848,436	20,955,813
Control functions (Risk Management, Audit, Compliance)	384	29,135,324	5,579,655
Investment Banking – business	835	105,287,400	75,348,162
Retail and Consumer – business	3,209	208,041,271	23,725,022
Private Banking – business	303	39,937,170	23,668,109
Asset Management – business	111	17,078,722	12,745,469
	6,240	**500,925,209**	**165,145,230**

Gross amounts – includes emoluments payable for holding office.
Includes Financial Advisors (recurrent component in fixed salary and non-recurrent component in variable remuneration),
Mediobanca Group area: EBA classification (2024 organizational structure), data as at end-FY. Remuneration figures include all members on the Board of Directors - Supervisory function during the year.
Fixed remuneration: excludes contractual fringe benefits and benefits for the entire population, includes supplementary pension scheme payments or house allowances for Group MRTs.
Includes Group Legal Entities whose financial year ended on 31 December 2023.

MEDIOBANCA

All photos and other images are of Mediobanca offices and buildings