



Group Sustainability Policy

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1. Introduction

1.1 Purpose of document

The Group has adopted a strategy focused on sustainable growth over time, valorization of our staff, sensitivity to the societies in which we operate, and the reduction of our direct and indirect impact on the environment, with five areas identified as priorities:

- ◆ Measures to tackle bribery and corruption;
- ◆ Protection of human rights;
- ◆ Diversity, equity and inclusion;
- ◆ Financial health and inclusion;
- ◆ Climate change and the environment.

Regarding these issues (the “**Priority Issues**”), this Policy describes the approach and measures adopted to prevent, mitigate, and correct actual and potential impacts, to address risks, and to pursue opportunities.

1.2 Reference scenario

Growth and sustainability are distinctive features of the Mediobanca Group’s DNA. Its strategy is based on the conviction that ethics and profit are not necessarily in opposition to each other, because long-term economic growth has to go hand-in-hand with social and environmental progress.

The Group maintains conduct which is proper, transparent and responsible, which increases and protects its reputation, credibility and consensus over time, forming the basis for sustainable business growth with the objective of creating and protecting value for all its stakeholders.

1.3 Changes made

This Policy has been updated compared to the 2024 version, following the enactment of Italian Legislative Decree No. 125 of 6 September 2024, which implements the Corporate Sustainability Reporting Directive (CSRD)⁰¹ analysing in particular commitments and policies for the protection of human rights in greater depth.

The main changes concern the following sections:

- ◆ 1.4.2 External regulations, which now include reference to the CSRD;
- ◆ 4.2 Protection of human rights, which specifies actions to protect individual categories of stakeholders,

and the introduction of the Annex Protection of human rights and measures to mitigate impacts and risks.

The first version of this document was approved in March 2020.

1.4 Reference regulatory framework

The principal regulations of reference are listed below. It should be noted that, in the event of subsequent amendments to the regulations in this area, or new regulations being issued, until such time as the changes have been incorporated into the internal regulations, reference should be made to the more recent versions of the regulations than the ones specified in this section.

1.4.1 Internal regulations

The Group Sustainability Policy is applied in accordance with the:

- ◆ Code of Ethics;
- ◆ Code of Conduct;
- ◆ Organizational, management and control model instituted pursuant to Italian Legislative Decree 231/01, where applied; and
- ◆ All other policies, guidelines, procedures, directives and provisions related to the areas covered by this Policy, in particular the Priority Issues, defined at Group level and locally.

⁰¹. See section 1.4.2 – External regulations for further details.

1.4.2 External regulations

The Group Sustainability Policy complies with the disclosure obligations established by Italian Legislative Decree no. 125 of 6 September 2024 – Implementation of the Corporate Sustainability Reporting Directive (“**CSRD**”), Directive 2022/2464/EU of the European Parliament and of the Council of 14 December 2022, amending Regulation (EU) No. 537/2014, Directive 2004/109/EC, Directive 2006/43/EC, and Directive 2013/34/EU regarding corporate sustainability reporting (24G00145) (Official Journal General Series No. 212 of 10 September 2024, and Commission Delegated Regulation (EU) 2023/2772), and conforms to the guidelines included in CoSO ICIF-2013⁰² supplemented with ICSR 2023.

1.5 Scope of application and recipients

The Group Sustainability Policy applies to all Group Legal Entities, in the countries in which they operate.

The Group is aware that impacts, risks and opportunities arising in connection with sustainability issues affect not only its own activities, but also the entire value chain, both upstream (supply chain) and downstream (activities, products and services offered), and accordingly encourages its customers and suppliers to adopt the principles and provisions contained in this Policy,

In order to regulate its indirect impact, the Mediobanca Group has adopted a Group ESG Policy, which sets out the general principles and guidelines for assessing environmental and social as well as financial impacts in lending, investment and advisory activities and in providing financial services.

⁰².Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control–Integrated Framework, issued in 1992 and updated in 2013 (ICIF-2013 or Framework).

2. General principles

In defining this Policy, the Mediobanca Group has based its considerations on the following principles, regulations and guidelines;

- ◆ The Ten Principles of the UN Global Compact of which it is a signatory;
- ◆ International Bill of Human Rights⁰³;
- ◆ Eight core conventions of the International Labour Organization (ILO)⁰⁴;
- ◆ Rio Declaration;
- ◆ United Nations Convention against Corruption;
- ◆ UNGPs – UN Guiding Principles on Businesses and Human Rights, implementing the United Nations “Protect, Respect and Remedy” Framework;
- ◆ Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises;
- ◆ UNEP FI⁰⁵ Human Rights Guidance Tool for the Financial Sector;
- ◆ European Taxonomy for Sustainable Activities;
- ◆ European Pillar of Social Rights.

⁰³.The International Bill of Human Rights includes The Universal Declaration of Human Rights (1948), The International Covenant on Civil and Political Rights (1966) and The International Covenant on Economic, Social and Cultural Rights (1966).

⁰⁴.Namely: C29 – Forced Labour Convention (1930), C87 – Freedom of Association and Protection of the Right to Organize Convention (1948), C98 – Right to Organize and Collective Bargaining (1949), C100 – Equal Remuneration Convention (1951), C105 – Abolition of Forced Labour Convention (1957), C111 – Discrimination (Employment and Occupation) Convention (1958), C138 – Minimum Age Convention (1973), and C182 – Worst Forms of Child Labour Convention (1999).

⁰⁵.United Nations Environment Programme Finance Initiative.

3. Organizational model: roles and responsibilities

A description of the roles and responsibilities defined as part of the model adopted for managing sustainability issues is provided below.

3.1 Roles and responsibilities for Mediobanca

3.1.1 Board of Directors

The Board of Directors – as the body responsible for strategic management and supervision, combining the functions of direction and oversight of the company’s management – is responsible for establishing the strategic corporate objectives (including the sustainability objectives), and for monitoring their implementation through the definition of Mediobanca’s overall governance and organizational structure. In setting sustainable corporate objectives, the Board takes into account the resources required to support them.

The Board of Directors approved this Policy on 26 March 2020, subject to subsequent updates;⁰⁶ this Policy is also sent to the Group Legal Entities for them to adopt it as part of their body of company regulations.

The Board of Directors reviews, at the start of its term of office and on an ongoing basis thereafter, the suitability of its members including with reference to the possession of adequate competences in the area of sustainability and of the Board’s collective suitability, relative to the composition considered to be optimal in qualitative and quantitative terms.

The Board of Directors conducts an annual self-assessment process to evaluate the functioning of the management body, and the effectiveness of the corporate governance system in general, in order also to identify potential areas for improvement.

⁰⁶The Board of Directors is responsible for approving material changes, subject to a favourable opinion being issued by the Sustainability Committee; the Chief Executive Officer is responsible for non-material changes, with notification to the Sustainability Committee ex-post.

Sustainability issues are also explored through specific training or induction sessions, to ensure all Directors receive ongoing education on the most important topics.

The number of independent Directors participating in discussions on sustainability issues is considered suitable in order to ensure that the required skills and perspectives are adequately represented.

The Bank has also adopted plans to ensure an orderly succession process for company representatives (including the Chairman of the Board of Directors, the Chief Executive Officer, and the Group General Manager) and the Group's Key Function Holders.

3.1.2 BoD committees

The following Committees report to the Board of Directors:

- ◆ **Sustainability Committee**,⁰⁷ with duties of preliminary analysis for matters to be brought to the attention of the Board of Directors, including the contents of the Group's sustainability policies (including this Policy and the Group ESG Policy);
- ◆ **Risks Committee**, with duties of monitoring, instruction and support for the Board of Directors in the area of risk management, including ESG risks, with a particular focus on climate and environmental risks. It regularly assesses the internal control system's adequacy, reports to the Board of Directors, and identifies weaknesses and corrective measures. It also provides recommendations on adjustments to the risk strategy, and reviews the sustainability reporting for matters that fall within its remit.

3.1.3 Chief Executive Officer

At a Board meeting held on 14 June 2017, the Directors of Mediobanca mandated the Chief Executive Officer to take charge of activities regarding sustainability, assuming responsibility for the actions to be implemented and monitored, and ensuring that the Group is correctly positioned on sustainability issues in the relevant areas.

⁰⁷. Set up in 2019, and initially known as the Corporate Social Responsibility Committee.

3.1.4 Management committees

The Chief Executive Officer has established the following cross-functional committees (with representatives from both business and staff units) to support him in the exercise of his delegated powers, and to promote collegiality and coordination within the Group:

- ◆ **ESG Committee:** this committee has oversight for corporate social responsibility issues, performing a range of tasks, including the definition of this Policy and the supervision of its implementation in the Policies of the Group Legal Entities. It also promotes the implementation of consistent practices at Group level;
- ◆ **DE&I (Diversity, Equity & Inclusion) Committee:** this committee is responsible for strengthening the Group's commitment to diversity, equity, and inclusion issues, and for promoting the development of an inclusive work culture where professional skills, perspectives, and personal ideas are fully valued.

3.1.5 Control units

The Control Units (Group Risk Management, Compliance & Group AML, Group Audit) carry out the checks required of them for their specific areas of responsibility in accordance with the processes governed by the relevant internal regulations.

3.1.6 Group Sustainability

The Group Sustainability Unit reports to the Chief Executive Officer, supporting him in managing all sustainability issues, and ensuring the Group is positioned correctly on these issues in its various areas of operation.

Group Sustainability is responsible for preparing and updating this Policy, to ensure it is aligned with the Mediobanca Group's values, the scenario in which it operates, and the best market practices; and supports the business areas in applying the ESG strategy at the operating level.

3.1.7 Head of Company Financial Reporting

The Head of Company Financial Reporting oversees the administrative procedures aimed at collecting and selecting the data required for the sustainability reporting in conjunction with the Group Sustainability unit, ensuring adequate governance and transparency in the corporate processes.

3.2 Roles and responsibilities of other Group Legal Entities

The Mediobanca Group Legal Entities, each for their own spheres of reference, are responsible for adopting this Policy and applying the guidelines contained in it at local level, having regard to the specific characteristics of their respective businesses, and in accordance with the principle of proportionality and materiality.

Any discrepancies between the local provisions and the guidelines contained in this document must be agreed between the Group Legal Entities themselves and Group Sustainability.

Each Group Legal Entity, depending on its own characteristics and in accordance with the principle of proportionality, in conjunction with Group Sustainability, identifies an ESG Representative within its organization, who is responsible for ensuring alignment with the strategic directions and guidelines set by the Parent Company.

3.3 Monitoring and communication

The Group undertakes to monitor and report transparently on its performances in the areas covered by the Policy, raising awareness among its collaborators through information and training programmes, and assessing its suppliers and clients inter alia based on sustainability criteria.

Starting from the 2024-25 financial year, sustainability reporting will be prepared in accordance with the CSRD (the EU Directive transposed into Italian law by Legislative Decree No. 125 of 6 September 2024) and the ESRS (Commission Delegated Regulation (EU) 2772/2023).

The Group also draws up the Basel III Pillar III Disclosure to the Public on ESG Risks, and annually discloses the progress it has made relative to the UNEP FI Principles for Responsible Banking in its PRB Report.

All these documents are available on the Mediobanca website in the Responsible Business section⁰⁸.

Finally, the Mediobanca Group has instituted various communication channels to promote transparency and employee engagement, including the following:

- ◆ Whistle-blowing: a dedicated channel for reporting breaches of regulations that fall within the scope of the regulations in this area (e.g. significant offences under Italian Legislative Decree 231/2001, and breaches of the Organizational and Management Model defined by Mediobanca; consumer protection; protection of privacy and

⁰⁸<https://www.mediobanca.com/en/sustainability.html>

personal data; environmental protection), with guaranteed anonymity and protection for the whistle-blower.

- ◆ Engagement survey: a tool for listening to staff, in order gather feedback on the corporate climate and improve organizational well-being.
- ◆ Trade union relations: forums for dialogue with trade union organizations on key issues, with dedicated spaces for trade union communications, and a representative for industrial relations.

4. Priority Issues

4.1 Measures to tackle bribery and corruption

The Mediobanca Group is committed to conducting its business in accordance with the highest ethical standards, does not tolerate any form of corruption, whether active or passive, and operates in compliance with all applicable laws and regulations in this area.

To ensure compliance with the regulations in force, the Group: prepares its own internal rules, procedures and controls, drawing inter alia on the regulations in force in the various countries in which it operates; arranges regular training; and carries out checks and audit activities.

In this connection, the Group refuses any form of benefit, gift, or value item which could improperly and/or unduly influence the conduct and independence of judgement of the parties involved. The approach it adopts is intended to prevent instances of corruption occurring in the structuring and execution of transactions or commercial agreements.

Coverage of corruption risk is enhanced through the processes of reviewing and selecting suppliers and collaborators, including advisors and interns. With this in mind, it is forbidden for employees to:

- ◆ Offer or promise, including indirectly, cash or other value items with the purpose of obtaining an improper or unjust advantage;
- ◆ Accept cash or other value items in breach of an employee's own duties versus the Bank or its clients;
- ◆ Offer, promise or make, directly or indirectly, payments or compensation, in any form, in order to induce, facilitate or reward a decision, the performance of an official act, or otherwise, contrary to the official duties of a public officer or person appointed to perform a public service. The foregoing includes facilitation payments, i.e. payments made with the intention of speeding up an administrative process but without influencing its result.

The Group, by virtue of the close attention which it pays to ethical conduct and the integrity of its own operations, is committed to promoting behaviour which is opposed to corruption, acknowledging the high value which such an approach has for all its own stakeholders and the market in which it operates.

Mediobanca also carries out self-assessment activity of the bribery and corruption risks to which it is exposed, and updates the activity on a regular basis. The results of this self-assessment process help to define the areas that are most at risk, for which additional measures to tackle bribery and corruption are developed.

4.1.1 Money-laundering and terrorist financing risk management

The Group adopts procedures and control measures to ensure the regulations in force in the area of money-laundering and terrorist financing are complied with.

Enhanced measures are applied in the cases with the highest risk in terms of money-laundering and terrorist financing, whether these are required compulsorily under the applicable regulations,⁰⁹ or whether they derive from the client profiling model adopted internally.¹⁰

4.2 Protection of human rights

4.2.1 Declaration of commitment to respect human rights

The Group is aware that every financial institution can have an impact on human rights, and for this reason is committed to ensuring that its activities are aligned with the principle of respect for internationally recognized human rights¹¹ based on the following guidelines:

- ◆ Protection and promotion of human rights in the conduct of its business, and in management of its relations with clients, suppliers and commercial partners, as well as in its relations with its own collaborators and the community;
- ◆ Adoption of a process to identify, prevent, mitigate, and report any potential adverse impacts on human rights;
- ◆ Maximization of positive impacts, including through: awareness-raising and training activities on human rights issues, offering financial products, and engaging in charitable activities.

⁰⁹ E.g. clients who are PEPs, commercial relations and transactions involving high risk third countries included in the European Commission list.

¹⁰ Including specific internal authorization processes with senior management involvement and ongoing enhanced due diligence measures.

¹¹ See Section 2 – General principles, UNGPs in particular.

4.2.2 Identification of Priority Issues on Human Rights

The Group has adopted measures to mitigate the possibility of human rights breaches, in particular in scenarios, situations and operations with the potential for being involved in conflicts or breaches. To this end it seeks to develop relations of trust and mutual satisfaction with its clients, suppliers and commercial partners, and avoids engaging in relations with parties implicated in unlawful activities which could lead to potential breaches of abuses of human rights.

The Group analyses its business operations and suppliers, in order to identify the most significant human rights impacts; it also assesses the compliance of its client portfolio and the companies in which it invests, on a proprietary basis and on behalf of clients, with the Group ESG Policy, which stipulates that clients must not have been convicted of human rights breaches with regard either to workers or to local communities. The Group maintains ongoing dialogue with internal and external stakeholders to ensure these issues are correctly identified and updated.

Mediobanca has adopted a reputational risk framework to assess the main primary risk dimensions, the mitigation actions for them, and the residual risk remaining, that could generate events with reputational implications. Within this framework, the Group Risk Management Unit carries out a regular second-level assessment of the exposure to residual reputational risks, including those deriving from non-alignment with the principles of protecting human rights, and reports on the results to the Non-Financial Risks Committee, illustrating any material residual exposures for which mitigation actions are necessary.

4.2.3 Access to effective remedies and actions to protect specific categories of stakeholders

As required by the main international guidelines in force,¹² the remediation actions to be implemented vary according to the type of impact and the role played by the financial institution in generating the (actual or potential) negative impact on human rights¹³.

12. OECD Due Diligence for corporate lending and securities underwriting <https://mneguidelines.oecd.org/final-master-due-diligence-for-responsible-corporate-lending-and-securities-underwriting.pdf>.

13. In particular: a) if it has caused negative impacts, or contributed to those caused by a third party, the expectation is that it will remedy them and cease the activity that generated or could generate them, in order to prevent any damages from occurring again; and b) if it has engaged in activities directly linked to the impact caused by a third party, the financial institution should use the leverage it holds over the third parties through its relationships with them, in order to enable remedies before and after they occur (this scenario is most common in cases which involve adverse impacts attributable to the bank's clients due to financial products or services provided).

The Group's regulations outline the remediation mechanisms adopted and establish which parties can access them¹⁴.

4.2.3.1 Collaborators

Respect for the personhood and dignity of each collaborator is fundamental in order to develop a working environment based on mutual trust and loyalty, in accordance with the legal obligations in force in every geographical region and area of activity in which Mediobanca operates.

The Group guarantees that all its collaborators will be treated without distinction, exclusion, restriction or preference based on: age, gender, sexual orientation, civil status, religion, language, ethnic or national origins, physical or mental disabilities, state of pregnancy, maternity or paternity (including adoption), personal convictions, political opinions and/or trade union affiliation or activities.

The Group is respectful of the right to family life, which it expresses through work-life balance policies, and to an adequate standard of living and well-being. To this end it guarantees its staff receive fair compensation, and safeguards their social security by ensuring they receive a fair contribution to their complementary pension provision.

It also safeguards the right and freedom of association and collective bargaining; it guarantees high standards in terms of protection of health and safety in the workplace, seeking to raise awareness of risks and promoting responsible behaviour, including via information and training activities.

Protection of workers' health and psychological and physical well-being is achieved by adopting specific prevention and protection programmes, which ensure responsibility for this area is taken at all levels of the company.

The Group rejects forced labour and child labour, and any form of physical, verbal, sexual, or psychological harassment, abuse, threats, or intimidation in the workplace, thus ensuring respectful and positive working conditions in the countries where it operates.

Mediobanca's approach to impacts generated in connection with its role as an employer allows staff to report not only breaches or potential breaches of laws, regulations, policies, or the Code of Conduct, but also concerns regarding unethical behaviour, either anonymously or signed. All reports are treated with the utmost confidentiality.

14. Reference is made to the Annex for a list of the main policies, directives and regulations governing this area and its implementation in practice.

Furthermore, as provided in the Group Human Resources Management Policy, the achievement of environmental, social, and governance (ESG) objectives is also promoted through the individual staff evaluation process, by ensuring that the staff responsible for making such evaluations are suitably trained in the matter. In the event of any shortcomings in the sustainability performance, the system makes provision for corrective actions and training programmes to be implemented, to facilitate progressively alignment with the required standards.

4.2.3.2 Suppliers

The Group ensures its relations with suppliers are based on proper conduct, transparency and parity of treatment. The Group Procurement unit has adopted specific internal regulations, to ensure its suppliers are selected on the basis of their professional knowledge and expertise, stability in earnings/financial terms, and ESG profile, and based on the best offer in terms of value for money, in accordance with the requirements stipulated by the units that have requested the product/service concerned, thus ensuring that the selection is based on criteria of transparency and objectivity.

The Group is also committed to avoiding situations of conflicts of interest and to protecting its suppliers, by ensuring that the terms of payment defined in the contracts, which are aligned with the best market practice, are complied with.

Suppliers are invited to conduct their business in accordance with standards consistent with those illustrated in the Group's Code of Ethics. All suppliers registered in the Group's procurement portal are required to comply with:

- ◆ Regulations governing the rights of the workers employed in providing the service, in particular the national collective labour contracts for the relevant sector, applying regulatory and compensation terms and conditions that are not inferior to those provided for by the relevant collective contracts and any addenda to them;
- ◆ Legal provisions on tax, pension, accident prevention, social security and employment-related matters, and trade union agreements and collective contracts in force for the relevant sector;
- ◆ Principles set forth in the Group's Code of Ethics and Code of Conduct.

The Bank reserves the right to include specific termination clauses in contracts, that provide for the contract to be terminated if the counterparty engages in behaviour contrary to the principles contained in the Organizational Model instituted pursuant to Italian Legislative Decree 231/01 and the Code of Ethics or behaviour that may constitute one of the predicate offences contemplated by the same Legislative Decree. The Group has also made provision for questionnaires to be sent to suppliers (differentiated according to their staff numbers and turnover) with a view to assigning an ESG rating to them.

4.2.3.3 Clients

In performing its activity, the Group pursues the objective of combining profitability and competitiveness with scrupulous compliance with professional ethics, basing its conduct at all times on principles of professionalism and transparency versus its clients.

Mediobanca's activities are geared towards ensuring proper conduct in the performance of its business, in order to minimize the risk of staff conduct even if compliant with the regulations in force may still result in damage to the client, both real or potential.¹⁵

The Mediobanca Group also ensures that its clients' personal data is suitably protected, by guaranteeing that it is processed in accordance with the regulations in force. To this end, it adopts the appropriate technical and organizational measures to ensure a level of security commensurate with the risk is maintained, in compliance with the reference legislation.

4.2.3.4 Community

The Group recognizes the importance of balanced distribution of the wealth generated by its own activities versus its own stakeholders, given that the stakeholders themselves have helped contribute to generate it, whether directly or indirectly.

Mediobanca is convinced that an inclusive society should be based on mutual respect and solidarity, ensuring equal opportunities and a decent lifestyle for all.

15. Reference is made to Section 4.4 of this Policy for a description of the Group's commitment to the financial health and inclusion of its clients.

To this end it promotes numerous initiatives with social impact, including through donations and other forms of support to express solidarity, both in Italy and the other countries in which it operates.

4.3 Diversity, equity and inclusion

The Mediobanca Group considers diversity in all its forms – personal characteristics, gender, age, orientation, thought, abilities, and social and cultural characteristics – to be an advantage to be leveraged, as well as a source of cultural and professional enrichment.

The Group believes in the importance of valorizing different perspectives and experiences, through promoting an inclusive culture that 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.

No distinction may be used with reference to the following areas specifically: access to work, assignation of duties or qualifications, transfers, disciplinary measures, promotion and professional training, including professional and career advancement, and conditions of employment, which include remuneration, complementary pension forms and other benefits.

The Group is therefore committed to preventing any form of undesirable behaviour whether expressed physically, verbally or non-verbally, which has the aim or effect of violating the dignity or freedom of an employee and/or of creating an intimidatory, hostile, degrading, humiliating or offensive environment. Internal regulations have been drawn up specifically in order to ensure that inappropriate behaviour is prevented, reported and punished.

The Staff Remuneration Policies adopted by the Group include a commitment on the part of the Group to offer a fair level of compensation reflecting the competences, capabilities and professional experience of each staff member, guaranteeing that the principle of equal opportunities is applied with the objective of pursuing a fair wage, and monitoring any shortcomings in this area.

The Group also seeks to promote a healthy work-life balance, starting by listening to its staff and their needs, and then promoting solutions which will enable them to reconcile the demands of their private and professional lives to the extent permitted by the provisions of the law, collective contracts and negotiated agreements (such as working part-time, flexitime, various forms of leave, etc.).

The Group is consistently committed to including people with disabilities of various kinds in its workforce, in accordance with the regulations in force, and incentivizing the various organizational units to integrate them as appropriate. The inclusion of staff with disabilities is guaranteed by the ongoing attention paid by the Group to provide working

instruments and environments that are appropriate to the needs of its employees, and to encouraging participation in training and social initiatives, all with the necessary support.

The Group also places high importance on the contribution of those staff members who have been working for it to high professional standards for a long time. We have an ongoing focus on refreshing skills, managerial training, and involvement in more innovative projects. The professionalism of long-serving staff, allied to their experience, is a factor which contributes to the growth and enrichment of staff who have only recently entered the workplace, and who have an opportunity to work closely alongside them.

The Group is committed to promoting all possible inclusion initiatives, and to devoting the attention which any new needs that may emerge will require in the future.

Gender equality and diversity are issues which affect all staff in contact with the Group at all levels. However, the principles and provisions of this Policy are addressed to the following in particular:

- ◆ Directors;
- ◆ Statutory Auditors;
- ◆ Staff employed under all forms of contract;
- ◆ Interns;
- ◆ Collaborators employed under temporary or staff leasing arrangements;
- ◆ Consultants otherwise linked to the Group, including financial advisors.

The provisions of this Policy apply equally to the categories referred to above (jointly, the “Employees”) and to visitors, clients and suppliers.

To strengthen its commitment to diversity and inclusion, a Mediobanca Group Diversity, Equity and Inclusion Code has been published on the Bank’s official website.¹⁶

4.3.1 Diversity policies for governing bodies

Mediobanca acknowledges and welcomes the benefits of diversity at Group level and as part of its own governing bodies, in all of its aspects including gender, age, qualifications, competences, and training and professional profile.

In its Articles of Association, provision is made for members of the Board of Directors and the Statutory Audit Committee to be reserved to the least represented gender. Furthermore, in acknowledging the issue of the Board’s collective suitability, which requires its members, executive and non-executive, to be able to take decisions collegiately, Mediobanca is keen that Directors should have the

16. https://www.mediobanca.com/static/upload_new/med/00000/mediobanca-group-dei-code.pdf

required competences to ensure an optimal balance in terms of profiles, in order to guarantee that the internal debate is carried on properly, the Board's deliberations proceed smoothly, and the collective suitability of both the Board itself and the Board Committees is assured. A well-diversified Board of Directors should include members with different competences, abilities, qualifications, areas of expertise, educational backgrounds, professional experience, genders, ages, geographical origins, and other qualities that can enrich the Board's deliberations and enhance the level of debate and the decision-making process. The same considerations also apply to the Statutory Audit Committee.

4.4 Financial health and inclusion

The Group pursues a business that is respectful of the financial health of its clients, and undertakes to promote the inclusion of the more vulnerable classes of the population, to ensure they are not left on the margins of the credit system.

To this end, it seeks to develop savings, lending, banking, investment, insurance and advisory products and services that are able to generate a positive impact in terms of financial health and inclusion, promoting their distribution and accessibility through digital channels and innovative technical solutions.

In defining the financial product and service offering for its clients, the Group

- ◆ Addresses also parties and organizations that are not yet fully integrated into the financial system, to allow them to make informed and effective decisions, and so facilitating social inclusion;
- ◆ Takes account of the need to safeguard its counterparties' financial health, to enable them to meet all their financial obligations comfortably,¹⁷ while maintaining a resilient profile consistent with their own financial planning.

The Group is convinced that financial education is an essential component in this process, as it prevents some of the causes that drive the phenomenon of financial exclusion, by increasing the capability of both private individuals and companies to manage their resources and to use financial products and services.

The Group's contribution to strengthening and embedding financial competences also takes the form of participating in training activities for the younger generations, including initiatives promoted by third parties.

17. In assessing the sustainability of the commitments entered into by its counterparties, the Group bases its considerations on the information available and/or on self-declarations by its clients.

4.4.1 Compass Banca's contribution to financial health and inclusion

Compass Banca ("Compass") grants credits to its clients based on their needs and in accordance with their financial sustainability. In particular, by leveraging on its indepth knowledge of its customer base and the efficiency of its credit rating system, it applies a risk-return approach to each client bracket thus ensuring that even the most disadvantaged segments of the population have access to the regulated credit channels.

Credit monitoring, which is fundamental in picking up any signs of irregularity in relations with clients in a timely manner, enables prevention strategies to be put in place in order to prevent further deterioration and/or help the client to overcome periods of financial stress.

Compass has also recently developed a proprietary affordability model to reinforce its credit scoring systems. The affordability test aims to accurately assess clients' repayment capability, using a comprehensive approach to the nature of the repayment sources, and scoring systems based on extensive and robust data sets. The objective is to include individuals who would otherwise be excluded by rigid and simplified scoring systems based on incomplete information. Compass aims to ensure the financial health of households by ensuring that financial commitments are entered into responsibly, on an informed basis, and in proportion with income and savings capacity relative to spending needs.

4.5 Climate change and the environment

The Mediobanca Group is sensitive to the need to protect the environment, and climate change. It recognizes that the environment is the primary resource of human well-being, and its decisions are geared towards ensuring compatibility between economic initiative and environmental requirements in accordance with the regulations and codes of conduct in force.

The Group is aware of the impact deriving from the company's activities, and of the role which it can play in the promotion of responsible behaviour. Accordingly, it intends to manage the risks and rise to the challenges deriving from climate change which could materially impact on the development of its business and its ability to generate value over the long term.

Mediobanca recognizes the key role that the financial system has in supporting the transition to a climate neutral economy and undertakes to ensure that the transition is made fairly with no-one left behind.

To improve its performance in environmental issues, the Group has identified the following priorities and set the following specific targets:

- ◆ **Reduction of direct environmental impact:** energy savings, increase in electricity sourced from renewable sources, CO₂ emissions to be cut, and promotion of sustainable mobility;
- ◆ **Supporting the energy transition:** increase in “green” loans and mortgages,¹⁸ issue of new environmentally friendly products and gradual alignment of the Bank’s portfolio to the trajectory set by the Net-Zero Banking Alliance;
- ◆ **Reduction of indirect environmental impact:** environmental as well as social and governance criteria to be integrated into the assessment processes for new investments/loans, reappraisal of the Group’s main suppliers using ESG criteria, and the introduction of ESG ratings as one of the assessment criteria for purchase processes and for the selection of suppliers;
- ◆ **Responsible consumption of natural resources:** reduced consumption, use of recycled and/or FSC certified paper, and gradual elimination of all plastic.

To ensure consistent improvement, assess its own impact, and identify the environmental risks deriving from its activities, the Group monitors its energy consumptions and the emissions it produces, water and paper consumption and waste production.

Furthermore, to ensure the continuity of its services, the Group is committed to overseeing and monitoring multiple operational risks, including those arising from natural disasters, which are assessed through scenario analysis.

18. “Green” mortgages are mortgages with subsidized interest rates financing the purchase, refurbishment or construction of low environmental impact properties.

Annex

Protection of human rights and measures to mitigate impacts and risks

The Mediobanca Group is committed to promoting and protecting human rights in all its activities and relationships with its various stakeholders, in accordance with the reference national and international regulations.

The types of human rights that have been identified, in line with the CSRD and best international practice, as relevant for Mediobanca are listed below, with an indication of the rightsholders impacted and the measures adopted to prevent, mitigate and manage potential breaches.¹⁹

19. Potential impacts in relation to business activities covered by the Group ESG Policy and the respective measures adopted to govern them have been excluded on this occasion.

HUMAN RIGHTS PRINCIPLE	ISSUE	RIGHTSHOLDERS INVOLVED	MITIGATION MEASURES
<i>Balance between work and private life and valorizing human capital</i>	<p>Overwork and stress due to inflexible working hours and a culture of having to be “available at all times”</p> <p>Difficulty in reconciling professional and private lives, which impacts on the well-being of staff</p>	Mediobanca Group staff	<p>Mediobanca Group Human Resources Management Policy</p> <p>Mediobanca Group Diversity, Equity and Inclusion Code</p> <p>Code of Ethics</p> <p>Code of Conduct</p> <p>Mediobanca Group Staff Remuneration Policy</p>
<i>Digital inclusion and access to innovation</i>	<p>Inequality in access to new technologies and digital financial services</p> <p>Digital exclusion due to lack of instruments and adequate infrastructure</p> <p>Digital illiteracy which obstructs the use of online banking services</p>	<p>Mediobanca Group staff</p> <p>Retail clients</p> <p>Local communities</p>	<p>Group Directive on Payment Systems Security</p> <p>Accessibility statement²⁰</p> <p>Mediobanca Group Diversity, Equity and Inclusion Code</p>
<i>Protection against harassment and protection of health and safety in the workplace</i>	<p>Sexual, verbal or physical abuse in the workplace</p> <p>Harassment and bullying in the workplace</p> <p>Hostile working environment, including discrimination or intimidatory behaviour</p> <p>Incidents, accidents or professional illnesses caused by a lack of adequate security and prevention measures, exposure to health risks in the workplace, or the absence of a corporate culture that values workers’ health and safety</p>	<p>Mediobanca Group staff</p> <p>Mediobanca Group suppliers</p>	<p>Mediobanca Group Diversity, Equity and Inclusion Code</p> <p>Group Directive on Abusive Behaviour, Bullying and Harassment</p> <p>Code of Ethics</p> <p>Code of Conduct</p> <p>Mediobanca Group Human Resources Management Policy</p> <p>Group Procurement Process Management Directive</p> <p>Procedure for managing health and safety measures</p> <p>Group Directive on Physical Access</p> <p>Organizational, management and control model instituted pursuant to Italian Legislative Decree no. 231/01</p> <p>Group Whistle-blowing Policy</p> <p>Self-certification issued by the supplier (pursuant to Italian Presidential Decree no. 445/2000)</p>

20. <https://www.mediobanca.com/en/accessibility-statement.html>

HUMAN RIGHTS PRINCIPLE	ISSUE	RIGHTSHOLDERS INVOLVED	MITIGATION MEASURES
<i>Protection of the environment</i>	<p>Financing activities that are harmful to the environment</p> <p>Adverse impacts of banking activities on natural resources and the ecosystem</p>	Local communities	<p>Group Sustainability Policy</p> <p>Group ESG Policy</p> <p>Organizational, management and control model instituted pursuant to Italian Legislative Decree no. 231/01</p> <p>Group Whistle-blowing Policy</p>
<i>Elimination of forced labour and child labour from the supply chain and in relations with commercial partners</i>	<p>Commercial partnerships with companies that exploit forced labour or child labour</p> <p>Lack of adequate controls to monitor suppliers</p>	<p>Mediobanca Group suppliers</p> <p>Commercial partners</p>	<p>Code of Ethics</p> <p>Code of Conduct</p> <p>Group Procurement Process Management Directive</p> <p>Self-certification issued by the supplier (pursuant to Italian Presidential Decree no. 445/2000)</p>
<i>Fair pay relative to diversity, inclusion and equal opportunities, including with reference to wages</i>	<p>Wages not adequate to guarantee a decent way of living</p> <p>Recruitment and promotions based on discriminatory criteria</p> <p>Corporate climate unwelcoming to diversities</p> <p>Unequal pay for workers with the same responsibilities and qualifications</p>	<p>Mediobanca Group staff</p> <p>Mediobanca Group suppliers</p>	<p>Mediobanca Group Staff Remuneration Policy</p> <p>Mediobanca Group Human Resources Management Policy</p> <p>Mediobanca Group Diversity, Equity and Inclusion Code</p> <p>Code of Ethics</p> <p>Code of Conduct</p> <p>Group Directive on Abusive Behaviour, Bullying and Harassment</p> <p>Self-certification issued by the supplier (pursuant to Italian Presidential Decree no. 445/2000)</p>
<i>Protection of and respect for local communities and safeguarding of cultural heritage</i>	<p>Failure to involve local communities in decision-making processes</p> <p>Violation of freedom of opinion and dissent</p> <p>Financing activities that are harmful to the cultural heritage</p> <p>Investments in projects that damage or destroy archaeological sites or cultural heritage</p>	<p>Local communities</p> <p>Retail clients</p>	<p>Code of Ethics and Code of Conduct (for retail clients)</p> <p>Group Sustainability Policy</p> <p>Group ESG Policy</p> <p>Organizational, management and control model instituted pursuant to Italian Legislative Decree no. 231/01</p> <p>Group Whistle-blowing Policy</p>

HUMAN RIGHTS PRINCIPLE	ISSUE	RIGHTSHOLDERS INVOLVED	MITIGATION MEASURES
<p><i>Bribery and corruption, money-laundering and terrorism financing</i></p>	<p>Corrupt practices or favouritism in commercial relationships</p> <p>Money-laundering and terrorism financing</p>	<p>Mediobanca Group staff</p> <p>Mediobanca Group suppliers</p> <p>Mediobanca Group clients</p>	<p>Code of Ethics</p> <p>Code of Conduct</p> <p>Group Directive on Bribery and Corruption</p> <p>Mediobanca Group Policy for Managing Money-Laundering and Terrorist Financing Risk</p> <p>Organizational, management and control model instituted pursuant to Italian Legislative Decree no. 231/01</p> <p>Group Whistle-blowing Policy</p> <p>Group Sustainability Policy</p> <p>Group ESG Policy</p>
<p><i>Data privacy protection, including breaches of personal data and absence of transparency</i></p>	<p>Breach of personal data and failure to protect it</p> <p>Lack of concise, transparent, intelligible and easily accessible information on the processing of personal data, expressed in clear and simple language</p>	<p>Mediobanca Group staff</p> <p>Candidates with whom the Mediobanca Group comes into contact</p> <p>Mediobanca Group suppliers (individuals and individual businesses)</p> <p>Mediobanca Group clients or potential clients (individuals)</p>	<p>Policy on Personal Data Protection</p> <p>Code of Ethics</p> <p>Code of Conduct</p> <p>Principal personal data processing information notices (for clients, potential clients, suppliers and staff)</p> <p>Organizational, management and control model instituted pursuant to Italian Legislative Decree no. 231/01 – computer crimes and unlawful data processing</p> <p>Group Whistle-blowing Policy</p> <p>Personal data processing register management manual</p> <p>Risk analysis and data protection impact assessment (DPIA) manual</p> <p>Personal data retention manual</p> <p>Group Manual on Privacy by Design and Privacy by Default Principles</p> <p>Group Directive on Personal Data Breaches</p> <p>Operating procedure on rights of data subjects in the area of data privacy</p> <p>Operating procedure on risk analysis and DPIA in the area of data privacy</p>

HUMAN RIGHTS PRINCIPLE	ISSUE	RIGHTSHOLDERS INVOLVED	MITIGATION MEASURES
			<p>Operating procedure on managing data privacy issues for suppliers</p> <p>Operating procedure on consent in the area of data privacy</p> <p>Group Directive on Tracking Banking Transactions</p> <p>Operating procedure on list of data processing operations in the area of data privacy</p> <p>Operating procedure on management of personal data deletion</p>
<p><i>Transparency and non-discrimination in communications</i></p>	<p>Deceitful publicity or unclear information on banking products and services</p> <p>Advertising messages and communications that discriminate against categories of people</p>	<p>Local communities</p> <p>Mediobanca Group clients or potential clients</p>	<p>Code of Conduct</p> <p>Code of Ethics</p> <p>Group Policy on Transparency in Relations with Clients</p> <p>Group Directive on Transparency of Operations and Banking and Financial Services</p> <p>Group Directive on Advertising or Promotional Communications</p> <p>Group Directive on Media Relations, Speaking Policy, Brand Communication and Social Channels</p>
<p><i>Non-discrimination in access to credit</i></p>	<p>Refusal to grant loans to certain categories of people</p> <p>Offering loans on unfavourable terms to certain categories of people</p>	<p>Local communities</p> <p>Retail portfolio clients</p>	<p>Code of Conduct</p> <p>Code of Ethics</p> <p>Group Sustainability Policy</p>



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