Mediolanum Group

2024 ANNUAL FINANCIAL REPORT

Banca Mediolanum S.p.A.

Parent Company of the Mediolanum Banking Group, listed in the Register of Banking Groups
Bank listed in the Register of Banks - Member of the National Guarantee Fund and the Interbank Deposit Protection Fund
Share capital €600,687,653.40 fully paid up - Tax code and Milan Companies Register No. 02124090164 - VAT No. 10540610960 of the Banca Mediolanum VAT Group

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Letter from the Chairman and Chief Executive Officer

Dear Shareholders,

Two main trends dominated geopolitics in 2024: the broadening of conflicts and the crisis of democracy. The war in Ukraine entered its third year, while in the Middle East the battlefronts expanded dramatically. At the political level, more countries than ever went the polls during the year, but at the same time democracy showed signs of crisis and vulnerability. In Europe, seemingly solid governments such as those of France and Germany fell. In the United States, Donald Trump's return to the White House marked a sharp reversal from the Biden administration, restoring a unilateralist approach in security and trade policies and a retrenchment on sustainability issues.

At the same time, 2024 was a year of major advances in various scientific fields, with a series of promising discoveries that expanded knowledge in crucial areas such as technology, medicine and astrophysics. From advances in the field of artificial intelligence to new treatments for autoimmune diseases with CAR-T therapies, last year saw achievements that could have a lasting impact on the quality of our lives.

Against the backdrop of these major trends, the world's major regions seemed to be on divergent economic paths during the year. The US maintained steady consumption-driven growth (+2.8% GDP in 2024), while China faced a slowdown due to the crisis in the real estate sector, which weighed on domestic demand. In Europe, growth was hindered by industrial weakness and stagnation in the services sector, despite stable inflation of around 2%.

2024 was a year to remember for the stock markets. Several stock exchanges repeatedly set new records, while others have returned to levels not seen in many years. However, there was no shortage of volatility, such as during the summer, and individual sectors that lagged behind due to specific factors, sometimes posting heavy losses. Central banks played in important role in steering markets in a positive direction, embarking on a path of gradual interest rate easing during the year.

It is in this complex and varied context that the Italian macroeconomic figures have to be read. The Italian economy recorded GDP growth of 0.7%, the same as in 2023 but higher than that of the traditional European powerhouse, Germany, which has a shrinking economy. On the employment front, the unemployment rate fell to 6.5% in 2024, one point lower than in 2023.

Narrowing the scope of analysis to our sector of reference, 2024 will be remembered as another very positive year in terms of results for the credit sector. Net interest income growth, increased commission revenues, cost containment and a reduction of net loan impairment charges: these were the trends that in 2024 led Italian banks to post overall net profits in 10% higher than in the previous year.

Against this particularly favourable backdrop, Banca Mediolanum achieved excellent results in 2024, marking an extraordinary year in economic and commercial terms. The year should not be viewed in isolation, but sequenced analysis with previous years confirms a trend of structural growth that began some time ago.
It is therefore with great satisfaction that we present company figures of which we are deeply proud, and for which we would like to thank all the women and men at Banca Mediolanum, the Family Bankers, and the other staff who together have enabled us to achieve such exceptional results.

Indeed, 2024 closed with an extremely solid financial result, represented by record profits of €1.12 billion, up 36% on last year. The contribution margin also rose by 12% to €1.98 billion, while the operating margin, amounting to €1.09 billion, grew by 11% compared to the previous year.

Total assets under management and administration reached a record €138.49 billion, up 17% year-on-year. Net interest income, amounting to €811.1 million, increased by 8% compared to 2023.

The portfolio of loans to Group customers stood at €17.62 billion, up 3% compared to 2023, with a minimal incidence of net non-performing loans as a percentage of the Group's total loans of 0.79%.

The Common Equity Tier One Ratio (CETI), the Bank's main indicator of solidity, stood at 23.7%, a level of absolute excellence in the European banking industry.

Given these financial results, the Board of Directors has proposed to the Shareholders' Meeting a total dividend of €1.00 per share, amounting to approximately €737 million, 42% more than in 2023. This figure consists of an advance payment of €0.37 per share, distributed last November, and a balance of €0.63 per share to be distributed in May.

The excellent results announced here are also reflected in the employment capacity of Banca Mediolanum, which further increased its workforce in 2024. Currently the Group has a total of 3,825 employees (+5% compared to 2023), alongside 6,415 Family Bankers in Italy and Spain (+3% compared to 2023).

Also worthy of note are the figures for new customer acquisition. The customer base is now approaching two million at a total of 1,918,600, an increase of 7% compared to 2023.

A further positive development in 2024 was the excellent growth of our Spanish subsidiary Banco Mediolanum, which recorded a very strong increase in all business lines during the year.

Managed Deposits reached an all-time high of €1,451 million, 174% up on the previous year, while net income rose by 31% to €81 million. In terms of size, there was a 10% growth in customers compared to the preceding year.

The results achieved so far can be explained primarily by our ability, despite the ongoing uncertainty and changing circumstances, to remain faithful to the strategic approach we have always pursued, namely to offer families a single point of contact which they can trust for all their financial, banking, insurance and pension needs through a broadly diversified business model.

These results reflect the structural solidity of our competitive model which, in 2024 more than ever, realised its full potential with an unprecedented capacity to collect savings: Total Net Inflows amounted to € 10.4 billion, up 46%, while Managed Deposits stood at €7.64 billion, up 91% from last year.

These successes would not have been possible without the commitment and dedication of all the Group's employees. It was for this reason that, in recognition of their brilliant performance in the year just ended, an extraordinary bonus of €2,000 was paid in February to each of the Group's more than 10,000 employees and contract staff in Italy and elsewhere, amounting to a disbursement of €20.9 million.

Once again in 2024, the Mediolanum Group continued its focus on the issue of Sustainability, as an integral part of the Group's values and culture. This commitment is evidenced by the desire to generate added value for all stakeholders: their success guarantees the sustainability of the Group's business. The sustainability issues that are of importance for the Group are reflected in the four pillars that define its strategy and operations: Economic Responsibility, Responsibility to Customers, Responsibility to Employees, Responsibility to the Community and the Environment. The Mediolanum Group creates business value by operating ethically and sustainably to generate a positive impact and shared prosperity over time. It has always offered its customers a relationship based on freedom and human interaction, placing them at the centre of its business model through resources, tools and services. The Mediolanum Group believes in everyone contributing to the success of business initiatives and the harnessing of the ideas and efforts of all personnel, including employees and Family Bankers/agents, as it believes that a constant appreciation of the human factor is a fundamental contributor to a company's solidity and growth. The Group is committed to working to create a better life for the community, placing people and the planet at the centre of its decision-making and strategies.

Finally, during 2024, initiatives commemorate the extraordinary figure of our founder, Ennio Doris continued. In particular, mention should be made of the film "Ennio Doris – C'è anche domani", a work that recollects key moments in the life of man and entrepreneur who changed the concept of financial advice. The film's launch was marked by several important events during the year: a preview in Rome in April was followed by screenings in the main Italian cinemas; in May, the film was screened at the Italian Parliament. In September it was presented at the 81st Venice International Film Festival; and in November, on the anniversary of his death, it was broadcast at prime time, with excellent ratings, on Mediaset networks.

We would like to conclude by once again thanking you, the shareholders, all our staff, the Board of Directors, you, the shareholders, and all customers of Banca Mediolanum who once again have accompanied us this year, contributing to the achievement of the excellent results presented here.



Giovanni Pirovano

Chairman



Massimo Doris

Chief Executive Officer

CORPORATE OFFICES OF BANCA MEDIOLANUM S.p.A.

CORPORATE OFFICERS

BOARD OF DIRECTORS

- **Giovanni Pirovano** – Chairman
- **Massimo Antonio Doris** – Chief Executive Officer
- **Annalisa Sara Doris** – Vice Chairman
- **Anna Gervasoni** – Director
- **Francesco Maria Frasca** – Director
- **Giovanni Lo Storto** – Director
- **Paolo Gibello Ribatto** – Director
- **Francesca Reich*** – Director
- **Patrizia Giangualano*** – Director
- **Roberta Pierantoni** – Director
- **Carlo Vivaldi*** – Director
- **Giovanna Luisa Maria Redaelli** – Director
- **Giacinto Gaetano Sarubbi** – Director

BOARD OF STATUTORY AUDITORS

Francesco Schiavone Panni	Chairman of the Board of Statutory Auditors
Teresa Naddeo*	Standing Auditor
Gian Piero Sala	Standing Auditor

FINANCIAL REPORTING OFFICER

Angelo Lietti

GENERAL MANAGER

Igor Garzesi

BOARD SECRETARY

Luca Maria Rovere

INDEPENDENT AUDITOR

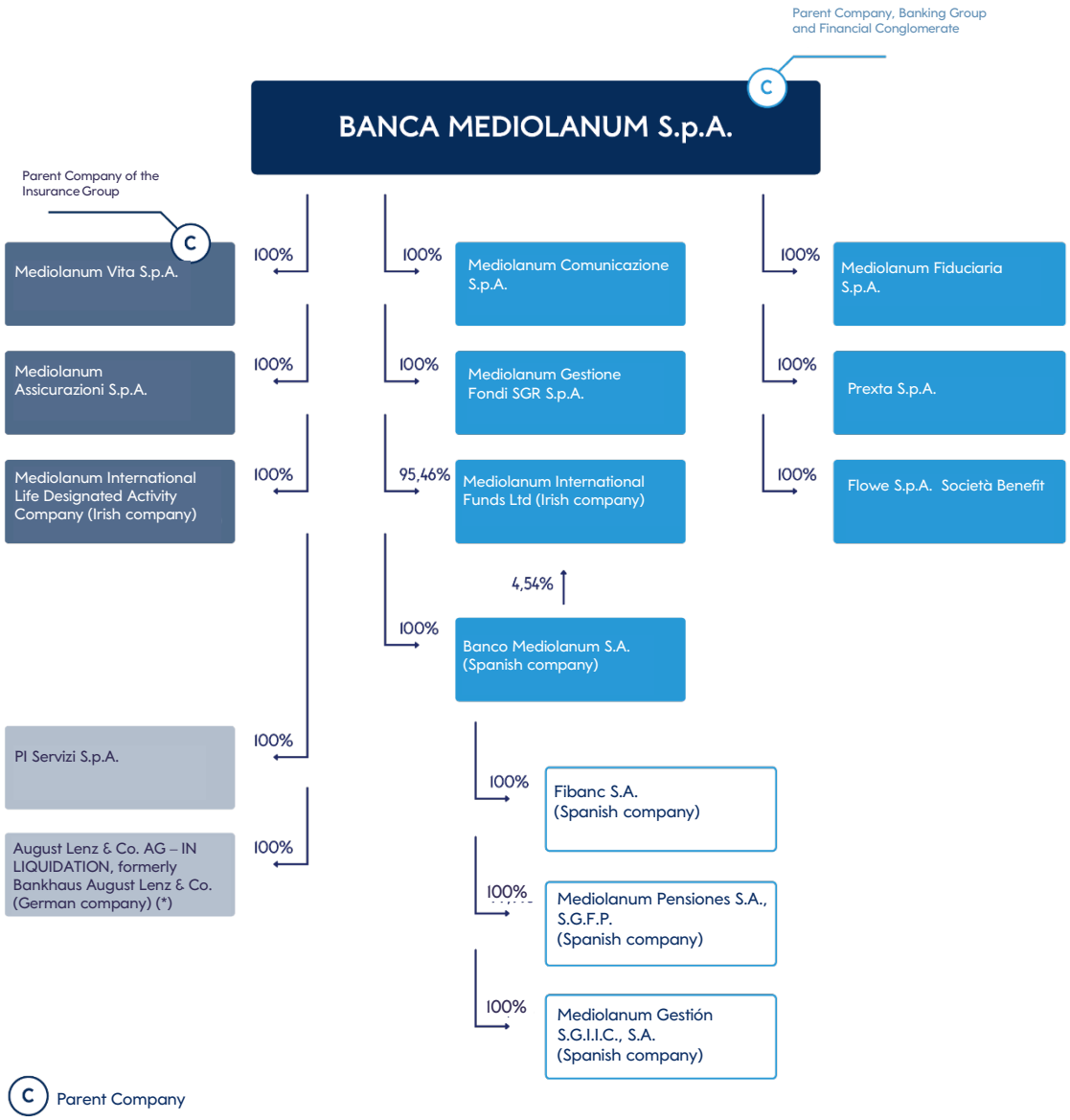
PricewaterhouseCoopers S.p.A.

*Appointed on 18 April 2024

SCOPE OF CONSOLIDATION AT 31 DECEMBER 2024

GROUP STRUCTURE

Group Structure



(*) August Lenz & Co. AG in liquidation is no longer part of the Mediolanum Banking Group.

CONSOLIDATED HIGHLIGHTS

THE MAIN RESULTS OF THE MEDIOLANUM GROUP AS AT 31 DECEMBER 2024

OPERATING PERFORMANCE

The Mediolanum Group ended the year to 31 December 2024 with net income of €1,119.6 million, compared to €821.9 million in the comparative year.

The operating margin for the period under review grew by €105.9 million (+10.7%) compared to 31 December 2023, thanks to the increase in the contribution margin (+€210.0 million compared to the previous year), mainly attributable to the growth in net interest income (+€58.7 million compared to the previous year), due to the favourable trend in interest rates, and the growth in net commission income (+€138.6 million compared to the previous year), due to the increase in average assets under management.

G&A expenses for the period increased by 9.3% to -€736.2 million (31 December 2023: -€673.5 million), mainly due to higher expenses related to commercial development and support activities and higher operating costs.

Net provisions for risks and charges increased by -€40.4 million, mainly due to the dynamics of the network provisions for compensation of financial advisors in light of the reduction in the discount rates for expected disbursements.

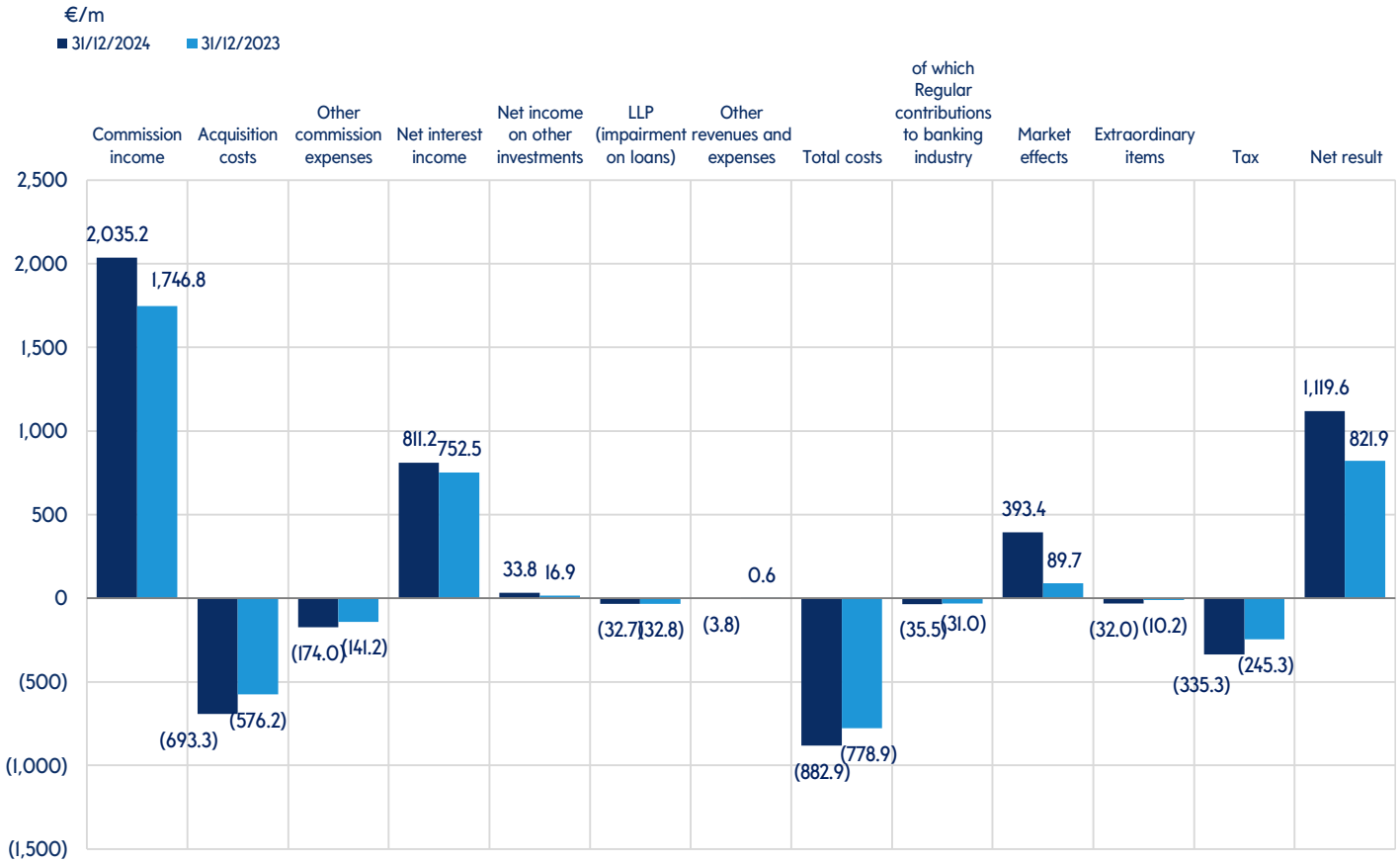
During the period, market effects increased by +€303.7 million compared to the comparison period, due to a rise in performance fees of +€322.4 million and the balance of fair value gains/losses which decreased by -€18.7 million compared to 31 December 2023.

The regular and extraordinary contributions to the banking industry showed an increase of -€5.4 million compared with the comparison period, with the higher cost of ordinary contributions amounting to -€4.5 million, attributable to an increase of -€16.2 million in the new insurance fund and a decrease in contributions in the banking area totalling +€11.7 million. The latter decrease was due to the suspension of the contribution to the Single Resolution Fund in order to reach the target allocation.

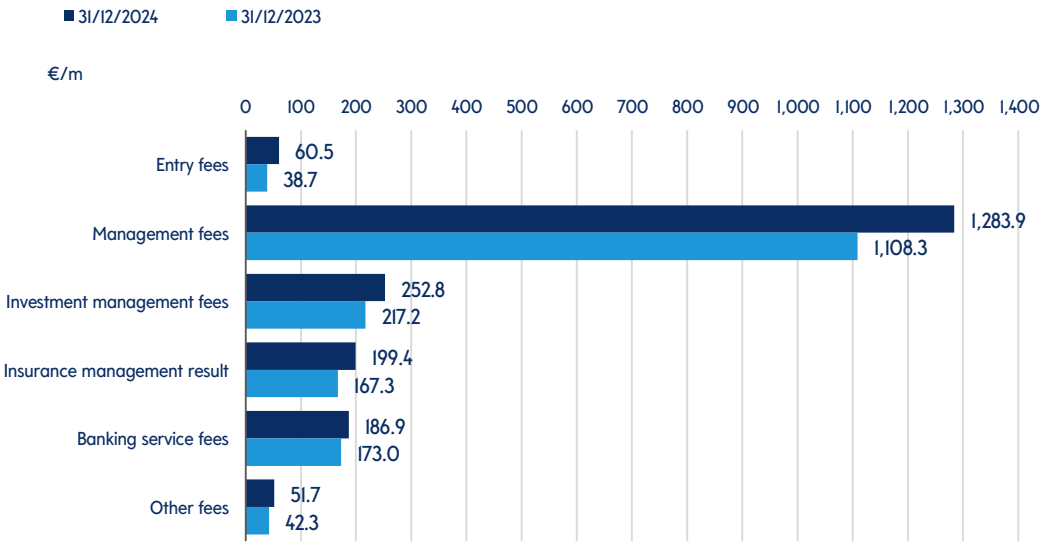
Other extraordinary items amounted to -€20.9 million and includes the extraordinary bonus for employees and the commercial network.

CONSOLIDATED INCOME STATEMENT DATA

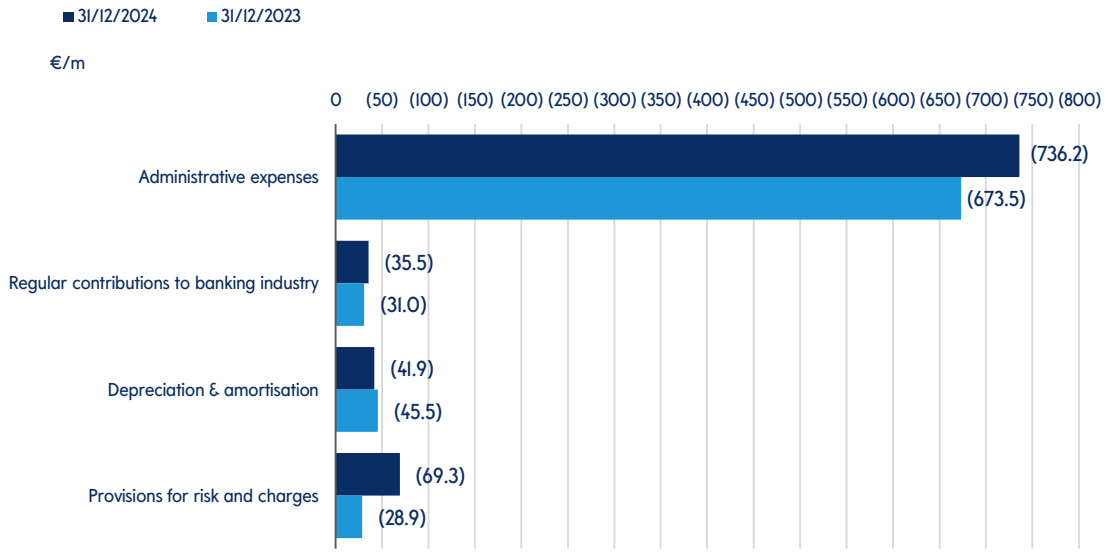
Main items in the reclassified consolidated income statement



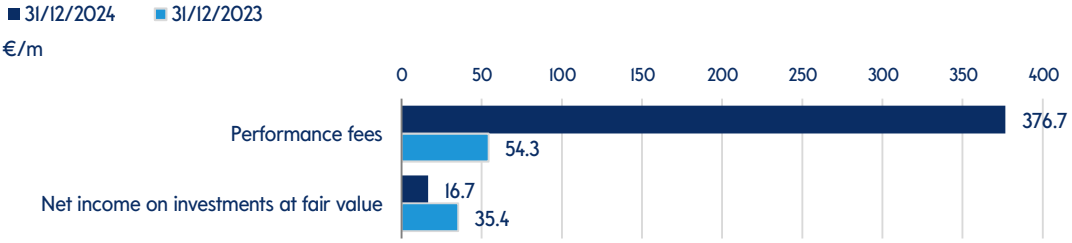
Commission income: breakdown by type



Costs: breakdown by type

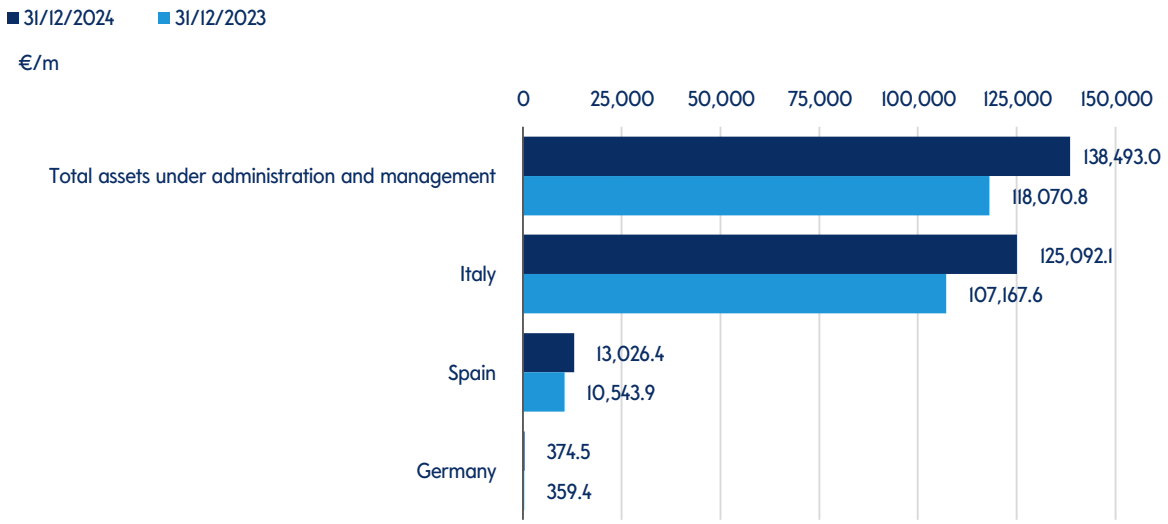


Market effects: breakdown by type

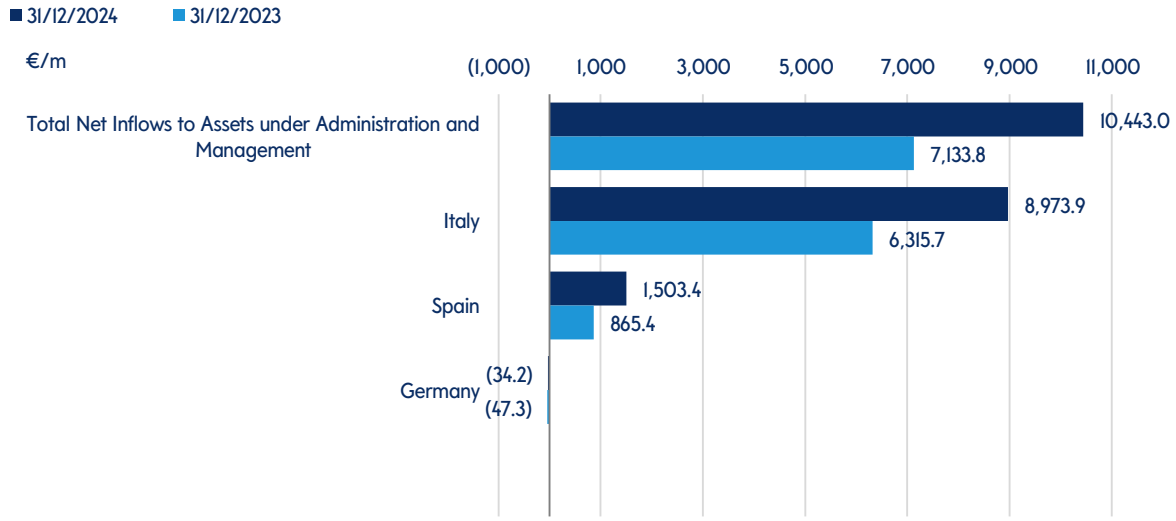


ASSETS AND NET INFLOWS TO ASSETS UNDER ADMINISTRATION AND MANAGEMENT

Assets under administration and management

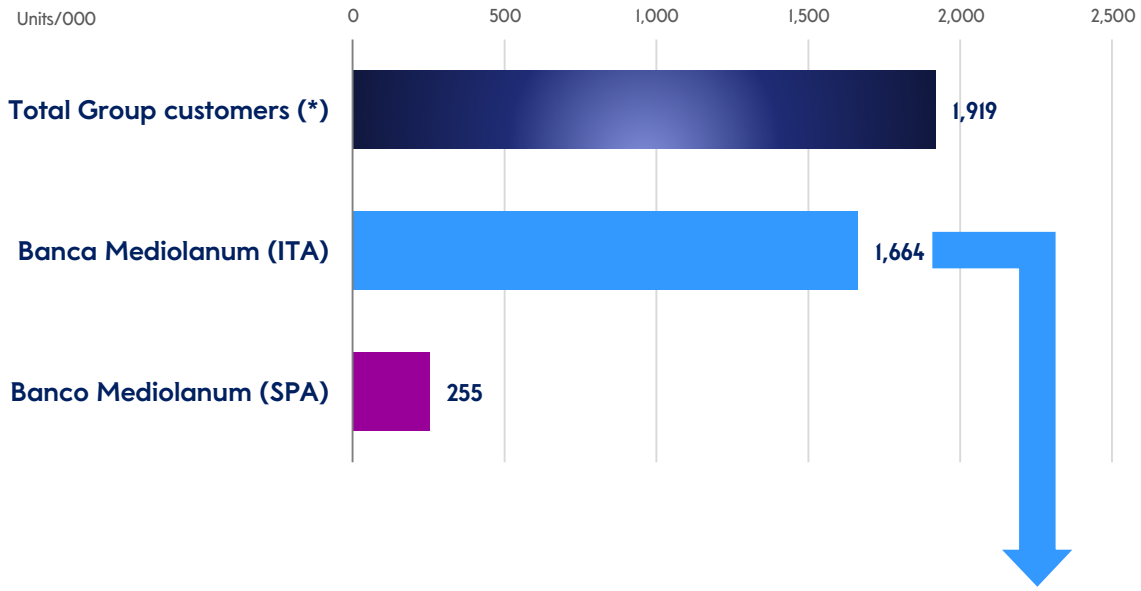


Net inflows to assets under administration and management



CUSTOMERS

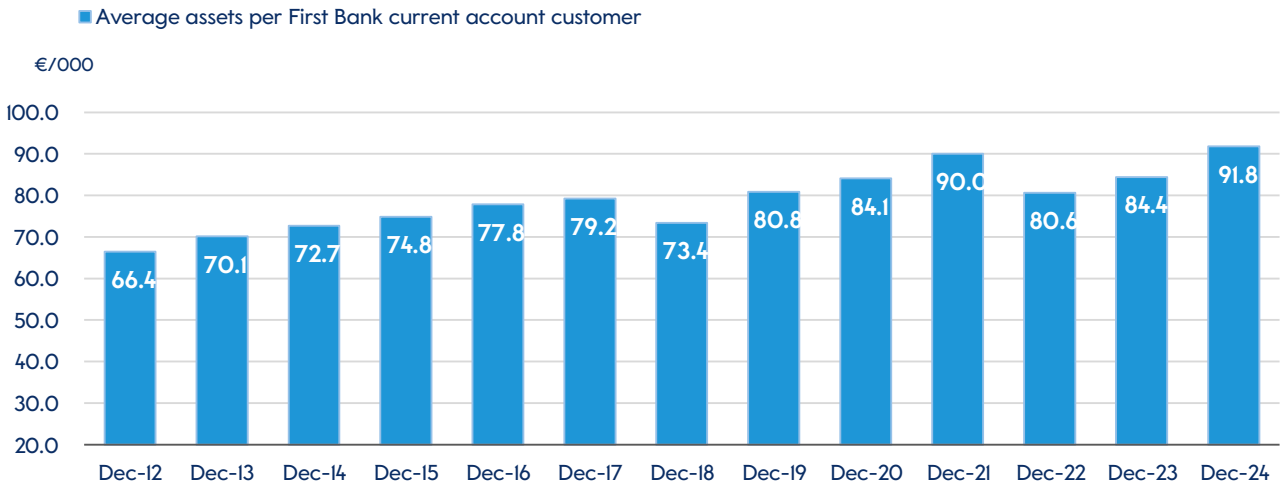
Trends in the customer base



1,352K customers provided with bank access
of which 68% First Bank
of which 34% Only Bank

(*) Total customers of Banca and Banco Mediolanum

Average assets per customer

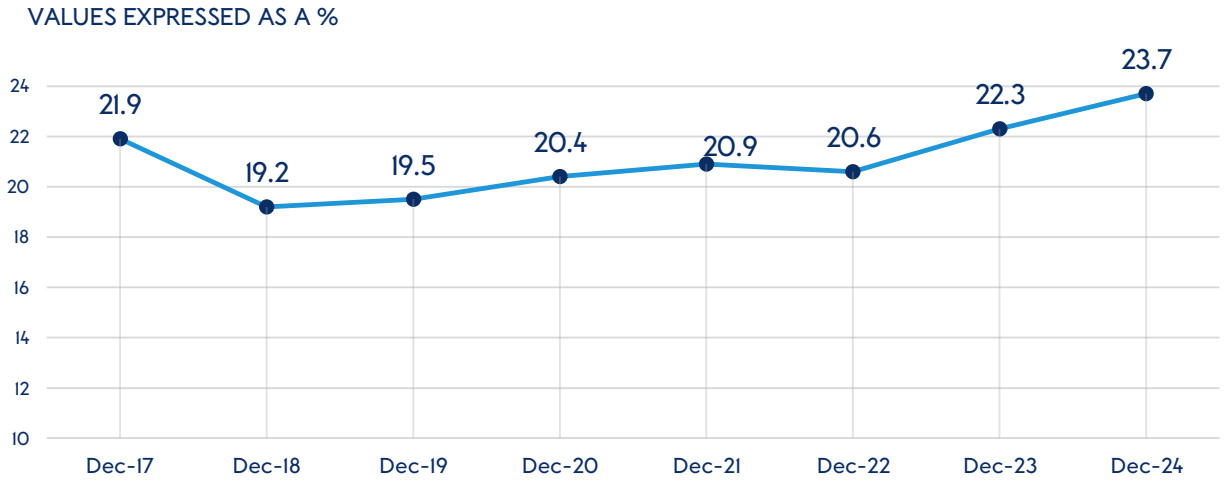


REGULATORY CAPITAL RATIOS

Consolidated capital ratios at 31 December 2024

COMMON EQUITY TIER 1	TIER 1	TOTAL CAPITAL RATIO
23.7%	23.7%	23.7%

Evolution of the Common Equity Tier 1 Ratio



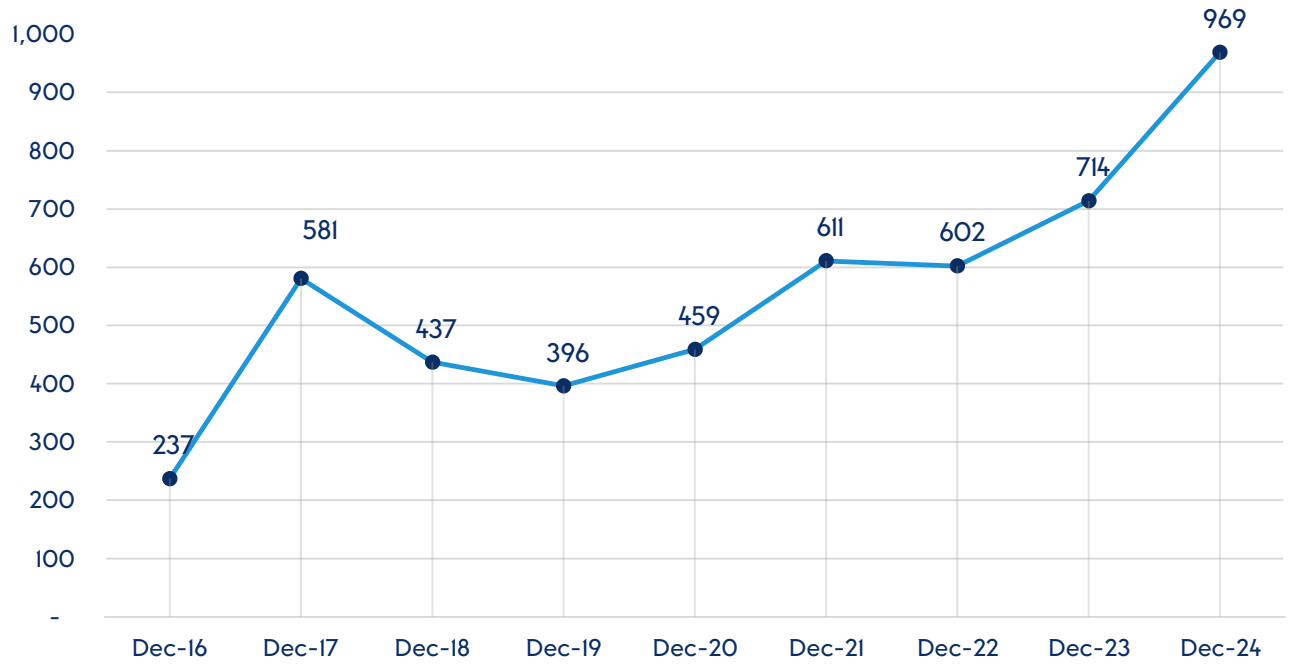
Capital adequacy of the Financial Conglomerate[1]

€/m	31/12/2024	31/12/2023
Financial conglomerate primarily engaged in banking		
Capital	4,189	3,471
Banking capital requirements	1,628	1,541
Insurance capital requirements	1,592	1,216
Capital surplus (deficit)	**969**	**714**

[1] The values set out in this report may be updated during the Supervisory Authority reporting phase. Capital adequacy at 31 December 2024 was calculated according to the capitalisation limits communicated by the European Central Bank based on the Supervisory Review and Evaluation Process (SREP). The insurance requirements relate to the latest quarterly report (30 September 2024) of the Mediolanum Insurance Group sent to the supervisory authority.

Changes in the capital surplus of the Financial Conglomerate

Financial conglomerate primarily engaged in banking



Other regulatory capital and liquidity ratios

	31/12/2024	31/12/2023
MREL TREA	25.9%	24.7%
Leverage ratio	7.8%	7.0%
Liquidity Coverage Ratio	386.6%	321.5%

OTHER INDICATORS

Information on the stock

	31/12/2024	31/12/2023
Number of ordinary shares (units)	745,278,391	744,040,141
Price at end of period (€)	11.49	8.53
Market capitalisation (€/m)	8,563	6,347
Shareholders' equity (€/m)	4,026	3,455

Earnings per share (EPS)

Euro	31/12/2024	31/12/2023
Basic EPS	1.515	1.111
Diluted EPS	1.498	1.105

Credit indicators

	31/12/2024	31/12/2023
Gross NPLs	1.47%	1.45%
Net NPLs	0.79%	0.79%
Cost of risk	0.18%	0.19%

Cost indicators

	31/12/2024	31/12/2023
Cost/Income ratio	39.0%	39.9%
Acquisition costs/gross commission income ratio	34.1%	33.0%

Operational structure

UNITS	31/12/2024	31/12/2023
Number of employees	3,825	3,635
Number of financial advisors	6,415	6,216

For the definitions used in this summary of results, please see the **Glossary** at the end of the document.

GROUP PROFILE

Vision, Mission

Vision

We believe in a better world, built every day for people and for the planet.
We believe in human relationships and in a deep bonds based on freedom.
We believe that our informed, positive view of the world and of life makes a real difference.

Mission

Building long-lasting relationships based on deep understanding, loyalty, faithfulness and transparency. Providing personalised, unique advice with effective, life-long solutions. Acting in an innovative and sustainable way for the well-being of people, families and the community.

... our values

There is no greater value than FREEDOM

It is the value through which Mediolanum changed the very notion of the bank.
The freedom of a genuine, true relationship with people.
It is feeling free to achieve your goals and make your dreams come true.

People at the centre

Human relationships are the foundation of everyone who works at Mediolanum.
Building a **RELATIONSHIP** helps us understand a person's projects and support them in managing their savings and achieving wellbeing.
Becoming a trusted partner means growing together.

RESPONSIBILITY We are people for people

We are fully aware of the social role we play.
We know how to act ethically and transparently, even when we have to go against the flow to do so.
We are committed to solidarity and to education and development projects, implementing tangible measures with a strong social impact.

We believe in constant Improvement

We anticipate and meet the needs of people, drawing on our history and our roots.
We develop innovative solutions to encourage sustainable behaviours in the public interest.
SUSTAINABLE INNOVATION is our commitment.

POSITIVITY is making the seemingly impossible possible

Underpinning this philosophy of life and business is the knowledge we have acquired,
our experience and confidence in our work.
It is always remaining true to this value and conveying this spirit to people.
It is being able to seize opportunities where no one sees them.

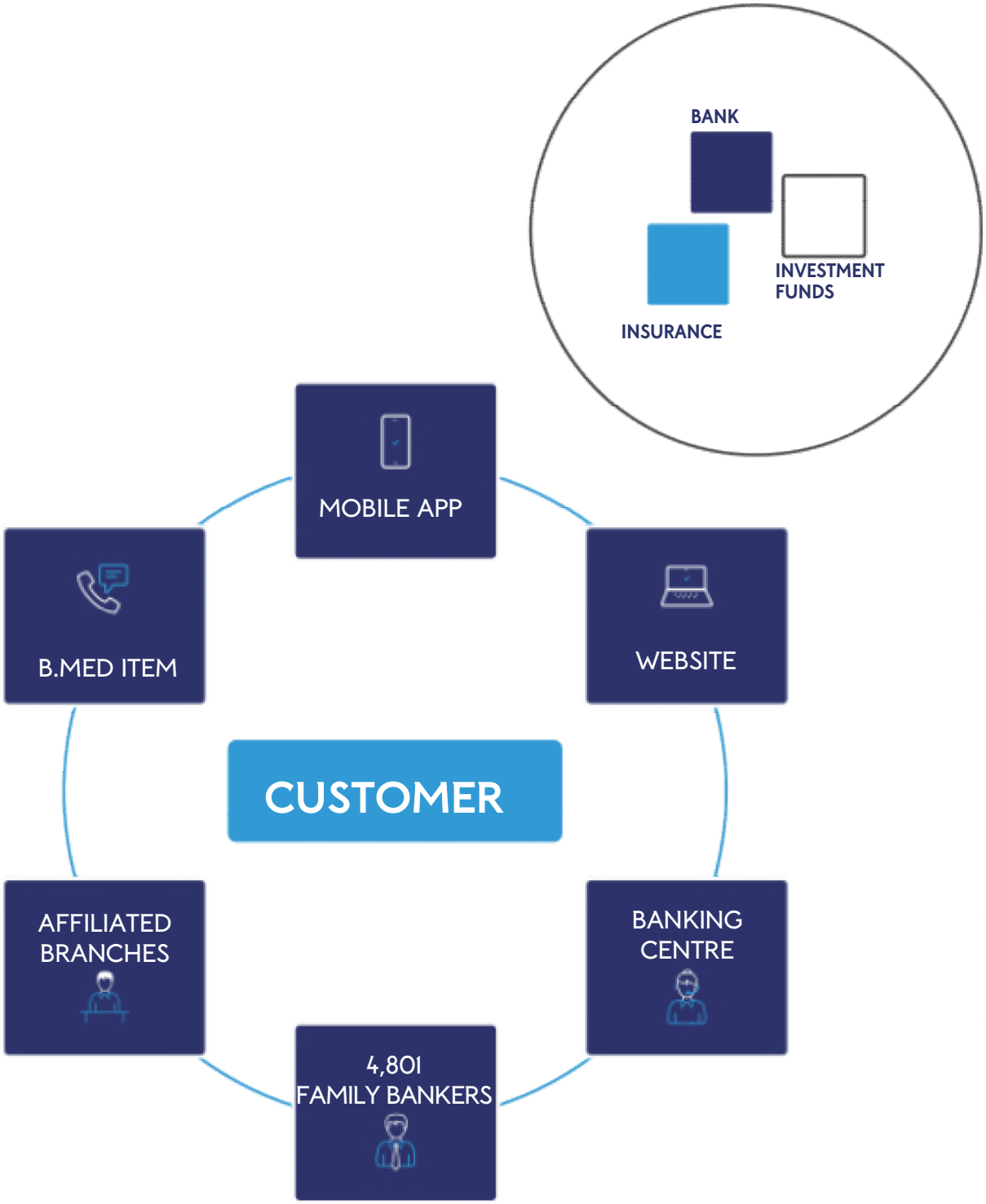
THE MEDIOLANUM GROUP'S COMMERCIAL BUSINESS MODEL

Banca Mediolanum's commercial business model is designed to meet the external and internal requirements of each customer. Thanks to its numerous communication channels, customers can choose how to "use" "their" bank, deciding on the timing and arrangements of their preferred relationship on an ad hoc basis. Banca Mediolanum offers simple, easy-to-access products and services that meet the needs of individuals and households, who are its main targets.

Through the Family Bankers®, listed in the Single Register of Financial Advisors, Banca Mediolanum helps its customers to manage their savings and provides investment advice in combination with the products and services it offers. Banca Mediolanum does not simply sell products: it offers solutions. This principle enables us to operate in the various business areas of financial services with the expertise and flexibility necessary to respond better to constant economic, taxation, financial and regulatory changes. The investment strategy is the result of careful study of the world markets and the high level of expertise that Mediolanum has developed in asset management, limiting investment concentration risk.

A BANK BUILT AROUND THE CUSTOMER

Integrated Business Model



CONSOLIDATED REPORT ON OPERATIONS

REPORT ON OPERATIONS TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

The Mediolanum Group ended the year to 31 December 2024 with net income of €1,119.6 million, compared to €821.9 million in the comparative year.

THE MACROECONOMIC SCENARIO

Although it followed the second year of strong monetary tightening, 2024 proved to be very resilient in terms of growth. The global economy continued to expand at a pace of just over 3%, albeit with significant sectoral and geographical differences. The US was the main driver, as evidenced by high real GDP growth of +0.8% quarter-on-quarter in the third quarter and estimated at 2.8% in 2024 as a whole, driven mainly by consumption in a resilient labour market environment. The composite PMI, which stood at 55.4 points in December, also confirmed the strength of business sentiment, especially in the services sector.

In Europe, growth was comparatively weaker, albeit positive: seasonally adjusted GDP increased by 0.4% quarter-on-quarter in Q3, with an improvement in services but persistent weakness in manufacturing, revealing an uneven economic recovery. Pending fourth quarter data, the expansion is currently estimated at 0.8% for 2024 as a whole. In China, in an attempt to reach the 5% growth target and against a backdrop of protracted weakness in the real estate sector and domestic demand, the authorities announced important and varied measures to support the economy, the effectiveness and sustainability of which remains uncertain, given the structural challenges of the Chinese economy. However, with a manufacturing PMI in expansion territory for the third consecutive month, signs of recovery are beginning to appear.

In this context, inflation has almost fallen back to target levels, although there is still a "last mile" missing. Data from the US and the euro area confirm signs of stalling in the recent period, while the opposite situation is observed in China. In the US, the consumer price index increased by 2.7% in the 12 months up to November, with core inflation stable at 3.3%. In the euro area, the increase was 2.4%, up from 2.3% in November, but down from December 2023 (2.9%).

2024 was also the year when monetary easing began, with 193 rate cuts overall, compared to around thirty hikes, indicating a strong change of course from the tightening of the previous two years. The European Central Bank started cutting in June, while the Federal Reserve waited until September for the first move, but together they both lowered the cost of money by one percentage point, to 3.0% (the ECB's depo rate) and 4.25-4.50% (the Fed's range), respectively. The Bank of England cut rates by only 50 basis points, from 5.25% to 4.75%, while the Bank of Japan finally embarked on a measured upward adjustment of interest rates.

THE FINANCIAL MARKETS

	Change (pbs)		Yield	
Bond markets	29/12/2023 to 31/12/2024	Q4	31/12/2024	29/12/2023
GOVERNMENT YIELDS				
United States				
2 years	(0.83)	60.05	4.24%	4.25%
5 years	53.49	82.35	4.38%	3.85%
10 years	68.99	78.81	4.57%	3.88%
30 years	75.30	66.21	4.78%	4.03%
Germany				
2 years	(32.20)	1.40	2.08%	2.40%
5 years	20.60	20.70	2.15%	1.95%
10 years	34.30	24.40	2.37%	2.02%
30 years	33.40	13.80	2.60%	2.26%
Italy				
2 years	(56.50)	(9.80)	2.42%	2.99%
5 years	(20.00)	5.70	2.87%	3.07%
10 years	(17.80)	6.90	3.52%	3.70%
30 years	(16.70)	8.00	4.21%	4.37%
SPREADS				
Italy – Germany				
2 years	(24.27)	(11.17)	0.34%	0.58%
10 years	(52.08)	(17.50)	1.15%	1.68%
Spain – Germany				
2 years	(39.14)	(15.93)	0.17%	0.56%
10 years	(27.45)	(10.93)	0.69%	0.97%
CREDIT SPREADS				
Corporate				
US IG	(19.00)	(9.00)	0.80%	0.99%
US HY	(36.00)	(8.00)	2.87%	3.23%
Euro IG	(36.00)	(15.00)	1.02%	1.38%
Euro HY	(72.00)	(36.00)	3.09%	3.81%
Emerging				
EM Hard Currency	(77.00)	(27.00)	2.20%	2.97%

The economic outlook and persistently high rates affected bond prices: the Bloomberg Global-Aggregate index ended the year down 1.7% (-5.1% in Q4 2024).

As for yields, late in the year the reaction to the latest Fed announcements pushed the ten-year Treasury above 4.5%, the highest level in more than eight months. The indicator then closed the year at 4.57%. In this context, the US curve is now on a positive slope.
In Europe, political as well as economic developments had a limited impact on government bond yields, with Germany's 10-year yield ending 2024 at 2.4%, up from 2.0% at the start of the year. Even the German curve is now tilting positively. On the other hand, the spread between the Italian ten-year BTp and the German Bund declined over the year, settling at 115 basis points at the end of December, a level not seen since the end of 2021, from 133 at the end of September and 167 at the beginning of the year.
As for credit spreads, the US High Yield and European High Yield both closed the year down both from the beginning of 2024 and from the peak reached during the volatility at the beginning of August. This was also the case for spread on emerging hard-currency bonds, which fell by almost 80bps over the year.

		Change (%)	
Equity markets		**29/12/2023 to 31/12/2024**	**Q4**
World indices			
	MSCI All Country World	15.73%	(1.23%)
	MSCI World	17.00%	(0.41%)
US indices			
	Dow Jones I.A.	12.88%	0.51%
	S&P 500	23.31%	2.07%
	Nasdaq Comp.	28.64%	6.17%
European indices			
	STOXX Europe 600	5.98%	(2.92%)
	EURO STOXX	6.56%	(2.14%)
	FTSE MIB	12.63%	0.18%
	DAX	18,85%	3.02%
	CAC 40	(2.15%)	(3.34%)
	AEX	11.67%	(3.46%)
	IBEX 35	14.78%	(2.38%)
	SMI	4.16%	(4.67%)
	FTSE 100	5.69%	(0.78%)
Asian indices			
	NIKKEI 225	19.22%	5.21%
	S&P/ASX 200	7.49%	(1.34%)
	CSI 300	14.68%	(2.06%)
	Hang Seng	17.67%	(5.08%)
Emerging market indices			
	MSCI Emerging Markets	5.05%	(8.15%)

The stock markets had a very positive year. This was particularly the case for the US stock market, which confirmed its position as the leading market for international stock exchanges, also due to the dollar effect. The Fed's post-meeting announcements dampened the traditional 'Christmas rally' but did not undermine the broader sentiment.
The MSCI All Country World index ended the year with up 15.7%, despite a 1.2% decline in the last quarter. In the US, the S&P 500 ended the quarter up 2.1%, but was up 23.3% in the year. The Nasdaq was lifted by the "Magnificent 7" boost, ending the year up 28.6%. These figures show a strong concentration of rises in a few technology (and related) stocks, reflecting the optimism around progress in this field and the actual supremacy of achievements, but could become a vulnerability going forward.
Europe was weaker, most recently showing some divergence from the US (-2.9% in the quarter, +6% in the year for the Stoxx Europe 600). The national indices showed some divergence: the German Dax (+3.0% for the quarter, +18.8% for the year), the Spanish Ibex (-2.4% for the quarter, +14.8% for the twelve months), as well as the Italian FTSE MIB (+0.2% for the quarter, +12.6% for 2024) all went very well, while the French CAC40 was penalised (-3.3% for the quarter, -2.2% for the year). Amidst many Chinese vicissitudes, the CSI 300 also ended the year with progress: +14.7% over twelve months, -2.1% in the October-December period. More broadly, the Emerging Markets benchmark (MSCI EM) was up 5.1% for the year (-8.1% over the quarter). In Japan, the Nikkei ended 2024 up 19.2% in the year (+5.2% in the quarter).

	Change (%)		Level	
Currency	29/12/2023 to 31/12/2024	Q4	31/12/2024	29/12/2023
EUR USD	(6.21%)	(7.01%)	1.04	1.10
EUR GBP	(4.55%)	(0.61%)	0.83	0.87
EUR JPY	4.53%	1.78%	162.78	155.72

On the currency front, 2024 saw the dollar emerge as the dominant currency. The relevant index showed a growth of +7.77% for the quarter and +6.76% in the year to date. In detail, the Euro exchange rate against the main currencies was as follows: down against the dollar (-7.01% in the quarter, -6.21% in the year) and the pound sterling (-0.61% in the three months, -4.55% in the twelve months), and up against the Japanese yen (+1.78% in the quarter, +4.53% in 2024).

	Change (%)		Level	
Commodities	29/12/2023 to 31/12/2024	Q4	31/12/2024	29/12/2023
Oil (Brent)	(4.50%)	1.66%	74.11	77.60
GOLD	27.22%	(0.38%)	2,624.50	2,062.98

Commodities showed mixed trends, although their aggregate remained largely unchanged, remaining at the same level as at the beginning of the year (+0.1% for the Bloomberg Commodity index). Brent crude gained +1.7% over the quarter, but declined since the beginning of 2024 (-4.5%) settling at around USD 74 per barrel. Gold closed the year at $2,624 an ounce, after hitting all-time highs during the year.

THE INSURANCE MARKET

LIFE PREMIUMS[2]

In December, new individual life insurance business written in Italy by Italian companies and branch offices of non-EU companies, including additional single premiums, amounted to €7.3 billion, a significant increase compared to the same month in 2023 (+26.1%), when the volume of new business declined by 0.4%. In 2024, new life premiums written amounted to €87.8 billion, 24.8% up on 2023, when an annual decline of 4.0% was recorded. In December, 70% of companies, representing 64% of the market in terms of premiums, recorded higher premium income than in the same month of 2023, and 51% of companies (with a 30% share of total premiums) achieved a better result than the average recorded by all Italian and non-EU companies (+26.1%).

If the picture includes new life premiums of the sample of EU company branch offices, which amounted to €740 million, up 15.8% compared to the corresponding month of 2023, total new life business in December amounted to €8.0 billion (+25.0%), while for the year as a whole it reached €96.4 billion, 25.5% more than in 2023.

With regard to premiums by class, the volume of new Class I premiums for individual policies for Italian and non-EU companies amounted to €4.8 billion in December (two-thirds of all new life business), up 5.2% compared with the same month in 2023. Of this figure, a quarter came from new premiums invested in separate management of multi-class products (policies combining Class I and Class III components), up 53.4% compared to the same month in 2023. For the year as a whole, total Class I premiums amounted to €61.7 billion, 12.2% higher than in 2023, when there was an annual increase of 12.4%.
The trend in new premium income from class V policies was also positive, more than tripling since December 2023 and reaching a total of €634 million since January, an annual increase of 92.6%. The remaining portion of new life business, amounting to 31% of the total (19% in December 2023), related to Class III (in the exclusive unit-linked form) at €2.3 billion (more than double the figure for December 2023). Half of the new class III premiums are invested in the unit-linked component of multi-class contracts, which also grew strongly (+137.8%). In 2024, premium income from new Class III business amounted to €25.2 billion, up 70.4% compared to 2023, when a decline of 37.5% was recorded.
For long-term sickness policies (Class IV), a new premium volume of €84 million was recorded in 2024, up 7.9% from the previous year, while new contributions related to the management of open pension funds were up 1.2%. at €151 million. For the year as a whole, the number of new policies/enrolments totalled €3.0 million, an increase of 9.4%.

With regard to the various types of products marketed, it should be noted that in 2024 new premiums/contributions relating to individual pension schemes amounted to €1.7 million, 5.5% higher than in the previous year. 9% of this amount consists of new contributions relating to the management of open-ended pension funds (Class VI), while the remainder is accounted for by PIPs, 51% of which are subscribed through multi-class products. In the same period, new premium income from pure risk forms amounted to €1.1 billion (of which almost 63% related to policies not linked to mortgages or consumer credit) an annual increase of 18.0%. New premiums for multi-class products, excluding pension products and PIRs (Individual Savings Plans), amounted to €2.4 billion in December, up 85.4% compared to last month of 2023 and accounting for 32% of the month's total new business, of which 51% related to Class I. These products amounted to €28.5 billion in 2024, consolidating the year-on-year growth at 28.9% The volume of new business related to PIR contracts, mostly brokered through bank and post office branches of a small number of companies, amounted to €338 million in 2024, an annual increase of more than double (+149.0%).

[2] Source: ANIA TRENDS New Life Business – December 2024

With regard to premiums broken down by type of premium and distribution channel, with reference to Italian and non-EU companies, since January, single-premium policies have continued to be the most popular option among policyholders, accounting for 96% of total premiums and 60% in terms of the number of policies. In the same period, the average amount of single premiums was around €46,340, while annual and recurring premiums stood at €625 and €5,060, respectively.

In 2024, most of the new business came from premiums written through banking, postal and financial networks, which accounted for 83% of new premiums.

NON-LIFE PREMIUMS[3]

At the end of Q3 2024, total premiums (Italian companies and branch offices) of the Italian direct non-life portfolio amounted to €33.8 billion, up 8.2% compared to the end of Q3 2023, when the sector grew by 7.5%. This was the fifteenth consecutive positive quarterly change, lifting premium income close to €34 billion for the first time in the initial nine months of the year.

The increase in total non-life premiums at the end of September 2024 was due, in particular, to both the expansion of the Non-Motor segment, which recorded an increase of 6.3%, and the Motor segment (+11.0%), mainly due to the increase in premiums for the Land Vehicle class (+17.0%) and, in part, premiums for the Motor TPL segment recorded an increase of 9.0%.

The gross premiums of the Italian direct portfolio recorded in the non-life segment are provided quarterly by insurance companies operating in Italy and by the Italian branches of companies having their registered offices in European and non-European countries. The survey included almost all Italian national companies and around 40 branches of European companies which, in terms of market share, account for more than 90% of total earned premiums.
For all companies (Italian, branches of EU and non-EU companies), the premiums written at the end of the Q3 2024 amounted to €33,825 million, up 8.2% compared with Q3 2023, when premiums written amounted to €31,207 million, increasing by 7.5% year-on-year. In particular, Italian and non-European companies grew by 7.7%, while EU company branches recorded more sustained growth of almost 11%

The following factors contributed to the change of total non-life premiums in the first nine months of 2024:

- significant growth in non-life non-Motor classes, with premiums growth of +6.3%, in line with the figure for the end of June 2024 (+6.2%);
- a 11.0% increase in the Motor sector, just above the 10.5% increase recorded at the end of June 2024;

[3] Source: ANIA TRENDS Quarterly Non-Life Premiums – Q3 2024 data

More specifically, in the Motor segment, motor liability premiums had increased 9.0% increase at the end of September. Motor and the particularly positive trend in premiums for the Land Vehicles class (+17.0%) was confirmed. The growth in the Motor TPL class was consistent with the increase in the number of insured vehicles (it is estimated that in the first six months of 2024 these grew by around 1.5% compared with the same period of 2023) and with the growth in the average premium recorded by IVASS (for contracts entered into in the first half of 2024, the average increase of which was up 7.0% year-on-year). The increase in the average TPL premium over the last two years can largely be explained by the increase in the cost of main claims, caused by higher inflation since early 2022. In summary, from early 2022 to the end of September 2024, while general cost-of-living inflation rose by 15.2%, the cost of spare parts rose by 14.0%, personal injury was adjusted upwards by more than 16%, but the average motor liability premium rose by less (+13.2%). The Land Vehicles class (i.e. fire/theft, all-risk cover, natural events and vehicle glass), with €3,646 million in premium income at the end of September 2024, grew by 17.0% compared with the previous year, confirming the figures at the end of the previous two quarters (+15.3% at the end of March and +15.2% at the end of June). This increase may be attributable to the growth in new car registrations confirmed at the end of September 2024 (+4%) and the technical alignment of theft cover rates to reflect significant upturn over the last two years, but above all to cover for natural events and vehicle glass as a result of the increasingly frequent extreme weather events affecting Italy, which are driving up the cost of reinsurance for companies. With regard to the other non-life classes, overall growth compared with the end of September 2023 was 6.3%. All the most representative lines of insurance in terms of premiums contributed to this increase: General TPL, with a premium volume of €3.8 billion, grew by 2.1%; the Sickness class, with a premium volume of approximately €3.3 billion, grew by 12.1%, confirming the sustained development in recent quarters. Other Damage to Property grew by 5.7%, achieving a premium volume of €3.2 billion; the Accident class, with €2.9 billion, grew by 2.8%; and lastly, the Fire class, amounting to approximately €2.5 billion, which grew by 13.0%. Although they represent a modest proportion of the total Non-Motor non-life business, growth was recorded in Aircraft (+16.8%), Aircraft TPL (+13.8%) and Marine (+6.6%). At the end of September, the growth in the Miscellaneous Financial Loss, Legal Protection and Assistance classes continued. Premiums fell in the Credit (-8.0%) and Railway Rolling Stock (-21.7%) classes.

THE BANKING MARKET[4]

BANK FUNDING

According to SI-ABI's initial estimates, in December 2024 customer deposits in all banks operating in Italy – consisting of deposits of resident customers (current account deposits, term deposits, net of those associated with assignment of debts, deposits redeemable at notice and repurchase agreements; deposits are net of transactions with central counterparties) and bonds (net of those repurchased by banks) – amounted to €2,089.3 billion, up 2.4% year-on-year (+4.8% on the previous month).

In detail, resident customer deposits (current account deposits, deposits with agreed maturity net of those associated assignment of debts, deposits refundable at notice, repurchase agreements net of transactions with central counterparties) in the same month stood at €1,825.3 billion and increased by 1.7% (+4.5% on the previous month).

[4] Source: ABI MONTHLY OUTLOOK – January 2025 - Summary

Medium and long-term funding through bonds increased compared with the preceding year (by +6.8%; +7.2% on the preceding month). Bonds amounted to €264 billion.

Foreign deposits decreased in the year to November 2024: in particular, deposits of banks operating in Italy amounted to approximately €410 billion, 2.0% less than a year earlier. Foreign deposits accounted for 14.5% of total deposits (15.2% in the preceding year). Net funding inflows from abroad between November 2023 and November 2024 were negative by €8.3 billion.

In November 2024, net foreign deposits (foreign deposits minus foreign loans) amounted to approximately €124 billion (-25.3%). They represented 7.4% of total domestic lending (9.7% a year earlier), while foreign lending – on the same date – amounted to €286 billion. The ratio of foreign loans to foreign deposits was 69.7% (60.3% a year earlier).

BANK LENDING

According to initial SI-ABI estimates, total loans to Italian residents (private sector plus general government, net of repurchase agreements with central counterparties) stood at €1,644.2 billion in December 2024, a decline of -1.6% over the year (-1.5% in the preceding month), calculated including loans not recognised in bank balance sheets because they are securitised and net of changes in outstanding amounts not linked to transactions (e.g. changes due to exchange rate fluctuations, value adjustments or reclassifications).

In the same month, loans to Italian residents in the private sector amounted to €1,411 billion, down by 0.9% compared with the preceding year.

Loans to households and non-financial corporations amounted to €1,270 billion with a year-on-year decline of -1.0% (-1.8% from the preceding month) calculated including loans not recognised in banks' balance sheets as securitised and net of changes in outstanding amounts not related to transactions (e.g. changes due to exchange rate fluctuations, value adjustments or reclassifications). The decline in credit volumes is consistent with slowing economic growth, which is dampening demand for loans.

INTEREST RATE SPREADS

With regard to flows, the margin in Italy, calculated in December 2024, as the difference between lending and borrowing rates for new transactions with households and non-financial corporations, was 217 basis points (143 basis points in June 2022, before the rise in official interest rates).

The spread between the average rate on euro-denominated interest-bearing assets vis-à-vis households and non-financial corporations and the average rate on euro-denominated customer deposits (held by households and non-financial corporations) was 2.65 percentage points in Italy in the same month (2.73% in the preceding month).

The margin on loans granted to households by banks in the main European countries (calculated as the difference between interest rate on new loans and a weighted average rate of new deposits by households and non-financial corporations) was 9 basis points in Italy in November 2024, lower than the 79 points in Germany, 60 points in Spain, and in line with margin in France.

NON-PERFORMING LOANS

Net non-performing loans stood at €31.1 billion in November 2024, down from €31.6 billion in September 2024 (€30.5 billion in December 2023). Net non-performing loans accounted for 1.51% of total loans in November 2024, compared to 1.52% in September 2024 (1.41% in December 2023).

SECURITIES PORTFOLIO

Based on SI-ABI initial estimates, the total securities in the portfolio of banks operating in Italy amounted to €551.5 billion in December 2024, essentially stable compared to the previous month (€551.1 billion).

According to official Bank of Italy figures updated to November 2024, the value of government bonds on bank balance sheets stood at €370 billion, corresponding to approximately 67.1% of the total portfolio.

HARMONISED INTEREST RATES IN ITALY AND THE EURO AREA

Interest rates on new transactions in Italy and the Eurozone fell in November 2024. The latest available data on interest rates applied in the euro area show that the rate on new bank loans of up to €1 million granted to non-financial corporations was 4.73% in November 2024 (4.81% in the previous month; 5.61% a year earlier), compared with the 5.07% recorded in Italy (5.21% in the previous month; 5.98% a year earlier).

The rates applied to new loans to non-financial corporations of amounts in excess of €1 million in the same month were 4.26% on average in the euro area (4.47% in the previous month; 5.03% a year earlier), compared with 4.15% in Italy (4.42% in the previous month; 5.30% a year earlier).

Finally, in the same month, the rate on current accounts and revolving loans to households was 7.96% in the euro area (8.05% in the previous month and 7.99% a year earlier) and 5.74% in Italy (5.96% in the previous month; 6.32% a year earlier).

THE ASSET MANAGEMENT MARKET[5]

The figures in the Assogestioni 2024 quarterly map show that the Italian asset management market closed the third quarter with assets of €2,463 billion, supported in particular by a positive performance effect of 2.8%, while the inflows figure was €20 billion.
Assoreti's Quarterly Report for the third quarter of 2024 shows that net inflows into financial products and investment services, achieved by Assoreti member companies in the first nine months of 2024 amounted to €34.8 billion, an increase of 6.1% compared to the same period in the previous year (€32.7 billion).
Within asset management, growth involves all product macro-families. Net resources allocated to mutual funds more than tripled compared to the same period in 2023 (+226% year-on-year) and amounted to €7.9 billion.
The value of asset management products amounted to €546.5 billion, up 15.9% year-on-year (10.7pp) driven by the performance of financial markets. The segment's share of total assets stood at 62.1%. More significant was the growth in financial instruments under administration, which increased by 30% year-on-year, driven by net inflows (16.1pp) and the market effect (9.9pp), and reached €207.6 billion, or 23.6% of the portfolio.
The flow of net resources in current and deposit accounts was positive by €1 billion and was down 43% compared with the previous quarter.

[5] Source: Assoreti "Activities of the networks of financial advisors authorised to operate off-site", third quarter 2024; Assogestioni "Quarterly asset management map", third quarter 2024.

In the first nine months of the year, net inflows into asset management products issued by companies belonging to the same group as the distributing company amounted to €12.1 billion, while net investments involving products issued by companies outside the group amounted to €3.2 billion.
In terms of assets, own products amounted to €386.3 billion and accounted for 70.7% of assets under management, while third-party products reached €160.2 billion.

TREASURY MANAGEMENT

The overall net amount of investment in debt securities at the end of 2024 stood at €15,697 million, down €915 million from €16,612 million at the end of 2023.
The cost of interbank funding, which was strongly influenced by the level of official rates (Depo Rate set by the ECB), remained high for almost the entire first half of the year at around 4%, while bond markets were already suffering from the levels of monetary easing in bond yields, which remained significantly below the cost of funding.
In order to minimise the negative effect on net interest income, the timing of the investment in securities was postponed in the second quarter of 2024, avoiding bringing forward planned purchases, the economic resources for which would have to be found on the interbank market, compared to the redemptions of maturing securities.
Over the course of the year, the market reduced the probability of central bank rate cuts that it had initially priced in by bringing yields back to attractive levels for investment.
This was an opportunity that Banca Mediolanum decided to seize by purchasing, in addition to the stock of securities indicated in the financial plan, which envisaged the renewal of only around 30% of the bonds maturing in 2024, a portion of investments amounting to €2 billion pertaining to 2025, thereby bringing forward the programme for the following year.
The securities purchased in 2024 were classified in the strategic 'Held to Collect' portfolio.
The prevailing classification of new assets in the aforementioned portfolio saw the stock of the 'Held to Collect and Sell' portfolio fall further to close to zero.
Trading ended the year with a decreasing portfolio compared to the end of 2023, with most of the bonds going to redemption during 2025.

Banca Mediolanum

€/million	31/12/2024	31/12/2023	Change
Financial assets held for trading	300	889	(589)
Financial assets measured at fair value through other comprehensive income	20	59	(39)
Financial assets measured at amortised cost – Debt securities	15,377	15,664	(287)
Total	**15,697**	**16,612**	**(915)**

The following guidelines were taken into account for new investments made in 2024:
1) issuer diversification;
2) the purchase of fixed-rate securities only;
3) the classification of all purchases in the HTC portfolio.

During 2024 the process launched in the previous year of diversifying the banking book in terms of country risk continued.

At the end of 2024, at the individual level, 81% of Banca Mediolanum's bond portfolio was composed of Italian government bonds and 19% of bonds issued by other countries. At the Group level, the percentage of securities issued by countries other than Italy rose to 20.4% (Italian government securities at 79.6%), in line with guidance received from the supervisory authority (the ECB).

In order to achieve this objective, bonds purchased (almost all government bonds) were those issued by the Spanish and French treasuries and issues by European governments on the instructions of the European Commission to finance special projects dedicated to the Eurozone (Next Generation EU, Sure, etc.). The remainder consisted of bonds issued by supranational entities and organisations linked to or subordinate to national central governments.
From a strategic standpoint, the purchases made during 2024 focused on fixed-rate securities, thereby seizing the opportunity of bond yield levels which, despite the central banks' normalisation of rates, remained attractive, albeit lower than the previous year.
Variable-rate securities suffered from the fall in official rates and did not constitute an investment opportunity during 2024.
The Held to Collect portfolio, valued at amortised cost and considered by investment policy as the preferred classification for investments in securities, decreased by €287 million.
All 2024 purchases were classified in the same portfolio, which grew from a balance of €15,664 million at the end of 2023 to €15,377 million at the end of 2024.

The Held to Collect and Sell (HCTS) bond portfolio, valued at fair value with impact on overall profitability, amounted to €20 million. It should be noted that since it is no longer considered the preferred portfolio for the classification of investment financial instruments, all purchases were placed in the strategic HTC portfolio. It should also be noted that this portfolio contained the investment securities used to secure the commitments of the subsidiary August Lenz, until the commitments to the German authorities came to an end.

The net valuation reserve (including the shareholding in Mediobanca classified in HTCS) net of the tax effect recognised in the balance sheet amounted to €90.4 million, up from €28.9 million at the end of 2023.

The debt securities trading portfolios, valued at Fair Value to P&L, (financial assets held for trading and financial liabilities held for trading) ended 2024 with a balance of €300 million, down €589 million compared to the end of 2023 (31.12.2023: €889 million).
The trading portfolio maintained its historical characteristics of short duration and, equally historically, the composition remained unbalanced in government bonds compared to a residual share of financials.

Overall, the weight of government bonds in total owned portfolios is 94.6%, down slightly from 99.6% at the end of 2023, while the remainder consists of bonds issued by supranational entities, central government-linked entities and financial covered bonds.
The composition of the portfolios by type of rate is 58% fixed-rate and 42% floating-rate, a substantial change from previous years in which the prevalence of floating-rate securities was the main feature.
All investment instruments are denominated in euro with no exposure to currency risk.
The average duration of the portfolios stood at 1.7 compared to 1.1 at the end of 2023, up due to investments in Italian government bonds made to take advantage of yield opportunities on the long end of the curve, while remaining consistent with the group's traditional low risk profile.

With regard to equities, there are only two significant positions and they are classified in different portfolios, consistent with the strategic view on the two securities.
As a result, the interest in Mediobanca is classified in the HTCS portfolio, while the investment in Nexi Spa's capital is placed in the trading book pending the opportunity to exploit the market in order to liquidate the position.

Main economic items

€/m	31/12/2024	31/12/2023	Change
Net interest income	599.9	578.6	21.3
Net gains (losses) from trading	6.4	35.1	(28.7)
Net gains (losses) from hedging	-	(0.7)	0.7
Total	**606.3**	**613.0**	(6.7)

At the end of 2024, the financial margin increased to €606.3 million compared to €613.0 million at the end of 2023 (-€6.7 million). Also for 2024, the significant contribution of net interest income remained, benefitting from the increase in the average yield of the banking book due to new purchases and the repricing of variable-rate securities that maintained high coupons in the first part of 2024; however, the net result from trading activities deteriorated. In fact, positions measured at fair value (trading assets) posted a positive result of €6.4 million compared to the end-of-2023 figure of €35.1 million, a fall of €28.7 million to which the deterioration of the valuation of the Nexi share contributed decisively.

Net interest income increased from €578.6 million at the end of 2023 to €599.9 million at the end of 2024 (+ €21.3 million).

Banco Mediolanum

As far as Banco Mediolanum's treasury asset management is concerned, the total investment in securities at the end of 2024 amounted to €1,945 million, slightly down from €2,072 million at the end of 2023.
In line with the parent company, Banco Mediolanum's securities purchase strategy included the entire classification of new purchases in the HTC (Held To Collect) portfolio, which remains the only proprietary portfolio with open positions (HTCs and Trading Book have no positions).
Securities purchases during 2024 focused on Italian and Spanish government bonds, which accounted for 100% of the securities in the portfolio, most of which are fixed-rate.
In terms of concentration risk, Banco Mediolanum distributes 64.4% of its total HTC portfolio in Italian government bonds and 31.6% in Spanish government bonds.
The composition of the portfolio by type of rate is 52.3% fixed-rate and 47.7% floating-rate, a substantial change from previous years in which the main characteristic was floating-rate securities.
All investment instruments are denominated in euro with no exposure to currency risk.
At the end of 2024, the financial margin stood at €65.4 million (31.12.2023: €73.6 million).

TRADING IN CUSTOMER SECURITIES

Various events affected the markets in 2024: the gradual reduction of rates by the ECB and the Fed, the ongoing war in Ukraine and the Israeli-Palestinian conflict in the Middle East.

Equity indices performed well, both in Europe the FTSEMib +12.6%, the EuroSTOXX50 +8.6%, the DAX +18.9%, the FTSE 100 +5.7%, the IBEX 35 +14.8%, and overseas, in the US the DOW JONES +12.9%; S&P 500 +23.3% and the NASDAQ +24.8%.

As usual, placements on the government bond market were successful, in particular the March placement of the BTP Valore at €18.32 billion (€213 million c/o BMED) and the May BTP Valore €11.23 billion (€151 million c/o BMED).

The total traded volumes for retail customers were up sharply from the previous year at around €16.7 billion, compared to €12.5 billion in 2023 (+33.6%). 965,000 trades were executed, up 29.3% compared to 746,000 in the previous year.

The total value brokered on the Italian stock market was approximately €6.7 billion, +32% compared to 2023. There was also a significant increase in the total value traded on foreign equity markets, to €2.07 billion. Given the 2023 levels (€0.95 billion) this segment is in a phase of exponential growth of +117%. The traded value of government bonds, which rose from €5 billion in 2023 to €5.8 billion in 2024, an increase of 14.5%.

The total value of assets under administration held by retail customers at the end of 2024 stood at approximately €11.7 billion, an increase of 18% compared to December 2023.

Specifically, the stock of government bonds increased from €3.5 billion at the end of 2023 to €5.2 billion at the end of 2024. While corporate and bank bonds remained fairly stable at €0.51 billion, the stock of MedPlus Certificates rose from €2.7 billion to €3.4 billion, recording significant growth of +26%.

The value of securities in the equity segment (Italian and foreign) rose to €3.2 billion, with the Italian segment at €1.8 billion and the foreign segment at €1.4 billion.

At the end of December 2024, repo transactions with customers of around €3.99 million were outstanding.

A total of 78 placements of Medplus Certificates (including 38 customised issues) took place during the year, of a total value of €1.969 billion.

The value of MY STYLE asset management increased from €1,124 million in 2023 to €1,480 million in 2024, +31.7%. A comparable increase was recorded for WEALTH asset management, which rose from €101 million in 2023 to 154 million in 2024, +52.4%.

NEW PRODUCTS AND MAIN INITIATIVES DURING THE YEAR

BANKING SERVICES

Current accounts

In the year just ended, Banca Mediolanum maintained its proximity to all its customers through its customary sustainability and inclusion promotional initiatives. In addition, the Bank undertook a restyling of its catalogue of current account options, offering discounts for those who adopt the model proposed by the bank.
In particular, the following initiatives were carried out during 2024:

- **"Double Chance"** with a lending rate of 5% gross per annum on 3, 6 and 12 month maturities and 4% on 18 and 24 month maturities in the Equity segment; 4% gross per annum on 3, 6 and 12 month maturities and 3% on 18 and 24 month maturities in the Bond segment. In the promo-free months, the lending rate paid to customers was increased to 3% gross per annum (**standard list**);
- **"Promo vincoli"** with a 5% annual gross creditor rate on six-month time deposits subscribed by new and existing customers (with different access requirements) that contributed new liquidity during the validity period of the promo;
- **Remuneration on free current account balances** between €15,000 and €1 million for Black and Elite customers of the M4Y programme, amounting to 0.20% gross per annum;
- **Rate offer on 6-month tied assets differentiated by profile**: 2.50% per annum for the most loyal customers (Privilege, Elite and Black), 2% per annum gross for all other profiles (with a minimum deposit of €5,000);
- The **"Double Value" initiative,** which provides a 6-month deposit with a credit rate of 5% gross per annum, with a maximum value equal to the new investments made. This promotion is aimed at BMed customers that make new investments of at least €25,000 in asset management products;
- **Nuova Offerta Banca**: since July, a restyling operation has been under way on Conto Mediolanum, SelfyConto and the Professional accounts, which applies to new customers and accounts and which is designed further attract retail customers according to the logic of the Mediolanum ForYou programme by rewarding customers who use the account as their main bank. At the same time, promotional pricing has been introduced for of some ancillary services to the account (e.g. free ordinary SEPA credit transfers). Since November, a new customer promotion called SelfyConto has been in place for customers under 30, with no commission on online ordinary and instant SEPA Credit Transfers in Euro and no quarterly account fees, for those who meet the requirements for PrimaBanca status;
- Facilities have been offered for less affluent customers who are on the poverty line, such as the "Conto Accoglienza" and the "Conto Mediolanum Tutor" for customers who have a court-appointed guardian such as disabled or incapacitated clients, etc. and the "Conto per Enti Terzo Settore" which is designed for non-profit entities (associations, committees, foundations, enterprises, philanthropic organisations etc.). Facilities for current account terms were provided for families affected by floods and natural disasters (zero fees, free bank transfers, stamp duty borne by the bank, etc.) for residents in the Emilia-Romagna, Marche and Tuscany regions.

Cards

The gradual replacement of the Bancomat/Maestro debit cards by the new Mediolanum Card, an advanced and sustainable debit card issued in collaboration with Nexi Payments through the Mastercard system, will be completed by the end of 2024. The new Mediolanum Card was sent to the customer's home at no additional cost, and has the same PIN as the replaced card.

In terms of commercial initiatives, Banca Mediolanum continues to encourage the diffusion and use of digital payments among its customer base through promotional initiatives implemented in cooperation with Nexi and American Express.

Trading

Commercial initiatives for the retention and development of customers operating in the area of online trading continued in 2024.
In particular, promotional pricing has been introduced for the whole of 2024. This pricing is aimed at customers who conclude more than 10 transactions per month, new customers, and customers under 30 years of age. It establishes a flat fee of €7 (compared to a 0.19% commission with minimum fee of €7 and a maximum of €29) on Italian financial markets, and a reduced fee of 0.10% (compared to 0.19% with a minimum fee of €7 and a maximum of €29) with a minimum of €7 and a maximum of €19 for all foreign, American and European financial markets.

CREDIT

Credit Services

During 2024, Banca Mediolanum proposed commercial initiatives designed to enhance its credit products and support households during a period affected by ongoing high market interest rates and a complex macroeconomic environment.

Mortgages

- To support families with buying a home, Banca Mediolanum revised its Mediolanum Mortgage price list for the first quarter of 2024, with spread changes favourable to customers;
- The Promo tasso d'ingresso or "entry rate" Mediolanum mortgage: starting from April 2024, a ceiling has been established which offers a reduced fixed rate for the first 36 months (after the fixed rate period, the loan becomes a variable rate); the initiative was extended to the fourth quarter of 2024 with a reduced entry rate period of 24 months;
- A unilateral improvement for stock mortgages was introduced to expand "skip the instalment" options (from 2 times a year to 6, and from a total of 6 over the life of the loan to 18); the extension of the "skip the instalment" option to loans disbursed before March 2022 (once a year with a total of 3 over the life of the loan);
- Mortgage promotions included: the "reduction in the Mutui CAP overspread" (to zero for specific customer clusters), the "Mixed rate step 10", the "zero subrogation overspread" (for certain customer clusters), the "12-month grace period" and the "5-year extension promotion". In Q3 a promotion was launched to reduce survey and appraisal costs to zero for Mediolanum Eco+ mortgages.

Credit lines

With respect to lines of credit:

- Promo Fidi: renewal until April 2024 of Mediolanum's expiring Fido promotion dedicated to specific customer clusters, with zero spread and commission made available for Funds.

Loans

With respect to loans:

- Secured Loans: a series of list repricing and promotions for customers;
- A loyalty scheme launched for BMed customers offering unsecured loans at concessional rates;
- Special Care Loan: In the second half of the year Banca Mediolanum, with a view to generating a concrete and measurable social impact, launched a concessionary loan for people with disabilities to finance the cost of assistance, care or specialist equipment.

INVESTMENT SERVICES

Mutual funds

Starting in the first half of the year, in order to stimulate the economic environment, Banca Mediolanum began marketing two new Mediolanum Best Brands investment solutions developed by Mediolanum International Funds:

- Global Sustainable Bond: a bond fund designed for long-term capital growth through investments in sustainable bonds with an environmental and social impact, rated Investment Grade. In particular, it will invest in sustainable bonds that use the proceeds to finance or refinance various ecological and social projects or initiatives (green bonds and social bonds) and in sustainability-related bonds linked to the issuer's achievement of broader climate or sustainable development goals.
- Green Building Evolution: a global equity sub-fund that invests in companies that are committed to constructing sustainable, energy-efficient and environmentally friendly buildings and infrastructure, i.e. related to the real estate and industrial sectors.

The placement of the PIR Alternative fund, named Mediolanum Private Markets Italia II by Mediolanum Gestione Fondi, also continued. The placement of this product was completed in December 2024.

Starting in September, Banca Mediolanum also began marketing a new Mediolanum Gestione Fondi investment solution named Mediolanum Obbligazionario Italia. It invests mainly in the corporate bonds of Italian companies. Although the fund does not have a maturity date, it aims to achieve capital growth over a five-year time horizon by pursuing an investment policy mainly oriented towards Italian corporate bonds. Moreover, because it has the characteristics of a PIR-compliant instrument, if maintained for at least 5 years, the fund allows for the tax benefits established in the Budget Law for 2017 (as amended).
Finally, during the fourth quarter, following the strong appreciation of the Mediolanum Obbligazionario Italia fund, Banca Mediolanum began marketing a new Mediolanum Gestione Fondi investment solution named Mediolanum Obbligazionario Italia II, which is similar in structure to the first edition of the product. The Fund aims to achieve growth in the invested capital over a time horizon of five years, pursuing an investment policy orientated mainly towards Italian corporate bonds.

Unit-linked policies

In January 2024, taking advantage of the market context, Banca Mediolanum began the placement of a new "buy & hold" insurance policy belonging to Mediolanum International Life's Double Target family called "Growth & Income 2030", which sets the unsecured dual objective of:

- protecting the capital at maturity, and
- providing a service consisting of participation at maturity in the positive performance of the financial markets and the payment of a periodic annual sum.

In response to the success of the initiative, in March Banca Mediolanum began marketing a new structure, similar to the first, called "Growth & Income 2030/I".

At the same time, again in the first half of 2024, the new Global Sustainable Bond and Green Building Evolution solutions were included in the Mediolanum MyLife unit-linked policy of Mediolanum Vita.

Mediolanum My Style and My Style Wealth

In order to keep Mediolanum My Style management up to date, the new funds of Mediolanum International Funds, i.e. new UCIs from prestigious global investment houses, were included in the service.

In order to expand the offering of management lines, two new lines, "Global Trends Opportunity" and "Conservative Bond Solution" of the Opportunity Family, in the Satellite Component, were presented to its sales network. More specifically:

- the "Global Trends Opportunity" line aims to achieve a long-term return by investing in companies operating in sectors focused on the environmental and social transformation of the world in which we live;
- the "Conservative Bond Solution" line seeks medium-term returns by investing in a highly diversified bond portfolio composed of financial instruments issued or guaranteed by governments and/or supranational bodies and/or corporate entities worldwide, and can invest predominantly in government bonds issued by the Italian government.

Furthermore, with the aim of enhancing the range of management lines that can be combined with the service, the following changes were made as of November:

- introduction of a new Family named "Premium Allocation", within the Strategic Component, consisting of 6 new management lines that invest in passive financial instruments (e.g. ETFs, ETCs,…) and can be combined in order to customise the asset allocation. This family's lines are focused on capital appreciation over the reference time horizon through prudently diversified investment, with a flexible approach and a particular focus on strategies designed to:
  - seizing bond market opportunities (with reference to Core Bond, Dynamic Bond and Global Bond lines)
  - take advantage of opportunities in the stock market (for the Global Equity Growth, Global Equity Value and Global Equity lines)
- introduce four new Top Selection Family management lines within the Satellite Component. Like the other management lines currently in the Top Selection Family, the new 'Collection Bond', 'Collection Equity', 'Collection ETF Bond' and 'Collection ETF Equity' lines are characterised by the use of financial instruments consisting of bonds and equities, bond ETFs and equity ETFs (including ETCs and ETNs).

MEDIOLANUM MEDPLUS CERTIFICATE

The sale of certificates continued throughout 2024 with various pay-offs and durations, giving customers the option to receive a specific benefit within an equally well-defined time frame.

PROTECTION

Personal policies

During 2024, Banca Mediolanum continued its commitment to familiarise the public, in terms of awareness and experience, with the world of protection, with a common focus on protection against risks to the individual.
With this in mind, Banca Mediolanum's offer has been widened by Mediolanum Vita SpA's addition of a new product *"Mediolanum Capitale Persona Malattia Grave"* to its range of products covering premature death and disability due to accident and illness. The new product offers financial assistance with insured capital of between a minimum of €25,000 and a maximum of €100,000, to insured persons diagnosed with one of the grave illnesses indicated in the conditions for cover. To facilitate comprehensive cover for individuals, the issuing company offered a 10% discount on the product's premium for the policy's entire duration up to maturity, if the "Mediolanum Personal Life Serenity" policy, which covers the risk of premature death, is taken out at the same time.
In addition, the company Mediolanum Vita S.p.A. streamlined the process for signing up for the "Mediolanum Personal Life Serenity" temporary life insurance policy. Where insured capital exceeds of €400,000 or the policy involves insured persons over 65 years of age, a *free medical consultancy service was provided*. This service gathers all the information required for the Medical Examination Report, which is useful for the Company's underwriting assessments.
Awareness of the issues surrounding protection were also raised through commercial initiatives. We should also mention the "Promo Polizze Personal Life Serenity e Capitale Umano ed. marzo 2024"*prize promotion,* which offered a series of prizes for customers who, in accordance with their insurance requirements, also took out Mediolanum Vita S.p.A. "Mediolanum Personal Life Serenity" policies covering death for a capital of at least €200,000 and Mediolanum Capitale Umano by Mediolanum Assicurazioni S.p.A., covering the risk of permanent disability. On the launch of the new product, this commercial initiative, which includes Mediolanum Capitale Persona Malattia Grave among the options indicated above, was renamed "Protezione - Scegli la serenità".

Mediolanum Capitale Casa e Famiglia (property)

Due to the many and increasingly frequent atmospheric and catastrophic events that have significantly affected many parts of the country, Banca Mediolanum's typical focus on home protection has intensified. Two commercial initiatives were launched during the year to raise awareness among customers of the issue of protection against *catastrophic events*, with the offer of the first three months of the first annual premium (offered by Banca Mediolanum) for the Mediolanum Assicurazioni SpA "Mediolanum Capitale Casa e Famiglia" policy, including Earthquake and Flood cover.

SelfyCare

Banca Mediolanum also raised awareness among "Selfy" customers who prefer to operate independently through the Bank's apps and website, who received a digital offer of a selection of products in the range, placed via remote communication techniques.

These customers were targeted by the *"Promo Self"* commercial initiative, which rewarded subscribers to a Mediolanum Vita SpA insurance product, under the conditions set out in the Regulations, with an Amazon voucher. Death cover (i.e. the "SelfyCare LifeProject" available only via the Mediolanum app and based on three distinct predefined cover formulas, and "Mediolanum Personal Life Serenity", which is more detailed and customisable) or the "Mediolanum Capitale Casa e Famiglia" product by Mediolanum Assicurazioni S.p.A.

SUSTAINABILITY OF PRODUCTS AND SERVICES

The investment and asset management area continues to be crucial for the adoption of ESG criteria by the Bank and other Group companies.

In the regulatory field, in 2024 developments centred on the following measures:

- Corporate Sustainability Reporting Directive (CSRD) - Delegated Regulation (EU) 2023/2772 - (31 July 2023);
- ESMA Final Report - Guidelines on funds' names using ESG or sustainability-related terms - (14 May 2024);
- Instructions from the Bank of Italy, COVIP, IVASS and the Ministry of Economy and Finance for the exercise of stricter controls on the activities of authorised intermediaries to combat the financing of companies producing anti-personnel mines, munitions and cluster bombs - (26 July 2024).

On 27 June, the annual statements on the principal adverse impacts (PAIs) of Investment Decisions on Sustainability Factors - ex EU Regulation 2019/2088) were published by Group entities that participate in the financial markets.

New indicators to monitor climate change and its impacts and risks in the context of investments were introduced in the 2024 – 2026 Strategic Plan of the Mediolanum Group. Within the framework of the plan, the Group sets itself quantitative climate targets. In addition to the indicators already used by Group companies to measure investments, the Weighted Average Carbon Intensity (WACI) and Implied Temperature Rise (ITR) indicators were selected as specific measures for the impact and climate risk associated with investments. In the first half of 2024, monitoring of these quantities began and specific management reporting was created.

In 2024, sustainability safeguards for MiFID regulations, i.e. the advisory process, were reinforced. The process of obtaining clients' sustainability preferences and of verification that investment proposals are suitable, have become more sophisticated, with greater emphasis on specific sustainability characteristics of investment products in the portfolio (e.g. PAI consideration).

The following products were launched in 2024 in order to extend the range of sustainability-conscious products offered to customers:

- New management lines for the satellite component of Banca Mediolanum's My Style and My Style Wealth portfolio management services, in accordance with Article 8 of European Reg. 2088/2019:
  - Global Trends Opportunity;
  - Premium Allocation Equity: a line that, by investing globally, can position itself on specific themes/trends that can structurally change a market segment and help redefine the future;
  - Premium Allocation Global Bond: a line that invests in all developed countries, in corporate bonds with a predominantly investment grade rating and with partial hedging of currency risk.

- Two new Mediolanum Best Brands investment solutions developed by Mediolanum International Funds and compliant with Article 9 of Regulation (EU) 2088/2019 (the "SFDR"):
  - Global Sustainable Bond;
  - Green Building Evolution.
- A new investment solution from Mediolanum Fund Management that complies with Article 8 of Regulation (EU) 2088/2019 (the "SFDR"):
  - Mediolanum Obbligazionario Italia II.

For a more detailed description of these products, see to the 'Investment Services' section.

Equity and net inflows

Group assets under administration and management

€/m	31/12/2024	31/12/2023	Chg. vs. Dec-2023	% Chg. vs. Dec-2023
ASSET MANAGEMENT	**52,961.5**	**43,603.7**	**9,357.8**	**21.5%**
Own funds	40,596.2	33,730.1	6,866.1	20.4%
Third-party funds	5,510.5	4,352.4	1,158.2	26.6%
Financial containers	6,854.7	5,521.2	1,333.5	24.2%
INSURANCE	**44,329.5**	**37,240.6**	**7,088.9**	**19.0%**
Insurance containers	42,204.8	35,138.9	7,065.9	20.1%
Other insurance assets	2,124.7	2,101.8	23.0	1.1%
OTHER ASSETS UNDER MANAGEMENT	**3,520.0**	**2,988.4**	**531.6**	**17.8%**
Third-party structured notes	3,520.0	2,988.4	531.6	17.8%
TOTAL ASSETS UNDER MANAGEMENT	**100,811.1**	**83,832.8**	**16,978.3**	**20.3%**
TOTAL ASSETS UNDER ADMINISTRATION	**37,681.9**	**34,238.1**	**3,443.9**	**10.1%**
Direct funding	27,995.1	26,186.8	1,808.3	6.9%
Indirect funding	9,686.8	8,051.3	1,635.6	20.3%
TOTAL ASSETS UNDER ADMINISTRATION AND MANAGEMENT	**138,493.0**	**118,070.8**	**20,422.2**	**17.3%**

At 31 December 2024, the total assets under administration and management of the Mediolanum Group were €138,493.0 million, up compared with the end of 2023 (31/12/2023: €118,070.8 million), due to net inflows for the period and the positive performance of the financial markets over the year.

Assets administered and managed Italy

€/m	31/12/2024	31/12/2023	Chg. vs. Dec-2023	% Chg. vs. Dec-2023
ASSET MANAGEMENT	**44,759.5**	**37,426.7**	**7,332.8**	**19.6%**
Own funds	37,352.2	31,553.7	5,798.4	18.4%
Third-party funds	5,510.5	4,352.4	1,158.2	26.6%
Financial containers	1,896.8	1,520.6	376.2	24.7%
INSURANCE	**42,493.6**	**35,778.9**	**6,714.7**	**18.8%**
Insurance containers	40,483.1	33,823.1	6,660.0	19.7%
Other insurance assets	2,010.5	1,955.8	54.7	2.8%
OTHER ASSETS UNDER MANAGEMENT	**3,520.0**	**2,988.4**	**531.6**	**17.8%**
Third-party structured notes	3,520.0	2,988.4	531.6	17.8%
TOTAL ASSETS UNDER MANAGEMENT	**90,773.2**	**76,194.0**	**14,579.2**	**19.1%**
TOTAL ASSETS UNDER ADMINISTRATION	**34,318.9**	**30,973.6**	**3,345.4**	**10.8%**
Direct funding	25,215.1	23,524.0	1,691.2	7.2%
Indirect funding	9,103.8	7,449.6	1,654.2	22.2%
TOTAL ASSETS UNDER ADMINISTRATION AND MANAGEMENT	**125,092.1**	**107,167.6**	**17,924.5**	**16.7%**

Total assets relating to the Italian market amounted to €125,092.1 million at 31 December 2024, up by €17,924.5 million compared with the balance at 31 December 2023 (31/12/2023: €107,167.6 million).

Assets under administration and management Spain

€/m	31/12/2024	31/12/2023	Chg. vs. Dec-2023	% Chg. vs. Dec-2023
ASSET MANAGEMENT	**7,970.8**	**5,949.9**	**2,020.9**	**34.0%**
Own funds	3,013.0	1,949.3	1,063.6	54.6%
Financial containers	4,957.9	4,000.6	957.3	23.9%
INSURANCE	**1,692.6**	**1,329.5**	**363.1**	**27.3%**
Insurance containers	1,578.4	1,183.5	394.9	33.4%
Other insurance assets	114.2	146.0	(31.8)	(21.8%)
TOTAL ASSETS UNDER MANAGEMENT	**9,663.4**	**7,279.4**	**2,384.0**	**32.8%**
TOTAL ASSETS UNDER ADMINISTRATION	**3,363.0**	**3,264.5**	**98.5**	**3.0%**
TOTAL ASSETS UNDER ADMINISTRATION AND MANAGEMENT	**13,026.4**	**10,543.9**	**2,482.5**	**23.5%**

Total assets relating to the Spanish market amounted to €13,026.4 million at 31 December 2024, up by €2,482.5 million compared with the balance at 31 December 2023 (31/12/2023: €10,543.9 million).

Assets administered and managed Germany

€/m	31/12/2024	31/12/2023	Chg. vs. Dec-2023	% Chg. vs. Dec-2023
ASSET MANAGEMENT	**231.1**	**227.1**	**4.1**	**1.8%**
Own funds	231.1	227.1	4.1	1.8%
INSURANCE	**143.3**	**132.3**	**11.0**	**8.3%**
Insurance containers	143.3	132.3	11.0	8.3%
TOTAL ASSETS UNDER MANAGEMENT	**374.5**	**359.4**	**15.1**	**4.2%**
TOTAL ASSETS UNDER ADMINISTRATION AND MANAGEMENT	**374.5**	**359.4**	**15.1**	**4.2%**

Total assets relating to the German market amounted to €374.5 million at 31 December 2024, up by €15.1 million compared with the balance at 31 December 2023 (31/12/2023: €359.4 million).

Group net inflows

€/m	31/12/2024	31/12/2023	Change	% Change
ASSET MANAGEMENT	**4,657.8**	**1,861.4**	**2,796.4**	**n.s.**
Own funds	3,392.8	1,279.8	2,113.0	n.s.
Third-party funds	702.4	200.5	501.9	n.s.
Financial containers	562.6	381.0	181.5	47.6%
INSURANCE	**2,611.5**	**1,402.5**	**1,209.0**	**86.2%**
Insurance containers	2,670.0	1,390.3	1,279.6	92.0%
Other insurance products	(58.4)	12.2	(70.6)	n.s.
OTHER ASSETS UNDER MANAGEMENT	**374.1**	**745.6**	**(371.6)**	(49.8%)
Third-party structured notes	374.1	745.6	(371.6)	(49.8%)
TOTAL ASSETS UNDER MANAGEMENT	**7,643.4**	**4,009.5**	**3,633.8**	**90.6%**
TOTAL ASSETS UNDER ADMINISTRATION	**2,799.6**	**3,124.3**	**(324.6)**	**(10.4%)**
Direct funding	1,801.1	125.8	1,675.2	n.s.
Indirect funding	998.6	2,998.4	(1,999.9)	(66.7%)
TOTAL NET INFLOWS TO ASSETS UNDER ADMINISTRATION AND MANAGEMENT	**10,443.0**	**7,133.8**	**3,309.2**	**46.4%**

Total net funding at 31 December 2024 was €10,443.0 million, an increase of €3,309.2 million (31/12/2023: €7,133.8 million).

Italy net inflows

€/m	31/12/2024	31/12/2023	Change	% Change
ASSET MANAGEMENT	**3,420.2**	**1,583.4**	**1,836.8**	**n.s.**
Own funds	2,499.5	1,139.3	1,360.2	n.s.
Third-party funds	702.4	200.5	501.9	n.s.
Financial containers	218.2	243.5	(25.3)	(10.4%)
INSURANCE	**2,432.8**	**1,198.8**	**1,234.1**	**n.s.**
Insurance containers	2,450.3	1,216.7	1,233.6	n.s.
Other insurance products	(17.5)	(17.9)	0.5	(2.6%)
OTHER ASSETS UNDER MANAGEMENT	**374.1**	**745.6**	**(371.6)**	**(49.8%)**
Third-party structured notes	374.1	745.6	(371.6)	(49.8%)
TOTAL ASSETS UNDER MANAGEMENT	**6,227.1**	**3,527.8**	**2,699.3**	**76.5%**
TOTAL ASSETS UNDER ADMINISTRATION	**2,746.8**	**2,787.9**	**(41.1)**	(1.5%)
Direct funding	1,688.2	(133.6)	1,821.8	n.s.
Indirect funding	1,058.6	2,921.6	(1,863.0)	(63.8%)
TOTAL NET INFLOWS TO ASSETS UNDER ADMINISTRATION AND MANAGEMENT	**8,973.9**	**6,315.7**	**2,658.2**	**42.1%**

Spain net inflows

€/m	31/12/2024	31/12/2023	Change	% Change
ASSET MANAGEMENT	**1,268.5**	**317.8**	**950.7**	**n.s.**
Own funds	924.2	180.3	743.9	n.s.
Financial containers	344.3	137.5	206.8	n.s.
INSURANCE	**182.0**	**211.2**	**(29.2)**	**(13.8%)**
Insurance containers	223.0	181.1	41.9	23.1%
Other insurance products	(41.0)	30.1	(71.1)	n.s.
TOTAL ASSETS UNDER MANAGEMENT	**1,450.5**	**529.0**	**921.5**	**n.s.**
TOTAL ASSETS UNDER ADMINISTRATION	**52.8**	**336.3**	**(283.5)**	(84.3%)
Direct funding	112.8	259.4	(146.6)	(56.5%)
Indirect funding	(60.0)	76.9	(136.9)	n.s.
TOTAL NET INFLOWS TO ASSETS UNDER ADMINISTRATION AND MANAGEMENT	**1,503.4**	**865.4**	**638.0**	**73.7%**

Net inflows Germany

€/m	31/12/2024	31/12/2023	Change	% Change
ASSET MANAGEMENT	**(30.9)**	**(39.8)**	**8.9**	**(22.3%)**
Own funds	(30.9)	(39.8)	8.9	(22.3%)
INSURANCE	**(3.3)**	**(7.5)**	**4.2**	**(56.0%)**
Insurance containers	(3.3)	(7.5)	4.2	(56.0%)
TOTAL ASSETS UNDER MANAGEMENT	**(34.2)**	**(47.3)**	**13.1**	**(27.6%)**
TOTAL NET INFLOWS TO ASSETS UNDER ADMINISTRATION AND MANAGEMENT	**(34.2)**	**(47.3)**	**13.1**	**(27.6%)**

Protection premium income figures

Group

€/m	31/12/2024	31/12/2023	Change	% Change
Combination	**37.4**	**40.1**	**(2.7)**	**(6.8%)**
Collective medical expenses	**0.2**	**0.3**	**(0.1)**	**(41.3%)**
Stand alone	**168.5**	**144.7**	**23.9**	**16.5%**
New business stand-alone products	32.3	29.3	3.0	10.4%
Stand-alone portfolio	136.2	115.3	20.9	18.1%
TOTAL PROTECTION PREMIUM INCOME	**206.1**	**185.1**	**21.0**	**11.3%**

Total funding was €206.1 million, up €21.0 million compared with the comparative period (31/12/2023: €185.1 million).

Italy

€/m	31/12/2024	31/12/2023	Change	% Change
Combination	**37.4**	**40.1**	**(2.7)**	**(6.8%)**
Collective medical expenses	**0.2**	**0.3**	**(0.1)**	**(41.3%)**
Stand alone	**163.8**	**141.1**	**22.7**	**16.1%**
New business stand-alone products	30.9	28.2	2.7	9.7%
Stand-alone portfolio	132.9	112.9	19.9	17.7%
TOTAL PROTECTION PREMIUM INCOME	**201.4**	**181.6**	**19.8**	**10.9%**

Total inflows into the Italian market amounted to €201.4 million euro (31/12/2023: €181.6 million).

Breakdown of loans

Group disbursed

€/m	31/12/2024	31/12/2023	Change	% Change
Mortgage loans	1,616.0	1,747.3	**(131.3)**	**(7.5%)**
Personal loans	840.5	675.7	**164.8**	**24.4%**
Prexta	635.8	541.7	**94.2**	**17.4%**
TOTAL DISBURSED	**3,092.4**	**2,964.7**	**127.7**	**4.3%**

Total disbursements in the period under review increased by €127.7 million to €3,092.4 million. This result can be attributed to: a reduction in mortgages due to the contraction in demand in light of the increase in rates (-€131.3 million), an increase in disbursements of personal loans (+€164.8 million), an increase in the volume of Prexta disbursements (+€94.2 million), again largely due to the subsidiary's personal loans (+€76 million).

Italy disbursed

€/m	31/12/2024	31/12/2023	Change	% Change
Mortgage loans	1,369.7	1,416.3	(46.6)	(3.3%)
Personal loans	739.9	618.0	121.9	19.7%
Prexta	635.8	541.7	94.2	17.4%
TOTAL DISBURSED	**2,745.5**	**2,576.0**	**169.5**	**6.6%**

Spain disbursed

€/m	31/12/2024	31/12/2023	Change	% Change
Mortgage loans	246.2	331.0	(84.8)	(25.6%)
Personal loans	100.7	57.7	42.9	74.4%
TOTAL DISBURSED	**346.9**	**388.7**	**(41.8)**	**(10.8%)**

Group Portfolio

€/m	31/12/2024	31/12/2023	Change	% Change
Mortgage loans	12,512.4	12,114.0	398.4	3.3%
Personal loans	2,437.4	2,443.7	(6.3)	(0.3%)
Credit facilities	557.1	601.5	(44.4)	(7.4%)
Prexta	2,111.6	1,868.7	242.8	13.0%
TOTALE STOCK	**17,618.4**	**17,027.9**	**590.5**	**3.5%**

The Group's total stock of employment at 31 December 2024 stood at €17,618.4 million, up by €590.5 million compared with 31 December 2023 (31/12/2023: €17,027.9 million).

Italy Portfolio

€/m	31/12/2024	31/12/2023	Change	% Change
Mortgage loans	11,342.7	11,048.7	294.0	2.7%
Personal loans	2,209.5	2,247.7	(38.2)	(1.7%)
Credit facilities	461.2	513.6	(52.4)	(10.2%)
Prexta	2,111.6	1,868.7	242.8	13.0%
TOTALE STOCK	**16,124.9**	**15,678.7**	**446.2**	**2.8%**

Spain Portfolio

€/m	31/12/2024	31/12/2023	Change	% Change
Mortgage loans	1,169.7	1,065.3	104.4	9.8%
Personal loans	227.9	196.0	31.9	16.3%
Credit facilities	95.9	87.9	8.0	9.1%
TOTALE STOCK	**1,493.6**	**1,349.2**	**144.4**	**10.7%**

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AT 31 DECEMBER 2024

€/000	31/12/2024	31/12/2023	Change	
			value	%
	a	b	c=a-b	c/b
Entry fees	60,539	38,703	21,836	56.4%
Management fees	1,283,868	1,108,307	175,561	15.8%
Investment management fees	252,838	217,142	35,696	16.4%
Insurance management result	199,391	167,313	32,078	19.2%
Banking service fees	186,878	173,034	13,844	8.0%
Other fees	51,712	42,292	9,420	22.3%
Gross commission income	**2,035,226**	**1,746,791**	**288,434**	**16.5%**
Acquisition costs	(693,251)	(576,171)	(117,079)	20.3%
Other commission expenses	(173,962)	(141,168)	(32,794)	23.2%
Total commission expenses	**(867,213)**	**(717,339)**	**(149,873)**	**20.9%**
Net commission income	**1,168,013**	**1,029,452**	**138,561**	**13.5%**
Net interest income	**811,149**	**752,407**	**58,742**	**7.8%**
Net income on other investments	**33,821**	**16,837**	**16,984**	**n.s.**
LLP (impairment on loans)	**(32,680)**	**(32,793)**	**113**	**(0.3%)**
Other revenues and expenses	**(3,798)**	**628**	**(4,426)**	**n.s.**
CONTRIBUTION MARGIN	**1,976,505**	**1,766,531**	**209,974**	**11.9%**
G&A expenses	(736,223)	(673,529)	(62,694)	9.3%
Regular contributions to banking industry	(35,509)	(30,998)	(4,511)	14.6%
Depreciation & amortisation	(41,869)	(45,500)	3,631	(8.0%)
Net provisions for risk and charges	(69,320)	(28,840)	(40,480)	n.s.
TOTAL COSTS	**(882,921)**	**(778,867)**	**(104,054)**	**13.4%**
OPERATING MARGIN	**1,093,584**	**987,664**	**105,920**	**10.7%**
Performance fees	376,738	54,307	322,431	n.s.
Net income on investments at fair value	16,683	35,425	(18,742)	(52.9%)
MARKET EFFECTS	**393,421**	**89,732**	**303,689**	**n.s.**
Extraordinary contributions and guarantee funds	(11,108)	(10,210)	(898)	8.8%
Other extraordinary items	(20,939)	-	(20,939)	n.s.
EXTRAORDINARY ITEMS	**(32,047)**	**(10,210)**	**(21,837)**	**n.s.**
PROFIT BEFORE TAX	**1,454,958**	**1,067,186**	**387,772**	**36.3%**
Income tax	**(335,329)**	**(245,316)**	**(90,013)**	**36.7%**
NET INCOME	**1,119,629**	**821,870**	**297,759**	**36.2%**

(*) This income statement was prepared using a schedule that reflects the Group's management system, which provides for the reclassification of the components of profit before tax by type. It should also be noted that for a correct reading of the tables relating to economic performance, an increase in cost items will have an absolute negative change and a positive percentage change; conversely, a decrease in cost items will have an absolute positive change and a negative percentage change.

Summary of reclassified income statement performance in 2024

€/m	31/12/2024	31/12/2023	Change	Change (%)
Net income in the period	**1,119.6**	**821.9**	**297.7**	**36.2%**
of which:				
Commission income	2,035.2	1,746.8	288.4	16.5%

Commission income for the period amounted to €2,035.2 million, compared with €1,746.8 million in the comparison period.

In particular, recurring fees (management fees and investment services fees) increased by +€211.3 million compared to the comparison period, mainly due to an increase in average assets of approximately 18% compared to the comparison period.

Fund entry fees increased by +€21.8 million compared with the comparative period, attributable to the increase in inflow volumes.

The ***insurance management result*** showed an increase of +€32.1 million, due to higher net revenues from insurance products classified under IFRS 17. The contractual service margin (CSM) for insurance products increased by €447 million compared to the figure for the comparison period (31.12.2023: €2,191 million), mainly due to new production and favourable market dynamics, which stood at €2,638 million at 31 December 2024, thus producing the largest releases to the income statement.

Banking service fees increased by +€13.8 million compared to the comparison period and were mainly attributable to higher fees for electronic money instruments.
Lastly, the residual item ***Other fees*** showed an increase of +€9.4 million, mainly due to other commission on assets under management of +€5.0 million and corresponding bank commissions of +€3.6 million due to higher volumes.

Commission expenses	(867.2)	(717.3)	(149.9)	20.9%
of which:				
Acquisition costs	(693.2)	(576.1)	(117.1)	20.3%
Other commissions	(174.0)	**(141.2)**	**(32.8)**	**23.2%**

Acquisition costs amounted to -€693.2 million, up 20.3% compared with the comparative period (31/12/2023: -€576.1 million).
The increase of -€117.1 million in this item was mainly due to:

- higher recurring fees (-€64.5 million) attributable to growth in management fees as described above;
- higher incentive commissions paid to the Family Banker network (-€31.4 million);
- higher upfront fees (-€18.8 million) consistent with the entry fees.

The ***other commissions*** item recorded an increase of -€32.8 million compared to the same period last year, mainly attributable to -€16.5 million in electronic money and payment products and services, and the remainder to an increase in management costs linked to a rise in average pricing and an increase in assets under management compared to the same period last year.

Net interest income	811.1	752.4	58.7	7.8%

Net interest income increased by +€58.7 million compared with 31 December 2023, due to the favourable performance of the rate curves, which generated:

- an increase in interest income of +€118.0 million, including €75.0 million related to treasury investments and €43.0 million to loans to customers;
- an increase in interest expenses of -€77.0 million, of which +€30.0 million related to treasury deposits and -€107.0 million to customer deposits.

Net income on other investments	33.8	16.8	17.0	n.s.

The increase in *net income from on other investments* of €17.0 million is mainly attributable to the recognition of the Mediobanca dividend, which increased by €6.4 million compared to the same period last year, amounting to €31.1 million at 31 December 2024 (31 December 2023: €24.7 million) and lower real estate write-downs of +€6.1 million.

G&A expenses	(736.2)	(673.5)	(62.7)	9.3%

G&A expenses increased by -€62.7 million compared with the comparative period and mainly related to::

- higher operating costs of -€36.5 million, mainly attributable to IT and staff expenses due to the renewal of the National Collective Labour Agreement and the increase in average headcount;
- higher development and commercial support expenses of -€16.5 million;

Contributions to banking industry	(46.6)	(41.2)	(5.4)	13.1%
of which:				
Ordinary contributions	(35.5)	(31.0)	(4.5)	14.5%
Extraordinary contributions	(11.1)	(10.2)	(0.9)	8.8%

The higher cost of *Ordinary contributions* compared with the comparative period (-€4.5 million) is mainly due to:

- an increase of -€16.2 million due to the pro-rata temporis contribution of the new resolution fund due on insurance products written and/or distributed;
- a reduction in contributions in the banking sector totalling +€11.7 million in light of the resolution fund's early achievement of its target level.

The *Extraordinary contributions* mainly includes costs paid for the rescue of distressed banks in connection with the advance by the fund of the claim for 2024 of the last instalment for DGS, amounting to -€11.1 million.

Provisions for risk & charges	(69.3)	(28.8)	(40.5)	n.s.

The item ***Net provisions for risks and charges*** increased by -€40.5 million compared to the previous period, mainly attributable to the reduction in the discount rates applied to expected payments in respect of indemnities to financial advisors (-€34.2 million).

Market effects	393.4	89.7	303.7	n.s.
of which:				
Performance fees	376.7	54.3	322.4	n.s.
Net income (losses) on investments at fair value	16.7	35.4	(18.7)	(52.8%)

Market effects recorded a sharp increase (+€303.7 million) compared to the same period last year.

Performance fees amounted to €376.7 million, compared with €54.3 million in the prior year. €351.0 million of the value achieved at 31 December 2024 was attributable to the Irish subsidiary Mediolanum International Fund (31.12.2023: €37.2 million) and €25.7 million by the Italian subsidiary Mediolanum Gestione Fondi (31.12.2023: €17.1 million).

The decrease in net income (losses) from investments at fair value was mainly attributable to a -€18.7 million decrease in gains from trading book management activities, amounting to -€5.5 million, and a -€15.4 million decrease due to the valuation of Nexi shares.

Extraordinary items	(20.9)	-	(20.9)	n.s.

The ***extraordinary items*** item includes the extraordinary bonus paid to employees and the commercial network.

INCOME STATEMENT AT 31 DECEMBER 2024 BY COUNTRY AND BUSINESS AREA

The following section provides a commentary on the changes in the income statement by country and business area, where relevant with reclassification of comparative figures. While revenues are originally and directly allocated to products and, by aggregation, to the Result Areas, costs have undergone an allocation process based on varying degrees of attribution to the products and the nature of the underlying processes:

- Direct costs: costs directly attributed to a product or a homogeneous category of products;
- Allocated direct costs; costs subject to allocation using drivers that distribute the cost between various products and/or product categories;
- Non-allocated costs: costs of a strictly administrative nature or related to control or infrastructure processes, for which, based on the characteristics of the cost allocation model, no allocation is made.

The details of IFRS 8 are set out in the relevant section Operating data by business area.

ITALY – BANKING SEGMENT

€/000	31/12/2024	31/12/2023	Change	Change (%)
Banking service fees	176,342	164,328	12,014	7.3%
Other fees	771	1,355	(584)	(43.1%)
Gross commission income	**177,113**	**165,683**	**11,430**	**6.9%**
Acquisition costs	(90,705)	(97,400)	6,694	(6.9%)
Other commission expenses	(80,956)	(64,113)	(16,843)	26.3%
Total commission expenses	**(171,661)**	**(161,513)**	**(10,149)**	**6.3%**
Net commission income	**5,452**	**4,171**	**1,281**	**30.7%**
Net interest income	**675,708**	**616,387**	**59,322**	**9.6%**
Net income on other investments	479	(6,908)	7,387	**n.s.**
LLP (impairment on loans)	**(31,584)**	**(31,394)**	**(190)**	**0.6%**
Other revenues and expenses	**(10,124)**	**(6,029)**	**(4,095)**	**67.9%**
LEVEL I CONTRIBUTION MARGIN	**639,930**	**576,226**	**63,705**	**11.1%**
Direct and indirect costs allocated	**(228,269)**	**(220,019)**	**(8,251)**	**3.7%**
Regular contributions to banking industry	**(19,240)**	**(27,040)**	**7,800**	**(28.8%)**
LEVEL II CONTRIBUTION MARGIN	**392,421**	**329,167**	**63,254**	**19.2%**
Net income (losses) on investments at fair value	14,650	33,575	(18,925)	**(56.4%)**
MARKET EFFECTS	**14,650**	**33,575**	**(18,925)**	**(56.4%)**
Extraordinary contributions and guarantee funds	(11,108)	(10,210)	(898)	8.8%
EXTRAORDINARY ITEMS	**(11,108)**	**(10,210)**	**(898)**	**8.8%**
SEGMENT MARGIN BEFORE TAX	**395,962**	**352,532**	**43,430**	**12.3%**

Profit ***before tax*** for the Italy - Banking segment was +€396.0 million, compared with +€352.5 million in 2023. The segment in question grew by +€43.4 million, benefiting from growth in net interest income of +€59.3 million and lower provisions for regular contributions to the banking industry of +€7.8 million, although it was affected by the adverse impact of items measured at fair value (-€18.9 million).

Revenues from ***Commission income*** amounted to +€177.1 million, +€11.4 million compared to the same period last year. The increase is attributable to higher commissions from electronic money products, which grew by €12.4 million, approximately +€4.9 million of which was due to incentives from commercial partners (Nexi and Mastercard) and +€7.5 million was due to an increase in the number of cards and transaction volumes. There were also some offsetting effects related to growth of +€1.8 million in trading and custody fees, and +€3.8 million in fees from banking transactions. This growth was offset by a decrease of -€4.1 million, attributable to a decline in the volume of structured bonds placed and a reduction of -€1.8 million relating to the placement of credit products, due to lower disbursements compared with the reference period.

Acquisition costs fell by €6.7 million, mainly due to bank deposit products (current account balances, certificates placed), which led to a reduction of €5.6 million.

Other commission expenses increased by -€16.8 million, attributable to expenses for e-money products. In particular, there were increases in management costs and circuit charges as a result of rate adjustments made by commercial partners (Nexi and Mastercard). There was also an increase in financial charges on liquidity advances, depending on rate trends. Finally, there were higher costs related to increased volumes.

Net interest income, which amounted to +€675.7 million, was up compared to the comparison period, driven by interest rate dynamics, which permitted an increase in the spread between yields on assets and the cost of liabilities.

Direct and indirect costs allocated increased by -€8.3 million, reflecting the growth in the customer and product base, which generated an increase of -€6.8 million. In addition to this, there was the consolidation of the IT department (-€5.1 million) and, partially offsetting this, a decrease in costs of the subsidiary Flowe (+€3.2 million).

The ***Regular contributions to banking industry*** item fell by +€7.8 million and is mainly due to the lower provision for contributions to the Single Resolution Fund (the SRF) (+€9.1 million) as a result of the early achievement of the target at the end of 2023.

Market effects amounted to around +€14.7 million, down by -€18.9 million compared to December 2023. The decrease is mainly due to the valuation of the trading portfolio at -€21.9 million and the valuation of the NEXI stock at -€15.4 million. These trends are offset by a +€9.1 million improvement in UCI valuations, a positive impact of +€7.3 million related to derivative products, and lastly, a +€2.0 million increase in foreign exchange trading by the treasury.

The ***extraordinary items*** were in line with the comparison period. It should be noted that this item includes extraordinary contributions paid to rescue banks in difficulty.

ITALY SEGMENT – ASSET MANAGEMENT

€/000	31/12/2024	31/12/2023	Change	Change (%)
Entry fees	38,815	28,062	10,753	38.3%
Management fees	694,386	614,217	80,170	13.1%
Investment management fees	134,848	122,856	11,992	9.8%
Other fees	29,516	23,668	5,847	24.7%
Gross commission income	**897,565**	**788,803**	**108,762**	**13.8%**
Acquisition costs	(319,172)	(260,409)	(58,764)	22.6%
Other commission expenses	(43,644)	(35,005)	(8,639)	24.7%
Total commission expenses	**(362,816)**	**(295,414)**	**(67,402)**	**22.8%**
Net commission income	**534,749**	**493,389**	**41,360**	**8.4%**
Net interest income	**6,253**	**11,023**	**(4,770)**	**(43.3%)**
Net income on other investments	**74**	**(268)**	**342**	**n.s.**
Other revenues and expenses	**635**	**555**	**80**	**14.4%**
LEVEL I CONTRIBUTION MARGIN	**541,710**	**504,699**	**37,012**	**7.3%**
Direct and indirect costs allocated	(113,039)	(99,605)	(13,434)	13.5%
LEVEL II CONTRIBUTION MARGIN	**428,672**	**405,094**	**23,577**	**5.8%**
OPERATING MARGIN	**428,672**	**405,094**	**23,577**	**5.8%**
Performance fees	196,214	33,349	162,866	n.s.
Net income on investments at fair value	(87)	(43)	(43)	n.s.
MARKET EFFECTS	**196,128**	**33,305**	**162,822**	**n.s.**
SEGMENT MARGIN BEFORE TAX	**624,799**	**438,399**	**186,400**	**42.5%**

The *profit before tax* of the Italy - Asset Management segment came in at +€624.8 million, compared with the previous year's profit of +€438.4 million. The increase for the period was mainly attributable to +€162.9 million in performance fees.

Commission income for the period stood at +€897.6 million, an increase of +€108.8 million year on year. The increase is mainly attributable to higher recurring fees, influenced by higher assets under management compared to the comparison period.

Acquisition costs in line with commission income, increased by -€58.8 million compared to the comparison period The increase is mainly due to the growth of the management fee of -€36.0 million and the front fee of -€7.0 million. The growth in incentive remuneration, based on higher volumes compared to 2023, completes the picture.

Allocated direct and indirect costs increased by -€13.4 million compared to the comparison period. The main change is due to the increase in operating, marketing and sales support costs of -€7.1 million in line with the commercial dynamics of the period.

Market effects increased by +€162.8 million compared with the same period a year earlier, due to higher performance fees during the period.

ITALY – INSURANCE SEGMENT

€/000	31/12/2024	31/12/2023	Change	Change (%)
Management fees	467,036	394,248	72,788	18.5%
Investment management fees	96,503	76,382	20,121	26.3%
Insurance management result (excluding fees)	188,282	158,312	29,971	18.9%
Other fees	14,607	11,893	2,715	22.8%
Gross commission income	**766,428**	**640,834**	**125,594**	**19.6%**
Acquisition costs	(206,797)	(165,022)	(41,775)	25.3%
Other commission expenses	(32,829)	(28,245)	(4,585)	16.2%
Total commission expenses	**(239,627)**	**(193,267)**	**(46,360)**	**24.0%**
Net commission income	**526,802**	**447,567**	**79,234**	**17.7%**
Net interest income	**60,722**	**48,745**	**11,977**	**24.6%**
Net income on other investments	**5,614**	**3,608**	**2,006**	**55.6%**
Other revenues and expenses	**(425)**	**(1,393)**	**968**	**(69.5%)**
LEVEL I CONTRIBUTION MARGIN	**592,714**	**498,528**	**94,186**	**18.9%**
Direct and indirect costs allocated	(117,954)	(103,524)	(14,430)	13.9%
Regular contributions to banking industry	(16,209)	-	(16,209)	n.s.
LEVEL II CONTRIBUTION MARGIN	**458,551**	**395,004**	**63,547**	**16.1%**
OPERATING MARGIN	**458,551**	**395,004**	**63,547**	**16.1%**
Performance fees	154,936	18,408	136,527	n.s.
Net income on investments at fair value	273	257	16	6.1%
MARKET EFFECTS	**155,209**	**18,666**	**136,543**	**n.s.**
SEGMENT MARGIN BEFORE TAX	**613,760**	**413,669**	**200,090**	**48.4%**

The *Margin before tax* of the Italy segment - Insurance segment came at +€613.8 million, up by +€200.1 million compared to for December 2023, of +€413.7 million. This increase was due to the higher performance fees recorded in 2024 (+€136.5 million) and the growth in net commissions (+€79.2 million).

Commission income for the period was +€766.4 million, up by +€125.6 million compared with the previous period. The increase is attributable to recurring commissions, as a result of the increase in assets under management, and due to the increase in the Insurance Operations Result from higher net revenues from insurance products classified in accordance with IFRS17.

Acquisition costs rose by -€41.8 million compared with the comparative period. This increase is mainly attributable to higher maintenance fees due to the growth of the portfolio and to the increase in incentive remuneration, based on higher volumes compared to 2023.

Net interest income which came to +€60.7 million, was up compared with the comparative period, mainly due to the higher yields of the companies' portfolio invested in bonds.

Allocated direct and indirect costs rose by -€14.4 million compared to the comparison period. The main change is due to the increase in marketing and support costs to the Sales Network of -€10.9 million, which is consistent with the commercial dynamics of the period.

Contributions to funds and guarantees include -€16.2 million in provisions made in compliance with legislation to protect beneficiaries and those entitled to insurance benefits deducted from life policies if the insurance company is subject to insolvency proceedings (the Life Guarantee Fund).

Market effects increased by +€136.5 million, mainly due to higher performance fees recorded during the period.

ITALY – OTHER SEGMENT

€/000	31/12/2024	31/12/2023	Change	Change (%)
Other fees	2,755	2,122	633	29.8%
Acquisition costs	(2,313)	(863)	(1,449)	n.s.
Net commission income	**442**	**1,259**	**(816)**	**(64.9%)**
Net interest income	**134**	**131**	**3**	**2.3%**
Net income on other investments	**27,436**	**20,411**	**7,024**	**34.4%**
Other revenues and expenses	**5,136**	**6,488**	**(1,352)**	**(20.8%)**
LEVEL I CONTRIBUTION MARGIN	**33,148**	**28,289**	**4,858**	**17.2%**
Allocated costs	(6,707)	(5,620)	(1,087)	19.3%
LEVEL II CONTRIBUTION MARGIN	**26,441**	**22,669**	**3,772**	**16.6%**
OPERATING MARGIN	**26,441**	**22,669**	**3,772**	**16.6%**
SEGMENT MARGIN BEFORE TAX	**26,441**	**22,669**	**3,772**	**16.6%**

The *Italy Other Segment* comprises miscellaneous financial items not directly attributable to the other lines of business or relating to common activities.
The growth of +€3.8 million in the segment is mainly due to the dividend value of Mediobanca received by Banca Mediolanum and the sale of real estate owned by Banca Mediolanum that is not instrumental to its core business.

SPAIN SEGMENT

€/000	31/12/2024	31/12/2023	Change	Change (%)
Entry fees	21,724	10,641	11,083	n.s.
Management fees	117,156	95,180	21,976	23.1%
Investment management fees	20,375	16,834	3,541	21.0%
Insurance management result	10,396	8,733	1,663	19.0%
Banking service fees	10,536	8,706	1,830	21.0%
Other fees	3,840	3,031	809	26.7%
Gross commission income	**184,027**	**143,125**	**40,902**	**28.6%**
Acquisition costs	(72,364)	(50,393)	(21,971)	43.6%
Other commission expenses	(15,921)	(13,194)	(2,727)	20.7%
Total commission expenses	**(88,285)**	**(63,587)**	**(24,698)**	**38.8%**
Net commission income	**95,742**	**79,538**	**16,204**	**20.4%**
Net interest income	66,954	**74,890**	**(7,936)**	**(10.6%)**
Net income on other investments	219	**(5)**	**224**	**n.s.**
LLP (impairment on loans)	(1,096)	**(1,377)**	**281**	**(20.4%)**
Other revenues and expenses	976	**785**	**191**	**24.3%**
LEVEL I CONTRIBUTION MARGIN	**162,795**	**153,831**	**8,964**	**5.8%**
Direct and indirect costs allocated	(74,042)	(64,638)	(9,404)	14.5%
Regular contributions to banking industry	(60)	(3,958)	3,898	(98.5%)
LEVEL II CONTRIBUTION MARGIN	**88,693**	**85,235**	**3,458**	**4.1%**
Depreciation & amortisation	(8,524)	(6,962)	(1,562)	22.4%
Net provisions for risk and charges	(3,439)	(1,807)	(1,632)	90.3%
OPERATING MARGIN	**76,730**	**76,466**	**264**	**0.3%**
Performance fees	23,419	2,389	21,030	n.s.
Net income on investments at fair value	1,713	1,517	196	12.9%
MARKET EFFECTS	**25,132**	**3,906**	**21,226**	**n.s.**
EXTRAORDINARY ITEMS	**(4,127)**	**0**	**(4,127)**	**n.s.**
SEGMENT MARGIN BEFORE TAX	**97,735**	**80,372**	**17,363**	**21.6%**

The *Margin before tax* for the Spain segment was +€97.7 million, compared with the previous year's result of +€80.4 million.

Commission income rose from +€143.1 million in December 2023 to +€184.0 million in the reporting period. This performance is mainly attributable to the increase in recurring commissions (+€25.5 million) resulting from the increase in assets under management due to the net inflows achieved and the positive effects generated by the performance of the financial markets.

Acquisition costs were up by -€21.9 million, mainly due to the solid performance of products in the managed segment.

Net interest income amounted to approximately +€66.9 million, a fall of €7.9 million compared to the comparison period due to customer promotions.

Direct and indirect allocated costs, consisting of the segment's total general and administrative expenses, increased by -€9.4 million compared to the comparison period. This difference is mainly attributable to: -€5.4 million in higher personnel costs (an average of 60 additional average employees), -€2.2 million in support of the sales network, -€0.8 million in regulatory projects and volume growth support, and -€1.7 million in IT services. There was a saving on the advertising campaign of approximately €1.5 million compared to the comparison period.

Regular contributions to banking industry was a lower cost of +€3.9 million, as contributions are no longer due because the Fund has reached its target financial envelope.

GERMANY SEGMENT

€/000	31/12/2024	31/12/2023	Change	Change (%)
Management fees	5,290	4,663	627	13.4%
Investment management fees	1,112	1,070	42	3.9%
Insurance management result	713	268	445	n.s.
Other fees	223	223	-	0.0%
Gross commission income	**7,338**	**6,224**	**1,113**	**17.9%**
Acquisition costs	(1,899)	(2,084)	185	(8.9%)
Other commission expenses	(612)	(612)	-	-
Total commission expenses	**(2,511)**	**(2,696)**	**185**	**(6.9%)**
Net commission income	**4,827**	**3,528**	**1,298**	**36.8%**
Net interest income	**1,378**	**1,232**	**146**	**11.9%**
Net income on other investments	-	(1)	**1**	**n.s.**
LLP (impairment on loans)	-	(22)	**22**	**n.s.**
Other revenues and expenses	3	221	**(218)**	**(98.6%)**
LEVEL I CONTRIBUTION MARGIN	**6,208**	**4,958**	**1,249**	**25.2%**
Allocated costs	(442)	(3,538)	3,096	(87.5%)
LEVEL II CONTRIBUTION MARGIN	**5,766**	**1,420**	**4,345**	**n.s.**
Depreciation & amortisation	(20)	(39)	19	(48.7%)
OPERATING MARGIN	**5,746**	**1,381**	**4,364**	**n.s.**
Performance fees	2,169	161	2,008	n.s.
Net income on investments at fair value	134	119	15	12.6%
MARKET EFFECTS	**2,303**	**280**	**2,023**	**n.s.**
EXTRAORDINARY ITEMS	**(4)**	**0**	**(4)**	**n.s.**
SEGMENT MARGIN BEFORE TAX	**8,045**	**1,661**	**6,383**	**n.s.**

INTERCOMPANY AND RELATED PARTY TRANSACTIONS

Transactions with related parties, including intercompany transactions, cannot be classed as atypical or unusual, as they are part of the normal course of Group operations. These transactions are settled under market conditions, taking into account the characteristics of the goods and services provided. In accordance with the provisions of Article 2391-bis of the Italian Civil Code, Article 71-bis of Consob Regulation 11971/99 (Issuers' Regulations) and the recommendations of the Corporate Governance Code, adopted by the Company by specific resolutions of the Board of Directors, the treatment of transactions with related parties is described in the relevant section of the notes.

SHAREHOLDERS' EQUITY, TREASURY SHARES AND DIVIDENDS

At 31 December 2024, the share capital amounted to €600,688 thousand (31.12.2023: €600,564 thousand) divided into 745,278,391 shares with no par value. The number of treasury shares in the portfolio was 7,893,303 shares for a total of €77,414 thousand (31.12.2023: €19,781 thousand).

Shareholders' equity at the end of the 2024 financial year was €4,026 million, compared with €3,455 million a year earlier.

With regard to the allocation of earnings for 2023, it should be recalled that the Shareholders' Meeting of 18 April 2024 resolved to distribute a dividend of €0.70, of which €0.28 had already been distributed as an interim dividend in November 2023. On 24 April 2024, the balance of €0.42 per eligible ordinary share was distributed.

EPS (earnings per share) amounted to €1,515 compared with €1,111 in 2023.

CAPITAL ADEQUACY OF THE MEDIOLANUM FINANCIAL CONGLOMERATE AND OWN FUNDS AT 31 DECEMBER 2024[6]

The current level of Own Funds and risk-weighted assets enables the Mediolanum Group to comfortably meet the regulatory thresholds and the specific thresholds required by the Supervisory Body after carrying out the Supervisory Review and Evaluation Process (SREP). The Group's capital adequacy is based on the continuous monitoring and management of capital ratios in order to verify compliance with regulatory limits and ensure the maintenance of the minimum capitalisation levels established by the Supervisory Authority.
At 31 December 2024, the calculation of the capital adequacy of the Financial Conglomerate Banca Mediolanum S.p.A., determined in accordance with the applicable supplementary supervisory regulations, showed that, with capital requirements of €3,220 million, the capital resources of the conglomerate to cover the required margin amounted to €4,189 million, with a surplus of €969 million (€714 million at 31 December 2023).
The Mediolanum Group calculated the consolidated own funds for supervisory purposes and the relevant capital ratios in accordance with the regulations in force (Regulation (EU) No. 575/2013, the "Basel 3" regulation). At the end of 2024, the Common Equity Tier 1 Ratio (CET1) was 23.7% (22.3% at 31 December 2023).

[6]The values set out in this report may be updated during the Supervisory Authority reporting phase.

Own funds totalled €3,338.9 million (31.12.2023: €2,936.2 million) while RWAs (risk-weighted assets) amounted to €14,108.4 million (31.12.2023: €13,175 million).
CET1 was determined by considering the profit for the year of €1,119.6 million, net of the planned distribution of dividends of €737.4 million. The profit for the year calculated therefore amounted to €382.2 million.

Reconciliation between the shareholders' equity of the Parent Company and consolidated shareholders' equity

€/000	Share capital and reserves	Profit	Shareholders' equity
Financial statements of the Parent Company at 31/12/2024	**2,922,978**	**1,135,170**	**4,058,148**
Derecognition of intercompany transaction effects	-	241	241
Other transactions	(16,887)	(15,782)	(32,669)
Consolidated financial statements at 31/12/2024	**2,906,091**	**1,119,629**	**4,025,720**

As the equity investments of the Parent Company are accounted for using the equity method, its shareholders' equity is substantially in line with consolidated shareholders' equity.
In other transactions, the amount of -€15,782 thousand mainly includes the economic effect of the adjustment of the profitability of insurance products measured at the consolidated level, while the amount of -€16,887 thousand mainly relates to the change in the "profit reserve".

CONSOLIDATED SUSTAINABILITY STATEMENT 2024

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1.1.1 Basis for preparation



Through the transposition of Directive (EU) 2022/2464 (Corporate Sustainability Reporting Directive - CSRD), Legislative Decree No. 125 of 6 September 2024 introduced into the Italian legal system the obligation for various categories of undertakings, including large public interest entities, to prepare annual sustainability reports in accordance with the reporting standards established by the European Commission.

As a large public interest entity of the size provided for the implementation of the regulations, the Mediolanum Group publishes – as of financial year 2024 – a Consolidated Sustainability Statement in accordance with the provisions of Legislative Decree No. 125/24.

The process of collecting data and information, for the purpose of drafting this document, was managed in collaboration with the various corporate functions. The data were collected by means of an IT tool, according to the principles of relevance, faithful representation, comparability, verifiability and understandability, as recommended by the qualitative characteristics of information required by the EFRAG ESRS (see ESRS 1, section 2).

Scope of consolidation

[BP-1 DP 5 a; 5 bi]

The Sustainability Statement has been prepared on a consolidated basis. The scope of data and information refers to all Companies consolidated on a line-by-line basis in the consolidated financial statements of the Mediolanum Group as at 31 December 2024. The information and data reported refer to the year 2024 (from 1 January 2024 to 31 December 2024) and to the activities of the entire Mediolanum Group during the year, unless otherwise indicated.

Disclosures in relation to the value chain

[BP-1 DP 5 c]

The disclosures provided in the Sustainability Statement are extended to include information on the material impacts, risks and opportunities linked to the Mediolanum Group through its direct and indirect business relationships in the upstream value chain, mainly attributable to information on suppliers involved in the development of the Group's products and services, and downstream, mainly attributable to information on distributors (Family Bankers and agents in financial activities) and on customers reached by banking, protection and asset management/investment services. The document includes material impacts, risks and opportunities related to the upstream and downstream value chain based on the results of the double materiality assessment process, in accordance with specific value chain requirements. For further details on the materiality assessment, please refer to the section on the "Double materiality assessment process". Details of the extent to which policies, actions, objectives and metrics that cover or contain data on the value chain are clearly highlighted in the topic chapters.

[BP-2 DP 10 a]

The Mediolanum Group, under disclosure obligation E1-6 "Gross Scopes 1, 2, 3 and Total GHG Emissions", includes upstream and downstream value chain data.

[BP-2 DP 10 b; 10 c; 11 a; 11 bi; 11 bii; 10 c]

Generally, the metrics relating to the Mediolanum Group's own operations present primary data, while the metrics relating to the chain (E1-6 "gross Scope 3 GHG emissions") present estimated values and therefore have a higher level of uncertainty in terms of measurement and results. Disclosures on the causes of uncertainty in estimates and results are described in the metrics section.

The Mediolanum Group periodically reviews Scope 3 measurement approaches on the basis of experience and the development of sustainability reporting standards. For further information on measurement approaches, see disclosure requirement E1-6 "Gross Scopes 1, 2, 3 and Total GHG Emissions".

Disclosures in relation to specific circumstances

[BP-2 DP 9 a]

The Mediolanum Group, in line with the definition of short, medium and long term for the purposes of the reporting provided for by EFRAG's ESRS (see ESRS 1, section 6.4) adopts the following time intervals:

- short-term time horizon: one year, corresponding to the period adopted as the reporting period for its financial statements;
- medium-term time horizon: from one year to five years;
- long-term time horizon: over five years.

[BP-2 DP 9 b]

The Mediolanum Group has adopted, exclusively as part of the risk materiality assessment process in line with the Mediolanum Group's ESG Risk Management Policy, a short-term definition that deviates from the time horizon defined by the ESRS of EFRAG (see ESRS 1, section 6.4). With regard to the risk materiality assessment, the Group adopts the following time intervals:

- short-term time horizon: up to three years;
- medium-term time horizon: from three to five years;
- long-term time horizon: over five years.

Specific time horizons are used by the Risk Management Function to assess climate-related risks (see ESRS 2 Impact, risks and opportunities management).

[BP-1 DP 5 d]

The undertaking did not use the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation.

[BP-1 DP 5 e]

The undertaking did not make use of the exemption from disclosure of impending developments or matters in the course of negotiation, in accordance with Article 29a(3) of Directive 2013/34/EU.

Approval processes and external assurance

This Statement was submitted for examination and assessment by the Group Coordination and Strategic Development Committee, in its ESG configuration, on 3 March 2025, and to the Risk Committee on 10 March 2025, and was finally approved by the Board of Directors of Banca Mediolanum on 12 March 2025. The Consolidated Sustainability Statement is also subject to a limited assurance engagement on the part of PricewaterhouseCoopers S.p.A. in accordance with the criteria indicated in the *Standard on Sustainability Assurance Engagement* - or SSAE (Italy), in accordance with the procedures indicated in the "Independent Auditor's Report" included in this document.

1.1.2 Governance

The Mediolanum Group's governance model is based on maintaining the existing management and control structures of the individual subsidiaries of Banca Mediolanum, with the aim of providing stability and continuity for the management of the Group as a whole.

With particular regard to the Parent Company, Banca Mediolanum, it recognises the validity of the traditional model (the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors), which is currently considered the most suitable to ensure efficient management and effective supervision.

The decision to maintain the traditional type of administration and supervision system is based on a series of reasons relating to an in-depth analysis carried out with reference to both the external regulatory and legislative environment and the internal strategic and organisational environment.

In view of the above, it has been concluded that the traditional system is appropriate for the Bank's requirements and the size and structure of its corporate bodies. This system ensures the pursuit of the objectives of sound and prudent management as well as the requirements of balancing powers and the adequate separation of the strategic oversight, management and control functions indicated by the Supervisory regulations.

Role of the administrative, management and supervisory bodies

As the strategic supervisory body, the Board of Directors defines the overall governance structure, approves the Bank's organisational structure, verifies that it has been correctly implemented, and promptly takes corrective measures to address any gaps or inadequacies.

The Board is tasked with ensuring the governance of risks to which the Bank is exposed, promptly identifying their sources, their possible dynamics and the necessary safeguards to be put in place. In addition, it is specifically called on to:

- pursue sustainable success;
- approve the accounting and reporting systems;
- oversee the Bank's public information and communication process;
- ensure effective dialogue with the management function and the heads of the main corporate functions and verify their choices and decisions over time;
- assess the business model, being aware of the risks to which this model exposes the Bank, and understand the ways in which the risks are identified and assessed, also taking into account the objectives of solid and sustainable value creation for all stakeholders;
- incorporate environmental, social and governance (ESG) factors into the strategic guidelines, ensuring that they are periodically reviewed, in relation to the evolution of the business and the external environment, in order to ensure their effectiveness over time.

The Board of Directors of Banca Mediolanum has 13 members, appointed by the Shareholders' Meeting of 18 April 2024, and will remain in office until the date of the Shareholders' Meeting convened to approve the financial statements for the year ended 31 December 2026.

[GOV-1 DP 21 a]

Members of the administrative, management and supervisory bodies - BoD of Banca Mediolanum S.p.A.	u.m.	Women	Men	Total
Total number of executive members	No.	0	1	1
Total number of non-executive members	No.	6	6	12
Total number of members of the administrative, management and supervisory bodies	No.	6	7	13

[GOV-1 DP 21 d]

Gender diversity of the BoD of Banca Mediolanum S.p.A.[7]	u.m.	2024
Average ratio of male to female members of the Board	%	85.71

[GOV-1 DP 21 e]

Independent members of the Board of Directors of Banca Mediolanum S.p.A.	u.m.	2024
Percentage of independent members of the Board of Directors	%	76.92

With regard to the members of the Board of Statutory Auditors (standing and alternate), 50% of the members are male and 50% are female.

[GOV-1 DP 21 b]

The Group does not present representatives of employees or other workers on the Board of Directors.

[GOV-1 DP 21 c]

In consideration of the Group's size and the size of its individual entities, as well as the complexity and specificity of the sector in which it operates, the ideal skills and professionalism for the proper functioning of the Board of Directors were identified for the selection of Representatives (in Italy, all of this is contained in the document "Recommendations to shareholders on the optimal qualitative and quantitative composition of the Board of Directors", which is published on the Banca Mediolanum website). These responsibilities include a number of areas and topics that are largely prescribed by law, such as to ensure the overall suitability of the Board in carrying out its activities.

In addition to the professionalism requirements established by law and mandatory for their appointment, the Directors are required have a high level of knowledge and experience, preferably in specific areas of competence such as, by way of example:

- knowledge of the banking sector, financial markets and methods of managing and controlling risks associated with banking activity, gained through several years of management and supervisory experience in the financial sector;
- knowledge of the dynamics of the economic and financial system, gained through several years of administrative and supervisory experience in undertakings in the financial sector or of carrying out professional activities or university teaching;

[7] The gender diversity of the Board of Directors is calculated as: (Total number of female members/Total number of male members) * 100.

- experience of entrepreneurial management and business organisation, gained through several years of administration, management or supervisory experience in undertakings or groups of significant economic size;
- the ability to read and interpret the data in the financial statements of a financial institution, gained through several years of administration and supervisory experience in undertakings in the financial sector or of carrying out professional activities or university teaching;
- corporate expertise (audit, legal, corporate, etc.), gained through years of auditing or management supervision experience carried out within undertakings of significant size or of carrying out professional activities or university teaching;
- knowledge of the regulation of financial assets, gained through years of experience within undertakings in the asset management sector or of carrying out professional activities or university teaching;
- international experience and knowledge of foreign markets, gained through the performance of long-term business or professional activities carried out with foreign institutions or entities, undertakings or groups with an international vocation;
- knowledge of the socio-political situations and market mechanisms of the countries in which the Banking Group has a strategic presence, gained through years of activities at undertakings or public or private institutions or through studies or surveys carried out at research institutions;
- knowledge of issues relating to organisation and information systems, gained through years of business or professional activities at institutions, entities, undertakings or groups of significant size or advisory in the context of organisation, information and communication technology, outsourcing policies and business continuity;
- knowledge of strategic planning, awareness of the strategic corporate guidelines or business plan of a credit institution and its implementation, gained through several years of administration, management or supervisory experience in undertakings or groups of significant economic size;
- knowledge of the effectiveness of the credit institution's governance mechanisms, aimed at ensuring an effective oversight, management and control system, gained through several years of administration, management or supervisory experience in undertakings or groups of significant economic size, or of carrying out professional activities or university teaching;
- accounting and auditing experience gained through several years of administration, management or supervision in undertakings or groups of significant economic size, or of carrying out professional activities or university teaching;
- experience in the training, management and coordination of networks of Financial Advisors and the products distributed by them. In addition, members of the Board of Directors have to meet the requirements of integrity and propriety (in accordance with the provisions of Article 26 of Legislative Decree No. 385/1993 ("TUB"), Article 3 of Ministerial Decree 169, Article 26 of the TUB and Article 4 of Ministerial Decree 169), as well as the requirements of independence of judgement, and, for some of them, the requirements of independence (Article 147b of Legislative Decree No. 58/1998 ("TUF")).

The skills and experience outlined above are further reflected in the individual Companies that make up the Group. With regard to the Spanish Subsidiaries, the updated skills of the members of the Board of Directors mainly relate to:

- banking activities and financial markets (including the various financial business areas of the Entity and the geographic markets in which it operates);
- the legal requirements and regulatory framework (including regulatory compliance);
- anti-money laundering and countering the financing of terrorism;
- strategic planning, understanding of the business plan strategy and fulfilment of these;

- risk management (identification, assessment, monitoring, control and mitigation of the main types of risk), including internal audit;
- climate and environmental risks;
- accounting and auditing;
- assessment of the effectiveness of measures taken by a credit institution, ensuring effective governance, oversight and controls;
- interpretation of financial information to identify key issues and the adoption of appropriate controls and measures;
- managerial skills and management experience;
- information and security technologies;
- insurance activity;
- sustainability;
- human resources;
- digital marketing.

With regard to Irish subsidiaries Mediolanum International Funds (MIFL) and Mediolanum International Life (MILL), in detail, the Directors' skills tend to mainly cover the following areas:

- corporate governance and regulatory requirements;
- risk management;
- development and implementation of the strategy;
- finance;
- information technology;
- industry experience;
- corporate governance/ESG;
- networking;
- information security.

The skills of Directors and the overall suitability of the Board are verified on the basis of an analysis of the Directors' CVs and their declarations regarding their professional and educational/training experience.

[GI.GOV-1 DP 5 a]

The Parent Company's Board of Directors is responsible for defining the Group's sustainability strategy, including the matter of responsible conduct, and for approving the Mediolanum Group's Code of Ethics and Sustainability Policy. The Board of Directors is also responsible for approving and implementing the additional Group policies on responsible conduct.

Governance of sustainability

In order to operate in a manner that is consistent and effective with the defined strategy, Banca Mediolanum, the Parent Company of the Mediolanum Financial Conglomerate, has adopted a specific sustainability governance formalised within the Mediolanum Group's Sustainability Policy, approved by the Board of Directors in 2019 and most recently updated at the Board meeting of 12 December 2024.

[GOV-1 DP 22 b]

The Mediolanum Group's Sustainability Policy outlines the strategy and objectives with which the Group, also referred to as the Financial Conglomerate, intends to operate in order to generate added value for the stakeholders with whom it has relations, in the management of the material sustainability matters and the related impacts, risks and opportunities (hereinafter also "IROs").

The Policy aims to:

- define the strategic guidelines at Group level on sustainability, which are subsequently set out in the specialist policies on the various relevant topics in the area;
- set out the roles and tasks relating to the double materiality process and management of the material sustainability matters and the related impacts, risks and opportunities;
- set out the governance and operational model adopted in the area of sustainability;
- increase the level of engagement of the Group's stakeholders through its commitment to the constant pursuit of the principles contained in sustainability policies and to the achievement of the related "material" results;
- facilitate the sustainability reporting process;
- disseminate a culture of sustainability.

The specialist policies reported on in the topic sections of the document therefore have to be taken into account, where necessary, by the various corporate structures in the carrying out of normal business activities.

[GOV-1 DP 22 a; GOV-2 DP 26 b]

The **Parent Company's Board of Directors** is responsible for defining the Group's sustainability strategy, carrying out its periodic review of the evolution of business activity and the external context and is responsible for approving the Code of Ethics and the Mediolanum Group's Sustainability Policy (formerly the Sustainability-related Policy). It is also responsible for approving the double materiality assessment, in accordance with Legislative Decree No. 125/2024, and for monitoring the management of processes relating to material impacts, risks and opportunities, about which the Board is regularly updated. Finally, the Board of Directors is responsible for approving the Sustainability Statement included in the Group's Report on Operations, and for ensuring that the information required by Article 4 of Legislative Decree No. 125/2024 is provided in accordance with the provisions of this Decree. In fulfilling this obligation, the Board of Directors acts according to criteria of professionalism and diligence.

The Parent Company's **Risk Committee** supports the decisions of the Board of Directors on sustainability matters related to the carrying out of the undertaking's business and the dynamics of its interaction with all stakeholders, including sustainability matters found to be material by the double materiality assessment and also the associated climate-related and environmental risks. It supports the Board of Directors in monitoring procedures, as well as in the progress made in pursuing objectives aimed at managing the material risks, impacts and opportunities overseen by the competent corporate functions. Among its duties, it monitors adherence on the part of the covered persons with the ethical values and rules of conduct established in the Code of Ethics. It also coordinates, through the competent functions, initiatives for the dissemination, training and communication of these values and the rules of conduct promoted by Banca Mediolanum and the Companies it controls. It also verifies, in the context of the Risk Appetite Framework (RAF), that the strategic proposal in the sustainability area is in line with the risk strategies, ensuring that the oversight of risks material for the Group also includes risk factors that may fall within the scope of sustainability, such as climate-related and environmental risks. Lastly, the Risk Committee makes a preliminary assessment of the Sustainability Statement for the Board of Directors.

The Parent Company's **Appointments and Governance Committee** has proactive, consultative and instructive powers expressed in the formulation of proposals, recommendations and opinions, designed to enable the Board of Directors to make its decisions with greater knowledge of the facts (for example during the process of appointing directors). In performing its duties, the Committee pursues the objective of preventing the decision-making processes of the Board of Directors from being dominated by a single person or by groups of persons that could cause prejudice to the Bank. With regard to the need to ensure adequate diversification in the collective composition of the Board of Directors, the Appointments and Governance Committee – without prejudice to the

obligations imposed by the regulations for listed banks – also contributes to the setting of a target for the proportion of the least represented gender and to the drawing up of a plan to increase this proportion to the set target. With regard to the Mediolanum Group's Sustainability Policy, it assesses and monitors the sustainability aspects related to governance.

The Parent Company's **Remuneration Committee** supports the Board of Directors in developing remuneration and incentive policies and periodically assesses their overall adequacy and consistency, including in terms of aspects of sustainability, within the framework of its own powers; it also aims to ensure compliance with the principles of plurality, equal opportunities, equity and no gender discrimination, as well as the protection of customer interests (i.e., with particular regard to the remuneration system for financial advisors and the underlying risks, such as the risk of misselling).

The **Board of Statutory Auditors** monitors compliance with the provisions of Legislative Decree No. 125/2024 and the requirements for the preparation of the Sustainability Statement, and reports on this in the Board of Statutory Auditors' Report to the Shareholders' Meeting.
In particular, in accordance with Article 19 of Legislative Decree No. 39/2010 (implementing Directive 2006/43/EC on statutory audits of annual financial statements and consolidated financial statements), the Board of Statutory Auditors is responsible for:

- informing the Bank's Board of Directors of the outcome of the statutory audit and the outcome of the activity of certifying the Sustainability Statement, and transmitting to that body the additional report referred to in Article 11 of Regulation (EU) 537/2014, together with any comments;
- monitoring the process of financial reporting and the Sustainability Statement, including the use of the electronic format, and making recommendations or proposals to ensure its integrity and transparency;
- monitoring the effectiveness of the undertaking's internal quality control, risk management and internal audit systems with regard to financial reporting and the Sustainability Statement;
- monitoring the statutory audit of the separate financial statements and consolidated financial statements, as well as the activity of certifying the Sustainability Statement;
- verifying and monitoring the independence of the persons responsible for statutory auditing and sustainability auditing, in particular as regards the adequacy of the provision of services other than auditing to the audited entity;
- being responsible for the procedure for the selection of the persons responsible for the statutory audit.

The **Supervisory Board** – currently the same as the Board of Statutory Auditors – monitors the functioning and observance of the Organisation, Management and Control Model adopted to prevent offences that fall within the scope defined by Legislative Decree No. 231/2001 and that may give rise to an interest or benefit for the Entity. It is supported by the 231 Unit, which operates in the Corporate Secretariat within the Corporate Affairs Division, which prepares and submits for the attention and approval of the Supervisory Body references to Model 231/2001 and any other relevant documentation within the scope of corporate administrative liability (i.e. 231/2001 risk assessment, protocols, specific procedures, etc.) that may be relevant for the preparation of the Sustainability Statement and for the matters referred to and dealt with by Model 231/2001 in effect (e.g. anti-corruption, environmental offences, management of health and safety in the workplace, etc.).

The **Chief Executive Officer**, in his capacity as a management body, is responsible for implementing strategic guidelines in the area of sustainability, the RAF (Risk Appetite Framework) and risk governance policies in the area of sustainability and, more generally, relating to ESG matters defined by the Board of Directors. The Chief Executive Officer, assisted by the Financial Reporting Officer, prepares the draft consolidated financial statements, of which the Sustainability Statement is an integral part, to be approved by the Board of Directors before they are presented to the Shareholders' Meeting. The Chief Executive Officer certifies, by means of a specific Report, that the Sustainability Statement, included in the Report on Operations, has been prepared in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Legislative Decree No. 125 of 6 September 2024, adopted in implementation of Article 13 of Law No. 15 of 21 February 2024 and with the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

The **Financial Reporting Officer** certifies in a specific Report that the Sustainability Statement included in the Report on Operations has been prepared in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and the Legislative Decree adopted in implementation of Article 13 of Law No. 15 of 21 February 2024 and with the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

[GOV-1 DP 22 c]

The **Group Coordination and Strategic Development Committee** in its ESG configuration is a management committee that supports the Board of Directors and the Chief Executive Officer in identifying sustainability matters potentially material for the Group and in defining the relevant strategic guidelines and sustainability policies, including for the purposes of defining and updating the double materiality assessment. It proposes to the Chief Executive Officer and the Board of Directors that material ESG initiatives be implemented, and also monitors their implementation at Group level. Lastly, it examines the Sustainability Statement prior to its submission to the internal Board Committees and the Board of Directors.

The **Compliance Function** oversees the management of non-compliance risks, according to a risk-based approach, with regard to all business activity, excluding the regulatory areas delegated by law to the other control functions. Specifically, the Compliance Function carries out both ex ante and ex post control activities to oversee the risk related to ESG matters: climate-related risk, particularly with regard to areas that affect customers or potential customers. In detail, the Compliance Function in the ESG area, as for the other types of risks monitored by this Function:

- monitors regulatory developments and consequent regulatory alerting activities relating to climate-related risks;
- provides ex ante advisory support to the structures that own the Bank's processes in relation to the areas and regulations not directly covered by the Risk Management Function and relating to the distribution of products by the Bank with possible impacts on customers or potential customers (e.g. greenwashing).

In the context of product governance systems, product verification activities are also carried out, before the products are marketed, including with regard to the requirements established by the relevant legislation for the distribution of sustainable products; the Function carries out ex post control activities on the same areas/regulations described in the Function's ex-ante activities, highlighting any mitigation actions and making disclosures to the Bank's bodies as part of the Function's ordinary reporting activities. The Parent Company's Compliance Function carries out oversight and coordination activities in relation to the Parent Company's equivalent Functions, ensuring a uniform and consistent interpretation of the Group principles deriving from the applicable regulatory obligations, including in the area of sustainability. It therefore liaises with the Subsidiaries to ensure that they adopt an approach that is consistent with the regulatory provisions and shared corporate values in the area of sustainability.

The **Risk Management Function** is responsible for implementing governance policies and the risk management system and collaborates in defining and implementing the Group's Risk Appetite Framework (RAF), ensuring, in the exercise of the Control Function, an integrated view of the various risks faced by the Group to the Parent Company's corporate bodies. Specifically, in the ESG area and with reference to climate-related and environmental risks, the Risk Management Function:

- promotes a culture of risk management in order to obtain an ever-increasing awareness and understanding of the phenomenon throughout the organisation, with a greater commitment on the part of the management of the organisational units to managing climate-related and environmental risks;
- provides specific technical, methodological and organisational support to all organisational units involved in the process of managing climate and environmental risks;
- contributes to the production of periodic reporting to Senior Management and the Supervisory Authority. In particular, the Risk Management Function prepares, on a quarterly and/or monthly basis, the report for the Board of Directors, in which the risk parameters relating to the monitored management indicators are highlighted, on the basis of the risk policies in force;
- periodically carries out simulations relating to hypothetical stress scenarios that generate significant impacts on the provisions of the economic and financial plan, including, when deemed necessary or/and on specific request, a quantitative assessment of the climate-related and environmental risks to which the Group could be exposed in an extreme, but plausible, economic crisis situation;
- defines the guidelines for supervising and managing ESG risks within the Mediolanum Group, in line with the preliminary analyses carried out by the Board of Directors with regard to the significant risks for the Companies in the Conglomerate;
- collaborates with the Sustainability Office in identifying material sustainability issues (known as the double materiality assessment) with particular reference to risks.

The Parent Company's Risk Management Function is the reference Function for the corresponding functions of the Subsidiaries with regard to aspects relating to the assessment and measurement of the Group's ESG risks.

The Parent Company's **Anti-Money Laundering Function** uses a risk-based approach to oversee money laundering risk and the adaptation of processes to changes in the regulatory and procedural environment in this area. It continuously checks that company procedures are consistent with the objective of preventing and combating infringements of external regulatory provisions (laws and regulations) and internal regulations on anti-money laundering and counter terrorist financing. In carrying out the above activities, the Function places particular emphasis on the social/ethical aspect of ESG matters (e.g. responsibility to the community – anti-money laundering). The Parent Company's Anti-Money Laundering Function is the reference Function for the corresponding functions of the Subsidiaries with regard to aspects relating to the assessment of anti-money laundering matters pertinent to the sustainability areas.

The Parent Company's **Internal Audit Function** is intended, on the one hand, to oversee, in terms of third-level controls, the regular performance of operations and the evolution of risks – including risks related to ESG issues – and, on the other hand, to assess the completeness, adequacy, functionality and reliability of the organisational structure and other components of the internal control system. The Internal Audit Function is also responsible for the Parent Company's "Whistleblowing System" and is responsible for analysing and assessing reports received, in compliance with applicable legislation. The Parent Company's Internal Audit Function is the reference Function for the corresponding Functions of the Subsidiaries with regard to aspects relating to the assessment of matters relating to the Group's Whistleblowing Systems. Finally, the Internal Audit Function assesses the completeness, adequacy, functionality and reliability of the internal control and risk management system relating to the process for drawing up the Sustainability Statement as part of the third-level audits within its competence.

The **Administration, Finance and Control Department** supports the Chief Executive Officer in decision-making processes, providing recommendations on how to use capital and resources to achieve business results, including objectives related to sustainability matters, in accordance with the Risk Appetite Framework (RAF) defined and approved by the Board of Directors. It oversees the organisational units responsible for preparing financial, balance sheet, economic and provisional disclosures, including the Sustainability Statement, and for identifying and proposing strategic sustainability guidelines.

The **Sustainability Office**, within the Administration, Finance and Control Department, is responsible for supporting the development of the Mediolanum Group's sustainability strategy, by seeking best practices at market level and submitting them to the Group Coordination and Strategic Development Committee in its ESG configuration and to the internal Board Committees, for subsequent resolutions by the Board of Directors.
In detail, the Sustainability Office:

- supports the Chief Executive Officer in defining the sustainability strategies to be proposed to the Board of Directors after the assessments of the Group Coordination and Strategic Development Committee in its ESG configuration and of the internal Board Committees, updating the Mediolanum Group Sustainability Policy;
- develops/manages stakeholder engagement activities and the identification and proposal to the Group Coordination and Strategic Development Committee in its ESG configuration of the material matters in terms of economic, environmental, social and governance sustainability;
- manages the process of preparing the Sustainability Statement, including the double materiality assessment, in accordance with Legislative Decree No. 125/2024, assuming the role of contact person for the Mediolanum Group, for the Italian and foreign Subsidiaries, in defining and collecting sustainability information;
- manages the periodic monitoring of progress in the pursuit of objectives related to material impacts, risks and opportunities, overseen by the individual organisational structures of the competent Parent Company, for the purposes of updating reporting to the Group Coordination and Strategic Development Committee –in its ESG Configuration, the Risk Committee and the Board of Directors;
- participates in the oversight of the social and joint responsibility initiatives vis-à-vis the community (granting of donations) of Banca Mediolanum and the Group, implemented by the Chair within the framework of the Charity and Donations Committee;
- updates and disseminates, with the support of the Human Resources Department for value and identity aspects, and of all the other organisational units involved in the process, the Code of Ethics defined by the Parent Company, Banca Mediolanum, and, where applicable for specific corporate characteristics, the Code of Ethics of the Subsidiaries;
- oversees the ESG scores/ratings assigned by the main rating agencies (e.g. S&P, MSCI, Euronext, Vigeo, etc.) as an assessment of the Mediolanum Group;
- supports, where required, the Parent Company's internal communication and info/training activities relating to sustainability.

The **Project Portfolio and Organisational Development Department** supports General Management and Senior Management in setting out strategic policies and guidelines in the ESG area, in line with the management areas and priorities defined by the Corporate Bodies for strategic guidelines and control.

The **ESG Transformation Office Managerial Support Unit**, within the Project Portfolio and Organisational Development Department, is responsible for the cross-functional coordination of the sustainability initiatives of the entire Mediolanum Group.
In particular, the ESG Transformation Office Unit:

- coordinates plans for the adoption of sustainability policies in accordance with regulatory principles and strategic guidelines;
- supports the definition of best practices in the area of sustainability and regulatory guidelines, facilitating the analysis of regulatory gaps and the definition of implementation roadmaps;
- coordinates the Group's Sustainability Programme, favouring the design of a roadmap that is consistent with the strategic guidelines defined by the competent corporate bodies, taking into account the regulatory requirements that are relevant to the Financial Conglomerate and the project portfolio correlations;
- Collaborates with the specialist ESG monitoring organisational units operating in the Corporate Departments, so that the overall plan of sustainability initiatives is monitored and managed in accordance with the regulatory principles, timescales and strategic guidelines defined; in this area, it interfaces with the various corporate ESG contact persons and project managers both inside and outside the Project Portfolio and Organisational Development Department;
- carries out overall monitoring of the adoption of the framework of the hierarchy of internal regulatory sources in the ESG area, collaborating with the various corporate structures to ensure the correct implementation of the framework of the body of regulations in the area;
- manages the work of the Group Strategic Development and Coordination Committee in its ESG configuration, assuming the role of Committee Coordinator. In this context, it ensures that the key issues to be submitted to Senior Management are identified and discussed, both from a regulatory and business standpoint;
- it prepares periodic monitoring reports for Senior Management and the Subsidiaries for which it provides an outsourced service;
- collaborates in the processes of preparation of material to support external disclosure and facilitates coordination between the specialist Corporate Departments responsible for the functional areas of competence, in accordance with the managed programmes;
- acts as an ESG contact person within the Project Portfolio and Organisational Development Department, providing advice and support to the other organisational structures in the same Department, so that the ESG dimension is incorporated into vertical processes according to the specific safeguards in place.

The **Human Resources Department** implements the remuneration policies for the Group's employees, in accordance with the Group's Remuneration Policies and Incentive Policies approved by the Parent Company's Board of Directors, including with regard to ESG aspects, periodically submitting proposals for updating the policies to the Remuneration Committee, after sharing them with the Compliance Function and the Risk Management Function of the Parent Company for the relevant checks. It disseminates corporate culture and values within the Group by ensuring the application of the principles of fairness, equity and respect for people, as well as diversity & inclusion (D&I) policies, which aim to promote the inclusion and enhancement of differences. The Company's Diversity Manager operates in the Department. The Human Resources Department, in accordance with the applicable regulations and agreements in this regard, provides for procedures for informing the Parent Company's employee representatives at the appropriate level and discusses with them the relevant information and the means to obtain and verify sustainability information.

The **Investment and Insurance Services Department** oversees sustainability matters relating to investments and insurance, supporting the Group Coordination and Strategic Development Committee in its ESG configuration and the Board of Directors in defining the responsible investment guidelines and monitoring the ESG positioning of investment and insurance products. The Department also contributes to the definition of topics and initiatives related to responsible finance, and coordinates these initiatives for the Conglomerate, transmitting the guidelines defined by the competent corporate bodies and ensuring the monitoring and implementation of these within the Subsidiaries through processes, products and services. The Head of the Bank's Investment and Insurance Services Department makes use of the Conglomerate's Investments and Insurance ESG Committee, which is tasked with providing support and advice in the analysis and monitoring at the Conglomerate level of the overall ESG positioning of the offer in this area, in the proposal of sustainable investment guidelines, methods for assessing ESG characteristics and any parameters that the offer has to comply with at Group level, verifying the consistency of the safeguards undertaken by the Group Subsidiaries in this area.

The **Procurement, Corporate Services & HSSE** (Health, Safety, Security & Environment) Department of the Parent Company handles the drafting of agreements with suppliers of goods and services, also including sustainability factors in the assessment, manages the corporate real estate assets instrumental to the Bank's business and oversees matters relating to workplace health and safety, as well as the environmental sustainability of buildings. The Procurement, Corporate Services & HSSE Department is the reference Department for the corresponding Functions of the Subsidiaries with regard to aspects relating to the assessment of matters relating to health and safety in the workplace, as well as the Group's environmental sustainability.

The **additional structures of the Parent Company** – involved in processes relating to sustainability matters in various ways – are required to provide support during the operational phases of these processes and to comply with the Code of Ethics and the Code of Conduct adopted by the Group. All the Companies belonging to the Mediolanum Group (also understood as the Financial Conglomerate) comply with the Code of Ethics and the Code of Conduct in force at the Group. They also adopt, by resolution of their own corporate bodies, the principles contained in the Mediolanum Group's Sustainability Policy, and are responsible for the effective implementation of the principles set out therein.

[GOV-I DP 22 ci]

The Group Coordination and Strategic Development Committee in its ESG configuration is the management committee to which the task of supporting the Board of Directors is delegated, in relation to the monitoring, management and supervision of the Group's impacts, risks and opportunities.

[GOV-I DP 22 d]

In its ESG configuration, the Group Coordination and Strategic Development Committee of the Parent Company is periodically informed of the results of the monitoring of progress made in pursuing objectives relating to material impacts, risks and opportunities, overseen by the individual competent Functions, before submitting this disclosure to the Risk Committee and the Board of Directors of the Parent Company.

[GOV-I DP 22 cii]

This Committee also supports the Board of Directors and the Chief Executive Officer in defining strategic guidelines and sustainability policies. The Board of Directors, within the scope of its own competence, is responsible for overseeing the management of processes relating to material impacts, risks and opportunities.

[GOV-I DP 22 ciii]

In relation to the management of impacts, risks and opportunities, each Department responsible for the specific areas of competence performs first-level controls as part of the process of the double materiality assessment. These controls, carried out by the competent managers, are subsequently verified by the second-level corporate control functions, according to the procedures and tools defined in the internal regulations.

Sustainability-related skills and expertise of the bodies

[GOV-1 DP 23]

Within the Group, sustainability-related skills and expertise play an essential role and are disseminated appropriately. The Boards of Directors have assessed the presence of these skills and expertise,
integrating them with continuous Board Induction activity, with the contribution of qualified speakers, in order to increase the skills and expertise of the individual Representatives and, consequently, of the Body as a whole.

[GOV-1 DP 23 a]

Specifically, and by way of example but not limited to, during the induction activities proposed by the Italian Parent Company, the following topics were discussed:

- on the topic of climate change and health and safety, in February the management approach to this topic was discussed in detail in the 2023 Non-Financial Statement;
- on the topic of governance, the template and the relevant values of the Mediolanum Group were presented in April;
- on the topic of confidentiality and cybersecurity, in October and November the IT Risk & Security Framework and the evolution of the process of management of third parties and ICT outsourcing were presented;
- with regard to sustainability reporting, in December the requirements and role of the Board of Statutory Auditors were presented, also in light of the new regulations on the Sustainability Statement (Legislative Decree No. 125/2024 implementing Directive (EU) 2022/2464. Further activities are then carried out on specific topics by the Subsidiaries.

[GOV-1 DP 23 b]

On the basis of the checks carried out, the Board of Directors provides for the presence of Representatives with ESG expertise for the Group. The presence of this expertise derives both from the professional and training background of the Representatives and from the training and induction activities proposed by the Board itself, which will have to be increasingly directed towards the impacts, risks and opportunities material for the Group. Specifically, with regard to the Italian Parent Company, there are four Directors with particular ESG expertise, as a result of their personal training and work experience. The expertise acquired includes matters related to corporate governance, sustainability, the Social Report and gender equality. In particular, the following are present:

- a Director who acts as Governance and Sustainability Advisor, a member of the EFRAG Governance Working Group for the definition of ESG standards in response to the introduction of the CSRD regulations and part of the Pact for Milan for the development of the SDG reporting aspects of undertakings;
- a Director who works with a focus on corporate & sustainability governance, including through participation in specialist courses as a key speaker and in association initiatives, in the areas of sustainability, corporate governance, ESG and gender equality;
- a Director whose distinctive areas of expertise include governance and ESG, with a particular focus on sustainability topics, including the environmental area, having gained experience with technologies and processes with less impact, and the social area, in relation to gender equality and inclusion;
- a Representative with proven experience in the topic of the Social Report and gender equality.

[GI.GOV-1 DP 5 b]

The Board of Directors is composed of members who possess, inter alia, skills and expertise in matters of corporate conduct. In addition, the Chair of the Board of Directors, assisted by the competent structures, organised various Board Induction sessions in 2024 for the Representatives of the Parent Company and other Group Companies, including on business conduct matters, with the contribution of qualified speakers.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

[GOV-2 DP 26 a]

In 2024, the Risk Committee and the Board of Directors were informed of the material impacts, risks and opportunities at meetings on 4 and 7 November 2024 respectively, as part of the first double materiality process carried out by the Mediolanum Group. For both bodies, the Group Coordination and Strategic Development Committee in its ESG configuration, in its broader role of supporting the Board of Directors in proposing sustainability matters potentially relevant to the Group and in defining the related strategic guidelines and sustainability policies, is responsible for submitting, through the Sustainability Office, disclosures on material impacts, risks and opportunities to the Risk Committee and to the Board of Directors of the Parent Company.

[GOV-2 DP 26 c]

As specified in the previous sections, the Group Coordination and Strategic Development Committee in its ESG configuration is a management committee that supports the Board of Directors and the Chief Executive Officer in identifying sustainability matters that are potentially material for the Group and in defining the relevant strategic guidelines and sustainability policies. During the current year, several meetings were held with a high level of attendance by Committee members.

In particular, but not exclusively, the following sustainability matters and related impacts, risks and opportunities were addressed:

- climate change (EI), with specific reference to Banca Mediolanum's Product Sustainability Policy and the transition plan for climate change mitigation and the monitoring and assessment of climate-related risks;
- its own workforce and equal treatment and opportunities for all (SI), with specific reference to the Mediolanum Group's Diversity and Inclusion Policy, the UNI/PdR 125 Gender Equality Certification and the European Disability Charter;
- workers in the value chain and sustainable procurement (S2), with reference to the Supplier Code of Conduct;
- relations with communities (S3), with specific reference to the assessment of membership of associations active in the territory in question;
- customer relations (S4), with specific reference to the Product Sustainability Policy and periodic monitoring of the business plan indicators and the positioning of the ESG offering; - Governance and corporate culture (GI), with specific reference to the ESG Risk Management Policy, the Mediolanum Group's Sustainability Policy, the Policy for the Preparation of the Consolidated Sustainability Statement of Banca Mediolanum and the Principles for Responsible Banking Report;
- active and passive corruption (GI), with specific reference to the Anti-Corruption Policy of the Mediolanum Group.

These matters were subsequently also discussed at meetings of the Risk Committee and the Board of Directors of the Group.

Integration of sustainability-related performance in incentive systems

[GOV-3 DP 29; 29 a; 29 b 29 c; 29 d; 29 e]

Variable remuneration aims to recognise, through specific incentive plans, the results achieved by establishing a direct link between actual remuneration and results of the Company and the individual, in the short, medium and long term, in accordance with the defined risk profile and sustainability priorities.

The short-term incentive system is designed to reward the annual performance of beneficiaries by creating a link between individual and corporate annual remuneration and performance.

A correlation with consolidated net income and an access gate are provided for, based on:

- creation of risk-adjusted value;
- capitalisation;
- liquidity;
- capital.

Individual performance is assessed on the basis of financial and non-financial objectives.

The variable remuneration for Key Staff consists of at least 50% in instruments and at least 40% of it is deferred.

As described, in particular for the CEO and with regard to the 2024 performance year, two ESG-related indicators have been provided for: "Real estate receivables – physical and transition risk"; "Diversity and inclusion – Sales Network employment creation".

For the 2023-2025 three-year performance period, in line with the Group's long-term plan, a long-term incentive (LTI) plan has been adopted for a limited number of top managers who are particularly critical for business development (the "top key people").

In addition to the access gate in line with the short-term variable remuneration, the Plan establishes performance targets that reflect strategic priorities in terms of:

- capitalisation and value creation;
- corporate sustainability;
- ESG & climate/environmental governance.

The incentive consists of payment in cash and payment in shares of the Parent Company: 60% of the total amount is paid over a six-year period. The Plan includes specific KPIs linked to ESG factors, namely: "Limiting the offering of funds with an ESG rating below certain thresholds"; "Obtaining and maintaining ISO 14001 certification"; "Obtaining Gender Equality Certification".

Environmental, social and governance sustainability matters, as well as risk management in general, are an integral part of the remuneration processes. In this context, a systemic, inclusive and transparent approach is constantly promoted which also ensures respect for the principles of plurality, equal opportunities, equity and non-discrimination against any individual. In particular, the remuneration and incentive criteria, based on objective performance-related parameters in line with the medium/long-term strategic objectives, are the best tool for stimulating the commitment of all the parties and, consequently, responding as effectively as possible to the interests of the Group, combining economic growth and sustainable success.

The Remuneration Policy, including with reference to short-term and long-term incentive systems, is therefore an expression of the corporate strategy and with it the ESG strategic priorities defined by the Board of Directors.

In the context of internal goal-setting processes for beneficiaries of short-term incentive systems based on individual MBO (Management by Objectives) schemes (at each organisational level), specific managerial guidelines are disseminated internally, which require the identification of individual objectives related to ESG factors connected to the responsibilities and decision-making levers of individuals.

The Board of Directors of Banca Mediolanum develops and periodically reviews the Group's incentive and remuneration policies with the support of the Remuneration Committee, and is responsible for their correct implementation. Once they have been developed, the policies are submitted to the Shareholders' Meeting of the Bank for approval and circulated within the Company, including through publication on the Parent Company's website.

Incentive schemes and remuneration policies	Variable remuneration (%)
2024 Short-term Incentive Plan	20%
2023-2025 Long-term Incentive Plan	25%

[EI.GOV-3 DP 13]

Within the framework of the members of the Board of Directors of Banca Mediolanum, the Chief Executive Officer is the only person that receives variable remuneration and is therefore assigned performance targets linked to ESG KPIs.

With regard to the CEO's 2024 short-term incentive – in full continuity with previous years – ESG indicators were included in the individual scorecard, relating to the physical and transition risk relating to real estate receivables monitored at the level of the Risk Appetite Framework and the inclusion of young resources in the Sales Network, including with a focus on women. The total weighting of these indicators is equal to 20% of the maximum individual bonus. The indicator relating to real estate receivables is specifically assigned a weighting of 10% of the maximum individual bonus.

The Chief Executive Officer of Banca Mediolanum is also one of the beneficiaries of the 2023-2025 Long-Term Incentive (LTI) Plan.

An indicator was included in the performance parameters of the Plan for senior managers and top key people – with a weighting of 25% of the total of the objectives sheet for the Plan – that takes into account strategic sustainability initiatives from a long-term perspective, including with reference to climate-related risks. In this regard, two KPIs directly linked to climate-related risks have been identified (i.e. "obtaining and maintaining ISO 14001 certification" and "limiting the offer of funds with an ESG rating below certain thresholds") with an overall weighting of 20% of the total of the Plan's objectives.

Of the maximum bonus payable (the maximum total opportunity) on the two plans described above, the maximum percentage of variable remuneration attributable to climate-related objectives is 16%.

The non-executive Directors of Banca Mediolanum do not benefit from variable remuneration plans based on performance objectives.

Statement on due diligence

[GOV-4 DP 30; 32]

The table below provides a mapping of the paragraphs within the Sustainability Statement where information on the due diligence process for sustainability purposes is reported.

Basic elements of the duty of due diligence	Paragraphs in the Sustainability Statement
a) Integrating due diligence into the corporate governance, strategy and model	Paragraph "Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies" **(ESRS 2 GOV-2)** Paragraph "Integration of sustainability-related performance in incentive schemes" **(ESRS 2 GOV-3)** Paragraph "Material impacts, risks and opportunities and their interaction with strategy and business model **(ESRS 2 SBM-3)** Paragraph "Transition plan for climate change mitigation" **(ESRS E1-1)** Paragraph "The Group's approach and policies" **(ESRS E1-2)** Paragraph "The Group's approach and policies" **(ESRS S1-1)** Paragraph "The Group's approach and policies" **(ESRS S2-1)** Paragraph "The Group's approach and policies" **(ESRS S4-1)** Entity-specific disclosures: management of the distribution network – Paragraph "Policies" **(MDR-P DP 65)**
b) Involving stakeholders at all key stages of due diligence	Paragraph "Interests and views of stakeholders" **(ESRS 2 SBM-2)** Paragraph "Processes for engaging with own workforce and workers' representatives about impacts" **(ESRS S1-2)** Paragraph "Processes for engaging with consumers and end-users about impacts" **(ESRS S4-2)**
c) Identifying and assessing negative impacts	Paragraph "Description of the processes to identify and assess material impacts, risks and opportunities" **(ESRS IRO-1)**
d) Taking action to address negative impacts	"Actions" paragraph **(ESRS E1-3)** "Actions" paragraph **(ESRS S1-4)** "Actions" paragraph **(ESRS S2-4)** "Actions" paragraph **(ESRS S4-4)** Entity-specific disclosures: management of the distribution network "Actions" paragraph **(MDR-A)**

Basic elements of the duty of due diligence	Paragraphs in the Sustainability Statement
e) Monitor effectiveness of interventions and communicate	"Objectives" paragraph **(ESRS E1-4; MDR-T)** "Metrics" paragraph **(ESRS E1-5; ESRS E1-6)** "Processes to remediate negative impacts and channels for own workers to raise concerns" paragraph **(ESRS S1-3)** "Metrics" paragraph **(ESRS S1-5; MDR-T)** "Metrics" paragraph **(ESRS S1-9; ESRS S1-14; ESRS S1-16; ESRS S1-17)** "Processes to remediate negative impacts and channels for value chain workers to raise concerns" paragraph **(ESRS S2-3)** "Objectives" paragraph **(ESRS S2.MDR-T)** "Processes to remediate negative impacts and channels for consumers and end-users to raise concerns" paragraph **(ESRS S4-3)** "Objectives" paragraph **(ESRS S4.MDR-T)** Entity-specific disclosures: management of the distribution network – "Metrics and targets" paragraph **(MDR-M;-MDR-T)**

Risk management and internal controls over sustainability reporting

[GOV-5 DP 36 a]

The system of internal controls relating to the preparation of this Statement is regulated at Group level and governed by the "Regulations on the process of managing the activities of the Financial Reporting Officer - L. 262/2005". It should also be noted that, as a result of the regulatory updates introduced by the CSRD and Legislative Decree No. 125/2024, the Group has updated the "Policy for the Preparation of the Consolidated Sustainability Statement", which regulates and strengthens the overall roles and tasks and controls carried out during the process of preparing the Consolidated Sustainability Statement. With regard to the main characteristics, the internal control system in relation to sustainability reporting is divided into various groups of second-level controls under the responsibility of the Economic and Financial Analysis and Controls Unit and identified according to a risk-based approach:

- second-level oversight: controls of the completeness and accuracy of qualitative and quantitative information by verifying the correspondence of the data points attributed by the business owners within the IT platform used for data collection with what is present in the internal management systems of the owners, and checking that authorisation has been granted by the designated approvers (Reported Content Managers);
- second-level oversight: checking the completeness of the information included in the Sustainability Statement by controlling the progress of uploading;
- second-level oversight by means of spot checks on the accuracy of the information entered in the reference system with respect to the final draft of the Sustainability Statement document.

With regard to the 2024 reporting year, an internal control system was prepared to verify the completeness of the information reported in the Sustainability Statement, where "completeness" refers to the correct alignment/uploading of data between those present in the user's management system (the data owner) and the IT platform used for data collection and between the latter and the Sustainability Statement, pursuant to the CSRD. With regard to company-level controls, which represent the foundational elements of the control system in relation to the organisational structure, governance of processes, segregation of roles and traceability of data, a review was carried out with the aim of integrating and aligning internal policies with the ESG topics. A broad-based process definition process underlying the production of ESG data, the integration of control points and the drafting of specific procedures are planned for 2025. These aspects will be reflected in the second-level safeguards that will investigate the accuracy of the data flowing into the 2025 sustainability reporting.

[GOV-5 DP 36 b]

The methodology for assessing and prioritising risks relating to the internal control system was formulated by attributing to each data point (defined by EFRAG as the detailed element of each disclosure obligation) reported in the Sustainability Statement a score based on five different requirements, in order to obtain a classification on three risk steps (low/medium/high). The requirements will be increased to seven as of the 2025 reporting. The verification is therefore focused on information relating to qualitative metrics and KPIs in the ESG context, as required by CSRD (EU) 2022/2464 and Delegated Regulation (EU) 2023/2772 and examines the supervision of high-risk data points only.

[GOV-5 DP 36 c]

The following is a summary of the considerations used to identify the aspects of significance and therefore identify the main risks:

1. Assessment component: an assessment component refers to an element or aspect of a process that involves the assessment, measurement or analysis of certain factors or performance (e.g. in relation to Disclosure Requirement ESRS EI-6 Gross Scopes 1, 2, 3 and Total GHG emissions and, in general, in relation to additional quantitative environmental reporting requirements). The assessment component may have a grade ranging from low to high, depending on the complexity of the calculation required for the production of the figure;
2. complexity of transactions: depending on the number of contributors, the greater the number of contributions per data item, the greater the complexity of the transaction;
3. new KPI (importance of disclosure for external stakeholders): data not reported in the disclosure of the previous financial year and therefore representing new information to be obtained;
4. connection with other reporting: cross-cutting and topical information elements from other EU legislation (see Appendix B of ESRS 2: SFDR, Pillar III, Benchmarks Regulation, EU climate legislation);
5. sustainability-related performance metrics embedded in incentive systems: sustainability-related performance metrics considered performance benchmarks or included in remuneration policies;
6. manual nature of the process: manual production and data collection processes (applicable from 2025);
7. history: performance factor (applicable from 2025). The high-risk controls identified will be assessed on an annual basis in a specific testing session. Should a control be assessed as not fully effective, an ad hoc mitigation strategy and consequent remediation action will be defined with the control owner. The control subject to mitigation will be re-tested.

[GOV-5 DP 36 d]

The reporting of testing on the control points identified, which are based on the Sustainability Statement, and any adaptation actions, will be submitted during a dedicated 262 Committee meeting, in which the Internal Audit, Compliance and Risk Functions and the Data Governance Office will also be involved. The same results will be brought to the attention of the Board of Statutory Auditors of Banca Mediolanum.

[GOV-5 DP 36 e]

The annual report of the Financial Reporting Officer, which is drawn up at the end of the financial year and summarises the activities and assessments performed, will also include the section relating to controls in the Sustainability Statement. This report is brought to the attention of the Supervisory Board and the Board of Directors. The attestation of the Financial Reporting Officer will also include the Sustainability Statement.

1.1.3 Strategy

Business strategy and model and value chain

[SBM-1 DP 40 ai; 40 e; 40 f; 40 g; 42 b]

Business strategy and model

Banca Mediolanum's business model is aimed at meeting the needs of each customer through a multi-channel offering of products and services. Banca Mediolanum's aim is to release increasingly flexible and innovative products and solutions that meet the needs of people and households, who are its main targets. Thanks to the Family Bankers, Banca Mediolanum offers its customers targeted, personalised advice that turns into financial education over time, to assist them in making the most important decisions, with the expertise and flexibility needed to respond in the most effective way to the constant economic and financial changes of our time.

Thanks to the production and distribution of its products and services, characterised by constant innovation, which has always defined the Group's business, Banca Mediolanum operates with the aim of generating value for all its customers, whether they be households or small- and medium-sized enterprises.

Value is generated directly and indirectly through the sustainability pillars that characterise the Group, represented by the following responsibilities:

- economic responsibility, which, thanks to the Bank's ethical and sustainable way of operating, ensures the creation of business value and, more generally, the pursuit over time of positive impacts and shared well-being;
- responsibility towards customers, in particular through a deep understanding of people's needs, care for their well-being and support in achieving their aspirations, always at the heart of the objectives of the Bank and the Sales Network;
- responsibility towards employees, thanks to the creation of a positive, rewarding and organised environment, capable of forming a community in which they can express their talent;
- responsibility towards the community and the environment, thanks to the Group's choices and strategies, which aim to create a better life for the community and to protect the environment, both through the provision of sustainable products and services and through business management decisions.

With the aim of reporting, as required by the ESRS of EFRAG, the key elements of the strategy on material areas of sustainability, information is provided below on the significant groups of products and services offered, as well as on customers and employees.

A first significant group of products and services is involved in managing customers' investments in certain financial instruments and business segments, focusing on the advice provided to support their investment choices. The Group provides assistance in asset management and investment advice with reference to both the asset management business segment and the insurance segment, through the offering of Life insurance policies.

The Mediolanum Group's 2024-2026 Sustainability Plan describes the main actions aimed at addressing the main impacts or material risks or at pursuing material opportunities. With regard to the area of investments, Group Companies that perform the role of financial market participant (FMP) include climate change in their investment policies.

The climate factor, for example, underlies the following metrics:

- The E component of the ESG rating;
- PAI[8] I – Absolute CO_2 emissions, a priority for Group Companies;
- PAI 2 – Carbon footprint, a priority for the Group Companies;
- PAI 3 – Carbon intensity, a priority for the Group Companies;
- Additional PAI 4 - Investments made in companies that do not take initiatives to reduce carbon emissions, chosen by Group Companies as an additional environmental PAI.

With a view to setting objectives consistent with the European carbon neutrality guidelines in the future, the Group has decided to adopt specific climate indicators to measure the current and forward-looking positioning of investments.

A second significant group of products and services offered is developed through the taking out by end-customers of insurance products and services to cover unforeseen circumstances. In particular, in the area of protection, reference is made to the payment of compensation to the end-customer on the occurrence of a given event (loss); in particular, the Group offers the possibility of protection in three different areas:

- person: protection solutions for events such as illness, accident and disability that may compromise the person's health;
- assets: flexible solutions for the protection of the financial stability/professional activities of its customers;
- property: home protection solutions, including for any damage caused by other persons.

Finally, a third significant group of products and services is developed through the use by the end-customer of the products and services offered by the Group that facilitate payment transactions, liquidity management and access to credit. This offering is aimed at both natural persons (retail, the Group's main target) and legal persons (undertakings), which make up the remainder. In particular, products and services can be divided as follows:

- Retail: between funding (current accounts, credit cards, etc.) and lending (loans secured by real estate and target products for specific segments, e.g. young people);
- Business: between funding (current accounts, credit cards, etc.) and lending (loans and financing for professional activity).

Within the Mediolanum Group's 2024-2026 Sustainability Plan, with awareness of how green loans play a significant role in promoting energy transition and in line with the directives and objectives of European legislation, initiatives are planned to promote the development of "Green" credit, supporting and raising awareness among households of the purchase of energy-efficient properties. Again with reference to the European directives on sustainability and climate change, energy efficiency in buildings also plays a crucial role. In this regard, the Mediolanum Group is committed to supporting customer investments through specific financing products that also reward any improvements in energy class after restructuring.

With reference to the social aspects of responsible finance, in accordance with the evidence of the UNEP FI Impact Analysis (Consumer Identification Module) carried out by Banca Mediolanum as part of its adherence to the Principles for Responsible Banking (PRB), the most material areas of impact, risk and opportunity are related to the accessibility of the population to the use of financial services and to the positive impact in terms of the financial inclusion of vulnerable targets or young people. The main ways to address the main impacts and risks and to pursue material opportunities are listed below:

- the digitalisation of credit products, through a series of investments aimed at improving the efficiency of processes, promoting granting through increasingly innovative digital products and services;

[8] Principal adverse impact indicators.

- Banca Mediolanum's rescue loans, which represent a significant initiative in the context of financial inclusion and combating usury, designed to support households throughout Italy who, due to the lack of adequate collateral, with negative evidence of the central risks, fail to access traditional credit channels and risk falling victim to usury. The objective of the Sustainability Plan is to extend the agreement to new anti-usury foundations and to increase the caps on existing agreements;
- facilitating access to credit for third-sector entities, by means of funding specifically designed to support sustainable and socially relevant projects;
- Mediolanum Special Care loan with preferential pricing for dependent persons (Law 104/92), to finance the costs of those who need assistance, care or special equipment.

[SBM-1 DP 40 ii]

With regard to customers, in 2024 there were approximately 1.92 million bank customers (customers of Banca Mediolanum and Banco Mediolanum), of which 87% (1.66 million) related to the Italian Group Company, while 13% (0.25 million) related to Banco Mediolanum.
At Banca Mediolanum, 98% of customers belong to the "natural persons" category and 2% to the "legal persons" category.
With regard to natural persons, 53% are men and 47% are women. Customers are more concentrated in the 36-55 age group (36%), with an average age of 52 years.
The breakdown of employees by geographical area at 31/12/2024 is shown below.

[SBM-1 DP 40 iii]

Total number of employees by geographical area	u.m.	2024
Italy	No.	2,921
Spain	No.	437
Ireland	No.	189
Germany	No.	7

Value chain

[SBM-1 DP 42]
[SBM-1 DP 42 c]

As regulated by the ESRS of EFRAG and Implementation Guideline 2 on the value chain, the stages of the Mediolanum Group's value chain, defined as the entire range of activities, resources and relationships connected to the undertaking's business model(s) and the external environment in which it operates, are described below.
The upstream value chain is the phase of procurement of goods and services, linked to the purchase of goods and services that mainly relate to the following types of supply:

- professional services (e.g. advisory and legal services);
- IT services (e.g. software, hardware, information providers);
- management services (e.g. security, call centre, office supplies);
- facilities (e.g. cleaning, canteen);
- marketing and advertising (e.g., gadgets, advertising services);
- construction (e.g. renovations, office furnishings).

The Group develops products and services in the banking and insurance area, mainly by means of human and technological capital. Own operations therefore include the activities carried out by all the Group's employees in Italy, Spain, Ireland and Germany. The objective is to meet the needs of its customers, mainly retail and SMEs, through a multi-channel offering. The main operations relate to:

- product factories and consultancy model;
- development of distribution channels;
- management of funding and lending;
- asset management;
- underwriting of policies and management of settlements and claims;
- management of the customer experience.

The Group's distribution activity, developed on three specific channels in order to offer advice to its customers, is located in the downstream value chain (Tier I):

- Family Banker network in Italy and Spain (more than 6,400 Family Bankers in total);
- Agents in Prexta Financial Activity in Italy (approximately 60 Agents in direct Financial Activity and 600 employees);
- digital channels, mainly apps and the website.

Lastly, in the downstream value chain (tier 2) there are management and relationship activities with its customers, relating to protection, investment, banking and credit products and services (see SBM-1 DP 40 ai for more information).

[SBM-1 DP 42 a]

In general, the value chain identification and analysis activity was based on a qualitative scenario analysis, mainly focused on industry trends and peer analysis, as well as on some internal analyses based on the assessment of the Group's products and analysis of the Credit and Investment Portfolio.

Interests and views of stakeholders

[SBM-2 DP 45 a; 45 ai; 45 aii; 45 aiii; 45 aiv; 45 av]

The Mediolanum Group periodically organises opportunities for discussion and listening with its stakeholders about the context of sustainability and the matters considered most important, in line with the objectives that the Group aims to achieve. Transparency and active listening are central elements in the process of interaction between the business and its stakeholders, allowing their interests and views to be integrated into the Group's strategy and business model. Through tools such as customer satisfaction surveys, listening events and opportunities for discussion, the Mediolanum Group collects and analyses the needs of both external and internal stakeholders.

The results of stakeholder engagement are also the starting point for identifying the material topics of the double materiality process. The stakeholder map is the starting point of the Stakeholder Management model, as it enables relations to be governed with the multiple categories of stakeholders with which the Company interacts, with a view to preventing risk and enhancing the related opportunities. The methodological approach involves:

- construction of the stakeholder tree on several levels, by identifying the main stakeholder categories;
- priority analysis of the categories of stakeholders and the main characteristics of the subcategories of stakeholders, based on the various qualitative parameters (e.g. influence, dependence), in accordance with the AA1000 standard;
- prioritisation of stakeholders by calculating the Stakeholder Relevance for each category, based on the parameters defined in the AA1000.

The mapping and prioritisation of the Mediolanum Group's stakeholders periodically directly involves the Group's internal functions, which have been asked to approve or update the mapping and prioritisation of stakeholders. The map of the stakeholders of the Mediolanum Group is shown below:



Below are the main categories of stakeholders and the engagement activities carried out by the Group:

Stakeholder category	Dialogue methods
Customers	• Customer satisfaction & experience assessment • Brand equity survey • Regional events • Commercial campaigns • Social networks • Mediolanum Personal Marketing (MPM) and direct mail • Mediolanum Magazine
Family Banker Network	• Regular meetings • Corporate portal (B.medNet) • SMS, and email sending • Commercial pop-ups and push notifications • Events • Network service and support service • Annual surveys of the satisfaction and image of Banca Mediolanum and the main market networks
Employees	• HOMEdiolanum portal • Internal TV format for BM OnAir update • "Let's talk" listening space • HOMEdiolanum Week newsletter • Internal social network - Engage • Non-work related activities • Info and training events • Surveys of satisfaction with the services offered • Engagement survey
Media	• Press conferences • Press releases • Regular meetings • Opening of institutional events to media

Stakeholder category	Dialogue methods
	• Advertorial pages • Publishing products • Telephone contacts • Social networks
Shareholders and financial community	• Investor Relations activities • Regular meetings • Telephone contacts • Roadshow • Broker conference
Industry associations	• Institutional meetings • Group representatives on association bodies
Institutions and regulators	• Dedicated meetings
Community	• Media relations • Public relations • Customer satisfaction & experience surveys • Brand equity survey • Local and in-branch meetings and events • Fondazione Mediolanum EF activities • Social networks
Suppliers	• Regular meetings • Telephone contacts • Portal • Questionnaires

[SBM-2 DP 45 b]

The results of the involvement of the Mediolanum Group's stakeholders are used to identify material topics that are important both in terms of social, environmental and economic impacts and from the point of view of financial materiality, thus influencing the result of the double materiality assessment process carried out according to ESRS 2 IRO-1.

[SBM-2 DP 45 d]

The Board of Directors of Banca Mediolanum approved the double materiality assessment process. To ensure a consistent assessment of impacts, the Sustainability Office carried out the double materiality assessment based on the evidence that arose during the far-reaching stakeholder engagement activities in the previous year. In addition, the results of the double materiality assessment process were discussed and approved with input from the competent Departments and external experts. The process was subsequently shared with the workers' representatives, who were adequately informed on the topics of interest to them.

[SI.SBM-2 DP 12; S2.SBM-2 DP 9; S3.SBM-2 DP 7; S4.SBM-2 DP 8]

Through stakeholder engagement procedures, the interests, opinions and rights of stakeholders are heard in order to integrate them, where possible, into the corporate strategy and model.

The Group is always careful to share information with and involve its employees, getting them engaged and keeping them updated on the life, news and activities of the business. To this end, the Group implements engagement initiatives through specific tools (events, surveys, etc.) and holds regular meetings to gather information useful for the improvement of internal business processes. For further information, please refer to the specific section (see ESRS SI Own workforce).

With regard to suppliers, a periodic discussion is carried out with their representatives in relation to the main areas of cooperation, including sustainability matters. A ESG questionnaire, structured according to the ISO 2600 and ISO 20400 standards, is administered to suppliers eligible in "FULL" mode, i.e. suppliers with which continuous, recurring, long-term and/or high economic value contracts and/or framework agreements are signed. For more information, see the specific section (see ESRS S2 "Workers in the value chain").
In this community, the Mediolanum Group also operates in aspects of daily life not directly linked to financial assets. To this end, events are organised with the aim of disseminating financial culture and the Group participates in various social, cultural and sporting activities, proposing initiatives in the regions to support situations that require this. For more information, see the specific section (ESRS S3 "Affected communities").
Lastly, with regard to consumers and end-users, customer satisfaction analyses are carried out periodically to analyse the level of satisfaction of the Group's customers. Complaints management is also a structured process designed to understand the opinions of customers, with the awareness that full customer satisfaction, in addition to being a priority element of the Group's strategy, is an important factor in developing and disseminating a positive corporate image within the market. For more information, see the specific section (ESRS S4 "Consumers and end-users").

Material impacts, risks and opportunities and their interaction with strategy and business model

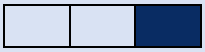
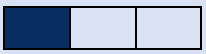
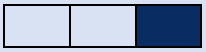
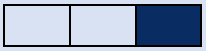
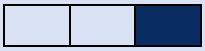
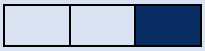
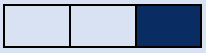
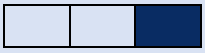
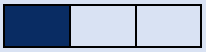
[SBM-3 DP 48 a; 48 b; 48 ci; 48 ciii; 48 civ; 48 g]

The double materiality assessment process is a fundamental preparatory activity for the drawing up of the Sustainability Statement. It is used to identify the topics on which a business should focus its reporting and planning efforts.
Compared with previous years, the double materiality assessment process requires the use of new methodological references. The CSRD requires companies to adopt the new European Sustainability Reporting Standards (EFRS) of the European Financial Reporting Advisory Group (EFRAG), and to adopt a double materiality approach, which identifies two directions for the framing of corporate governance, social and environmental matters: how they affect the financial performance of a company and its long-term value (impacts suffered – "financial materiality") and the effects that the company causes on society and the surrounding environment (impacts generated – "impact materiality").
The sustainability topics considered within the double materiality assessment process in 2024 are those defined within the ESRS (sector-agnostic topics) as well as additional entity-specific topics for the Mediolanum Group, in line with the results of the materiality assessment processes of previous years.
In light of the regulatory and methodological changes, it is not applicable for the current year to report changes in impacts, risks and opportunities compared with the previous reporting period.

[SBM-3 DP 48 h]

As part of the double materiality process, the Mediolanum Group identified impacts, risks and opportunities related to the management of the distribution network that resulted in additional specific disclosures for the Group (reported in Section 5 "Entity-specific disclosures" of this document), in the light of the characteristics of the network. Please refer to this section for more information.

The following table provides a summary assessment and the materiality for each sustainability topic, with a breakdown by impact, risk and opportunity, including a description of where these impacts, risks and opportunities are concentrated (own operations and/or upstream and downstream value chain). For further information on material impacts, risks and opportunities for the Mediolanum Group, please refer to the corresponding ESRS topic.

Topic	Sub-topic	Impacts	Risks	Opportunities
E1 – Climate change	Climate change adaptation			/
	Climate change mitigation/Energy			
S1 – Own workforce	Working conditions		/	/
	Equal treatment and opportunities for all		/	
	Other rights related to work (confidentiality)		/	/
S2 – Workers in the value chain	Working conditions		/	/
S3 – Affected communities	Economic, social and cultural rights of communities		/	
S4 – Consumers and end-users	Impacts related to disclosures for consumers and/or end-users			/
	Social inclusion of consumers and/or end-users			
ES – Management of the distribution network	/		/	
G1 – Business conduct	Corporate culture			
	Protection of whistleblowers		/	/
	Supplier relationship management, including payment practices		/	/
	Active and passive corruption		/	/

Key:



Presence of impacts, risks and opportunities associated with the sub-topics identified



IROs concentrated upstream of the value chain



IROs relating to own operations of the value chain



IROs concentrated downstream of the value chain

[SBM-3 DP 48 c ii]

The material impacts of the Mediolanum Group are closely linked to its strategy and business model. Their identification and assessment are the result of a thorough internal analysis, which includes the examination of corporate operations and the value chain, as well as external analysis, through the study of the regulatory environment, the banking sector and the expectations of stakeholders.

[SBM-3 DP 48 d; EI.IRO-1 DP AR 15]

With regard to the assessments carried out by the Mediolanum Group on the risks assessed as significant, the Risk Management Function developed and implemented the ICAAP in order to integrate forward-looking stress test analyses that integrate climate-related risk factors. For further details, please see paragraph ESRS EI "Climate change", in which the ICAAP is specified in relation to the Group's resilience analysis. However, for valuations performed in terms of current financial effects, see the notes on "Part E – Information on risks and the relative hedging policies" in the consolidated financial statements.

With reference to the credit risk valuation method for the purposes of estimating expected loss pursuant to international accounting standards, the model adopted does not currently provide for a calibration that includes the measurement of climate risk. However, the path taken by the Group envisages a continuous evolution of the framework and attributes increasing importance to the monitoring and inclusion of climate-related risk in business practices; so much so that, as of the first quarter of 2025, appropriate adjustments will be made to the existing IFRS 9 accounting models on the loan portfolio, in order to incorporate expected loss components arising specifically from scenarios due to climate change.

In relation to ICT risks, the Mediolanum Group has developed a methodological framework linked to IT risk management and IT security, also drawing on industry regulations and guidelines. Appropriate monitoring indicators have been established that both correspond to the RAF and act as early warning indicators, allowing for the ongoing management of these risks. The Bank has also taken out an insurance policy to cover cyber risk. Economic capital, which is also monitored by RAF indicators and is calculated as the weighted average of historical capital and prospective capital, takes into account all potential losses arising from operational risk events.

With regard to the assessments made to identify material opportunities, the Mediolanum Group developed and estimated specific economic valuations on the basis of the strategic decisions set out in the Sustainability Plan that were taken into account during the preparation of the budget. The topical chapters, with reference to credit activity, provide details of the main results obtained on each objective defined by the Sustainability Plan for this business segment.

[SBM-3 DP 48 f]

With the approval of the 2024– 2026 Business Plan, of which the Sustainability Plan is an integral part, the Group confirmed the alignment of the economic and financial plan with what have historically been the Group's success factors. In fact, the historical principles on which Mediolanum's statement is based remain centred on the development of the customer relationship, in order to propose investment products and to provide a credit offering aimed at building this relationship, focusing on retail clients and secured credit products. In parallel with the definition of the strategic guidelines through the Business Plan, the Group is committed to analysing its business model in order to ascertain the resilience of its business strategy and model: this activity is carried out with the aim of measuring the Group's capacity to address the material impacts and risks. This is the direction taken by the ICAAP, i.e. the typical tool adopted by the Mediolanum Group to analyse its business resilience. In fact, the process assesses the impacts that stress scenarios may have on the Group's results of operations and capital

adequacy. The result is a detailed picture of the ability of the Group and its business model to withstand and respond to adverse market conditions. Since the 2024 ICAAP, climate-related risk scenarios have been added, enabling an assessment of the impacts on the Group's two main businesses: credit and asset management. The breakdown of the analysis performed for these businesses is shown below.

Credit business – Short and medium term

In the ICAAP, with regard to credit risk, the chosen scenario is used within the IFRS 9 PD (Probability of Default) calibration framework, which requires the use of the satellite model in order to recalculate the new stressed PD curve. Once estimated, it is used to calculate the collective level in the projection years. For the LGD (loss given default) component, data are used to estimate a cost function. This cost measure is applied to the value of historical recoveries of non-performing loans in order to build a stress factor to be applied to the coverage percentages in production. The coverages thus calculated of Banca Mediolanum's mortgage portfolio are used to calculate the collective and analytical levels in the projection years. Estimates of the stressed LGD are also used within the framework for estimating residual risk, in order to reduce the value of the properties during the projection years and consequently increase the level of RWA (risk-weighted assets). This process results in a quantification of the impact of climate-related risk that can be used to assess business resilience in the short to medium term.

Credit business – Long term

In order to estimate the long-term impact of climate risk on Banca Mediolanum's loan portfolio, the expected credit loss (ECL) is calculated, conditional upon climate scenarios. In particular, the conditional parameter is the loss given default of the retail mortgage portfolio. The conditions of this stress are that the composition of Banca Mediolanum's portfolio remains constant over time. The process is divided into the following methodological steps: the definition of a haircut, i.e. a percentage of write-downs of the value of the properties, calculated as the ratio of the stressed climate-related risk scenario to the baseline scenario.

Asset management business

The analysis of the impact of climate scenarios on AuM (assets under management) estimates the effects on the costs and revenues of the investee companies of the funds and consequently calculates the change in the value of the investment. Costs and revenues are projected to 2050 for transition risk, while for physical risk the horizon is 2100. The change in the value of the investment, known as Climate VaR (CVaR), is obtained by discounting these projections. The CVaR is therefore an indicator obtained with a long-term perspective. However, a short- and medium-term analysis is also carried out, in which the projections discounted in the CVaR calculation are cut at various intermediate time horizons. In this way it is possible to obtain changes in the value of the investment, considering impacts up to 1 year, 3 years, 5 years, 10 years and 20 years.

1.1.4 Impact, risk and opportunity management

Description of the processes to identify and asses material impacts, risks and opportunities

[IRO-1 DP 53 a]

The double materiality assessment was carried out according to a process that followed the recommendations made by EFRAG through ESRS 1 – General Requirements and the related Implementation Guideline 1 "*Materiality Assessment Implementation Guidance*". An analysis was also carried out, not only of the impacts, risks and opportunities relating to the Group's own operations, but also of those relating to its commercial relations and significant relationships upstream and downstream, in line with the recommendations made by EFRAG through Implementation Guideline 2 "*Value Chain Implementation Guidance*".

[IRO-1 DP 53 bi]

The double materiality assessment process was carried out taking into account all the entities included in the reporting scope.

[IRO-1 DP 53 b]

In relation to actual and potential impacts, the materiality assessment process, in line with the provisions of the Implementation Guidance on the double materiality assessment and the value chain, has been divided into three stages:

1. understanding the context;
2. identifying actual and potential impacts;
3. assessing and determining material impacts relating to sustainability matters.

Understanding the context required an analysis of the Group's activities, its business relationships and the sustainability context in which it operates (with the relevant regulatory requests from external bodies). In particular, the following activities were performed:

- analysis of sustainability trends and developments: from an analysis of the Corporate Sustainability Reporting Directive (CSRD), the ESRS standards issued by EFRAG and updates of the Global Reporting Initiative;
- analysis of the banking environment: analysis of competitors, sector regulations and market requests, including the benchmarks of Italian and European competitors, the UNEP Context Module of PRBs and ESG ratings;
- analysis and prioritisation of stakeholders, in line with the parameters provided by the AA1000SES standard;
- analysis of the internal environment of the Group and the value chain: the review of the documents and internal developments in the Mediolanum Group, in particular the 2023 Non-Financial Statement and the feedback received on it, the analysis of ESG risks and the results obtained during the engagement process of 2023 and previous years.

It was then possible to identify potential and actual impacts by drawing up an extended list of the possible impacts generated by the Mediolanum Group. The *long-list* of generated impacts developed during FY 2023 was therefore revised. Each impact was classified according to the direction of the impact (positive or negative) and the type of impact (actual or potential). In addition, each impact was associated with the corresponding stages of the value chain and, where possible, was linked to the ESRS topics (topics, sub-topics and sub-sub-topics) presented in Annex A, AR 16 of ESRS 1.

Finally, the assessment and determination of the material impacts relating to sustainability matters was carried out. The assessment was carried out in the first instance through a desk assessment by the Sustainability Office according to the likelihood and severity parameters (magnitude, scope and irremediability), as indicated in the ESRS standards, and, subsequently, by the representatives of the Group's main Departments through one-to-one interviews. This led to the identification of 43 material impacts, comprising 18 negative impacts and 25 positive impacts.

[IRO-1 DP 53 biii]

As suggested by the IG 1 Materiality Assessment Implementation Guidance published by EFRAG, the results of the analysis were discussed and approved with the help of external experts. In particular, representatives from the academic world were interviewed. Furthermore, as provided for by Article 4, paragraph 9 of the Directive, the process was duly shared in two meetings with workers' representatives, who were informed about the matters within their purview. These representatives shared the matters identified as material to the Group, particularly with regard to the "Own workforce" area, and no comments were made.

[IRO-1 DP 53 bii]

The impacts thus identified and assessed concerned not only the own operations of the Group Companies included in the reporting scope, but also commercial relations, with particular focus on downstream processes and relationships (*downstream phase*).

[IRO-1 DP 53 biv]

The materiality of the impacts was assessed according to the parameters described below, whether they were negative or positive, actual or potential impacts. In particular, with regard to the assessment of the materiality of the impact, with regard to actual negative impacts, materiality is assessed on the basis of the severity of the impact, while for the potential negative impacts, the likelihood of the impact was also assessed. Severity is based on the following factors: (a) the magnitude; (b) the scope; and (c) the remediability of the impact. Moreover, for each negative impact, it was determined whether human rights violations might be involved: if so, the severity prevailed over the likelihood of occurrence. With regard to positive impacts, materiality is assessed on the basis of the following factors: (a) the magnitude and scope of the impact with regard to actual impacts; and (b) the magnitude, scope and likelihood of the impact with regard to potential impacts.

A precise numerical value was assigned to each of the above qualitative parameters and used to calculate a quantitative score to be assigned to each impact assessed. A materiality threshold of impacts of 3 (on a scale of 3 to 5) was also defined: all impacts that obtained a total score of 3 to 5 were considered material for the Banca Mediolanum Group.

The threshold was determined on the basis of:

- the distribution of the values obtained from the assessment;
- alignment with the provisions of ESRS 1 and IGMA 1 Guidelines, which give undertakings the options of setting appropriate qualitative or quantitative materiality thresholds, without, however, prescribing specific elements to be taken into account in determining value.

[IRO-1 DP 53 c]

With regard to risks, for the purposes of the financial materiality process, the process and assessments already carried out by the Mediolanum Group (ESG risk framework) were considered a "starting point", in coordination with the Risk Management Function, in line with the provisions of the existing Policy and processes. As for the identification of impacts, the list contained in Annex A, AR 16 of ESRS 1 was also used as a reference for risks. The relevant risks have been linked to the reference ESRS and connected to the respective phases of the value chain (upstream, own operations, downstream).

[IRO-1 DP 53 ci]

The Mediolanum Group, as formalised within the ESG Risk Management Policy, has associated potential ESG risks with material negative impacts. The risks were identified and associated with material negative impacts through the involvement of the various risk owners, for each Company in the Banking Group and the Insurance Group. The Countries and Companies in question were then mapped in order to separate the risks relating to the Mediolanum Insurance Group from those of the Mediolanum Banking Group. In addition, the first-level Risk Officers were mapped, specifying the first-level safeguard adopted to mitigate the risk, where present.

[IRO-1 DP 53 cii]

With the support of the second-level corporate control functions of both the Banking Group and the Insurance Group, qualitative assessments were carried out on the potential financial impact of the risk and, in the event of

a positive outcome, the relevant transmission channel through which ESG risk factors arise on traditional risks, and therefore the predominant type of risk (e.g. credit risk, market risk, operational risk, etc.) was mapped. For ESG risks found to have a potential financial impact, the time horizon of its occurrence (short, medium, long–) and its severity (–low, medium, high). On the basis of time horizon and severity, the following were identified:

- ESG risks for which the existing first-level safeguard is sufficient for their management and monitoring (i.e. risks with a low likelihood of occurrence and/or low severity);
- ESG risks for which a second-level safeguard is also necessary (i.e. risks with a medium/high likelihood of occurrence and medium/high severity). For the latter, based on the predominant type of risk, the Responsible Function (i.e. Risk Management or Compliance) was identified and, where already present, the second-level safeguard was adopted.

In carrying out this activity, the materiality assessments of environmental risks conducted by the Banking Group in accordance with the ECB guidelines and by the Insurance Group in the context of the ORSA were taken into account, in accordance with the EIOPA guidelines, as detailed in the following chapter.

[IRO-1 53 ciii]

For the methodology adopted by the Mediolanum Group to define the significance of the risks associated with sustainability found to have potential financial impact, within the assessments already carried out by the Group for the purposes of defining the ESG Risk Framework, reference should be made to the provisions of the above paragraphs. In particular, each of these risks was associated with:

- a time horizon (short, medium or long term);
- and their severity –(low, medium or high).

Based on these indicators, the Group makes qualitative assessments that enable it to define a priority scale in relation to sustainability-related risks.

Furthermore, in the process of identifying and mapping ESG risks, particular attention is paid to climate-related and environmental risks (C&E): environmental factors include climate and environmental aspects such as the transition to a low-carbon economy, the reduction of CO_2 emissions, energy efficiency and responsible use of natural resources (e.g. water), the adoption of policies to combat pollution, the waste of natural resources and deforestation. At present, the Mediolanum Group has prioritised the area of "climate change". This assessment was carried out in view of the impact that environmental risks, and in particular C&E risks, have from a financial point of view. For this reason, Banca Mediolanum took steps to identify and quantify the exposure to C&E risk factors and to verify the resilience of its business to these risks.

[IRO-1 DP 53 C; 53 F]

The process to identify, assess and manage opportunities is connected to the strategic planning of the undertaking. In particular, opportunities were identified by analysing the 2024-2026 Sustainability Plan in coordination with the Administration, Finance and Control Department and, in particular, with the Planning, Control and Investor Relations Division.

[IRO-1 DP 53 ci]

As for the identification of impacts, the list in Annex A, AR 16 of ESRS 1 was also taken as a reference for opportunities. Each opportunity identified was traced back to the respective value chain stage (upstream, own operations, downstream) and to the EFRAG ESRS topics.

[IRO-1 DP 53 cii]

The opportunity assessment was made by analysing probability of occurrence and potential "magnitude". The assessment of opportunities with a potential financial impact was carried out according to the following parameters:

- a "potential magnitude" rating scale, based on the definitions provided by the ESRS;
- a "probability" rating scale and a specification of the time horizons to be considered, based on the definitions provided by the ESRS.

In order to calculate the materiality score, the two dimensions of potential magnitude and probability were valued through qualitative reasoning and matrix intersections. The assessment was shared through eight interviews with Group Directors who are experts in their respective areas of expertise and allowed seven opportunities to be assessed as material.

[IRO-1 DP 53 d]

The Sustainability Office, within the Administration, Finance and Control Department, manages the double materiality assessment process, in accordance with the provisions of Legislative Decree No. 125/2024. The Board of Directors is responsible for approving the double materiality assessment, in accordance with the provisions of Legislative Decree No. 125/2024, and to monitor the management of processes relating to material impacts, risks and opportunities, of which the Board is regularly updated.

The double materiality assessment process is governed by internal policies and procedures (Policy for the Preparation of the Consolidated Sustainability Statement of Banca Mediolanum and the related process regulations; ESG Risk Management Policy).

[IRO-1 DP 53 e]

In order to ensure adequate business resilience to any events and hazards in the current and future environment, the Mediolanum Group is committed to implementing and improving an adequate process of risk identification, assessment and management, in order to analyse and mitigate the risk profile to which it is subject. To this end, the Group also incorporates ESG impacts and risks within its overall corporate risk management process.

As confirmation of this, the Mediolanum Group describes in its "Pillar III" disclosure the process of identifying environmental, social and governance risks adopted by the Bank and defines, in addition to the management measures, the tools used to identify ESG risks. The process of identifying significant risks for the Mediolanum Group includes all the activities aimed at analysing the organisational structure and distinctive processes and at identifying and mapping the risks that characterise banking activity. The aim of the risk identification process is to determine the significance of the risks to which the Group is subject. This process, coordinated by the Risk Management Function, is based on the corporate guidelines and policies defined by the Board of Directors in relation to the corporate risk management and control system and the regulatory and management methods to assess the risks to which the Bank and the Group are exposed. The main activities characterising the materiality assessment for the construction of the general map of significant risks as another process prepared by the Risk Management Function are set out below:

1. risks not relevant to the current business context of the Group and the business context assumed in the economic and financial plan in force are excluded; the list is subsequently organised by grouping together the risk sub-categories according to the Group's risk management taxonomy;
2. materiality assessment: a materiality threshold is defined which makes it possible to identify which risks within the Mediolanum Group, from those already defined as applicable and therefore measurable, are significant in terms of the Group's ordinary operations but do not jeopardise the pursuit of its strategy. Material risks are considered for the purpose of ICAAP/ILAAP and stress tests and/or are regularly measured, limited and/or managed;
3. identification and mapping of environmental climate risk factors within the traditional risk categories overseen by the Function;
4. representation of the significance of risks: the identification process concludes by analysing the impact of risks and assessing their materiality by measuring their significance for the Group with respect to these two dimensions;
5. as a final activity, materiality for each individual Company in the Banking Group Company is assessed with respect to each sub-category of risk identified.

Once the scope of the risks deemed significant has been identified, the Risk Appetite Framework (RAF) is defined: the RAF is a reference framework that determines the risk appetite, the tolerance thresholds, the risk limits and risk governance policies and the processes for defining and implementing these, in line with the maximum risk that may be assumed, the business model and the business plan adopted by the Group. Through the RAF, it is therefore possible to establish and measure the risk appetite necessary to achieve the income objectives set in the budget/plan. As part of the process of defining and updating the RAF, the budget/plan figures are reconciled with the risk appetite limits established and, if necessary, the thresholds and limits of the RAF strategic indicators established during the previous year are updated in order to assess their impacts.
The strategic indicators thus defined are therefore intended to support Senior Management in pursuing the Group's economic and financial objectives, and are therefore subject to an annual review process, in addition to the planning and/or budgeting process. These indicators are monitored on at least a quarterly basis and shared with the Board of Directors through the Risk Dashboard, so that compliance with the pre-established thresholds can be controlled.
In particular, with regard to sustainability risks, the strategic indicators of the RAF that take into account environmental (including climate and environmental risk factors), social and governance aspects, with regard to both credit counterparties and own funds and third parties, are as follows:

- corporate credit sustainability indicator: the indicator relating to the "sustainability" of the Corporate Credit portfolio is intended to represent the portion of exposure that does not reflect sustainable finance criteria. The ESG rating is calculated and provided by an external provider (CRIF) and is based on public and Bureau information, for the individual company, sector and geographical area. A counterparty's sustainability is assessed through a summary score that includes the assessments of the three main aspects of sustainability;
- an ESG indicator of own funds and third parties: the indicator has been identified as part of materiality mapping in the area of strategic risk and within the scope of the Banking Group. The indicator is calculated, firstly, by assigning an ESG rating to each fund managed and/or placed by the Group, ranging from the best class (AAA) to the worst class (CCC), or unrated (NR). Data related to the ESG rating are provided by the external information provider (MSCI) via the "ESG Manager" tool. This involves uploading the fund look-throughs into the tool and then assigning an ESG rating to each underlying, followed by aggregation at fund level. The assigned rating summarises the assessment of a company's ability to manage its exposure in three main categories:
    - the organisational capacity of a company and the level of commitment dedicated to addressing key risks and opportunities;
    - the strength and scope of ESG initiatives: programmes and objectives in place to improve performance;
    - a company's track record in managing specific ESG risks or opportunities.

[IRO-1 DP 53 g]

In general, the activity was based on a qualitative scenario analysis, mainly focused on industry trends and analyses of peers and related trends, as well as on the assessment of the Group's products and analysis of the Credit and Investment Portfolio.

[IRO-1 DP 53 h]

As this is the first year of entry into force of the CSRD and application of the ESRS, the materiality process is considered not comparable with that of previous years.

Description of the processes to identify and assess material climate-related impacts, risks and opportunities

[EI.IRO-1 DP 20 a; AR 9]

The process to identify and assess climate-related impacts is part of and contextualised within the double materiality process carried out by the Mediolanum Group.

In particular, through a comparison with the main corporate functions involved and an analysis of the Group's overall carbon footprint, the corporate activities were examined and, in view of the specific nature of the Group's business, the climate-related impacts were identified:

- direct and indirect greenhouse gas emissions generated by corporate transactions (Scope 1 and Scope 2);
- indirect GHG emissions generated along the value chain (Scope 3):
    - (Categories 1-14) with particular reference to purchased goods and services, waste generated during operations, business trips, employee commuting and emissions related to the distribution phase;
    - (Category 15) with regard to indirect greenhouse gas emissions related to the portfolio.

In addition, as part of the materiality assessment process, some additional impacts related to areas connected to climate change mitigation, adaptation and energy were identified and assessed. For details on the list of material impacts for the Mediolanum Group, see section E1 "Climate change" (cf. Disclosure Requirement SBM-3; DP 48 a).

[E1.IRO-1 DP 20 c]

The opportunities identified refer to those present in the 2024-2026 Sustainability Plan.

In particular, with regard to lending activities, the Group presents specific commitments and actions in the Sustainability Plan.

For details on the list of material opportunities for the Mediolanum Group, see section E1 "Climate change" (cf. Disclosure Requirement SBM-3; DP 48 a).

[E1.IRO-1 DP 20 b, 20 c]

As part of the process of adaptation to climate-related and environmental risks undertaken by Banca Mediolanum, the individual climate-related and environmental risk factors having an impact on the Bank were identified and mapped and their materiality assessed.

To do this, the Bank performed a detailed analysis of the significant physical and transition risks for the Parent Company, and for each of these climate-related and environmental risks, it then assessed its significance with respect to each risk:

- Pillar 1 (credit risk, market risk and operational risk);
- Pillar 2 (liquidity risk, strategic risk and reputational risk).

This approach allowed it to assess how the physical and transition risk factors may affect the typical risk of the banking activity observed, by identifying quantitative indicators based on the characteristics of the risk in question.

In order to adequately incorporate climate-related and environmental risks within the Risk Management Framework, the Risk Management Function conducts a materiality analysis of the traditional risk categories that provide for a quantitative assessment, using various available tools, as shown in the table below:

Type of risk	Tool used
CREDIT RISK	For the valuation of properties as collateral, with reference to transition risk, an assessment is carried out through the energy class. With regard to physical risk, including environmental risk factors, acute physical risk and chronic physical risk scores provided by external information providers are used (in line with the instructions of the Supervisory Authority, earthquake risk is not taken into account). For the assessment of counterparties, with reference to both transition risk and physical risk, including environmental risk factors, scores provided by external information providers are used.
MARKET RISK	For the assessment of the proprietary trading book, the UNEP FI Impact Map is used to identify how issuers in different economic sectors have a positive or negative impact on the climate-related and environmental areas connected to transition and physical risk factors, including environmental risk factors.
STRATEGIC RISK	For the assessment of the managed portfolio, the UNEP FI Impact Map is used to identify how issuers in different economic sectors have a positive or negative impact on the climate-related and environmental areas connected to transition and physical risk factors, including environmental risk factors.
OPERATIONAL RISK	For the valuation of properties owned by the Bank and essential service providers (ESPs), physical risk factors, including environmental risk factors, are used to assess the scores provided by external information providers.

The analyses carried out using the instruments reported above provide a materiality assessment based on the impact of the individual risk driver, such as transition risk or physical risk, on the total analysis scope defined, which varies according to the traditional risk category in question.
The following table shows the materiality bands defined by the Risk Management Function, which are common to all the analyses of climate-related and environmental risk factors valid for the individual risk categories:

MATERIALITY BANDS:
High materiality
Medium-high materiality
Medium materiality
Medium-low materiality
Low materiality
Minimal materiality

Credit risk

Materiality assessment with regard to credit risk is carried out using the acute physical and chronic physical risk scores provided by the information provider, which are significant throughout the Group's entire value chain, involving both the retail segment and the supplier network as described below, and data relating to the energy class of the properties for transition risk, with impacts mainly on the upstream network (customers) of the value chain.

The analysis was carried out according to the following operational steps:

- determination of portfolios relevant for the purposes of the materiality assessment: the portfolio relevant for the purposes of the materiality assessment is the retail portfolio, for which only an analysis of climate-related and environmental risk factors on assets used as collateral is conducted;
- assessment of the materiality of transition risk: with regard to the retail portfolio, the overall percentage of the value of guarantees relating to properties that are less virtuous in terms of energy efficiency - classes E, F and G – is defined as a high level of materiality, i.e. a high impact of transition risk factors on credit risk;
- assessment of the materiality of acute physical risk: with regard to the retail portfolio, the percentage of the value of the guarantees most exposed to acute physical risk factors corresponds to a low materiality level;
- assessment of the materiality of chronic physical risk: with regard to the retail portfolio and in the same way for acute physical risk, a low level of materiality was found, i.e. a low impact of chronic physical risk factors on credit risk.

Market risk and strategic risk

The materiality assessment with regard to market risk and strategic risk is performed using the UNEP FI Impact Map, which identifies how issuers in different economic sectors have a positive or negative impact on the climate-related and environmental areas connected to transition and physical risk factors, including environmental risk factors. The results of the analyses conducted on market risk (trading book) and strategic risk (managed portfolio) are as follows:

- Market risk: the weighted average market value (equities) and nominal value (bonds) of the scores associated with the relevant ATECO sectors of the trading book (Banking Group and Insurance Group) is equal to a medium-low materiality of climate-related and environmental risk factors with regard to market risk;
- Strategic risk: with regard to the Mediolanum funds (Mediolanum Gestione Fondi, Mediolanum Gestión, Mediolanum International Fund), the weighted value for the market value of the scores associated with this portion of the managed portfolio is equal to a medium-low level of materiality of climate-related and environmental risk factors. With regard to the Insurance Group, meanwhile, the analysis indicates a medium-low level of materiality of climate-related and environmental risk factors.

Operational risk

The materiality assessment of operational risk is carried out by identifying the properties owned by the Bank and the operational sites of essential service providers (ESPs), and which of these are located in areas of significant physical risk in Italy, with an impact mainly on the upstream value chain.

The application provides information on the hazard levels of flood risk and landslide risk (acute physical risk) and cumulative precipitation, maximum and minimum air temperature, snow height, wind speed, rising water, hail and lightning (chronic physical risk).

The relevant scores are measured with specific values on the following risk factors:

- hydraulic hazard levels;
- hydrogeological hazard levels;
- cumulative precipitation, maximum and minimum air temperature, snow height, wind speed, rising water, hail and lightning.

Based on the analyses performed, the following operational risk materiality levels are noted, with reference to the Bank's properties and the operational sites of the essential service providers material for the downstream phase of the Group's value chain:

- Acute risk (floods and landslides): with reference to properties owned by the Bank, there is a minimum level of materiality for acute risk, compared with minimum levels of materiality for both hydraulic and hydrogeological risk. For the ESPs' operational locations, however, the level of materiality for acute risk is low, compared with a low level of materiality for hydraulic risk and a minimum level for hydrogeological risk;
- Chronic risk (cumulative precipitation, maximum and minimum air temperature, snow height, wind speed, rising water, hail and lightning): the level of materiality is medium with regard to both the Bank's properties and the ESPs' operational sites.

[EI.IRO-1 AR 11 a, 12 a]

The transmission channels for C&E risk factors are detailed below for each significant risk, and include the short-, medium- and long-term effects of environmental factors and risks in the Risk Management Framework. In particular, the climate-related time horizons have been defined within the Risk Management Framework as follows:

- Short term (ST): from 0 to 1 year;
- Medium term (MT): from 1 to 5 years;
- Long-term (LT): 5 to 30 years.

Moreover, for each physical and climate-related transition risk assessed as material in the double materiality process, there is an association of these risks with own operations and/or the upstream or downstream value chain of the Mediolanum Group.

Credit risk

Banca Mediolanum identifies and maps the climate-related and environmental risks that affect credit risk. In particular, transition risk factors, such as policies and regulation, technology and market confidence, as well as physical risk factors, arising from extreme or chronic events, including environmental risk factors, are identified.
Banca Mediolanum, with particular reference to the transition risk factors, identifies the transmission channels shown in the following table:

Type of risk	Risk factor	Description of transmission channel and connection with the Mediolanum Group's value chain	Time horizon
Credit/ counterparty risk	Transition risk: Policies and regulations	Impacts on the corporate portfolio due to the process of adjustment towards a low-carbon economy, through the introduction of elements such as: energy efficiency requirements, carbon pricing mechanisms that increase the price of fossil fuels and/or policies to encourage the sustainable use of the region. These factors may affect the profitability of the Bank's credit counterparties and, consequently, generate a reduction in their creditworthiness. Impacts on corporate and retail counterparties due to the introduction of specific regulations related to energy classification requirements that could result in a reduction in the value of properties used as collateral for loans. The risk is concentrated in the downstream value chain.	MT-LT
Credit/ counterparty risk	Transition risk: Technology	Impacts on the corporate portfolio due to technological changes that may render the technologies used by the same obsolete, triggering a process of repricing of the related assets. Moreover, in order to facilitate the conversion process, these counterparties could envisage massive investments in order to renew their production technologies. These factors may affect the profitability of the Bank's credit counterparties and, consequently, generate a reduction in their creditworthiness. The risk is concentrated in the downstream value chain.	MT-LT
Credit/ counterparty risk	Transition risk: Market sentiment	Impacts on corporate counterparties due to the choices of consumers and investors that could shift towards undertakings that distribute products and services that are less harmful to the climate, causing a reduction in the profitability of counterparties that are not embarking on a process of reconversion to a low-emission economy. The risk is concentrated in the downstream value chain.	MT-LT

In addition, Banca Mediolanum, with particular reference to physical risk factors, identifies the following transmission channels:

Type of risk	Risk factor	Description of transmission channel and connection with the Mediolanum Group's value chain	Time horizon
Credit/ counterparty risk	Acute physical risk: Extreme weather events	Impacts deriving from weather events such as storms, floods, fires and heat waves, which may damage the production facilities and disrupt the value chain and business continuity of the Bank's corporate portfolio. These events could therefore lead to a reduction in the repayment capacity of counterparties. The impact on property provided as collateral by corporate and retail credit counterparties due to acute climate and environmental events that could reduce the value of the collateral and, consequently, generate a reduction in the Bank's recovery capacity. The risk is concentrated in the downstream value chain.	ST – MT - LT
Credit/ counterparty risk	Chronic physical risk: Chronic weather conditions	Impacts deriving from longer-term trends, such as temperature changes, rising sea levels, reduced water availability, biodiversity loss and land and soil degradation, which could affect the ability of counterparts to continue their business and thus undermine their repayment capacity. Impacts due to which the exposure of property pledged as collateral by credit counterparties to chronic climate and environmental events could reduce the Bank's recovery capacity. The risk is concentrated in the downstream value chain.	MT-LT

Market risk

Banca Mediolanum identifies and maps the climate-related and environmental risks that affect market risk. In particular, the following transition and physical risk factors have been identified:

Type of risk	Risk factor	Description of transmission channel and connection with the Mediolanum Group's value chain	Time horizon
Market risk	Transition risk: Market sentiment, technology, policies and regulations	The risk that the companies in which the Group invests in its proprietary portfolios will be negatively affected by international "green" targets, resulting in market depreciation. The risk is concentrated in the downstream value chain.	MT-LT
Market risk	Acute physical risk: Extreme weather events and chronic weather conditions	The risk that serious manifestations of physical risk may cause problems in terms of material damage and disruption to the business of the companies in which the Group invests in its proprietary portfolios. This may lead to a sudden write-down of the Group's investments in the financial markets. The risk is concentrated in the downstream value chain.	ST - MT - LT

Operational risk

Banca Mediolanum identifies and maps the climate-related and environmental risks that affect operational risk. In particular, the following physical risk factors have been identified:

Type of risk	Risk factor	Description of transmission channel and connection with the Mediolanum Group's value chain	Time horizon
Operational risk	Acute and chronic physical risk: Extreme weather events, chronic weather conditions	Among the physical risks, particular attention is paid to acute and chronic events, which could result in the central offices of the Bank being shut down due to landslides and/or flooding. Potential impacts due to the operational standstill of the Bank's processes due to climate-related and environmental events affecting the offices/operational sites of suppliers to which essential or important functions have been outsourced, i.e. functions indispensable to ensuring their normal operations, are also assessed. The risk is concentrated in the upstream value chain and in own operations.	ST – MT - LT

Strategic risk

Banca Mediolanum identifies and maps the climate-related and environmental risks that affect strategic risk. In particular, the following transition risk factors have been identified:

Type of risk	Risk factor	Description of transmission channel and connection with the Mediolanum Group's value chain	Time horizon
Strategic risk	Transition risk: Market sentiment, technology, policies and regulations	The risk that the underlyings of the products placed with customers contain companies that will be negatively affected by international green targets, with consequent losses in value on the markets. The risk is concentrated in the downstream value chain.	MT-LT
Strategic risk	Acute physical risk: Extreme climate events and chronic weather conditions	The risk that serious manifestations of physical risk may cause problems in terms of material damage and business interruption to the companies underlying the products placed with customers. This might lead to a sudden loss in the value of assets under management in the financial markets. The risk is concentrated in the downstream value chain.	ST - MT - LT

In order to analyse the potential impacts on its business, Banca Mediolanum carries out a specific quantitative assessment of the materiality of climate-related and environmental risks in relation to the assets under management in investment funds.

Reputation risk

Banca Mediolanum identifies and maps the climate-related and environmental risks that affect reputational risk. In particular, the following transition risk factors have been identified:

Type of risk	Risk factor	Description of transmission channel and connection with the Mediolanum Group's value chain	Time horizon
Reputational risk	Transition risk: Market sentiment	Potential financial losses resulting from greenwashing practices (or even subject to legal investigation) due to a non-organic approach to C&E matters, including climate-related and environmental matters. In addition, potential negative impacts related to collaboration with suppliers of goods/services that do not operate in compliance with climate-environmental principles. The risk is concentrated in own operations and in the upstream and downstream value chain.	MT-LT

Liquidity risk

Banca Mediolanum identifies and maps the climate-related and environmental risks that affect liquidity risk. With reference to the analysis of the materiality assessments, the Risk Management Function found that climate-related and environmental factors were not material in relation to liquidity risk. In particular, the following transition and physical risk factors have been identified:

Type of risk	Risk factor	Description of transmission channel and connection with the Mediolanum Group's value chain	Time horizon
Liquidity risk	Transition risk: Market sentiment, technology, policies and regulations	Potential impacts in terms of a decrease in the value of high-quality liquid assets in the portfolio (e.g. listed corporate securities) caused by the discontinuation of business activities/asset classes that can no longer be recovered by issuers that are particularly exposed to climate and energy transition risks. The risk is concentrated in the downstream value chain. This risk was found to be not significant.	MT-LT
Liquidity risk	Acute physical risk: Extreme weather events	Potential impacts in terms of decreased liquidity reserves as a consequence of extreme environmental events affecting large portions of the customer base (e.g. withdrawal of funds from current accounts or unexpected drawing on credit lines to finance reconstruction/remedial activities/immediate expenses, repayment default/failure of customers damaged by the event, negative impact on the market value of some financial assets in the portfolio). The risk is concentrated in the downstream value chain. This risk was found to be not significant.	ST – MT – LT

With regard to the Insurance business, the following risk factors were identified as part of the double materiality process:

Type of risk	Risk factor	Description of transmission channel and connection with the Mediolanum Group's value chain	Time horizon
Mortality risk	Acute and chronic physical risk: extreme weather events, chronic weather conditions	In particular, the risks associated with floods and heatwaves that could result in an increase in mortality are identified. The risk is concentrated in the downstream value chain.	MT-LT

Furthermore, with specific reference to the Insurance business, within the Insurance Risk Management Framework, climate-related time horizons were considered, as follows:

- Short term (ST) from 1 to 5 years;
- Medium term (MT) from 5 to 10 years;
- Long term (LT) 10 years or more.

The timing references indicated above were identified on the basis of the EIOPA guidelines provided in the "Application guidance on running climate change materiality assessment and using climate change scenarios in the ORSA" – 2022.

The Mediolanum Insurance Group, with particular reference to physical and transition risk factors, has identified the transmission channels:

- non-biometric risks (transition risk: Policies and regulations): the risks associated with macroeconomic developments, for example in terms of changes in the level of GDP, inflation or personal wealth, have been identified. These could result in a sudden increase in surrenders or an increase in contract management costs;
- pricing and reserving risk of the "fire and other damage to property" LoB; catastrophe risk of the "fire and other damage to property" LoB (acute physical risk related to natural events): specifically, risks associated with fires, floods and hail have been identified that could result an increase in the claims rate;
- pricing and reserving risk of "health NSLT (not similar to life techniques)";
- "health NSLT" catastrophe risk (acute and chronic physical risk: extreme weather events, chronic weather conditions): in particular, the risks associated with heat waves that could result in an increase in medical expenses are identified.

[EI.IRO-1 AR 11 a; 12 a]

In recent years, in order to reduce exposure to physical risks, the Bank has conducted specific analyses of the impact of physical risk on its credit portfolio and has undertaken periodic monitoring of the geographical distribution and type of properties collateralising credit exposures.

In particular, the Bank, through an analysis conducted in previous years, found that climate-related risk primarily corresponds to a risk factor in the credit portfolio, where the aspect of physical risk is the main phenomenon that might affect property collateral in the mortgage loan portfolio. The low exposure to corporate counterparties excluded the impact of the physical and transition factor in corporate exposures.

The methodology used for the physical risk analysis includes an initial analytical identification of the geographical positioning of the properties used as collateral in Italy. Subsequently, the mapping was cross-referenced and superimposed with maps of risk related to landslides and floods established by institutional and/or government bodies with the various levels of risk based on the surveys carried out, always taking into account the different Italian regions. This initial screening showed a distribution of property collateral in the areas with the highest risk in line with observable market data, without evidence of particular critical issues.

The assessment and verification of the effects on transition risk, meanwhile, were addressed according to the distribution of properties received as collateral in relation to their energy class. In this area also, in light of the predominant type of property in Italy, the evidence showed that the breakdown of the guarantees received was consistent with the national benchmark for clustering properties. This analysis was followed by a Board Induction.

In recent years, in order to identify the risks related to climate change associated with Banco Mediolanum's operations, the Risk Management Function of the Spanish subsidiary carried out the same assessment of the physical risk of the loan portfolio, in line with what has been described for the Parent Company. The measurement was based, in particular, on defining a rating (low/medium/high) for exposure to flood and earthquake scenarios for all the property collateral covering the mortgage credit granted by Banco Mediolanum.

The Bank has also provided for the measurement and monitoring of property collateral to be carried out periodically every two years: through an appraisal carried out by a third party, the Bank defines the energy class of the properties pledged as collateral by its customers and obtains an overall risk assessment that also takes account of market data.

[EI.IRO-1 AR 11 b]

Within the Risk Management Framework, the climate-related time horizons have been defined as follows:

- Short term (ST): from 0 to 1 year;
- Medium term (MT): from 1 to 5 years;
- Long-term (LT): 5 to 30 years.

The time references indicated above have been clusterised by referring to the main decisions taken by international institutional bodies to achieve the objectives of reducing environmental impacts with reference to the improvement of extreme climate-related events. In particular, the 30-year period from 2020 to 2050 has been adopted as a long-term reference. This timeframe was considered a benchmark with reference to the European Parliament's January 2020 resolution on the European Green Deal, which aims to transform the European Union into a modern, resource-efficient and competitive economy, with the main objective of no net greenhouse gas emissions by 2050. The medium-term five-year time horizon was defined by referring to the period indicated by the COP21 of the Paris Agreement of 2015, which provided for the signatory States to review every five years, starting in 2020, the strategies and policies to be adopted in order to achieve the objectives to which they signed up.

These horizons are used in the analysis of transmission channels with which climate-related and environmental risks have an impact on the traditional risk categories of financial intermediaries. The effects of these climate risks, including physical risk, are then quantified in the ICAAP. The starting point for the year is the three-year horizon developed during the planning phase. The impacts of climate scenarios on assets are calculated taking into account the duration of the item concerned and the method used to account for it. Specifically, for the credit business, IFRS 9 accounting standards are taken into account. On the other hand, asset management takes into account the discounted impact due to physical risk until 2100 and is then reallocated to the ICAAP projection period.

[EI.IRO-1 AR 11 c; 12 b]

As part of the processes to identify and assess actual and potential physical risks, the Mediolanum Group has adopted a methodological approach, which is also reported in the Pillar 3 disclosure, for the purposes of the analyses carried out by the Risk Management Function to assess exposures to non-financial undertakings and exposures secured by property.

In this regard, the following is a summary of the methodology adopted to assess physical risk and, consequently, to quantify the amount of exposures to non-financial undertakings secured by property, affected by chronic, acute or both chronic and acute physical risks. The physical risk assessment follows a two-step approach:

1. estimation of the hazard level of the region;
2. estimation of vulnerability of the sector/the building.

For the calculation of physical risk indicators, each financed counterparty undertaking is enriched with information on local offices and their geographical location, economic sector and number of employees. Only geographical location is used for the properties.

The companies and properties are "superimposed", through their geographical coordinates, on hazard maps showing the degree of exposure of the region to a specific natural or climate hazard. In particular, the maps used show the exposure of the EU27 regions to 17 physical and natural hazards, distinguishing between:

- chronic hazards, i.e. climate-related phenomena that generate progressive change and may cause indirect damage (e.g. increased labour costs, production costs, cooling costs, etc.);
- acute hazards, which concern extreme phenomena that may cause material damage to assets (e.g. loss of goods in stock, damage to machinery, etc.).

The hazard level of the region is estimated based on historical regional information (with a high degree of detail) that enables changes in the physical processes and the intensity and frequency thereof to be quantified. In the event that the original resolution of the baseline data does not enable adequate identification of climate changes, the methodology adopted entails specific downscaling procedures being applied to increase the resolution. This allows for a spatial resolution of 1 km (which means that the methodology is able to differentiate between the hazard levels of two assets located only 1km apart), but for various indicators increases to up to 100m, and in some cases even to 25m (in the case of coastal flooding). The assessment of the hazard level of the region is also based on algorithms published by the scientific community or developed ad hoc based on the experience of the development team, composed of meteorologists, hydrologists and environmental and civil engineers. The regional hazard assessment also considers the future effects of climate change, based on climate change scenario RCP 4.5. This scenario is one of those adopted by the Intergovernmental Panel on Climate Change (IPCC), based on various assumptions in terms of greenhouse gas emission trends (Representative Concentration Pathways – RCP) and global socio-economic changes (Shared Socioeconomic Pathways – SSP).

For companies, the regional hazard assessment is integrated with considerations on the economic impacts that each of these hazards may have on them, depending on the sector of economic activity associated with each location. This step is necessary because the economic impacts of natural phenomena may be very different, depending on the type of company, with the same hazard level. The sector vulnerability analysis takes into account several factors, including the nature of the production processes and the value chain, the presence and storage of goods and machinery and exposure to direct damage. The sector vulnerability analysis approach is differentiated according to the risk macro-family:

- chronic risks: the economic consequences of cost increases caused by long-term climate-related phenomena are assessed;
- acute risks: direct damage to the structures, goods and machinery at the disposal of the companies, as well as brief interruptions to their service due to these events, are assessed.

For buildings, vulnerability is estimated according to the intended use of the building (e.g. residential, commercial or industrial), since buildings with different intended uses are constructed using different criteria and therefore respond to stresses caused by natural events in different ways.

Lastly, it should be noted that for the companies, the overall assessment is based on the aggregation of the summary risk scores attributed to the individual locations (based on the combined assessment of the hazard level of the region and the specific sectoral vulnerability of the local unit), through a quadratic average weighted by the importance of each local unit.

The sources used for the development of risk indicators include: the Copernicus Climate Store, the EC Joint Research Centre, the World Resource Institute and the European Environment Agency.

[E1.IRO-1 AR 11 d; 12 c]

In identifying climate-related hazards that could influence the assessment of the Group's exposure and sensitivity to the effects of climate change, Mediolanum relies on the climate scenarios of the NGFS (Network for Greening the Financial System), through which it assesses the Group's exposure to physical and transition events identified as potentially material.

To this end, Banca Mediolanum has embarked on a path of progressive improvement that resulted, in the 2024 ICAAP, in the integration of the NGFS stress scenarios into the climate risk scenario adopted by the Group, in order to assess the trend of socio-economic parameters in different combinations of severity that characterise climate-related risk (transition and physical). The impact of these climate scenarios has been assessed according to various aspects: the value of the assets under management and fee margins, the fair value and ECL of the proprietary securities portfolio, and the PD (probability of default) and LGD (loss given default) parameters of the retail loan portfolio.

As described above, there are two scenarios analysed for this purpose. The first is the divergent net zero (DNZ) scenario, in which the net zero target is reached by around 2050. This climate scenario mainly has an impact on assets under management and proprietary portfolios, as the timing of achieving objectives is challenging and involves significant costs for companies. The second scenario analysed is the nationally determined contributions (NDC) scenario. In this scenario, the climate targets already agreed and potentially yet to be implemented by the States are considered. This scenario therefore has less impacting timescales and costs for the Companies, but is characterised by greater physical risk. For this reason, the scenario is applied to the assets under management world and to the loan portfolio secured by Banca Mediolanum's properties.
In line with what has been established by the Parent Company in the risk identification and assessment process, climate-related risk has also been integrated into the broader ESG risk category for the Insurance Group. The approach adopted is consistent with the climate-related risk guidelines provided by the Mediolanum Financial Conglomerate, taking into account the specific regulatory features of the sector. Consistent with the EIOPA regulations, from 2022 onwards, the Mediolanum Insurance Group introduced a qualitative assessment of two climate scenarios into the ORSA analysis:

- the increase in temperature – remains below 2°C, preferably not above 1.5°C;
- the increase in temperature – exceeds 2°C.

The first under 1.5° scenario includes the RCP 4.5 scenario on the underwriting side, corresponding to an increase in temperature of 2.5°C to 3°C compared with pre-industrial levels, and the NGFS Divergent Net Zero (DNZ) 1.5° scenario on the market side.
The second over 2° scenario, meanwhile, includes the RCP 8.5 scenario on the underwriting side, corresponding to an increase in temperature of 4°C to 4.5°C compared with pre-industrial levels, and the NGFS Nationally Determined Contributions (NDCs) 3.0° scenario on the market side.
For further information on the scenarios used, see the disclosure EI-SBM-3.

[EI.IRO-1 DP 21]

In order to ensure a proper measurement of the impacts of climate-related and environmental risk factors on traditional risks, Banca Mediolanum uses a set of climate scenarios that explore the impacts of climate change and climate policies, with the aim of providing a common reference framework. Each scenario is characterised by an overall level of physical risk and transition risk, determined by the level of ambition of the policies, their timing and the degree of coordination and technological levers. The use of these scenarios, together with the data made available by information providers, allows the determination of the impact of climate-related and environmental risk factors with reference to credit risk, market risk and strategic risk, as detailed in the reference paragraphs.
For further details on the use of climate scenarios for the purposes of the resilience analysis of the Mediolanum Group, please see the disclosure EI-SBM-3 Climate change adaptation and mitigation and energy.

[E2. IRO-1 DP 11 a; 11b]

The process to identify pollution-related impacts, risks and opportunities (IROs) involved an analysis of both own operations and upstream and downstream activities in the Group's value chain. The analysis process involved the use of tools that take into account the composition of the suppliers, loans and investments portfolio. No consultations with the affected communities were involved in the process of identifying pollution IROs.

[E2. IRO-1 DP AR 9]

The "Pollution" area was found to be not material in the double materiality process.

[E3. IRO-1 DP 8 a; 8b]

The process to identify water and marine resources-related impacts, risks and opportunities (IROs) involved an analysis of both own operations and upstream and downstream activities in the Group's value chain. The analysis process involved the use of tools that take into account the composition of the suppliers, loans and investments portfolio. No consultations with the affected communities were involved in the process of identifying water and marine resources IROs. The "Water and marine resources" area was found to be not material in the double materiality process.

[E4. IRO-1 DP 17 a; 17 b; 17 c; 17 d; 17 e]

The process to identify biodiversity and ecosystems-related impacts, risks and opportunities (IROs) involved an analysis of both own operations and upstream and downstream activities in the Group's value chain. The analysis process involved the use of tools that take into account the composition of the suppliers, loans and investments portfolio. No consultations with the affected communities were involved in the process of identifying biodiversity and ecosystems IROs.

Specifically with regard to risks and with reference to the analysis of materiality assessments in relation to market risk and strategic risk, the Risk Management Function uses the UNEP FI Impact Map, which identifies how issuers in different economic sectors have a positive or negative impact on the climate and environmental areas relating to transition and physical risk factors, including environmental risk factors. Among the environmental risk factors analysed, the UNEP FI Impact Map tool also considers dimensions attributable to the biodiversity topic; however, for the purposes of the materiality assessments, including for the specific nature of the business carried out by the Mediolanum Group, no significant risks in terms of biodiversity and ecosystems were identified.

[E4. IRO-1 DP 19 a; 19 b]

The Group's sites are not located inside or near biodiversity-sensitive areas. Therefore, the Group did not consider it necessary to adopt mitigation measures for biodiversity.

[E5.IRO-1 DP 11 a; 11 b]

The process to identify resource use and circular economy-related impacts, risks and opportunities (IROs) involved an analysis of both own operations and upstream and downstream activities in the Group's value chain. The analysis process involved the use of tools that take into account the composition of the suppliers, loans and investments portfolio. No consultations with the affected communities were provided for in the process of identifying IROs in the area of resource use and circular economy. The "Resource use and circular economy" area was found to be not material in the double materiality process.

Description of the processes to identify and assess material business conduct-related impacts, risks and opportunities

[GI.IRO-1 DP 6]

The process to identify impacts, risks and opportunities, including as regards matters relating to the conduct of undertakings, was carried out taking into account all entities included in the reporting scope.

ESRS Disclosure Requirements covered by the undertaking's sustainability statement

[IRO-2 DP 56]

Disclosure elements deriving from other EU legislation

Disclosure requirement and corresponding disclosure element	SFDR reference[9]	Pillar 3 reference[10]	Benchmark Regulation reference[11]	EU Climate Law reference[12]	Paragraph
ESRS 2 GOV-1 **paragraph 21 (d)**	x		x		I.1.2 Governance (role of administrative, management and supervisory bodies)
ESRS 2 GOV-1 **paragraph 21 (e)**			x		I.1.2 Governance (role of administrative, management and supervisory bodies)
ESRS 2 GOV-4 **paragraph 30**	x				I.1.2 Governance (statement on due diligence)
ESRS 2 SBM-1 **paragraph 40 (d) i**	x	x	x		Not relevant
ESRS 2 SBM-1 **paragraph 40 (d) ii**	x		x		Not relevant
ESRS 2 SBM-1 **paragraph 40 (d) iii**	x		x		Not relevant

[9] Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR) (OJ L 317, 9.12.2019, p. 1).

[10] Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (capital requirements regulation) (OJ L 176, 27.6.2013, p. 1).

[11] Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

[12] Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9.7.2021, p. 1).

Disclosure requirement and corresponding disclosure element	SFDR reference[9]	Pillar 3 reference[10]	Benchmark Regulation reference[11]	EU Climate Law reference[12]	Paragraph
ESRS 2 SBM-1 **paragraph 40 (d) iv**			x		Not relevant
ESRS E1-1 **paragraph 14**				x	2.2.2 Transition plan for climate change mitigation
ESRS E1-1 **paragraph 16 (g)**		x	x		Not relevant
ESRS E1-4 **paragraph 34**	x	x	x		2.2.2 Transition plan for climate change mitigation
ESRS E1-5 **paragraph 38**	x				Not relevant
ESRS E1-5 **paragraph 37**	x				2.1.7 Metrics (energy consumption and mix)
ESRS E1-5 **paragraphs 40-43**	x				Not relevant
ESRS E1-6 **paragraph 44**	x	x	x		2.1.7 Metrics (gross GHG emissions in Scopes 1, 2, 3)
ESRS E1-6 **paragraphs 53-55**	x	x	x		2.1.7 Metrics (gross GHG emissions in Scopes 1, 2, 3)
ESRS E1-7 **paragraph 56**				x	1.1.4 Impact, risk and opportunity management (cf. Table "List of Disclosure Requirements reported"; Line E1-7).
ESRS E1-9 **paragraph 66**			x		Phase-in

Disclosure requirement and corresponding disclosure element	SFDR reference[9]	Pillar 3 reference[10]	Benchmark Regulation reference[11]	EU Climate Law reference[12]	Paragraph
ESRS EI-9 **paragraph 66 (a); 66 (c)**		x			Phase-in
ESRS EI-9 **paragraph 67 (c)**		x			Phase-in
ESRS EI-9 **paragraph 69**			x		Phase-in
ESRS E2-4 **paragraph 28**	x				Not relevant
ESRS E3-I **paragraph 9**	x				Not relevant
ESRS E3-I **paragraph 13**	x				Not relevant
ESRS E3-I **paragraph 14**	x				Not relevant
ESRS E3-4 **paragraph 28 (c)**	x				Not relevant
ESRS E3-4 **paragraph 29**	x				Not relevant
ESRS 2- IRO I - E4 **paragraph 16 (a) i**	x				Not relevant
ESRS 2- IRO I - E4 **paragraph 16 (b)**	x				Not relevant
ESRS 2- IRO I - E4 **paragraph 16 (c)**	x				Not relevant
ESRS E4-2 **paragraph 24 (b)**	x				Not relevant
ESRS E4-2 **paragraph 24 (c)**	x				Not relevant
ESRS E4-2 **paragraph 24 (d)**	x				Not relevant
ESRS E5-5 **paragraph 37 (d)**	x				Not relevant
ESRS E5-5 **paragraph 39**	x				Not relevant

Disclosure requirement and corresponding disclosure element	SFDR reference[9]	Pillar 3 reference[10]	Benchmark Regulation reference[11]	EU Climate Law reference[12]	Paragraph
ESRS 2- SBM 3 - SI **paragraph 14 (f)**	x				3.1.1 Material impacts, risks and opportunities and their interaction with strategy and business model
ESRS 2- SBM 3 - SI **paragraph 14 (g)**	x				3.1.1 Material impacts, risks and opportunities and their interaction with strategy and business model
ESRS S1-1 **paragraph 20**	x				3.1.2 Working conditions and human rights (The Group's approach and policies)
ESRS S1-1 **paragraph 21**			x		3.1.2 Working conditions and human rights (The Group's approach and policies)
ESRS S1-1 **paragraph 22**	x				3.1.2 Working conditions and human rights (The Group's approach and policies)
ESRS S1-1 **paragraph 23**	x				3.1.3 Health and safety (The Group's approach and policies)

Disclosure requirement and corresponding disclosure element	SFDR reference[9]	Pillar 3 reference[10]	Benchmark Regulation reference[11]	EU Climate Law reference[12]	Paragraph
ESRS SI-3 **paragraph 32 (c)**	x				3.1.9 Processes to remediate negative impacts and channels for own workers to raise concerns
ESRS SI-14 **paragraph 88 (b), 88 (c)**	x		x		3.1.10 Metrics (Health and safety metrics)
ESRS SI-14 **paragraph 88 (e)**	x				Phase-in
ESRS SI-16 **paragraph 97 (a)**	x		x		3.1.10 Metrics (Compensation metrics)
ESRS SI-16 **paragraph 97 (b)**	x				3.1.10 Metrics (Compensation metrics)
ESRS SI-17 **paragraph 103 (a)**	x				3.1.10 Metrics (Incidents, complaints and severe human rights impacts)
ESRS SI-17 **paragraph 104 (a)**	x		x		3.1.10 Metrics (Incidents, complaints and severe human rights impacts)
ESRS 2- SBM 3 - S2 **paragraph 11 (b)**	x				3.2.1 Material impacts, risks and opportunities and their interaction with strategy and business model
ESRS S2-1 **paragraph 17**	x				3.2.2 Suppliers (The Group's approach and policies)

Disclosure requirement and corresponding disclosure element	SFDR reference[9]	Pillar 3 reference[10]	Benchmark Regulation reference[11]	EU Climate Law reference[12]	Paragraph
ESRS S2-1 **paragraph 18**	x				3.2.2 Suppliers (The Group's approach and policies)
ESRS S2-1 **paragraph 19**	x		x		3.2.2 Suppliers (The Group's approach and policies)
ESRS S2-1 **paragraph 19**			x		3.2.2 Suppliers (The Group's approach and policies)
ESRS S2-4 **paragraph 36**	x				3.2.2 Suppliers (Actions)
ESRS S3-1 **paragraph 16**	x				3.3.2 Affected communities (The Group's approach and policies)
ESRS S3-1 **paragraph 17**	x		x		3.3.2 Affected communities (The Group's approach and policies)
ESRS S3-4 **paragraph 36**	x				3.3.2 Affected communities (Actions)
ESRS S4-1 **paragraph 16**	x				3.4.6 Commitments related to the Policy for the Protection of Human Rights
ESRS S4-1 **paragraph 17**	x		x		3.4.6 Commitments related to the Policy for the Protection of Human Rights;

Disclosure requirement and corresponding disclosure element	SFDR reference[9]	Pillar 3 reference[10]	Benchmark Regulation reference[11]	EU Climate Law reference[12]	Paragraph
					3.4.2 Confidentiality (The Group's approach and policies)
ESRS S4-4 **paragraph 35**	x				3.4.6 Commitments related to the Policy for the Protection of Human Rights
ESRS GI-1 **paragraph 10 (b)**	x				/
ESRS GI-1 **paragraph 10 (d)**	x				/
ESRS GI-4 **paragraph 24 (a)**	x		x		4.1.5 Metrics (Prevention and identification of corruption and bribery)
ESRS GI-4 **paragraph 24 (b)**	x				4.1.5 Metrics (Prevention and identification of corruption and bribery)

List of reporting obligations

Disclosure requirement	Paragraph
ESRS 2 General disclosures	
BP-1 - General basis for preparation of sustainability statements	I.I.1 Basis for preparation (Scope of consolidation; Disclosures in relation to the value chain)
BP-2 - Disclosures in relation to specific circumstances	I.I.1 Basis of preparation (Disclosures in relation to the value chain; Disclosures in relation to specific circumstances)
GOV-1 - The role of the administrative, management and supervisory bodies	I.I.2 Governance (The role of the administrative, management and supervisory bodies; Governance of sustainability; Sustainability-related skills and expertise of the bodies)
GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	I.I.2 Governance (Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies)
GOV-3 – Integration of sustainability-related performance in incentive schemes	I.I.2 Governance (Integration of sustainability performance into incentive systems)
GOV-4 – Statement on due diligence	I.I.2 Governance (statement on due diligence)
GOV-5 – Risk management and internal controls over sustainability reporting	I.I.2 Governance (Risk management and internal controls over sustainability reporting)
SBM-1 – Strategy, business model and value chain	I.I.3 Strategy (Strategy, business model and value chain)
SBM-2 – Interests and views of stakeholders	I.I.3 Strategy (Interests and views of stakeholders)
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	I.I.3 Strategy (Material impacts, risks and opportunities and their interaction with strategy and business model)
IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	I.I.4 Impact, risk and opportunity management (Description of the processes to identify and assess material impacts, risks and opportunities)
IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	I.I.4 Impact, risk and opportunity management (ESRS Disclosure Requirements covered by the undertaking's sustainability statement)
E1 – Climate change	
E1-1 – Transition plan for climate change mitigation	2.I.2 Transition plan for climate change mitigation
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	2.I.1 Material impacts, risks and opportunities and their interaction with strategy and business model

Disclosure requirement	Paragraph
ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	1.1.4 Impact, risk and opportunity management (Description of the processes to identify and assess material climate-related impacts, risks and opportunities)
E1-2 – Policies related to climate change mitigation and adaptation	2.1.3 Own GHG emissions (the Group's approach and policies); 2.1.4 Funded GHG emissions – Investments (the Group's approach and policies); 2.1.5 Financed GHG emissions – Credit (the Group's approach and policies); 2.1.6 Dematerialisation of the product and service offering (the Group's approach and policies)
E1-3 – Actions and resources in relation to climate change policies	2.1.3 Own GHG emissions (actions); 2.1.4 Financed GHG emissions – Investments (actions); 2.1.5 Financed GHG emissions – Credit (actions); 2.1.6 Dematerialisation of the product and service offering (actions)
E1-4 – Targets related to climate change mitigation and adaptation	2.1.3 Own GHG emissions (targets); 2.1.4 Financed GHG emissions – Investments (targets); 2.1.5 Financed GHG emissions – Credit (targets); 2.1.6 Dematerialisation of the product and service offering (targets)
E1-5 – Energy consumption and mix	2.1.7. Metrics (Energy consumption and mix)
E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	2.1.7 Metrics (Gross Scopes 1, 2, 3 and Total GHG emissions)
E1-7 - GHG removals and GHG mitigation projects financed through carbon credits	The Mediolanum Group did not purchase carbon receivables for 2024; accordingly, this Disclosure Requirement will not be included in the Sustainability Statement.
E1-8 – Internal carbon pricing	The Mediolanum Group does not apply internal carbon pricing systems; accordingly, this disclosure requirement will not be included in the Sustainability Statement.
E2 - Pollution	
ESRS 2 IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	1.1.4 Impact, risk and opportunity management (Description of the processes to identify and assess material climate-related impacts, risks and opportunities)
E3 – Water and marine resources	
IRO-1 — Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	1.1.4 Impact, risk and opportunity management (Description of the processes to identify and assess material climate-related impacts, risks and opportunities)
E4 – Biodiversity and ecosystems	
IRO-1 – Description of the processes to identify and assess material biodiversity and ecosystems-related impacts, risks and opportunities	1.1.4 Impact, risk and opportunity management (Description of the processes to identify and assess material climate-related impacts, risks and opportunities)
E4 – Biodiversity and ecosystems	

Disclosure requirement	Paragraph
ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	I.I.4 Impact, risk and opportunity management (Description of the processes to identify and assess material climate-related impacts, risks and opportunities)
S1 – Own workforce	
ESRS 2 SBM-2 – Interests and views of stakeholders	I.I.3 Strategy (Interests and views of stakeholders)
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	3.I.I Material impacts, risks and opportunities and their interaction with strategy and business model
S1-1 – Policies related to own workforce	3.I.2 Working conditions and human rights (the Group's approach and policies); 3.I.3 Health and safety (the Group's approach and policies); 3.I.4 Work-life balance (the Group's approach and policies); 3.I.5 Training and skills development (the Group's approach and policies); 3.I.6 Equal treatment and opportunities for all (the Group's approach and policies); 3.I.7 Other rights related to work-Confidentiality (the Group's approach and policies)
S1-2 – Processes for engaging with own workforce and workers' representatives about impacts	3.I.8 Processes for engaging with own workforce and workers' representatives about impacts
S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	3.I.9 Processes to remediate negative impacts and channels for own workers to raise concerns
S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	3.I.2 Working conditions and human rights (actions); 3.I.3 Health and safety (actions); 3.I.4 Work-life balance (actions); 3.I.5 Training and skills development (actions); 3.I.6 Equal treatment and opportunities for all (actions); 3.I.7 Other rights related to work-Confidentiality (actions)
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.I.2 Working conditions and human rights (targets); 3.I.3 Health and safety (targets); 3.I.4 Work-life balance (targets); 3.I.5 Training and skills development (targets); 3.I.6 Equal treatment and opportunities for all (targets)
S1-6 – Characteristics of the undertaking's employees	3.I.I0 Metrics (characteristics of the undertaking's employees)
S1-8 – Collective bargaining coverage and social dialogue	3.I.I0 Metrics (Collective bargaining coverage and social dialogue)
S1-9 – Diversity metrics	3.I.I0 Metrics (Diversity metrics)
S1-I0 – Adequate wages	3.I.I0 Metrics (Adequate wages)
S1-I3 – Training and skills development metrics	3.I.I0 Metrics (Training and skills development metrics)
S1-I4 – Health and safety metrics	3.I.I0 Metrics (Health and safety metrics)

Disclosure requirement	Paragraph
S1-16 – Compensation metrics (pay gap and total compensation)	3.1.10 Metrics (Compensation metrics)
S1-17 – Incidents, complaints and severe human rights impacts	3.1.10 Metrics (Incidents, complaints and severe human rights impacts)
S2 – Workers in the value chain	
ESRS 2 SBM-2 – Interests and views of stakeholders	1.1.3 Strategy (Interests and views of stakeholders)
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	3.2.1 Material impacts, risks and opportunities and their interaction with strategy and business model
S2-1 – Policies related to value chain workers	3.2.2 Suppliers (The Group's approach and policies)
S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	3.2.3 Processes to remediate negative impacts and channels for value chain workers to raise concerns
S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	3.2.2 Suppliers (actions)
S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.2.2 Suppliers (targets)
S3 – Affected communities	
ESRS 2 SBM-2 – Interests and views of stakeholders	1.1.3 Strategy (Interests and views of stakeholders)
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	3.3.1 Material impacts, risks and opportunities and their interaction with strategy and business model
S3-1 – Policies related to affected communities	3.3.2 Economic, social and cultural rights of communities (The Group's approach and policies)
S3-2 – Processes for engaging with affected communities about impacts	3.3.3 Engaging with affected communities about impacts
S4 – Consumers and end-users	
ESRS 2 SBM-2 – Interests and views of stakeholders	1.1.3 Strategy (Interests and views of stakeholders)
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	3.4.1 Material impacts, risks and opportunities and their interaction with strategy and business model
S4-1 – Policies related to consumers and end-users	3.4.2 Confidentiality (The Group's approach and policies); 3.4.3 Access to information (The Group's approach and policies);

Disclosure requirement	Paragraph
	3.4.4 Access to products and services (The Group's approach and policies); 3.4.5 Responsible business practices (The Group's approach and policies); 3.4.6 Commitments related to the Policy for the Protection of Human Rights (The Group's approach and policies)
S4-2 – Processes for engaging with consumers and end-users about impacts	3.4.7 Processes for engaging with consumers and end-users about impacts
S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	3.4.8 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns
S4-4 – Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	3.4.2 Confidentiality (actions); 3.4.3 Access to information (actions); 3.4.4 Access to products and services (actions); 3.4.5 Responsible business practices (actions); 3.4.6 Commitments related to the Policy for the Protection of Human Rights (actions)
S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.4.2 Confidentiality (targets); 3.4.3 Access to information (targets); 3.4.4 Access to products and services (targets); 3.4.5 Responsible business practices (targets); 3.4.6 Commitments related to the Policy for the Protection of Human Rights (targets)
G1 – Business conduct	
ESRS 2 GOV-1 – Role of administrative, management and supervisory bodies	1.1.2 Governance (The role of the administrative, management and supervisory bodies; Sustainability-related skills and expertise of the bodies)
ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	1.1.4 Impact, risk and opportunity management (Description of the processes to identify and assess material impacts, risks and opportunities)
G1-1 – Corporate culture and business conduct policies	4.1.1 Corporate culture (The Group's approach and policies); 4.1.2 Protection of whistleblowers (The Group's approach and policies); 4.1.3 Management of relationships with suppliers including payment practices (The Group's approach and policies); 4.1.4 Bribery and corruption (The Group's approach and policies)
G1-2 – Management of relationships with suppliers	4.1.3 Management of relationships with suppliers, including payment practices
G1-3 – Prevention and detection of corruption and bribery	4.1.4 Bribery and corruption
G1-4 – Confirmed incidents of corruption or bribery	4.1.4 Metrics (Confirmed incidents of bribery and corruption)
G1-6 – Payment practices	4.1.4 Metrics (Payment practices)

[IRO-2 DP 59]

The Mediolanum Group reports significant information on impacts, risks and opportunities (IROs) assessed as material on the basis of the reporting obligations related to the specific sustainability matters to which the IROs are connected (see ESRS 1 AR 16). With regard to material IROs associated with entity-specific topics for the organisation, the Group discloses information on policies, actions, targets and metrics, where present. In general, the disclosures associated with the IROs are considered relevant if, during the double-materiality assessment process, they obtain a materiality value above the established thresholds, while no additional thresholds or criteria are used to determine the disclosures to be reported.

2. Environmental disclosures

2.1 Disclosure pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)

The European Taxonomy, as defined by Regulation (EU) 2020/852[13] (EU Taxonomy Regulation), establishes a system for classifying environmentally sustainable economic activities from the climate and environmental point of view by defining, through specific Delegated Regulations, particular scientific and performance criteria for identifying such activities. Furthermore, Article 8 of Taxonomy Regulation (EU) 2020/852 introduced in the EU, as of 1 January 2022, disclosure obligations for companies and financial market participants that are subject to the obligation to report non-financial information, in accordance with Directive (EU) 2013/34, as amended by Directive 2022/2464[14] (Corporate Sustainability Reporting Directive - CSRD), as implemented in Italy by Legislative Decree No. 125 of 6 September 2024. This section responds to the requests defined by the Taxonomy Regulation and the CSRD; in accordance with the most recent regulatory instructions, this section refers to the analysis conducted with respect to the valuation of the assets (on- and off-balance sheet) of the Mediolanum Group. In particular, the analysis conducted for the purposes of representing the Taxonomy KPIs connected to each of the business activities carried out by the undertakings that make up the Group is specified below.

According to the European Taxonomy, economic activities can be considered as:

- non-eligible: when not described in the Delegated Regulations adopted to indicate the technical screening criteria that make it possible to define an activity as environmentally sustainable;
- eligible: when described in the Delegated Regulations adopted to indicate the technical screening criteria, regardless of whether they meet one or all of the criteria;
- environmentally sustainable (hereinafter also aligned): when, in addition to being described in the aforementioned Delegated Regulations, the economic activities meet all the requirements of Article 3 of Regulation (EU) 2020/852, i.e.:
    - contribute to at least one of the six environmental objectives[15] (substantial contribution criterion);
    - do no significant harm to any of the other environmental objectives (Do No Significant Harm criterion, hereinafter DNSH);
    - operate in full compliance with the minimum guarantees of social protection.

Details of the methodology and indicators to be used for the reporting required under the Taxonomy Regulation are explained in Regulation (EU) 2021/2178[16]. In particular, Article 4 of the aforementioned Regulation provides that credit institutions must report their eligibility and alignment with the six climate objectives set by the European Taxonomy on the basis of what is specified in Annex V, and that the disclosure must be presented in table format using the Templates set out in Annex VI of Regulation (EU) 2021/2178.

The key performance indicators (hereinafter also KPIs) that credit institutions are required to publish are:

[13] Regulation (EU) 2020/852.
[14] Directive (EU) 2022/2464.
[15] The six environmental objectives described in Article 9 of the Taxonomy Regulation are: climate change mitigation (CCM), climate change adaptation (CCA), sustainable use and protection of water and marine resources (WTR), transition to a circular economy (CE), pollution prevention and control (PPC) and protection and restoration of biodiversity and ecosystems (BIO).
[16] Regulation (EU) 2021/2178.

- the Green Asset Ratio (GAR), which indicates the ratio of the credit institution's assets that finance Taxonomy-aligned economic activities or are invested in such activities to total assets covered[17];
- the KPIs for off-balance sheet exposures[18], containing an indication of the total Taxonomy-aligned economic activities in relation to off-balance sheet assets that entities manage and direct or help to steer towards environmentally sustainable economic activities. This disclosure is required in relation to:
    - financial guarantees in support of loans and advances, and other debt instruments to undertakings;
    - assets under management;
    - trading book[19];
    - fees and commissions income from services other than loans and from asset management[20].

With regard to the obligations of insurance and reinsurance undertakings, Article 6 of Regulation (EU) 2021/2178 requires companies to report, on the basis of what is specified in Annex IX to the aforementioned Delegated Act; in this case, the disclosure must be presented in table format using the Templates set out in Annex X.
There are two different indicators:

- The KPI for investments by insurance or reinsurance undertakings: calculated as the weighted average of investments directed at funding, or associated with, Taxonomy-aligned economic activities;
- The KPI relating to underwriting activities of insurance and reinsurance undertakings other than Life insurance undertakings: deriving from gross premiums written, corresponding to the Taxonomy-aligned insurance or reinsurance activities in accordance with points 10.1 and 10.2 of Annex II to the Delegated Climate Act[21].

Lastly, on the basis of the interpretative clarifications published in Commission Notice C/2024/6691[22], parent companies of financial conglomerates "*should calculate and publish [...] a consolidated KPI at Group level in the form of a weighted average of the corresponding KPIs for any banking, asset management, investment* and insurance and *reinsurance activities, with weighting factors calculated on the basis of the percentage of turnover from the activities in question as a percentage of the total consolidated turnover of the conglomerate*". For the year 2024, the Mediolanum Group exclusively reported the individual KPIs and the respective disclosure models provided for as a credit institution and insurance undertaking in a disaggregated way: the decision not to publish a consolidated KPI at Group level is due to the interpretative doubts that emerged during the preparation of the disclosures, with regard to the identification of the values to be used as weighting factors for the KPIs for the various lines of business.
It should also be noted that, as in previous reporting years, the Group's asset management activity is not reported using the models provided for financial asset managers, as it is included in the Disclosure Templates prepared respectively by the Mediolanum Banking Group (see KPIs for off-balance sheet reporting on managed financial assets) and by the Mediolanum Insurance Group (see KPIs on investments).

[17] The covered assets are calculated on the basis of total assets excluding exposures to central governments, central banks, supranational issuers and the trading book.
[18] As described in Regulation (EU) 2021/2178, Annex V, paragraph "1.2.2. KPIs for off-balance sheet exposures".
[19] The publication of the KPI for the trading book and the KPI for fees and commissions income is expected from 1 January 2026.
[20] The publication of the KPI for the trading book and the KPI for fees and commissions income is expected from 1 January 2026.
[21] Regulation (EU) 2021/2139.
[22] Cf. Question 7 of Commission Notice C/2024/6691 on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (third Commission Notice), dated 08/11/2024.

2.1.1 The Mediolanum Group's approach to Taxonomy reporting

In order to respond to the regulatory requests presented, during 2024 and in line with previous reporting years, the Mediolanum Group set up a cross-cutting working group, coordinated by the Sustainability Office, with the aim of analysing and interpreting the regulations, also in the light of the clarifications published from time to time by the EU Regulator and the updates to which the regulations are subject, taking into account market best practices. In order to better represent its specific characteristics, in line with what was published in the previous year and with the most recent regulatory requests, for the 2024 Sustainability Report, the Mediolanum Group reports two separate Taxonomy disclosures referring, respectively, to:

- Mediolanum Banking Group: which includes the scope of prudential consolidation determined in accordance with Title II, Chapter 2, Section 2, of Regulation (EU) No. 2013/575, whose disclosure is based on the gross book value of the assets in the financial statements at 31/12/2024 and the value of off-balance sheet exposures at that date;
- Mediolanum Insurance Group: which includes the companies Mediolanum Vita, Mediolanum International Life and Mediolanum Assicurazioni, whose disclosure is based on the gross carrying amount of the assets in the financial statements at 31/12/2024, the value of the off-balance sheet exposures at the same date, in relation to the KPI for investments, and the value of gross premiums written at 31/12/2024, in relation to the KPI for underwriting activities.

For the year 2024, the Mediolanum Group calculated its key performance indicators (KPIs) using spot data in the Group's accounting and management systems and information made available by its counterparties, including with the help of leading market info-providers. In particular, for the calculation of exposures that are included in the numerator of the Green Asset Ratio (GAR), the KPI relating to managed financial assets and the KPI relating to investments, with the former two valid for credit institutions and the latter for insurance companies, the Group has accurately identified the eligibility and alignment of exposures to undertakings required to publish sustainability reports with the support of specialist info-providers. In particular:

- in the case of exposures to non-financial corporations: the exposures were weighted on the basis of eligible and aligned turnover and capex declared by the counterparties for each of the six environmental objectives defined by the Taxonomy[23];
- in the case of exposures to financial undertakings: the exposures were weighted on the basis of the proportions of eligible and aligned turnover and capex declared by the counterparties for each of the first two objectives defined by the Taxonomy (climate change mitigation and climate change adaptation)[24];
- in the case of investments in funds: the regulations require that underlying investments be analysed for such exposures (look-through analysis). These will therefore be subject to separate assessment according to their nature/issuer (e.g. as defined for exposures to financial and non-financial undertakings);

[23] The disclosure regarding alignment with the additional four environmental objectives (WTR, EC, PPC and BIO) is a voluntary report by the Mediolanum Group as, for the year 2024, the Taxonomy regulations require the publication of only values that are eligible with respect to these objectives.

[24] The eligibility and alignment data for the last four environmental objectives will be available for subsequent reporting, in line with the regulatory timeline for financial undertakings. The same methodology as described for non-financial undertakings is also applied for the calculation of eligible exposures aligned with financial undertakings. However, in the case of exposures to insurance and reinsurance undertakings, given that an eligibility KPI for individual environmental objectives is not available, the overall eligibility figure is re-measured according to the percentage alignment with the climate change mitigation (CCM) and climate change adaptation (CCA) targets published by the individual counterparties. In addition, in line with the latest interpretative clarifications (cf. Question 4 of Commission Notice C/2024/6691), an average was made of the eligibility and alignment KPIs thus obtained and published by the individual counterparties, in order to consider both the KPI for underwriting activity and the KPI for investments, if the insurance counterparty has published both KPIs.

- in the case of investments in green bonds: an assessment is required based on the level of alignment with the Taxonomy of the economic activities or the projects financed, on the basis of specific information provided by the issuer. In 2024, the Mediolanum Group took action to identify and assess the alignment of exposures in the portfolio classified as green bonds, including with the support of primary market information providers. Therefore, from this year, the KPIs applicable for the Group also take into account the alignment of green bonds, based on the alignment percentages reported by the issuing undertakings in relation to the specific debt security and its financing and investment objectives[25].

The document sets out below the details of disclosures for:

- Mediolanum Banking Group;
- Mediolanum Insurance Group.

2.1.2 Qualitative information to support the disclosure of the Banking Group[26]

In 2024, the Mediolanum Group launched a series of initiatives in order to strengthen its commitment to offering customers products consistent with the environmental objectives set out in the Taxonomy Regulation, also ensuring that products with green characteristics that are marketed offer a tangible incentive for customers who wish to sign up for them. With this aim, the Group has launched a series of initiatives related to the contribution to the climate change mitigation and adaptation objectives, as described below:

- Mutuo Eco+
  In 2019, Banca Mediolanum introduced to the catalogue the Mutuo Eco+ mortgage, a loan with a facilitated spread for buildings with high energy efficiency (EPC of C or higher) for the purposes of purchase, exchange, subrogation and restructuring transactions. During 2024, a promotion was activated for this product that completely eliminated valuation and application costs.
- Mutuo Mediolanum Bioedilizia+
  The Mutuo Mediolanum Bioedilizia+ mortgage is a loan for the purposes of purchase and exchange transactions on "green buildings" ("in Bioedilizia") built according to specific sustainability standards with S.A.L.E. (Sistema di Affidabilità Legno Edilizia or "reliability in timber construction") certification, Casa Clima (focused on energy efficiency and thermal comfort) certification or ARCA (focused on timber construction) certification. Green houses are sustainably built according to environmentally friendly construction techniques, using natural certified materials and integrating energy efficiency systems: 1.3 million such buildings were delivered in 2024.
- Hipotecas Freedom Green:
  Banco Mediolanum provides a catalogue for the Hipotecas Freedom Green product, which is a loan for the purchase of a house with EPC AB or higher. During 2024, €7.9 million of Hipotecas Freedom Green mortgages were granted.

[25] If the data on green bonds are not consistent, the eligibility and alignment of these bonds are calculated in the same way as the Group's other exposures or based on a direct assessment of the issuer using the data published for the 2023 reporting year and provided by the relevant information provider.

[26] The information provided in this section responds to point 3 of the requests set out in Annex XI to Regulation (EU) 2021/2178; the remaining elements required by Annex XI are integrated into the disclosure/reporting methodology.

- After-sales option of "Energy class improvement":
  Since October 2023, in combination with the "Mutuo Mediolanum Casa+" product, a loan has been available for renovation and refurbishment works on property units: an after-sales option through which the Bank issues a discount of 15 basis points of the spread applied if the property being renovated, at the end of the works, has improved by at least one energy class[27]. In January 2025, this discount was introduced on Mediolanum's entire range of mortgage products.
- After-sales option of "Energy efficiency improvement":
  Banca Mediolanum provides a catalogue of the "Prestito personale Casa+" product, a personal loan dedicated to energy efficiency works on property units: an after-sales option through which the Bank issues a discount of 15 basis points of the spread applied if the customer, on completion of the works, delivers an invoice to the Bank showing the type of energy efficiency carried out on the building.
- Green BEES platform:
  As of September 2024, following a pilot study of about seven months, the entire Banca Mediolanum Sales Network has been using the Green BEES (Building Energy Efficiency Simulator) tool: this platform makes it possible to discover, with just a few steps, the energy performance of the property being examined and what renovation measures could improve it, thus increasing in the value of the property. The tool is useful to support customers who would like to undertake an energy upgrade of their property for which they need financing or want to take advantage of the tax deduction deriving from building bonuses.

2.1.3 Disclosures of the Banking Group: methodology and main results

With regard to 2024, the legislation requires credit institutions to present key performance indicators in table format, using the templates set out in Annex VI to Regulation (EU) 2021/2178, i.e.:

- Template 0 - Summary of KPIs: to be compiled showing the main euro countervalues and the % values for the main KPI and additional KPIs that credit institutions communicate pursuant to Article 8 of the Taxonomy Regulation;
- Template 1 - Assets for the calculation of GAR: to be compiled showing the euro countervalues of on- and off-balance sheet exposures at 31/12/2024, with the detail of the exposures that are eligible and aligned with the six environmental objectives;
- Template 2 GAR sector information: the table shows exposures (overall and aligned with the six environmental objectives) to non-financial undertakings, providing information on the prevailing NACE codes of these counterparties;
- Template 3 GAR KPI stock: % values related to the GAR on the stock of eligible and aligned balance sheet exposures based on the data disclosed in Template 1;
- Template 4 GAR KPI flow: % values related to the GAR on the flow of eligible and aligned balance sheet exposures;
- Template 5 KPI off-balance sheet exposures: % values related to the KPI on the stock and flow of eligible and aligned off-balance sheet exposures. With regard to the stock data on KPIs for off-balance sheet exposures, the % values are calculated based on the data disclosed in Template 1.

[27] In order to take advantage of the discount, the client must provide the EPC certification before and after works, in order to certify the actual improvement in terms of energy performance of the property.

As of I January 2024, the publication of Taxonomy Templates for activities related to nuclear energy and fossil gas is planned, in accordance with Annex XII of Delegated Regulation (EU) 2021/2178. In particular, the regulations require financial undertakings to report on any exposures to certain specific sectors of economic activity linked to nuclear and fossil gases, in accordance with Regulation (EU) 2022/1214[28]. Each table is published in two versions: using capex, and then turnover, as the weighting factor for exposures to financial and non-financial undertakings. The details of Template 0 and the main results associated with the templates provided for in Regulation (EU) 2021/2178 are set out below.

[28] Regulation (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.

Template 0: Summary of KPIs

		Total environmentally sustainable assets (EUR million)		Turnover-based KPIs	Capex-based KPIs	% of coverage (out of total assets) [2]	% of assets excluded from the numerator for GAR (Article 7(2) and (3) and point 1.1.2 of Annex V) [3]	% of assets excluded from the denominator for GAR (Article 7(1) and point 1.2.4 of Annex V) [4]
		Turnover	Capex					
Key KPI	**GAR (green asset ratio) for stock**	1,529.67	1,565.65	6.53%	6.69%	56.01%	22.12%	43.99%

		Total environmentally sustainable assets (EUR million)		Turnover-based KPIs	Capex-based KPIs	% of coverage (out of total assets) [2]	% of assets excluded from the numerator for GAR (Article 7(2) and (3) and point 1.1.2 of Annex V) [5]	% of assets excluded from the denominator for GAR (Article 7(1) and point 1.2.4 of Annex V) [4]
		Turnover	Capex					
Additional KPIs	GAR (flow)	233.42	234.33	1.00%	1.00%	56.01%	50.09%	43.99%
	Trading book[l]							
	Financial guarantees	-	-	-	-			
	Assets under management	1,106.31	1,663.65	2.87%	4.31%			
	Revenues from fees and commissions[l]							

The legislation provides that Template 0 "Summary of KPIs" of Annex VI of Regulation (EU) 2021/2178 contain a single column for "Total environmentally sustainable assets". The Banking Group decided to divide this column into two distinct parts, separately representing the value in EUR millions for environmentally sustainable assets based on turnover and capex. The subdivision was adopted to provide all the information used in the calculation of the KPIs.

[l] From 2026, in accordance with current legislation, the Group will disclose additional KPIs covering the trading book and revenues from fees and commissions.

[2] The percentage, with reference to both GAR for stock and GAR (flow), is given by the ratio of total assets covered (see Template 1, Line 48, "Total GAR assets") to total assets in the financial statements (see Template 1, Line 53, "Total assets").

[3] The percentage is given by the ratio of assets excluded from the GAR numerator (see Template 1, Line 32, "Assets excluded from the numerator for the GAR calculation (included in the denominator)" to total assets in the financial statements (see Template 1, Line 53, "Total assets").

[4] The percentage, with reference to both the GAR (stock) and the GAR (flow), is given by the ratio of the assets excluded from the GAR denominator (see Template 1, Line 49, "Assets not covered for GAR calculation") and the total assets in the financial statements (see Template 1, Line 53, "Total assets").

[5] The percentage is given by the ratio of the assets excluded from the GAR (flow) numerator (calculated on the basis of total assets covered and excluding the value of the exposures that contribute to the calculation of the GAR (flow) numerator) and total assets in the financial statements (see Template 1, Line 53, "Total assets").

Template 0 provides a summary of the main KPIs represented in the templates provided for credit institutions. On the basis of the assets covered, which correspond to 56% (approximately €23,414 million) of the consolidated assets of the Mediolanum Banking Group as at 31/12/2024, the green asset ratio (GAR) in terms of stock for 2024 corresponds to the following:

- 6.53% (approximately €1,530 million), taking into account the KPIs relating to the turnover of counterparties for the purposes of the alignment assessment;
- 6.69% (approximately €1,566 million), taking into account the KPIs relating to the capex of counterparties for the purposes of the alignment assessment.

The assets that contribute to the calculation of the GAR numerator include both exposures to undertakings subject to CSRD, but above all exposures to household customers; the GAR numerator, in line with the core business of the Mediolanum Banking Group, mainly consists of the latter item, which contributes around €1,453 million to the GAR (both turnover and capex). The improvement in the GAR, compared with the previous year, is therefore due both to an increase in mortgages and loans secured by properties aligned with the Taxonomy and to the availability of eligibility and alignment data for counterparties subject to CSRD. In fact, starting with this report, we took into account the KPIs of alignment with the Taxonomy of financial counterparties, which first reported this information with respect to the climate change mitigation (CCM) and climate change adaptation (CCA) objectives, and the KPIs of eligibility and alignment of non-financial counterparties, which first reported this information with respect to the four additional objectives.
For off-balance sheet exposures, the KPI for assets under management (AuM KPI) in terms of stock for the 2024 financial year is equal to:

- 2.87% (approximately €1,106 million), taking into account the KPIs for turnover of the counterparties;
- 4.31% (approximately €1,664 million), taking into account the KPIs for capex of the counterparties.

The increase in these KPIs relates to the above with respect to the GAR, as the numerator of the AuM KPI only includes exposures to financial and non-financial companies subject to the CSRD.
With regard to the off-balance sheet KPI relating to financial guarantees (FinGar KPI), at 31/12/2024 there were no financial guarantees provided by the Mediolanum Group to counterparties that publish disclosures on their own proportion of eligibility and alignment with the Taxonomy. For this reason, this KPI is not applicable.
Detailed disclosures on the compilation of the Disclosure Templates provided in Annex VI to Regulation (EU) 2021/2178 are set out below; these Templates, including those provided for activities related to nuclear energy and fossil gas (Annex XII to Regulation (EU) 2021/2178) are set out in paragraph 2.1.7 of this section.

Template 1: Assets for GAR calculation

With specific reference to Template 1, relating to the gross carrying value of on- and off-balance sheet exposures at 31/12/2024 for the calculation of the green asset ratio (GAR), its four separate sections are set out below, for ease of understanding:

1. Balance sheet assets that contribute to the calculation of the numerator and denominator of the GAR (gross carrying value, in terms of stock at 31/12/2024, of the proportions of EU Taxonomy-eligible and/or aligned assets): this section includes loans and advances, debt securities and equity instruments not held for trading that are eligible for the calculation of the GAR. In particular, the section that includes lines 1 to 31 of Template 1 contains exposures to financial undertakings, non-financial undertakings, households, local authorities[29] and collateral obtained through taking possession of residential and non-residential properties;

[29] In line with Commission Notice C/2024/6691 (Question 47), these items may only include exposures to local authorities for purposes: this is not part of the Mediolanum Group's business, and for this reason this item is not equal to 0 in the Disclosure Templates.

2. Balance sheet assets that are included in the calculation of the denominator of the GAR (gross carrying amount, in terms of stock at 31/12/2024, of the proportions of Taxonomy-non-eligible assets): this section, which includes lines 32 to 48 of Model 1, contains exposures to SMEs and non-financial enterprises not subject to the CSRD reporting requirements and to undertakings in non-EU countries not subject to the CSRD reporting requirements (divided into loans and advances, debt securities and equity instruments), also includes derivatives, on demand interbank loans, cash and cash-related assets and an additional residual category of assets (including, for example, goodwill and commodities);

3. Balance sheet assets excluded from the numerator and denominator of the GAR (gross carrying amount, in terms of stock at 31/12/2024, of the proportions of Taxonomy-non-eligible assets not included in the covered assets of the Banking Group): this section, which includes lines 49 to 52 of Template 1, includes exposures to central governments and supranational issuers, exposures to central banks and the trading book;

4. Off-balance sheet exposures: financial guarantees and assets under management: this section, which includes lines 54 to 57 of Template 1, includes the Group's off-balance sheet exposures.

As required by law, the calculation of the assets covered is equal to the total assets of the Banking Group, net of exposures excluded from both the numerator and denominator of the GAR (point 3), i.e. exposures to central governments and supranational issuers and exposures to central banks and the trading book. This value is the sum of the assets referred to in points 1 and 2 of the above list.
For a description of how exposures to undertakings contribute to the calculation of the numerator of the GAR, please refer to the paragraph "The Mediolanum Group's approach to Taxonomy reporting". Details of the methodology used by the Group to verify the eligibility and alignment of exposures to households are provided below, including:

Households - Loans secured by residential property

This category includes loans for the purchase and possession of residential properties for which the Bank has a property guarantee. Loans for these purposes were therefore considered for the purposes of calculating eligibility, as mentioned in Regulation (EU) 2021/2178. The Banking Group, already in the previous year, took action to recover the information required to verify the criteria established by the EU Taxonomy with regard to activities "7.1 Construction of new buildings" and "7.7 Purchase and ownership of buildings" that contribute to the objective of climate change mitigation. In particular, in accordance with what was reported in 2023, the Group has defined the following methodology applicable to the Bank's property portfolio:

- for the substantial contribution criterion, buildings with a high level of energy efficiency were considered, with careful assessment, according to the year of construction and the size of each building, of the energy class (A or higher), the primary energy demand (PED) and the requirements defined for nearly zero energy buildings (NZEB). In order to identify properties that meet the criterion of substantially contributing to the climate change mitigation objective, the Group considered the PED ("top 15%") and NZEB ("90% NZEB") threshold values, differentiated by climatic area, as reported in the document "Percentage distribution of primary energy (PE) values in the Italian national building stock"[30];
- for the DNSH criterion, in 2024, an activity was carried out to recover the information necessary for the purposes of assessing the physical risk to which the properties financed by the Group are subject, in order to consider all the 28 climate hazards identified by the legislation. With the support of information providers, the Group therefore took action to respond promptly to the regulatory request by retrieving information for the purposes of assessing the DNSH criterion.

[30] Report by CTI and CRIF, published 1/8/2022. The methodology described will be appropriately amended and/or supplemented following the publication of any updates on the thresholds related to the national building stock.

Since the year 2024, the methodology described above is also applied to the portfolio of loans secured by residential properties present in Spain and granted by Banco Mediolanum (a subsidiary of the Mediolanum Banking Group).

Households - Building renovation loans

This category includes loans for building renovations by the Banking Group's customers. Loans for these types of purposes were therefore taken into account for the purposes of calculating eligibility, as they are mentioned in Regulation (EU) 2021/2178 as activities contributing to the objective of climate change mitigation[31].
For this year, the alignment figure with respect to these loans, currently a residual part of the Banking Group's business, has not been published; for an understanding of the initiatives launched by the Group with regard to renovation loans, please refer to the section entitled "Qualitative information to support the disclosure of the Banking Group".

Households - Motor vehicle loans

This category includes loans for the purchase of motor vehicles by the Banking Group's customer households. Loans for these types of purposes were therefore taken into account for the purposes of calculating eligibility, as they are mentioned in Regulation (EU) 2021/2178 as activities contributing to the objective of climate change mitigation[32].
However, for such exposures, the Bank does not have the information necessary to verify compliance with the criteria provided for in the Taxonomy regarding the calculation of alignment. In view of future reporting years and on the basis of changes in legislation relating to this specific type of activity, the Bank will assess the appropriateness and the methods of obtaining data to verify Taxonomy alignment, including with regard to such exposures.

Template 2: GAR – Sector information

The Template requires the inclusion of exposures in the Banking Group's financial statements to non-financial undertakings subject to CSRD, providing details of aligned exposures broken down by the NACE codes of the counterparty undertakings. Data relating to the banking book (credit exposures and proprietary investments) are reported in this template.

Template 3 – GAR KPI stock

This template includes GAR KPIs on the stock of balance sheet exposures based on the data on covered assets set out in Template 1.

Template 4 – GAR KPI flow

Within this template, the GAR KPIs are reported for the flow of balance sheet exposures generated during the reporting year. In continuity with the previous year, the flow figure is identified according to the instructions in Commission Communication C/2024/6691[33]. Specifically, the methodology adopted by the Group is set out below:

- with regard to loans to businesses and households, the flow figure was calculated by analysing new loans granted relating to 2024, excluding any repayments made during the year;
- with regard to proprietary investments, the monthly statements from the accounting systems of the Banking Group were considered, in order to take into account only purchases of securities in the portfolio during the year and to exclude any disinvestments.

[31] Activity 7.2: "Renovation of existing buildings"
[32] Activity 6.5: "Transport by motorcycle, passenger cars and light commercial vehicles"
[33] See FAQ 65 of Commission Notice C/2024/6691 on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (third Commission Notice).

Template 5 – KPI off-balance sheet exposures

Within this template, the KPIs for off-balance sheet exposures (financial guarantees and assets under management) are reported, calculated on the basis of the data reported in Template 1.

For the reporting for 2024, for the purposes of calculating the KPI for assets under management (KPI AuM), exposures to central governments, central banks and supranational issuers were excluded, in line with the requirements of Regulation (EU) 2021/2178. With regard to the template based on flow data, it should be noted that a clear reference is given in Commission Communication C/2024/6691 to the methodology to be used to calculate the flow data for balance sheet exposures only. Since there is no further regulatory information available on how to assess and calculate the flow figure for off-balance sheet exposures, the Group determined that gross inflows of managed assets should be regarded as a flow for assets under management[34].

2.1.4 Disclosures of the Mediolanum Insurance Group: methodology and main results

In order to fulfil the regulatory requirements, the Mediolanum Insurance Group is required to report:

- the proportion of investments directed at funding, or associated with, Taxonomy-aligned economic activities (**investments KPI**), taking into account the value of investments at 31/12/2024 within the scope of the Mediolanum Insurance Group;
- the proportion of Non-Life underwriting activities in terms of gross premiums written (**KPI relating to underwriting activity**), corresponding to Taxonomy-aligned (re)insurance activities in accordance with points 10.1 and 10.2 of Annex II to Regulation (EU) 2021/2139.

In accordance with the regulatory framework, the information must be presented in table format, using the templates set out in Annex X to Regulation (EU) 2021/2178.

The disclosure for 2024 relating to the scope of the Mediolanum Insurance Group is provided below, with an analysis of the main results associated with the above-mentioned KPIs. The Disclosure Templates provided for in Annex X to Regulation (EU) 2021/2178 are set out in section 2.1.6 of this section.

Investment-related KPI

The regulations require the analysis and reporting of the proportion of investments directed at funding, or associated with, Taxonomy-aligned economic activities: the scope of analysis concerns both direct investments of the insurance undertaking and investments held in relation to Life insurance contracts, the investment risk of which is borne by the policyholders.

In particular, for the calculation of exposures that are included in the numerator of the KPI relating to investments, the Group accurately identified the eligibility and alignment proportions of exposures to undertakings required to publish a Sustainability Statement with the support of specialist information providers (cf. what is reported in the paragraph "The Mediolanum Group's approach to Taxonomy reporting").

The value of investments directed at funding, or associated with, Taxonomy-aligned economic activities is calculated on the basis of the turnover and capex proportions published by the individual counterparties. These investments are compared with the value of the covered assets, given by the total assets of the Mediolanum Insurance Group at 31/12/2024, net of exposures to central governments, central banks and supranational issuers. The result shows an alignment percentage calculated with reference to the covered assets (72.39% of the gross carrying amount of the assets) equal to:

- 1.37% (€464 million) using the turnover KPI published by the individual counterparties for the weighting of exposures to undertakings;

[34] The methodology described will be appropriately amended with the publication of further legislative updates on the subject.

- 2.19% (€741 million) using the capex KPI published by the individual counterparties for the weighting of exposures to undertakings.

The numerator of the KPI only includes investments in CSRD undertakings: accordingly, a significant portion of the investments is not taken into account, as they relate to non-EU or EU issuers that are not subject to CSRD. The increase in these KPIs compared with 2023 is mainly due to the availability of the eligibility and alignment data of: the financial counterparties, which reported data on climate change mitigation (CCM) and climate change adaptation (CCA) objectives for the first time, and the non-financial counterparties, which reported data on the four additional targets for the first time.

KPI relating to underwriting activities

The proportion of gross premiums written deriving from the Taxonomy-eligible and Taxonomy-aligned Non-Life underwriting activity is shown below. The (re)insurance business is considered to be an economic activity that potentially makes a substantial contribution to the objective of climate change adaptation. Specifically, for the purposes of the eligibility assessments, insurance and reinsurance undertakings are required to verify that both of the following requirements are met[35]:

- the insurance services provided fall within the following scope (Line of Business):
  - medical expenses insurance;
  - income protection insurance;
  - workers' compensation insurance;
  - maritime, aviation and transport insurance;
  - fire and other damage to property insurance;
  - assistance[36].
- the underwriting activity is connected to climate-related hazards, as set out in Appendix A, Annex II to Regulation (EU) 2021/2139.

In accordance with the disclosure of the year 2023, an in-depth analysis was carried out in order to accurately identify the proportion of non-life premiums to be considered eligible, as they are attributable to one of the lines of business identified by the Taxonomy and connected to the underwriting of climate-related hazards. For this activity, specific drivers within the Mediolanum Insurance Group were implemented and also used for the purposes of the periodic requests of the National Supervisory Authority (IVASS), through which it is possible to identify the proportion of premiums covering climate-related risks. This approach identifies a proportion of eligibility equal to 7.14% (€9.52 million) of total premium income, in particular attributable to the Ministerial Class 8 – Fire and Natural Forces and Class 9 – Other Damage to Property.

For Mediolanum Assicurazioni, 2024 was characterised by a significant increase in premium income, which, however, mainly related to the health sector. The property component, i.e. the component directly related to protection against weather events, increased by only 700,000 euros, compared with an overall increase in gross premiums written of approximately 18 million; this change entails a slight inflection in the % of eligibility compared with the previous year, from 7.64% to 7.14%.

With reference to the proportion of Taxonomy-aligned premiums, identified by analysing the technical screening criteria indicated by Regulation (EU) 2021/2139, Annex II, points 10.1 and 10.2, following the analyses carried out, this KPI is equal to 0, as there are no insurance premiums relating to Taxonomy-aligned activities. In view of future reporting years, the Group has launched assessments aimed at identifying possible measures to ensure the alignment of a portion of its products.

[35] In accordance with Regulation (EU) 2021/2139, Annex II, point 10.1.

[36] Civil liability insurance arising from the circulation of motor vehicles and other motor insurance, although included in the legislation among potentially eligible/aligned activities, is not material for the business of the Mediolanum Insurance Group.

2.1.5 Disclosures pursuant to Annex VI of Delegated Regulation 2021/2178

This section contains the reporting on the proportions of Taxonomy-aligned balance sheet and off-balance sheet assets for the Mediolanum Banking Group, prepared on the basis of the Templates provided in Annex VI of Delegated Regulation (EU) 2021/2178.

The Disclosure Templates provide data for the year 2024, with the exception of Template 1 "Assets for the calculation of GAR" and Template 3 "GAR KPI stock" for which the information already published in 2023 is also reported.

All the values in the following Templates are expressed in millions of euro and in % values. Within the Templates, the cells are valued with a dash ("-") in the case of values equal to 0, in order to facilitate the reading of the information. If, on the other hand, the value for a specific cell is greater than 0 but is not visible in percentage terms or in millions of euro, the cell is valued with "0.00".

In order to illustrate and/or highlight certain specificities on the data representation methodology, some accompanying notes have been added to the Templates that apply to both capex-weighted and turnover-weighted Templates: to avoid duplications, notes have only been included for the Templates calculated on the basis of capex.

Template 1 - Assets for the calculation of GAR [capex weighting]

	Million EUR	a	b	c	d	e	f	g	h	i	j
		Disclosure reference date 31/12/2024									
		Total (gross) carrying amount	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
			Of which towards Taxonomy relevant sectors (Taxonomy-eligible)					Of which towards Taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)		
					Of which use of proceeds	Of which tran-sitional	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator										
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**14,167.75**	**10,688.70**	**1,561.63**	**1,464.24**	**2.51**	**32.18**	**7.64**	**3.82**	**-**	**0.01**
2	**Financial undertakings**	**1,218.88**	**245.39**	**25.18**	**10.90**	**1.42**	**2.21**	**0.37**	**0.12**	**-**	**0.01**
3	**Credit institutions**	**1,187.31**	**242.40**	**25.01**	**10.90**	1.38	2.16	0.32	0.08	-	0.01
4	Loans and advances	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	868.52	242.38	25.01	10.90	1.38	2.16	0.32	0.08	-	0.01
6	Equity instruments	318.80	0.02	0.00		0.00	0.00	0.00	0.00		-
7	Other financial undertakings[1]	31.57	2.99	0.17	-	0.05	0.05	0.05	0.05	-	0.00
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-
16	of which insurance undertakings	16.54	0.15	0.13	-	0.01	0.05	0.05	0.05	-	0.00
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	16.52	0.15	0.13	-	0.01	0.05	0.05	0.05	-	0.00
19	Equity instruments	0.02	0.00	0.00		0.00	0.00	0.00	0.00		-
20	**Non-financial undertakings**	**273.64**	**159.57**	**83.11**	**-**	**1.08**	**29.97**	**7.27**	**3.70**	**-**	**0.00**
21	Loans and advances	10.73	0.69	0.55	-	-	0.30	-	-	-	-
22	Debt securities, including UoP	262.40	158.76	82.50	-	1.08	29.62	7.27	3.70	-	0.00
23	Equity instruments	0.51	0.12	0.07		0.00	0.04	0.00	0.00		0.00
24	**Households[2]**	**12,675.22**	**10,283.74**	**1,453.34**	**1,453.34**	**-**	**-**	**-**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	12,309.55	9,918.07	1,453.34	1,453.34	-	-	-	-	-	-
26	of which building renovation loans	135.49	135.49	-	-	-	-	-	-	-	-
27	of which motor vehicle loans[3]	230.18	230.18	-	-	-	-				
28	**Local governments financing**	**-**	-	-	-	**-**	**-**	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	-	-	-	**-**	**-**	-	-	-	-
32	**Other assets excluded from the numerator for GAR calculation (covered in denominator)**	**9,246.42**	-	-	-	**-**	**-**	-	-	-	-
33	**Financial and non-financial undertakings[4]**	**1,353.33**									
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	966.44									
35	Loans and advances	703.71									
36	of which loans collateralised by commercial immovable property	95.47									
37	of which building renovation loans	0.10									
38	Debt securities	231.15									
39	Equity instruments	31.57									
40	Non-EU country counterparties not subject to NFRD disclosure obligations	386.90									
41	Loans and advances	-									
42	Debt securities	377.81									
43	Equity instruments	9.09									
44	**Derivatives**	**-**									
45	**On demand interbank loans**	**76.76**									
46	**Cash and cash-related assets**	**2.82**									
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	**7,813.51**									
48	**Total GAR assets**	**23,414.17**	**10,688.70**	**1,561.63**	**1,464.24**	**2.51**	**32.18**	**7.64**	**3.82**	**-**	**0.01**
49	**Assets not covered for GAR calculation**	**18,386.55**									
50	Central governments and supranational issuers	17,172.78									
51	Central banks exposure	865.35									
52	Trading book	348.42									
53	**Total assets**	**41,800.72**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations										
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-
55	**Assets under management**	**10,497.95**	**3,139.32**	**1,552.68**	**96.26**	**135.10**	**712.11**	**158.64**	**63.85**	**0.04**	**25.80**
56	Of which debt securities	5,247.39	1,722.41	854.91	96.26	63.16	333.70	60.09	22.88	0.04	2.43
57	Of which equity instruments	5,250.56	1,416.91	697.77	-	71.94	378.41	98.55	40.97	-	23.36

The following notes apply to all Templates in the following pages.

[1] "Other financial undertakings" on line 7 also includes exposures (total, eligible and aligned) to financial undertakings, other than credit institutions, which are not covered by the items in the following lines: 8 "of which investment firms", 12 "of which management companies" and 16 "of which insurance undertakings". For this reason, the total on line 7 is greater than the sum of the individual items listed above.

[2] "Households" on line 24 is calculated as the sum of the total, eligible and aligned exposures relating to the following lines: 25 "of which loans collateralised by residential immovable property", 26 "of which building renovation loans" and 27 "of which motor vehicle loans". Other exposures to households of the Group are included among the items covered in the denominator for the calculation of GAR, specifically in line 47 "Other categories of assets (e.g. goodwill, commodities, etc.)".

[3] Line 27 "of which motor vehicle loans" reports the value of the Group's exposures to the stock of vehicle purchase loans as at 31/12/2024 (granted before and after the date of application of reporting obligations under the Taxonomy).

[4] Line 33 "Financial and non-financial undertakings" includes only exposures to non-financial undertakings, including non-EU countries, that are not subject to CSRD disclosure obligations. Exposures to financial undertakings not subject to CSRD obligations are included among the items covered in the denominator for the calculation of GAR, specifically in line 47 "Other categories of assets (e.g. goodwill, commodities, etc.)".

	Million EUR	a	k	l	m	n	o	p	q	r	s	t	u	v
		Disclosure reference date 31/12/2024												
		Total (gross) carrying amount	Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
			Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				Of which towards Taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator													
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**14,167.75**	**0.03**	**0.01**	**-**	**0.01**	**1.18**	**0.12**	**-**	**0.12**	**0.09**	**0.07**	**-**	**0.00**
2	**Financial undertakings**	**1,218.88**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3	**Credit institutions**	**1,187.31**	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	868.52	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	318.80	-	-		-	-	-		-	-	-		-
7	Other financial undertakings[1]	31.57	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-		-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-		-	-	-		-
16	of which insurance undertakings	16.54	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	16.52	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	0.02	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings**	**273.64**	**0.03**	**0.01**	**-**	**0.01**	**1.18**	**0.12**	**-**	**0.12**	**0.09**	**0.07**	**-**	**0.00**
21	Loans and advances	10.73	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	262.40	0.03	0.01	-	0.01	1.17	0.12	-	0.12	0.08	0.07	-	0.00
23	Equity instruments	0.51	0.00	0.00		0.00	0.01	0.00		0.00	0.00	-		-
24	**Households[2]**	**12,675.22**					-	-	-	-				
25	of which loans collateralised by residential immovable property	12,309.55					-	-	-	-				
26	of which building renovation loans	135.49					-	-	-	-				
27	of which motor vehicle loans[3]	230.18												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Other assets excluded from the numerator for GAR calculation (covered in denominator)**	**9,246.42**	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and non-financial undertakings[4]**	**1,353.33**												
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	966.44												
35	Loans and advances	703.71												
36	of which loans collateralised by commercial immovable property	95.47												
37	of which building renovation loans	0.10												
38	Debt securities	231.15												
39	Equity instruments	31.57												
40	Non-EU country counterparties not subject to NFRD disclosure obligations	386.90												
41	Loans and advances	-												
42	Debt securities	377.81												
43	Equity instruments	9.09												
44	**Derivatives**	-												
45	**On demand interbank loans**	**76.76**												
46	**Cash and cash-related assets**	**2.82**												
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	**7,813.51**												
48	**Total GAR assets**	**23,414.17**	**0.03**	**0.01**	**-**	**0.01**	**1.18**	**0.12**	**-**	**0.12**	**0.09**	**0.07**	**-**	**0.00**
49	**Assets not covered for GAR calculation**	**18,386.55**												
50	Central governments and supranational issuers	17,172.78												
51	Central banks exposure	865.35												
52	Trading book	348.42												
53	**Total assets**	**41,800.72**	-	-	-	-	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-
55	**Assets under management**	**10,497.95**	**33.33**	**33.28**	**-**	**20.33**	**192.72**	**10.40**	**-**	**10.40**	**66.19**	**3.41**	**-**	**2.49**
56	Of which debt securities	5,247.39	19.39	19.36	-	11.28	36.51	0.98	-	0.98	11.97	2.96	-	2.44
57	Of which equity instruments	5,250.56	13.94	13.92	-	9.06	156.21	9.42	-	9.42	54.22	0.45	-	0.04

		a	w	x	y	z	aa	ab	ac	ad	ae
		Disclosure reference date 31/12/2024									
			Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)				
			Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
Million EUR		Total (gross) carrying amount			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator										
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**14,167.75**	**0.00**	**-**	**-**	**-**	**10,697.64**	**1,565.65**	**1,464.24**	**2.51**	**32.32**
2	**Financial undertakings**	**1,218.88**	**-**	**-**	**-**	**-**	**245.76**	**25.31**	**10.90**	**1.42**	**2.22**
3	**Credit institutions**	**1,187.31**	-	-	-	-	242.72	25.09	10.90	1.38	2.17
4	Loans and advances	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	868.52	-	-	-	-	242.70	25.09	10.90	1.38	2.17
6	Equity instruments	318.80	-	-		-	0.02	0.00		0.00	0.00
7	Other financial corporations	31.57	-	-	-	-	3.04	0.22	-	0.05	0.05
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-		-	-
16	of which insurance undertakings	16.54	-	-	-	-	0.20	0.18	-	0.01	0.05
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	16.52	-	-	-	-	0.20	0.18	-	0.01	0.05
19	Equity instruments	0.02	-	-		-	0.00	0.00		0.00	0.00
20	**Non-financial undertakings**	**273.64**	**0.00**	**-**	**-**	**-**	**168.14**	**87.00**	**-**	**1.08**	**30.10**
21	Loans and advances	10.73	-	-	-	-	0.69	0.55	-	-	0.30
22	Debt securities, including UoP	262.40	0.00	-	-	-	167.31	86.39	-	1.08	29.76
23	Equity instruments	0.51	0.00	-		-	0.14	0.07		0.00	0.04
24	**Households**	**12,675.22**					**10,283.74**	**1,453.34**	**1,453.34**	**-**	**-**
25	of which loans collateralised by residential immovable property	12,309.55					9,918.07	1,453.34	1,453.34	-	-
26	of which building renovation loans	135.49					135.49	-	-	-	-
27	of which motor vehicle loans	230.18					230.18	-	-	-	-
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Other assets excluded from the numerator for GAR calculation (included in denominator)**	**9,246.42**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
33	**Financial and non-financial corporations**	**1,353.33**									
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	966.44									
35	Loans and advances	703.71									
36	of which loans collateralised by commercial immovable property	95.47									
37	of which building renovation loans	0.10									
38	Debt securities	231.15									
39	Equity instruments	31.57									
40	Non-EU country counterparties not subject to NFRD disclosure obligations	386.90									
41	Loans and advances	-									
42	Debt securities	377.81									
43	Equity instruments	9.09									
44	**Derivatives**	**-**									
45	**On demand interbank loans**	**76.76**									
46	**Cash and cash-related assets**	**2.82**									
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	**7,813.51**									
48	**Total GAR assets**	**23,414.17**	**0.00**	**-**	**-**	**-**	**10,697.64**	**1,565.65**	**1,464.24**	**2.51**	**32.32**
49	**Assets not covered for GAR calculation**	**18,386.55**									
50	Central governments and supranational issuers	17,172.78									
51	Central banks exposure	865.35									
52	Trading book	348.42									
53	**Total assets**	**41,800.72**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations											
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-
55	**Assets under management**	**10,497.95**	**2.32**	**0.05**	**-**	**0.01**	**3,592.52**	**1,663.65**	**96.31**	**135.10**	**771.14**
56	Of which debt securities	5,247.39	1.18	0.01	-	0.01	1,851.55	901.10	96.31	63.16	350.85
57	Of which equity instruments	5,250.56	1.14	0.03	-	-	1,740.96	762.56	-	71.94	420.29

Template 1 - Assets for the calculation of GAR [capex weighting] T-1

Million EUR		a	b	c	d	e	f	g	h	i	j
		Reporting reference date 31/12/2023									
		Total (gross) carrying amount	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
			Of which towards Taxonomy relevant sectors (Taxonomy-eligible)					Of which towards Taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy aligned)					Of which environmentally sustainable (Taxonomy-aligned)		
					Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator										
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**12,629.10**	**10,485.48**	**1,049.34**	**-**	**0.00**	**0.64**	**0.01**	**0.00**	**-**	**0.00**
2	**Financial undertakings**	**286.83**	**66.03**	**-**	**-**	**-**	**-**	**0.01**	**-**	**-**	**-**
3	**Credit institutions**	**274.31**	**64.10**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
4	Loans and advances	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	20.53	0.00	-	-	-	-	-	-	-	-
6	Equity instruments	253.77	64.09	-		-	-	-	-		-
7	Other financial undertakings[1]	12.52	1.93	-	-	-	-	0.01	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-
16	of which insurance undertakings	0.05	-	-	-	-	-	0.01	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	0.04	-	-	-	-	-	0.01	-	-	-
19	Equity instruments	0.01	-	-		-	-	0.00	-		-
20	**Non-financial undertakings**	**21.06**	**5.07**	**1.30**	**-**	**0.00**	**0.64**	**-**	**0.00**	**-**	**0.00**
21	Loans and advances	18.34	4.20	0.94	-	-	0.51	-	-	-	-
22	Debt securities, including UoP	2.24	0.67	0.29	-	0.00	0.07	-	0.00	-	0.00
23	Equity instruments	0.48	0.20	0.08		0.00	0.05	-	0.00		-
24	**Households[2]**	**12,321.15**	**10,414.39**	**1,048.03**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	11,950.89	10,044.13	1,048.03	-	-	-	-	-	-	-
26	of which building renovation loans	144.95	144.95	-	-	-	-	-	-	-	-
27	of which motor vehicle loans[3]	225.31	225.31	-	-	-	-				
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0.07**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Other assets excluded from the numerator for GAR calculation (covered in denominator)**	**9,242.97**	-	-	-	-	-	-	-	-	-
33	**Financial and non-financial undertakings[4]**	**1,100.20**									
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	713.80									
35	Loans and advances	712.80									
36	of which loans collateralised by commercial immovable property	104.04									
37	of which building renovation loans	-									
38	Debt securities	0.73									
39	Equity instruments	0.28									
40	Non-EU country counterparties not subject to NFRD disclosure obligations	386.40									
41	Loans and advances	-									
42	Debt securities	384.52									
43	Equity instruments	1.87									
44	**Derivatives**	**0.05**									
45	**On demand interbank loans**	**126.09**									
46	**Cash and cash-related assets**	**3.06**									
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	**8,013.56**									
48	**Total GAR assets**	**21,872.07**									
49	**Assets not covered for GAR calculation**	**18,837.11**									
50	Central governments and supranational issuers	**17,830.95**									
51	Central banks exposure	**53.80**									
52	Trading book	**952.36**									
53	**Total assets**	**40,709.18**									
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations											
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-
55	**Assets under management**	**9,168.65**	**2,535.18**	**1,146.12**	**-**	**31.20**	**475.02**	**79.57**	**77.74**	**-**	**35.86**
56	Of which debt securities	3,699.70	860.93	516.08	-	4.86	179.63	29.85	5.85	-	4.48
57	Of which equity instruments	5,468.95	1,674.24	630.04	-	26.34	295.39	49.72	71.89	-	31.38

		a	k	l	m	No.	o	p	q	r	s	t	u	v
		Reporting reference date 31/12/2023												
			Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
			Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				Of which towards Taxonomy relevant sectors (Taxonomy-eligible)			
	Million EUR	Total (gross) carrying amount		Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator													
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**12,629.10**												
2	**Financial undertakings**	**286.83**												
3	**Credit institutions**	**274.31**												
4	Loans and advances	-												
5	Debt securities, including UoP	20.53												
6	Equity instruments	253.77												
7	Other financial undertakings[1]	12.52												
8	of which investment firms	-												
9	Loans and advances	-												
10	Debt securities, including UoP	-												
11	Equity instruments	-												
12	of which management companies	-												
13	Loans and advances	-												
14	Debt securities, including UoP	-												
15	Equity instruments	-												
16	of which insurance undertakings	0.05												
17	Loans and advances	-												
18	Debt securities, including UoP	0.04												
19	Equity instruments	0.01												
20	**Non-financial undertakings**	**21.06**												
21	Loans and advances	18.34												
22	Debt securities, including UoP	2.24												
23	Equity instruments	0.48												
24	**Households[2]**	**12,321.15**												
25	of which loans collateralised by residential immovable property	11,950.89												
26	of which building renovation loans	144.95												
27	of which motor vehicle loans[3]	225.31												
28	**Local governments financing**	**-**												
29	Housing financing	-												
30	Other local government financing	-												
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0.07**												
32	**Other assets excluded from the numerator for GAR calculation (covered in denominator)**	**9,242.97**												
33	**Financial and non-financial undertakings[4]**	**1,100.20**												
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	713.80												
35	Loans and advances	712.80												
36	of which loans collateralised by commercial immovable property	104.04												
37	of which building renovation loans	-												
38	Debt securities	0.73												
39	Equity instruments	0.28												
40	Non-EU country counterparties not subject to NFRD disclosure obligations	386.40												
41	Loans and advances	-												
42	Debt securities	384.52												
43	Equity instruments	1.87												
44	**Derivatives**	**0.05**												
45	**On demand interbank loans**	**126.09**												
46	**Cash and cash-related assets**	**3.06**												
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	**8,013.56**												
48	**Total GAR assets**	**21,872.07**												
49	**Assets not covered for GAR calculation**	**18,837.11**												
50	Central governments and supranational issuers	**17,830.95**												
51	Central banks exposure	**53.80**												
52	Trading book	**952.36**												
53	**Total assets**	**40,709.18**												
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	-												
55	**Assets under management**	**9,168.65**												
56	Of which debt securities	3,699.70												
57	Of which equity instruments	5,468.95												

		a	w	x	y	z	aa	ab	ac	ad	ae
		Reporting reference date 31/12/2023									
			Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)				
			Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
Million EUR		Total (gross) carrying amount			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator										
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**12,629.10**					**10,485.49**	**1,049.34**	**-**	**0.00**	**0.64**
2	**Financial undertakings**	**286.83**					**66.04**	**-**	**-**	**-**	**-**
3	**Credit institutions**	**274.31**					**64.10**	**-**	**-**	**-**	**-**
4	Loans and advances	-					-	-	-	-	-
5	Debt securities, including UoP	20.53					0.00	-	-	-	-
6	Equity instruments	253.77					64.09	-		-	-
7	Other financial corporations	12.52					1.95	-	-	-	-
8	of which investment firms	-					-	-	-	-	-
9	Loans and advances	-					-	-	-	-	-
10	Debt securities, including UoP	-					-	-	-	-	-
11	Equity instruments	-					-	-		-	-
12	of which management companies	-					-	-	-	-	-
13	Loans and advances	-					-	-	-	-	-
14	Debt securities, including UoP	-					-	-	-	-	-
15	Equity instruments	-					-	-		-	-
16	of which insurance undertakings	0.05					0.01	-	-	-	-
17	Loans and advances	-					-	-	-	-	-
18	Debt securities, including UoP	0.04					0.01	-	-	-	-
19	Equity instruments	0.01					0.00	-		-	-
20	**Non-financial undertakings**	**21.06**					**5.07**	**1.31**	**-**	**0.00**	**0.64**
21	Loans and advances	18.34					4.20	0.94	-	-	0.51
22	Debt securities, including UoP	2.24					0.67	0.30	-	0.00	0.07
23	Equity instruments	0.48					0.20	0.08		0.00	0.05
24	**Households**	**12,321.15**					**10,414.39**	**1,048.03**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	11,950.89					10,044.13	1,048.03	-	-	-
26	of which building renovation loans	144.95					144.95	-	-	-	-
27	of which motor vehicle loans	225.31					225.31	-	-	-	-
28	**Local governments financing**	**-**					**-**	**-**	**-**	**-**	**-**
29	Housing financing	-					-	-	-	-	-
30	Other local government financing	-					-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0.07**					**-**	**-**	**-**	**-**	**-**
32	**Other assets excluded from the numerator for GAR calculation (included in denominator)**	**9,242.97**					-	-	-	-	-
33	**Financial and non-financial corporations**	**1,100.20**									
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	713.80									
35	Loans and advances	712.80									
36	of which loans collateralised by commercial immovable property	104.04									
37	of which building renovation loans	-									
38	Debt securities	0.73									
39	Equity instruments	0.28									
40	Non-EU country counterparties not subject to NFRD disclosure obligations	386.40									
41	Loans and advances	-									
42	Debt securities	384.52									
43	Equity instruments	1.87									
44	**Derivatives**	**0.05**									
45	**On demand interbank loans**	**126.09**									
46	**Cash and cash-related assets**	**3.06**									
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	**8,013.56**									
48	**Total GAR assets**	**21,872.07**									
49	**Assets not covered for GAR calculation**	**18,837.11**									
50	Central governments and supranational issuers	**17,830.95**									
51	Central banks exposure	**53.80**									
52	Trading book	**952.36**									
53	**Total assets**	**40,709.18**									
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations											
54	Financial guarantees	-					-	-	-	-	-
55	**Assets under management**	**9,168.65**					**2,614.75**	**1,223.86**	**-**	**31.20**	**510.88**
56	Of which debt securities	3,699.70					890.79	521.93	-	4.86	184.11
57	Of which equity instruments	5,468.95					1,723.96	701.93	-	26.34	326.77

Template 1 - Assets for the calculation of GAR [turnover weighting]

	Million EUR	a	b	c	d	e	f	g	h	i	j
		Disclosure reference date 31/12/2024									
		Total (gross) carrying amount	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
			Of which towards Taxonomy relevant sectors (Taxonomy-eligible)					Of which towards Taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)		
					Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator										
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**14,167.75**	**10,674.08**	**1,525.46**	**1,469.70**	**2.35**	**19.12**	**57.80**	**3.98**	**-**	**0.05**
2	**Financial undertakings**	**1,218.88**	**230.16**	**23.35**	**10.90**	**1.24**	**1.32**	**0.39**	**0.15**	**-**	**0.02**
3	**Credit institutions**	1,187.31	230.08	23.28	10.90	1.23	1.29	0.34	0.10	-	0.02
4	Loans and advances	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	868.52	230.07	23.28	10.90	1.23	1.29	0.34	0.10	-	0.02
6	Equity instruments	318.80	0.02	0.00		0.00	0.00	0.00	0.00		-
7	Other financial undertakings[1]	31.57	0.08	0.07	-	0.01	0.02	0.05	0.05	-	0.00
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-
16	of which insurance undertakings	16.54	0.08	0.07	-	0.01	0.02	0.05	0.05	-	0.00
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	16.52	0.08	0.07	-	0.01	0.02	0.05	0.05	-	0.00
19	Equity instruments	0.02	0.00	0.00		0.00	0.00	0.00	0.00	- €	0.00
20	**Non-financial undertakings**	**273.64**	**160.17**	**48.77**	**5.47**	**1.11**	**17.81**	**57.41**	**3.83**	**-**	**0.03**
21	Loans and advances	10.73	1.18	0.12	-	-	-	-	-	-	-
22	Debt securities, including UoP	262.40	158.91	48.61	5.47	1.11	17.78	57.41	3.83	-	0.03
23	Equity instruments	0.51	0.08	0.05		0.00	0.03	0.00	0.00		0.00
24	**Households[2]**	**12,675.22**	**10,283.74**	**1,453.34**	**1,453.34**	**-**	**-**	**-**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	12,309.55	9,918.07	1,453.34	1,453.34	-	-	-	-	-	-
26	of which building renovation loans	135.49	135.49	-	-	-	-	-	-	-	-
27	of which motor vehicle loans[3]	230.18	230.18	-	-	-	-				
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Other assets excluded from the numerator for GAR calculation (covered in denominator)**	**9,246.42**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
33	**Financial and non-financial undertakings[4]**	1,353.33									
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	966.44									
35	Loans and advances	703.71									
36	of which loans collateralised by commercial immovable property	95.47									
37	of which building renovation loans	0.10									
38	Debt securities	231.15									
39	Equity instruments	31.57									
40	Non-EU country counterparties not subject to NFRD disclosure obligations	386.90									
41	Loans and advances	-									
42	Debt securities	377.81									
43	Equity instruments	9.09									
44	**Derivatives**	-									
45	**On demand interbank loans**	76.76									
46	**Cash and cash-related assets**	2.82									
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	7,813.51									
48	**Total GAR assets**	**23,414.17**	**10,674.08**	**1,525.46**	**1,469.70**	**2.35**	**19.12**	**57.80**	**3.98**	**-**	**0.05**
49	**Assets not covered for GAR calculation**	**18,386.55**									
50	Central governments and supranational issuers	17,172.78									
51	Central banks exposure	865.35									
52	Trading book	348.42									
53	**Total assets**	**41,800.72**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations										
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-
55	**Assets under management**	**10,497.95**	**2,461.58**	**972.98**	**96.26**	**107.62**	**470.49**	**145.86**	**33.26**	**0.04**	**18.23**
56	Of which debt securities	5,247.39	1,501.96	552.48	96.26	53.58	223.54	95.97	20.76	0.04	10.74
57	Of which equity instruments	5,250.56	959.61	420.50	-	54.05	246.95	49.88	12.50	-	7.49

		a	k	l	m	No.	o	p	q	r	s	t	u	v
	Million EUR	Disclosure reference date 31/12/2024												
		Total (gross) carrying amount	Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
			Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				Of which towards Taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator													
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**14,167.75**	**1.01**	**0.00**	**-**	**0.00**	**3.53**	**0.17**	**-**	**0.17**	**0.10**	**0.06**	**-**	**0.00**
2	**Financial undertakings**	**1,218.88**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3	**Credit institutions**	1,187.31	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	868.52	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	318.80	-	-		-	-	-		-	-	-		-
7	Other financial undertakings[1]	31.57	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-		-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-		-	-	-		-
16	of which insurance undertakings	16.54	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	16.52	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	0.02	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings**	**273.64**	**1.01**	**0.00**	**-**	**0.00**	**3.53**	**0.17**	**-**	**0.17**	**0.10**	**0.06**	**-**	**0.00**
21	Loans and advances	10.73	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	262.40	1.01	0.00	-	0.00	3.51	0.16	-	0.16	0.10	0.06	-	0.00
23	Equity instruments	0.51	0.00	0.00		0.00	0.02	0.00		0.00	0.00	-		-
24	**Households[2]**	**12,675.22**					-	-	-	-				
25	of which loans collateralised by residential immovable property	12,309.55					-	-	-	-				
26	of which building renovation loans	135.49					-	-	-	-				
27	of which motor vehicle loans[3]	230.18												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Other assets excluded from the numerator for GAR calculation (covered in denominator)**	**9,246.42**	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and non-financial undertakings[4]**	1,353.33												
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	966.44												
35	Loans and advances	703.71												
36	of which loans collateralised by commercial immovable property	95.47												
37	of which building renovation loans	0.10												
38	Debt securities	231.15												
39	Equity instruments	31.57												
40	Non-EU country counterparties not subject to NFRD disclosure obligations	386.90												
41	Loans and advances	-												
42	Debt securities	377.81												
43	Equity instruments	9.09												
44	**Derivatives**	-												
45	**On demand interbank loans**	76.76												
46	**Cash and cash-related assets**	2.82												
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	7,813.51												
48	**Total GAR assets**	**23,414.17**	**1.01**	**0.00**	**-**	**0.00**	**3.53**	**0.17**	**-**	**0.17**	**0.10**	**0.06**	**-**	**0.00**
49	**Assets not covered for GAR calculation**	**18,386.55**												
50	Central governments and supranational issuers	17,172.78												
51	Central banks exposure	865.35												
52	Trading book	348.42												
53	**Total assets**	**41,800.72**	-	-	-	-	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations													
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-
55	**Assets under management**	**10,497.95**	**17.13**	**9.35**	**-**	**0.21**	**222.09**	**15.75**	**-**	**15.75**	**77.62**	**74.97**	**-**	**4.43**
56	Of which debt securities	5,247.39	9.40	4.90	-	0.19	46.09	1.31	-	1.31	18.70	18.23	-	3.18
57	Of which equity instruments	5,250.56	7.73	4.44	-	0.02	176.00	14.44	-	14.44	58.93	56.74	-	1.25

	Million EUR	a	w	x	y	z	aa	ab	ac	ad	ae
		Disclosure reference date 31/12/2024									
		Total (gross) carrying amount	Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)				
			Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator										
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**14,167.75**	**0.00**	**-**	**-**	**-**	**10,736.53**	**1,529.67**	**1,469.70**	**2.35**	**19.35**
2	**Financial undertakings**	**1,218.88**	**-**	**-**	**-**	**-**	**230.55**	**23.50**	**10.90**	**1.24**	**1.34**
3	**Credit institutions**	1,187.31	-	-	-	-	230.42	23.38	10.90	1.23	1.31
4	Loans and advances	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	868.52	-	-	-	-	230.40	23.38	10.90	1.23	1.31
6	Equity instruments	318.80	-	-		-	0.02	0.00		0.00	0.00
7	Other financial undertakings[1]	31.57	-	-	-	-	0.13	0.11	-	0.01	0.02
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-		-	-
16	of which insurance undertakings	16.54	-	-	-	-	0.13	0.11	-	0.01	0.02
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	16.52	-	-	-	-	0.13	0.11	-	0.01	0.02
19	Equity instruments	0.02	-	-		-	0.00	0.00		0.00	0.00
20	**Non-financial undertakings**	**273.64**	**0.00**	**-**	**-**	**-**	**222.23**	**52.83**	**5.47**	**1.11**	**18.01**
21	Loans and advances	10.73	-	-	-	-	1.18	0.12	-	-	-
22	Debt securities, including UoP	262.40	0.00	-	-	-	220.94	52.67	5.47	1.11	17.98
23	Equity instruments	0.51	0.00	-		-	0.11	0.05		0.00	0.03
24	**Households[2]**	**12,675.22**					**10,283.74**	**1,453.34**	**1,453.34**	**-**	**-**
25	of which loans collateralised by residential immovable property	12,309.55					9,918.07	1,453.34	1,453.34	-	-
26	of which building renovation loans	135.49					135.49	-	-	-	-
27	of which motor vehicle loans[3]	230.18					230.18	-	-	-	-
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Other assets excluded from the numerator for GAR calculation (covered in denominator)**	**9,246.42**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
33	**Financial and non-financial undertakings[4]**	1,353.33									
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	966.44									
35	Loans and advances	703.71									
36	of which loans collateralised by commercial immovable property	95.47									
37	of which building renovation loans	0.10									
38	Debt securities	231.15									
39	Equity instruments	31.57									
40	Non-EU country counterparties not subject to NFRD disclosure obligations	386.90									
41	Loans and advances	-									
42	Debt securities	377.81									
43	Equity instruments	9.09									
44	**Derivatives**	-									
45	**On demand interbank loans**	76.76									
46	**Cash and cash-related assets**	2.82									
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	7,813.51									
48	**Total GAR assets**	**23,414.17**	**0.00**	**-**	**-**	**-**	**10,736.53**	**1,529.67**	**1,469.70**	**2.35**	**19.35**
49	**Assets not covered for GAR calculation**	**18,386.55**									
50	Central governments and supranational issuers	17,172.78									
51	Central banks exposure	865.35									
52	Trading book	348.42									
53	**Total assets**	**41,800.72**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations										
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-
55	**Assets under management**	**10,497.95**	**11.41**	**0.00**	**-**	**0.00**	**2,935.69**	**1,106.31**	**96.31**	**107.62**	**509.11**
56	Of which debt securities	5,247.39	2.50	0.00	-	0.00	1,674.63	597.68	96.31	53.58	238.96
57	Of which equity instruments	5,250.56	8.91	-	-	-	1,261.05	508.63	-	54.05	270.15

Template 1 - Assets for the calculation of GAR [turnover weighting] T-1

		a	b	c	d	e	f	g	h	i	j
Million EUR		Reporting reference date 31/12/2023									
		Total (gross) carrying amount	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
			Of which towards Taxonomy relevant sectors (Taxonomy-eligible)					Of which towards Taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)		
					Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator										
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**12,629.10**	**10,480.84**	**1,048.39**	**-**	**0.00**	**0.08**	**0.01**	**0.01**	**-**	**0.00**
2	**Financial undertakings**	**286.83**	**64.10**	**-**	**-**	**-**	**-**	**0.01**	**-**	**-**	**-**
3	**Credit institutions**	**274.31**	**64.10**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
4	Loans and advances	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	20.53	0.00	-	-	-	-	-	-	-	-
6	Equity instruments	253.77	64.09	-		-	-	-	-		-
7	Other financial undertakings[1]	12.52	-	-	-	-	-	0.01	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-
16	of which insurance undertakings	0.05	-	-	-	-	-	0.01	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	0.04	-	-	-	-	-	0.01	-	-	-
19	Equity instruments	0.01	-	-		-	-	0.00	-		-
20	**Non-financial undertakings**	**21.06**	**2.36**	**0.35**	**-**	**0.00**	**0.08**	**-**	**0.01**	**-**	**0.00**
21	Loans and advances	18.34	1.76	0.13	-	-	-	-	-	-	-
22	Debt securities, including UoP	2.24	0.47	0.16	-	0.00	0.04	-	0.01	-	0.00
23	Equity instruments	0.48	0.13	0.06		0.00	0.04	-	0.00		-
24	**Households[2]**	**12,321.15**	**10,414.39**	**1,048.03**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	11,950.89	10,044.13	1,048.03	-	-	-	-	-	-	-
26	of which building renovation loans	144.95	144.95	-	-	-	-	-	-	-	-
27	of which motor vehicle loans[3]	225.31	225.31	-	-	-	-				
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0.07**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Other assets excluded from the numerator for GAR calculation (covered in denominator)**	**9,242.97**	-	-	-	-	-	-	-	-	-
33	**Financial and non-financial undertakings[4]**	**1,100.20**									
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	713.80									
35	Loans and advances	712.80									
36	of which loans collateralised by commercial immovable property	104.04									
37	of which building renovation loans	-									
38	Debt securities	0.73									
39	Equity instruments	0.28									
40	Non-EU country counterparties not subject to NFRD disclosure obligations	386.40									
41	Loans and advances	-									
42	Debt securities	384.52									
43	Equity instruments	1.87									
44	**Derivatives**	**0.05**									
45	**On demand interbank loans**	**126.09**									
46	**Cash and cash-related assets**	**3.06**									
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	**8,013.56**									
48	**Total GAR assets**	**21,872.07**									
49	**Assets not covered for GAR calculation**	**18,837.11**									
50	Central governments and supranational issuers	**17,830.95**									
51	Central banks exposure	**53.80**									
52	Trading book	**952.36**									
53	**Total assets**	**40,709.18**									
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations											
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-
55	**Assets under management**	**9,168.65**	**1,573.01**	**556.59**	**-**	**14.41**	**288.93**	**79.13**	**26.67**	**-**	**15.13**
56	Of which debt securities	3,699.70	549.91	240.40	-	2.17	110.61	29.85	12.97	-	4.92
57	Of which equity instruments	5,468.95	1,023.10	316.19	-	12.24	178.32	49.28	13.70	-	10.21

		a	k	l	m	No.	o	p	q	r	s	t	u	v
		Reporting reference date 31/12/2023												
			Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
			Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				Of which towards Taxonomy relevant sectors (Taxonomy-eligible)			
Million EUR		Total (gross) carrying amount		Of which environmentally sustainable (Taxonomy aligned)				Of which environmentally sustainable (Taxonomy aligned)				Of which environmentally sustainable (Taxonomy aligned)		
					Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator													
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**12,629.10**												
2	**Financial undertakings**	**286.83**												
3	**Credit institutions**	**274.31**												
4	Loans and advances	-												
5	Debt securities, including UoP	20.53												
6	Equity instruments	253.77												
7	Other financial undertakings[1]	12.52												
8	of which investment firms	-												
9	Loans and advances	-												
10	Debt securities, including UoP	-												
11	Equity instruments	-												
12	of which management companies	-												
13	Loans and advances	-												
14	Debt securities, including UoP	-												
15	Equity instruments	-												
16	of which insurance undertakings	0.05												
17	Loans and advances	-												
18	Debt securities, including UoP	0.04												
19	Equity instruments	0.01												
20	**Non-financial undertakings**	**21.06**												
21	Loans and advances	18.34												
22	Debt securities, including UoP	2.24												
23	Equity instruments	0.48												
24	**Households[2]**	**12,321.15**												
25	of which loans collateralised by residential immovable property	11,950.89												
26	of which building renovation loans	144.95												
27	of which motor vehicle loans[3]	225.31												
28	**Local governments financing**	**-**												
29	Housing financing	-												
30	Other local government financing	-												
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0.07**												
32	**Other assets excluded from the numerator for GAR calculation (covered in denominator)**	**9,242.97**												
33	**Financial and non-financial undertakings[4]**	**1,100.20**												
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	713.80												
35	Loans and advances	712.80												
36	of which loans collateralised by commercial immovable property	104.04												
37	of which building renovation loans	-												
38	Debt securities	0.73												
39	Equity instruments	0.28												
40	Non-EU country counterparties not subject to NFRD disclosure obligations	386.40												
41	Loans and advances	-												
42	Debt securities	384.52												
43	Equity instruments	1.87												
44	**Derivatives**	**0.05**												
45	**On demand interbank loans**	**126.09**												
46	**Cash and cash-related assets**	**3.06**												
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**	**8,013.56**												
48	**Total GAR assets**	**21,872.07**												
49	**Assets not covered for GAR calculation**	**18,837.11**												
50	Central governments and supranational issuers	**17,830.95**												
51	Central banks exposure	**53.80**												
52	Trading book	**952.36**												
53	**Total assets**	**40,709.18**												
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations														
54	Financial guarantees	-												
55	**Assets under management**	**9,168.65**												
56	Of which debt securities	3,699.70												
57	Of which equity instruments	5,468.95												

	Million EUR	a	w	x	y	z	aa	ab	ac	ad	ae
		Reporting reference date 31/12/2023									
		Total (gross) carrying amount	Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)				
			Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				Of which towards Taxonomy relevant sectors (Taxonomy-eligible)				
					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		
					Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator										
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**						**10,480.85**	**1,048.39**	**-**	**0.00**	**0.08**
2	**Financial undertakings**						**64.11**	**-**	**-**	**-**	**-**
3	**Credit institutions**						**64.10**	**-**	**-**	**-**	**-**
4	Loans and advances						-	-	-	-	-
5	Debt securities, including UoP						0.00	-	-	-	-
6	Equity instruments						64.09	-		-	-
7	Other financial undertakings[1]						0.01	-	-	-	-
8	of which investment firms						-	-	-	-	-
9	Loans and advances						-	-	-	-	-
10	Debt securities, including UoP						-	-	-	-	-
11	Equity instruments						-	-		-	-
12	of which management companies						-	-	-	-	-
13	Loans and advances						-	-	-	-	-
14	Debt securities, including UoP						-	-	-	-	-
15	Equity instruments						-	-		-	-
16	of which insurance undertakings						0.01	-	-	-	-
17	Loans and advances						-	-	-	-	-
18	Debt securities, including UoP						0.01	-	-	-	-
19	Equity instruments						0.00	-		-	-
20	**Non-financial undertakings**						**2.36**	**0.36**	**-**	**0.00**	**0.08**
21	Loans and advances						1.76	0.13	-	-	-
22	Debt securities, including UoP						0.47	0.17	-	0.00	0.04
23	Equity instruments						0.13	0.06		0.00	0.04
24	**Households[2]**						**10,414.39**	**1,048.03**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property						10,044.13	1,048.03	-	-	-
26	of which building renovation loans						144.95	-	-	-	-
27	of which motor vehicle loans[3]						225.31	-	-	-	-
28	**Local governments financing**						**-**	**-**	**-**	**-**	**-**
29	Housing financing						-	-	-	-	-
30	Other local government financing						-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**						**-**	**-**	**-**	**-**	**-**
32	**Other assets excluded from the numerator for GAR calculation (covered in denominator)**						-	-	-	-	-
33	**Financial and non-financial undertakings[4]**										
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations										
35	Loans and advances										
36	of which loans collateralised by commercial immovable property										
37	of which building renovation loans										
38	Debt securities										
39	Equity instruments										
40	Non-EU country counterparties not subject to NFRD disclosure obligations										
41	Loans and advances										
42	Debt securities										
43	Equity instruments										
44	**Derivatives**										
45	**On demand interbank loans**										
46	**Cash and cash-related assets**										
47	**Other categories of assets (e.g. goodwill, commodities, etc.)**										
48	**Total GAR assets**										
49	**Assets not covered for GAR calculation**										
50	Central governments and supranational issuers										
51	Central banks exposure										
52	Trading book										
53	**Total assets**										
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations											
54	Financial guarantees						-	-	-	-	-
55	**Assets under management**						**1,652.15**	**583.26**	**-**	**14.41**	**304.06**
56	Of which debt securities						579.76	253.37	-	2.17	115.53
57	Of which equity instruments						1,072.38	329.90	-	12.24	188.52

Template 2: GAR sector information [capex weighting]

		a	b	c	d	e	f	g	h
		Climate change mitigation (CCM)				Climate change adaptation (CCA)			
	Breakdown by sector - NACE 4 digits level (code and label)	Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount	
		Million EUR	Of which environmentally sustainable (CCM)	Million EUR	Of which environmentally sustainable (CCM)	Million EUR	Of which environmentally sustainable (CCA)	Million EUR	Of which environmentally sustainable (CCA)
1	A1 - Crop and animal production, hunting and related	0.00	0.00			0.00	-		
2	B6 - Extraction of crude petroleum and natural gas	0.00	0.00			0.00	-		
3	B6.1.0 - Extraction of crude petroleum	0.27	-			0.27	-		
4	C10 - Manufacture of food products	0.00	0.00			0.00	-		
5	C10.5.1 - Operation of dairies and cheese making	0.00	-			0.00	-		
6	C11.0.5 - Manufacture of beer	0.01	0.00			0.01	-		
7	C14 - Manufacture of wearing apparel	0.01	0.00			0.01	-		
8	C15.1.2 - Manufacture of luggage, handbags and the like,	0.01	0.00			0.01	0.00		
9	C17.1.2 - Manufacture of paper and paperboard	0.00	0.00			0.00	-		
10	C17.2.1 - Manufacture of corrugated paper and	3.50	0.05			3.50	-		
11	C17.2.2 - Manufacture of household and sanitary goods	0.00	-			0.00	-		
12	C19.2.0 - Manufacture of refined petroleum products	1.06	0.19			1.06	0.00		
13	C20.1 - Manufacture of basic chemicals, fertilisers and	0.00	0.00			0.00	-		
14	C20.1.1 - Manufacture of industrial gases	0.02	0.00			0.02	-		
15	C20.1.4 - Manufacture of other organic base chemicals	0.01	-			0.01	-		
16	C20.3.0 - Manufacture of paints, varnishes and similar	0.00	-			0.00	-		
17	C20.4.1 - Manufacture of soaps and detergents, cleaning	0.00	0.00			0.00	-		
18	C20.4.2 - Manufacture of perfumes and toilet	0.01	0.00			0.01	0.00		
19	C20.5.9 - Manufacture of other chemical products n.e.c.	0.01	-			0.01	-		
20	C21.1.0 - Manufacture of basic pharmaceutical products	0.09	0.00			0.09	-		
21	C22.1.1 - Manufacture of rubber tyres and tubes;	0.00	0.00			0.00	-		
22	C23 - Manufacture of other non-metallic mineral	0.00	0.00			0.00	-		
23	C23.3.2 - Manufacture of bricks, tiles and construction	0.00	0.00			0.00	-		
24	C23.5.1 - Manufacture of cement	0.00	0.00			0.00	-		
25	C23.9.9 - Manufacture of other non-metallic mineral	0.00	0.00			0.00	-		
26	C24.4.2 - Aluminium production	0.00	0.00			0.00	-		
27	C25.5 - Forging, pressing, stamping and roll-forming of	5.95	0.00			5.95	-		
28	C26.1 - Manufacture of electronic components and	0.01	0.00			0.01	-		
29	C26.1.1 - Manufacture of electronic components	0.01	-			0.01	-		
30	C26.20 - Manufacture of computers and peripheral	1.69	0.00			1.69	-		
31	C26.3 - Manufacture of communication equipment	0.13	-			0.13	-		
32	C26.5.1 - Manufacture of instruments and appliances for	0.11	0.00			0.11	-		
33	C27 - Manufacture of electrical equipment	0.02	0.00			0.02	-		
34	C27.1 - Manufacture of electric motors, generators,	0.01	0.00			0.01	-		
35	C27.1.1 - Manufacture of electric motors, generators and	0.04	0.01			0.04	-		
36	C27.2 - Manufacture of batteries and accumulators	0.01	-			0.01	-		
37	C27.4 - Manufacture of electric lighting equipment	0.00	0.00			0.00	-		
38	C27.5.1 - Manufacture of electric domestic appliances	0.13	0.01			0.13	-		
39	C27.9 - Manufacture of other electrical equipment	0.01	-			0.01	-		
40	C28.1.1 - Manufacture of engines and turbines, except	0.02	0.02			0.02	-		
41	C28.1.3 - Manufacture of other pumps and compressors	0.00	-			0.00	-		
42	C28.1.5 - Manufacture of bearings, gears, gearing and	0.00	-			0.00	-		
43	C28.2 - Manufacture of other general-purpose	0.00	0.00			0.00	-		
44	C28.9.2 - Manufacture of machinery for mining,	0.00	0.00			0.00	-		
45	C28.9.9 - Manufacture of other special-purpose	0.03	-			0.03	-		
46	C29.1 - Manufacture of motor vehicles	102.00	31.04			102.00	0.00		
47	C29.2 - Manufacture of bodies (coachwork) for motor	0.14	-			0.14	-		
48	C29.3 - Manufacture of parts and accessories for motor	0.01	0.00			0.01	-		
49	C29.3.2 - Manufacture of other parts and accessories for	0.01	0.00			0.01	-		
50	C30.1.1 - Building of ships and floating structures	0.00	0.00			0.00	-		
51	C30.2 - Manufacture of railway locomotives and rolling	0.02	0.01			0.02	-		
52	C30.3 - Manufacture of air and spacecraft and related	0.01	0.00			0.01	-		
53	C32.5 - Manufacture of medical and dental instruments	0.01	0.00			0.01	-		
54	D35 - Electricity, gas, steam and air conditioning supply	0.00	0.00			0.00	0.00		
55	D35.1 - Electric power generation, transmission and	0.26	0.18			0.26	0.03		
56	D35.1.1 - Production of electricity	3.44	2.32			3.44	0.00		
57	D35.1.2 - Transmission of electricity	0.01	0.01			0.01	-		
58	D35.1.3 - Distribution of electricity	0.02	0.02			0.02	0.00		
59	D35.2.2 - Distribution of gaseous fuels through mains	0.00	0.00			0.00	0.00		
60	E36.0 - Water collection, treatment and supply	0.01	0.00			0.01	-		
61	E38 - Waste collection, treatment and disposal activities;	0.00	0.00			0.00	-		
62	E38.2.2 - Treatment and disposal of hazardous waste	12.52	0.49			12.52	-		
63	F41.2.0 - Construction of residential and non-residential	0.00	0.00			0.00	0.00		
64	F42 - Civil engineering	48.91	43.47			48.91	0.00		
65	F42.1 - Construction of roads and railways	0.12	0.05			0.12	0.01		
66	F42.2.2 - Construction of utility projects for electricity and	0.12	0.01			0.12	0.00		
67	G46.7.5 - Wholesale of chemical products	0.00	-			0.00	-		
68	G47.2 - Retail sale of food, beverages and tobacco in	0.01	0.00			0.01	-		
69	G47.4.3 - Retail sale of audio and video equipment in	0.00	-			0.00	-		
70	G47.7.1 - Retail sale of clothing in specialised stores	0.02	0.00			0.02	-		
71	G47.77 - Retail sale of watches and jewellery in	0.00	-			0.00	-		
72	H49.1.0 - Passenger rail transport, interurban	0.00	0.00			0.00	-		
73	H49.3 - Other passenger land transport	0.00	0.00			0.00	-		
74	H51.1.0 - Passenger air transport	0.15	-			0.15	-		
75	H52.2.3 - Service activities incidental to air transportation	0.16	0.03			0.16	-		
76	H52.2.9 - Other transportation support activities	0.00	-			0.00	-		
77	H53.1.0 - Postal activities under universal service	10.73	0.55			10.73	-		
78	H53.2.0 - Other postal and courier activities	0.00	0.00			0.00	-		
79	J58.1.9 - Other publishing activities	0.00	0.00			0.00	-		
80	J58.2.9 - Other software publishing	0.03	0.00			0.03	-		
81	J59.2.0 - Sound recording and music publishing activities	0.00	-			0.00	-		
82	J61.1.0 - Wired telecommunications activities	0.04	0.00			0.04	0.00		
83	J61.2.0 - Wireless telecommunications activities	0.05	0.00			0.05	-		
84	J62.0.1 - Computer programming activities	0.00	0.00			0.00	-		
85	J62.0.9 - Other information technology and computer	0.01	0.00			0.01	0.00		
86	J63.1.2 - Web portals	0.03	0.00			0.03	0.00		
87	K64.1.9 - Other monetary intermediation	4.71	1.38			4.71	0.04		
88	K64.2.0 - Activities of holding companies	0.00	0.00			0.00	-		
89	K65.1.1 - Life insurance	0.01	0.00			0.01	0.00		
90	K66.1.1 - Administration of financial markets	0.01	-			0.01	-		
91	K66.1.9 - Other activities auxiliary to financial services,	0.16	0.00			0.16	-		
92	L68.2.0 - Renting and operating of own or leased real	46.43	3.22			46.43	3.61		
93	M71.1 - Architectural and engineering activities and	0.00	0.00			0.00	-		
94	M71.2.0 - Technical testing and analysis	0.01	-			0.01	-		
95	M72.1.1 - Research and experimental development on	0.02	0.00			0.02	-		
96	M73.1.1 - Advertising agencies	0.00	-			0.00	-		
97	N77.1.1 - Renting and leasing of cars and light motor	30.04	0.00			30.04	-		
98	N79.1.1 - Travel agency activities	0.00	-			0.00	-		
99	N80.2.0 - Security systems service activities	0.00	-			0.00	-		
100	N81.1.0 - Combined facilities support activities	0.00	-			0.00	-		
101	N82.9.1 - Activities of collection agencies and credit	0.14	-			0.14	-		
102	N82.9.9 - Other business support service activities n.e.c.	0.01	0.00			0.01	-		
103	Q86.2.2 - Specialist medical practice activities	0.01	-			0.01	-		
104	R92.0.0 - Gambling and betting activities	0.01	-			0.01	-		

		i	j	k	l	m	n	o	p	q	r	s	t
	Breakdown by sector - NACE 4 digits level (code and label)	Water and marine resources (WTR)				Circular economy (EC)				Pollution (PPC)			
		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount	(Gross) carrying amount			(Gross) carrying amount		(Gross) carrying amount	
		Million EUR	Of which eco-friendly (WTR)	Million EUR	Of which eco-friendly (WTR)	Million EUR	Of which environmentally sustainable (EC)	Million EUR	Of which environmentally sustainable (EC)	Million EUR	Of which environmentally sustainable (PPC)	Million EUR	Of which environmentally sustainable (PPC)
1	A1 - Crop and animal production, hunting and related service activities	0.00	-			0.00	-			0.00	-		
2	B6 - Extraction of crude petroleum and natural gas	0.00	-			0.00	-			0.00	-		
3	B6.1.0 - Extraction of crude petroleum	0.27	-			0.27	-			0.27	-		
4	C10 - Manufacture of food products	0.00	-			0.00	-			0.00	-		
5	C10.5.1 - Operation of dairies and cheese making	0.00	-			0.00	-			0.00	-		
6	C11.0.5 - Manufacture of beer	0.01	-			0.01	-			0.01	-		
7	C14 - Manufacture of wearing apparel	0.01	-			0.01	-			0.01	-		
8	C15.1.2 - Manufacture of luggage, handbags and the like, saddlery and harness	0.01	-			0.01	-			0.01	-		
9	C17.1.2 - Manufacture of paper and paperboard	0.00	-			0.00	-			0.00	-		
10	C17.2.1 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	3.50	-			3.50	-			3.50	-		
11	C17.2.2 - Manufacture of household and sanitary goods and of toilet requisites	0.00	-			0.00	-			0.00	-		
12	C19.2.0 - Manufacture of refined petroleum products	1.06	-			1.06	0.00			1.06	-		
13	C20.1 - Manufacture of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber in primary form	0.00	-			0.00	-			0.00	-		
14	C20.1.1 - Manufacture of industrial gases	0.02	-			0.02	-			0.02	-		
15	C20.1.4 - Manufacture of other organic base chemicals	0.01	-			0.01	-			0.01	-		
16	C20.3.0 - Manufacture of paints, varnishes and similar coatings, printing inks and mastics	0.00	-			0.00	-			0.00	-		
17	C20.4.1 - Manufacture of soaps and detergents, cleaning and polishing preparations	0.00	-			0.00	-			0.00	-		
18	C20.4.2 - Manufacture of perfumes and toilet preparations	0.01	-			0.01	-			0.01	-		
19	C20.5.9 - Manufacture of other chemical products n.e.c.	0.01	-			0.01	-			0.01	-		
20	C21.1.0 - Manufacture of basic pharmaceutical products	0.09	-			0.09	-			0.09	-		
21	C22.1.1 - Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	0.00	-			0.00	-			0.00	-		
22	C23 - Manufacture of other non-metallic mineral products	0.00	-			0.00	-			0.00	-		
23	C23.3.2 - Manufacture of bricks, tiles and construction products, in baked clay	0.00	-			0.00	-			0.00	-		
24	C23.5.1 - Manufacture of cement	0.00	-			0.00	0.00			0.00	-		
25	C23.9.9 - Manufacture of other non-metallic mineral products n.e.c.	0.00	-			0.00	-			0.00	-		
26	C24.4.2 - Aluminium production	0.00	-			0.00	-			0.00	-		
27	C25.5 - Forging, pressing, stamping and roll-forming of metal; powder metallurgy	5.95	-			5.95	-			5.95	-		
28	C26.1 - Manufacture of electronic components and boards	0.01	-			0.01	-			0.01	-		
29	C26.1.1 - Manufacture of electronic components	0.01	-			0.01	-			0.01	-		
30	C26.2.0 - Manufacture of computers and peripheral equipment	1.69	-			1.69	-			1.69	-		
31	C26.3 - Manufacture of communication equipment	0.13	-			0.13	-			0.13	-		
32	C26.5.1 - Manufacture of instruments and appliances for measuring, testing and navigation	0.11	-			0.11	-			0.11	-		
33	C27 - Manufacture of electrical equipment	0.02	-			0.02	-			0.02	-		
34	C27.1 - Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus	0.01	-			0.01	-			0.01	-		
35	C27.1.1 - Manufacture of electric motors, generators and transformers	0.04	-			0.04	0.00			0.04	-		
36	C27.2 - Manufacture of batteries and accumulators	0.01	-			0.01	-			0.01	-		
37	C27.4 - Manufacture of electric lighting equipment	0.00	-			0.00	-			0.00	-		
38	C27.5.1 - Manufacture of electric domestic appliances	0.13	-			0.13	0.01			0.13	-		
39	C27.9 - Manufacture of other electrical equipment	0.01	-			0.01	-			0.01	-		
40	C28.1.1 - Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0.02	-			0.02	-			0.02	-		
41	C28.1.3 - Manufacture of other pumps and compressors	0.00	-			0.00	-			0.00	-		
42	C28.1.5 - Manufacture of bearings, gears, gearing and driving elements	0.00	-			0.00	-			0.00	-		
43	C28.2 - Manufacture of other general-purpose machinery	0.00	-			0.00	-			0.00	-		
44	C28.9.2 - Manufacture of machinery for mining, quarrying and construction	0.00	-			0.00	-			0.00	-		
45	C28.9.9 - Manufacture of other special-purpose machinery n.e.c.	0.03	-			0.03	-			0.03	-		
46	C29.1 - Manufacture of motor vehicles	102.00	-			102.00	-			102.00	-		
47	C29.2 - Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0.14	-			0.14	-			0.14	-		
48	C29.3 - Manufacture of parts and accessories for motor vehicles	0.01	-			0.01	-			0.01	-		
49	C29.3.2 - Manufacture of other parts and accessories for motor vehicles	0.01	-			0.01	-			0.01	-		
50	C30.1.1 - Building of ships and floating structures	0.00	-			0.00	-			0.00	-		
51	C30.2 - Manufacture of railway locomotives and rolling stock	0.02	-			0.02	-			0.02	-		
52	C30.3 - Manufacture of air and spacecraft and related machinery	0.01	-			0.01	-			0.01	-		
53	C32.5 - Manufacture of medical and dental instruments and supplies	0.01	-			0.01	-			0.01	-		
54	D35 - Electricity, gas, steam and air conditioning supply	0.00	0.00			0.00	0.00			0.00	-		
55	D35.1 - Electric power generation, transmission and distribution	0.26	-			0.26	-			0.26	-		
56	D35.1.1 - Production of electricity	3.44	0.01			3.44	-			3.44	-		
57	D35.1.2 - Transmission of electricity	0.01	-			0.01	-			0.01	-		
58	D35.1.3 - Distribution of electricity	0.02	-			0.02	-			0.02	-		
59	D35.2.2 - Distribution of gaseous fuels through mains	0.00	-			0.00	-			0.00	-		
60	E36.0 - Water collection, treatment and supply	0.01	0.00			0.01	0.00			0.01	0.00		
61	E38 - Waste collection, treatment and disposal activities; materials recovery	0.00	-			0.00	-			0.00	-		
62	E38.2.2 - Treatment and disposal of hazardous waste	12.52	-			12.52	-			12.52	-		
63	F41.2.0 - Construction of residential and non-residential buildings	0.00	-			0.00	-			0.00	-		
64	F42 - Civil engineering	48.91	-			48.91	0.10			48.91	0.06		
65	F42.1 - Construction of roads and railways	0.12	-			0.12	-			0.12	-		
66	F42.2.2 - Construction of utility projects for electricity and telecommunications	0.12	0.00			0.12	-			0.12	-		
67	G46.7.5 - Wholesale of chemical products	0.00	-			0.00	-			0.00	-		
68	G47.2 - Retail sale of food, beverages and tobacco in specialised stores	0.01	-			0.01	-			0.01	-		
69	G47.4.3 - Retail sale of audio and video equipment in specialised stores	0.00	-			0.00	-			0.00	-		
70	G47.7.1 - Retail sale of clothing in specialised stores	0.02	-			0.02	-			0.02	-		
71	G47.77 - Retail sale of watches and jewellery in specialised stores	0.00	-			0.00	-			0.00	-		
72	H49.1.0 - Passenger rail transport, interurban	0.00	-			0.00	-			0.00	-		
73	H49.3 - Other passenger land transport	0.00	-			0.00	-			0.00	-		
74	H51.1.0 - Passenger air transport	0.15	-			0.15	-			0.15	-		
75	H52.2.3 - Service activities incidental to air transportation	0.16	0.00			0.16	-			0.16	-		
76	H52.2.9 - Other transportation support activities	0.00	-			0.00	-			0.00	-		
77	H53.1.0 - Postal activities under universal service obligation	10.73	-			10.73	-			10.73	-		
78	H53.2.0 - Other postal and courier activities	0.00	-			0.00	-			0.00	-		
79	J58.1.9 - Other publishing activities	0.00	-			0.00	-			0.00	-		
80	J58.2.9 - Other software publishing	0.03	-			0.03	-			0.03	-		
81	J59.2.0 - Sound recording and music publishing activities	0.00	-			0.00	-			0.00	-		
82	J61.1.0 - Wired telecommunications activities	0.04	-			0.04	-			0.04	-		
83	J61.2.0 - Wireless telecommunications activities	0.05	-			0.05	-			0.05	-		
84	J62.0.1 - Computer programming activities	0.00	-			0.00	-			0.00	-		
85	J62.0.9 - Other information technology and computer service activities	0.01	-			0.01	-			0.01	-		
86	J63.1.2 - Web portals	0.03	-			0.03	-			0.03	-		
87	K64.1.9 - Other monetary intermediation	4.71	-			4.71	0.00			4.71	-		
88	K64.2.0 - Activities of holding companies	0.00	-			0.00	-			0.00	-		
89	K65.1.1 - Life insurance	0.01	-			0.01	0.00			0.01	-		
90	K66.1.1 - Administration of financial markets	0.01	-			0.01	-			0.01	-		
91	K66.1.9 - Other activities auxiliary to financial services, except insurance and pension funding	0.16	-			0.16	-			0.16	-		
92	L68.2.0 - Renting and operating of own or leased real estate	46.43	-			46.43	-			46.43	-		

93	M71.1 - Architectural and engineering activities and related technical consultancy	0.00	-			0.00	-			0.00	-		
94	M71.2.0 - Technical testing and analysis	0.01	-			0.01	-			0.01	0.00		
95	M72.1.1 - Research and experimental development on biotechnology	0.02	-			0.02	-			0.02	-		
96	M73.1.1 - Advertising agencies	0.00	-			0.00	-			0.00	-		
97	N77.1.1 - Renting and leasing of cars and light motor vehicles	30.04	-			30.04	-			30.04	-		
98	N79.1.1 - Travel agency activities	0.00	-			0.00	-			0.00	-		
99	N80.2.0 - Security systems service activities	0.00	-			0.00	-			0.00	-		
100	N81.1.0 - Combined facilities support activities	0.00	-			0.00	-			0.00	-		
101	N82.9.1 - Activities of collection agencies and credit bureaus	0.14	-			0.14	-			0.14	-		
102	N82.9.9 - Other business support service activities n.e.c.	0.01	-			0.01	-			0.01	-		
103	Q86.2.2 - Specialist medical practice activities	0.01	-			0.01	-			0.01	-		
104	R92.0.0 - Gambling and betting activities	0.01	-			0.01	-			0.01	-		

		u	v	w	x	y	z	aa	ab
	Breakdown by sector - NACE 4 digits level (code and label)	Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)			
		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount	
		Million EUR	Of which environmentally sustainable (BIO)	Million EUR	Of which environmentally sustainable (BIO)	Million EUR	Of which eco-friendly (CCM + CCA + WTR + EC + PPC +BIO)	Million EUR	Of which eco-friendly (CCM + CCA + WTR + EC + PPC +BIO)
1	A1 - Crop and animal production, hunting and related service activities	0.00	-			0.00	0.00		
2	B6 - Extraction of crude petroleum and natural gas	0.00	-			0.00	0.00		
3	B6.1.0 - Extraction of crude petroleum	0.27	-			0.27	-		
4	C10 - Manufacture of food products	0.00	-			0.00	0.00		
5	C10.5.1 - Operation of dairies and cheese making	0.00	-			0.00	-		
6	C11.0.5 - Manufacture of beer	0.01	-			0.01	0.00		
7	C14 - Manufacture of wearing apparel	0.01	-			0.01	0.00		
8	C15.1.2 - Manufacture of luggage, handbags and the like, saddlery and harness	0.01	-			0.01	0.00		
9	C17.1.2 - Manufacture of paper and paperboard	0.00	-			0.00	0.00		
10	C17.2.1 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	3.50	-			3.50	0.05		
11	C17.2.2 - Manufacture of household and sanitary goods and of toilet requisites	0.00	-			0.00	-		
12	C19.2.0 - Manufacture of refined petroleum products	1.06	-			1.06	0.19		
13	C20.1 - Manufacture of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber in primary form	0.00	-			0.00	0.00		
14	C20.1.1 - Manufacture of industrial gases	0.02	-			0.02	0.00		
15	C20.1.4 - Manufacture of other organic base chemicals	0.01	-			0.01	-		
16	C20.3.0 - Manufacture of paints, varnishes and similar coatings, printing inks and mastics	0.00	-			0.00	-		
17	C20.4.1 - Manufacture of soaps and detergents, cleaning and polishing preparations	0.00	-			0.00	0.00		
18	C20.4.2 - Manufacture of perfumes and toilet preparations	0.01	-			0.01	0.00		
19	C20.5.9 - Manufacture of other chemical products n.e.c.	0.01	-			0.01	-		
20	C21.1.0 - Manufacture of basic pharmaceutical products	0.09	-			0.09	0.00		
21	C22.1.1 - Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	0.00	-			0.00	0.00		
22	C23 - Manufacture of other non-metallic mineral products	0.00	-			0.00	0.00		
23	C23.3.2 - Manufacture of bricks, tiles and construction products, in baked clay	0.00	-			0.00	0.00		
24	C23.5.1 - Manufacture of cement	0.00	-			0.00	0.00		
25	C23.9.9 - Manufacture of other non-metallic mineral products n.e.c.	0.00	-			0.00	0.00		
26	C24.4.2 - Aluminium production	0.00	-			0.00	0.00		
27	C25.5 - Forging, pressing, stamping and roll-forming of metal; powder metallurgy	5.95	-			5.95	0.00		
28	C26.1 - Manufacture of electronic components and boards	0.01	-			0.01	0.00		
29	C26.1.1 - Manufacture of electronic components	0.01	-			0.01	-		
30	C26.20 - Manufacture of computers and peripheral equipment	1.69	-			1.69	0.00		
31	C26.3 - Manufacture of communication equipment	0.13	-			0.13	-		
32	C26.5.1 - Manufacture of instruments and appliances for measuring, testing and navigation	0.11	-			0.11	0.00		
33	C27 - Manufacture of electrical equipment	0.02	-			0.02	0.00		
34	C27.1 - Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus	0.01	-			0.01	0.00		
35	C27.1.1 - Manufacture of electric motors, generators and transformers	0.04	-			0.04	0.01		
36	C27.2 - Manufacture of batteries and accumulators	0.01	-			0.01	-		
37	C27.4 - Manufacture of electric lighting equipment	0.00	-			0.00	0.00		
38	C27.5.1 - Manufacture of electric domestic appliances	0.13	-			0.13	0.03		
39	C27.9 - Manufacture of other electrical equipment	0.01	-			0.01	-		
40	C28.1.1 - Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0.02	-			0.02	0.02		
41	C28.1.3 - Manufacture of other pumps and compressors	0.00	-			0.00	-		
42	C28.1.5 - Manufacture of bearings, gears, gearing and driving elements	0.00	-			0.00	-		
43	C28.2 - Manufacture of other general-purpose machinery	0.00	-			0.00	0.00		
44	C28.9.2 - Manufacture of machinery for mining, quarrying and construction	0.00	-			0.00	0.00		
45	C28.9.9 - Manufacture of other special-purpose machinery n.e.c.	0.03	-			0.03	-		
46	C29.1 - Manufacture of motor vehicles	102.00	-			102.00	31.04		
47	C29.2 - Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0.14	-			0.14	-		
48	C29.3 - Manufacture of parts and accessories for motor vehicles	0.01	-			0.01	0.00		
49	C29.3.2 - Manufacture of other parts and accessories for motor vehicles	0.01	-			0.01	0.00		
50	C30.1.1 - Building of ships and floating structures	0.00	-			0.00	0.00		
51	C30.2 - Manufacture of railway locomotives and rolling stock	0.02	-			0.02	0.01		
52	C30.3 - Manufacture of air and spacecraft and related machinery	0.01	-			0.01	0.00		
53	C32.5 - Manufacture of medical and dental instruments and supplies	0.01	-			0.01	0.00		
54	D35 - Electricity, gas, steam and air conditioning supply	0.00	-			0.00	0.00		
55	D35.1 - Electric power generation, transmission and distribution	0.26	-			0.26	0.21		
56	D35.1.1 - Production of electricity	3.44	-			3.44	2.33		
57	D35.1.2 - Transmission of electricity	0.01	-			0.01	0.01		
58	D35.1.3 - Distribution of electricity	0.02	-			0.02	0.02		
59	D35.2.2 - Distribution of gaseous fuels through mains	0.00	-			0.00	0.00		
60	E36.0 - Water collection, treatment and supply	0.01	-			0.01	0.00		
61	E38 - Waste collection, treatment and disposal activities; materials recovery	0.00	-			0.00	0.00		
62	E38.2.2 - Treatment and disposal of hazardous waste	12.52	-			12.52	0.49		
63	F41.2.0 - Construction of residential and non-residential buildings	0.00	-			0.00	0.00		
64	F42 - Civil engineering	48.91	-			48.91	43.64		
65	F42.1 - Construction of roads and railways	0.12	-			0.12	0.05		
66	F42.2.2 - Construction of utility projects for electricity and telecommunications	0.12	-			0.12	0.01		
67	G46.7.5 - Wholesale of chemical products	0.00	-			0.00	-		
68	G47.2 - Retail sale of food, beverages and tobacco in specialised stores	0.01	-			0.01	0.00		
69	G47.4.3 - Retail sale of audio and video equipment in specialised stores	0.00	-			0.00	-		
70	G47.7.1 - Retail sale of clothing in specialised stores	0.02	-			0.02	0.00		
71	G47.77 - Retail sale of watches and jewellery in specialised stores	0.00	-			0.00	-		
72	H49.1.0 - Passenger rail transport, interurban	0.00	-			0.00	0.00		
73	H49.3 - Other passenger land transport	0.00	-			0.00	0.00		
74	H51.1.0 - Passenger air transport	0.15	-			0.15	-		
75	H52.2.3 - Service activities incidental to air transportation	0.16	-			0.16	0.03		
76	H52.2.9 - Other transportation support activities	0.00	-			0.00	-		
77	H53.1.0 - Postal activities under universal service obligation	10.73	-			10.73	0.55		
78	H53.2.0 - Other postal and courier activities	0.00	-			0.00	0.00		
79	J58.1.9 - Other publishing activities	0.00	-			0.00	0.00		
80	J58.2.9 - Other software publishing	0.03	-			0.03	0.00		
81	J59.2.0 - Sound recording and music publishing activities	0.00	-			0.00	-		
82	J61.1.0 - Wired telecommunications activities	0.04	-			0.04	0.00		
83	J61.2.0 - Wireless telecommunications activities	0.05	-			0.05	0.00		
84	J62.0.1 - Computer programming activities	0.00	-			0.00	0.00		
85	J62.0.9 - Other information technology and computer service activities	0.01	-			0.01	0.00		
86	J63.1.2 - Web portals	0.03	-			0.03	0.00		
87	K64.1.9 - Other monetary intermediation	4.71	-			4.71	1.42		
88	K64.2.0 - Activities of holding companies	0.00	-			0.00	0.00		
89	K65.1.1 - Life insurance	0.01	-			0.01	0.00		
90	K66.1.1 - Administration of financial markets	0.01	-			0.01	-		
91	K66.1.9 - Other activities auxiliary to financial services, except insurance and pension funding	0.16	-			0.16	0.00		
92	L68.2.0 - Renting and operating of own or leased real estate	46.43	-			46.43	6.84		
93	M71.1 - Architectural and engineering activities and related technical consultancy	0.00	-			0.00	0.00		
94	M71.2.0 - Technical testing and analysis	0.01	-			0.01	0.00		
95	M72.1.1 - Research and experimental development on biotechnology	0.02	-			0.02	0.00		
96	M73.1.1 - Advertising agencies	0.00	-			0.00	-		
97	N77.1.1 - Renting and leasing of cars and light motor vehicles	30.04	-			30.04	0.00		
98	N79.1.1 - Travel agency activities	0.00	-			0.00	-		
99	N80.2.0 - Security systems service activities	0.00	-			0.00	-		
100	N81.1.0 - Combined facilities support activities	0.00	-			0.00	-		
101	N82.9.1 - Activities of collection agencies and credit bureaus	0.14	-			0.14	-		
102	N82.9.9 - Other business support service activities n.e.c.	0.01	-			0.01	0.00		
103	Q86.2.2 - Specialist medical practice activities	0.01	-			0.01	-		
104	R92.0.0 - Gambling and betting activities	0.01	-			0.01	-		

Template 2: GAR sector information [turnover weighting]

		a	b	c	d	e	f	g	h
	Breakdown by sector - NACE 4 digits level (code and label)	Climate change mitigation (CCM)				Climate change adaptation (CCA)			
		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount	
		Million EUR	Of which environmentally sustainable (CCM)	Million EUR	Of which environmentally sustainable (CCM)	Million EUR	Of which environmentally sustainable (CCA)	Million EUR	Of which environmentally sustainable (CCA)
1	A1 - Crop and animal production, hunting and related service activities	0.00	0.00			0.00	-		
2	B6 - Extraction of crude petroleum and natural gas	0.00	-			0.00	-		
3	B6.1.0 - Extraction of crude petroleum	0.27	-			0.27	-		
4	C10 - Manufacture of food products	0.00	-			0.00	-		
5	C10.5.1 - Operation of dairies and cheese making	0.00	-			0.00	-		
6	C11.0.5 - Manufacture of beer	0.01	-			0.01	-		
7	C14 - Manufacture of wearing apparel	0.01	-			0.01	-		
8	C15.1.2 - Manufacture of luggage, handbags and the like, saddlery and harness	0.01	-			0.01	-		
9	C17.1.2 - Manufacture of paper and paperboard	0.00	0.00			0.00	-		
10	C17.2.1 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	3.50	0.08			3.50	-		
11	C17.2.2 - Manufacture of household and sanitary goods and of toilet requisites	0.00	-			0.00	-		
12	C19.2.0 - Manufacture of refined petroleum products	1.06	0.01			1.06	-		
13	C20.1 - Manufacture of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber in primary form	0.00	0.00			0.00	-		
14	C20.1.1 - Manufacture of industrial gases	0.02	0.00			0.02	-		
15	C20.1.4 - Manufacture of other organic base chemicals	0.01	-			0.01	-		
16	C20.3.0 - Manufacture of paints, varnishes and similar coatings, printing inks and mastics	0.00	-			0.00	-		
17	C20.4.1 - Manufacture of soaps and detergents, cleaning and polishing preparations	0.00	-			0.00	-		
18	C20.4.2 - Manufacture of perfumes and toilet preparations	0.01	-			0.01	-		
19	C20.5.9 - Manufacture of other chemical products n.e.c.	0.01	0.00			0.01	-		
20	C21.1.0 - Manufacture of basic pharmaceutical products	0.09	-			0.09	-		
21	C22.1.1 - Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	0.00	0.00			0.00	-		
22	C23 - Manufacture of other non-metallic mineral products	0.00	0.00			0.00	-		
23	C23.3.2 - Manufacture of bricks, tiles and construction products, in baked clay	0.00	0.00			0.00	-		
24	C23.5.1 - Manufacture of cement	0.00	0.00			0.00	-		
25	C23.9.9 - Manufacture of other non-metallic mineral products n.e.c.	0.00	0.00			0.00	-		
26	C24.4.2 - Aluminium production	0.00	0.00			0.00	-		
27	C25.5 - Forging, pressing, stamping and roll-forming of metal; powder metallurgy	5.95	0.00			5.95	-		
28	C26.1 - Manufacture of electronic components and boards	0.01	0.00			0.01	-		
29	C26.1.1 - Manufacture of electronic components	0.01	-			0.01	-		
30	C26.2.0 - Manufacture of computers and peripheral equipment	1.69	-			1.69	-		
31	C26.3 - Manufacture of communication equipment	0.13	-			0.13	-		
32	C26.5.1 - Manufacture of instruments and appliances for measuring, testing and navigation	0.11	-			0.11	-		
33	C27 - Manufacture of electrical equipment	0.02	0.00			0.02	-		
34	C27.1 - Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus	0.01	0.00			0.01	-		
35	C27.1.1 - Manufacture of electric motors, generators and transformers	0.04	0.01			0.04	-		
36	C27.2 - Manufacture of batteries and accumulators	0.01	-			0.01	-		
37	C27.4 - Manufacture of electric lighting equipment	0.00	0.00			0.00	-		
38	C27.5.1 - Manufacture of electric domestic appliances	0.13	0.02			0.13	-		
39	C27.9 - Manufacture of other electrical equipment	0.01	0.01			0.01	-		
40	C28.1.1 - Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0.02	0.02			0.02	-		
41	C28.1.3 - Manufacture of other pumps and compressors	0.00	-			0.00	-		
42	C28.1.5 - Manufacture of bearings, gears, gearing and driving elements	0.00	-			0.00	-		
43	C28.2 - Manufacture of other general-purpose machinery	0.00	0.00			0.00	-		
44	C28.9.2 - Manufacture of machinery for mining, quarrying and construction	0.00	0.00			0.00	-		
45	C28.9.9 - Manufacture of other special-purpose machinery n.e.c.	0.03	-			0.03	-		
46	C29.1 - Manufacture of motor vehicles	102.00	15.59			102.00	0.00		
47	C29.2 - Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0.14	0.00			0.14	-		
48	C29.3 - Manufacture of parts and accessories for motor vehicles	0.01	0.00			0.01	-		
49	C29.3.2 - Manufacture of other parts and accessories for motor vehicles	0.01	0.00			0.01	0.00		
50	C30.1.1 - Building of ships and floating structures	0.00	-			0.00	-		
51	C30.2 - Manufacture of railway locomotives and rolling stock	0.02	0.01			0.02	-		
52	C30.3 - Manufacture of air and spacecraft and related machinery	0.01	-			0.01	-		
53	C32.5 - Manufacture of medical and dental instruments and supplies	0.01	-			0.01	-		
54	D35 - Electricity, gas, steam and air conditioning supply	0.00	0.00			0.00	-		
55	D35.1 - Electric power generation, transmission and distribution	0.26	0.08			0.26	0.03		
56	D35.1.1 - Production of electricity	3.44	0.95			3.44	0.00		
57	D35.1.2 - Transmission of electricity	0.01	0.00			0.01	-		
58	D35.1.3 - Distribution of electricity	0.02	0.01			0.02	0.00		
59	D35.2.2 - Distribution of gaseous fuels through mains	0.00	0.00			0.00	-		
60	E36.0 - Water collection, treatment and supply	0.01	0.00			0.01	0.00		
61	E38 - Waste collection, treatment and disposal activities; materials recovery	0.00	0.00			0.00	-		
62	E38.2.2 - Treatment and disposal of hazardous waste	12.52	-			12.52	-		
63	F41.2.0 - Construction of residential and non-residential buildings	0.00	0.00			0.00	0.00		
64	F42 - Civil engineering	48.91	27.00			48.91	0.01		
65	F42.1 - Construction of roads and railways	0.12	0.03			0.12	0.00		
66	F42.2.2 - Construction of utility projects for electricity and telecommunications	0.12	0.00			0.12	0.00		
67	G46.7.5 - Wholesale of chemical products	0.00	-			0.00	-		
68	G47.2 - Retail sale of food, beverages and tobacco in specialised stores	0.01	0.00			0.01	-		
69	G47.4.3 - Retail sale of audio and video equipment in specialised stores	0.00	-			0.00	-		
70	G47.7.1 - Retail sale of clothing in specialised stores	0.02	-			0.02	-		
71	G47.77 - Retail sale of watches and jewellery in specialised stores	0.00	-			0.00	-		
72	H49.1.0 - Passenger rail transport, interurban	0.00	0.00			0.00	-		
73	H49.3 - Other passenger land transport	0.00	0.00			0.00	-		
74	H51.1.0 - Passenger air transport	0.15	-			0.15	-		
75	H52.2.3 - Service activities incidental to air transportation	0.16	0.03			0.16	-		
76	H52.2.9 - Other transportation support activities	0.00	-			0.00	-		
77	H53.1.0 - Postal activities under universal service obligation	10.73	0.12			10.73	-		
78	H53.2.0 - Other postal and courier activities	0.00	0.00			0.00	-		
79	J58.1.9 - Other publishing activities	0.00	0.00			0.00	-		
80	J58.2.9 - Other software publishing	0.03	-			0.03	-		
81	J59.2.0 - Sound recording and music publishing activities	0.00	-			0.00	-		
82	J61.1.0 - Wired telecommunications activities	0.04	0.00			0.04	0.00		
83	J61.2.0 - Wireless telecommunications activities	0.05	0.00			0.05	-		
84	J62.0.1 - Computer programming activities	0.00	-			0.00	-		
85	J62.0.9 - Other information technology and computer service activities	0.01	-			0.01	-		
86	J63.1.2 - Web portals	0.03	-			0.03	0.00		
87	K64.1.9 - Other monetary intermediation	4.71	1.02			4.71	-		
88	K64.2.0 - Activities of holding companies	0.00	-			0.00	-		
89	K65.1.1 - Life insurance	0.01	0.00			0.01	-		
90	K66.1.1 - Administration of financial markets	0.01	-			0.01	-		
91	K66.1.9 - Other activities auxiliary to financial services, except insurance and pension funding	0.16	-			0.16	-		
92	L68.2.0 - Renting and operating of own or leased real estate	46.43	3.73			46.43	3.79		
93	M71.1 - Architectural and engineering activities and related technical consultancy	0.00	0.00			0.00	0.00		
94	M71.2.0 - Technical testing and analysis	0.01	-			0.01	-		
95	M72.1.1 - Research and experimental development on biotechnology	0.02	0.00			0.02	-		
96	M73.1.1 - Advertising agencies	0.00	-			0.00	0.00		
97	N77.1.1 - Renting and leasing of cars and light motor vehicles	30.04	0.00			30.04	-		
98	N79.1.1 - Travel agency activities	0.00	-			0.00	-		
99	N80.2.0 - Security systems service activities	0.00	-			0.00	-		
100	N81.1.0 - Combined facilities support activities	0.00	-			0.00	-		
101	N82.9.1 - Activities of collection agencies and credit bureaus	0.14	-			0.14	-		
102	N82.9.9 - Other business support service activities n.e.c.	0.01	0.00			0.01	-		
103	Q86.2.2 - Specialist medical practice activities	0.01	-			0.01	-		
104	R92.0.0 - Gambling and betting activities	0.01	-			0.01	-		

		i	j	k	l	m	n	o	p	q	r	s	t
	Breakdown by sector - NACE 4 digits level (code and label)	Water and marine resources (WTR)				Circular economy (EC)				Pollution (PPC)			
		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount	(Gross) carrying amount			(Gross) carrying amount		(Gross) carrying amount	
		Million EUR	Of which eco-friendly (WTR)	Million EUR	Of which eco-friendly (WTR)	Million EUR	Of which environmentally sustainable (EC)	Million EUR	Of which environmentally sustainable (EC)	Million EUR	Of which environmentally sustainable (PPC)	Million EUR	Of which environmentally sustainable (PPC)
1	A1 - Crop and animal production, hunting and related service activities	0.00	-			0.00	-			0.00	-		
2	B6 - Extraction of crude petroleum and natural gas	0.00	-			0.00	-			0.00	-		
3	B6.1.0 - Extraction of crude petroleum	0.27	-			0.27	-			0.27	-		
4	C10 - Manufacture of food products	0.00	-			0.00	-			0.00	-		
5	C10.5.1 - Operation of dairies and cheese making	0.00	-			0.00	-			0.00	-		
6	C11.0.5 - Manufacture of beer	0.01	-			0.01	-			0.01	-		
7	C14 - Manufacture of wearing apparel	0.01	-			0.01	-			0.01	-		
8	C15.1.2 - Manufacture of luggage, handbags and the like, saddlery and harness	0.01	-			0.01	-			0.01	-		
9	C17.1.2 - Manufacture of paper and paperboard	0.00	-			0.00	-			0.00	-		
10	C17.2.1 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	3.50	-			3.50	-			3.50	-		
11	C17.2.2 - Manufacture of household and sanitary goods and of toilet requisites	0.00	-			0.00	-			0.00	-		
12	C19.2.0 - Manufacture of refined petroleum products	1.06	-			1.06	-			1.06	-		
13	C20.1 - Manufacture of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber in primary form	0.00	-			0.00	-			0.00	-		
14	C20.1.1 - Manufacture of industrial gases	0.02	-			0.02	-			0.02	-		
15	C20.1.4 - Manufacture of other organic base chemicals	0.01	-			0.01	-			0.01	-		
16	C20.3.0 - Manufacture of paints, varnishes and similar coatings, printing inks and mastics	0.00	-			0.00	-			0.00	-		
17	C20.4.1 - Manufacture of soaps and detergents, cleaning and polishing preparations	0.00	-			0.00	-			0.00	-		
18	C20.4.2 - Manufacture of perfumes and toilet preparations	0.01	-			0.01	-			0.01	-		
19	C20.5.9 - Manufacture of other chemical products n.e.c.	0.01	-			0.01	-			0.01	-		
20	C21.1.0 - Manufacture of basic pharmaceutical products	0.09	-			0.09	-			0.09	-		
21	C22.1.1 - Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	0.00	-			0.00	-			0.00	-		
22	C23 - Manufacture of other non-metallic mineral products	0.00	-			0.00	-			0.00	-		
23	C23.3.2 - Manufacture of bricks, tiles and construction products, in baked clay	0.00	-			0.00	-			0.00	-		
24	C23.5.1 - Manufacture of cement	0.00	-			0.00	0.00			0.00	-		
25	C23.9.9 - Manufacture of other non-metallic mineral products n.e.c.	0.00	-			0.00	-			0.00	-		
26	C24.4.2 - Aluminium production	0.00	-			0.00	-			0.00	-		
27	C25.5 - Forging, pressing, stamping and roll-forming of metal; powder metallurgy	5.95	-			5.95	-			5.95	-		
28	C26.1 - Manufacture of electronic components and boards	0.01	-			0.01	-			0.01	-		
29	C26.1.1 - Manufacture of electronic components	0.01	-			0.01	-			0.01	-		
30	C26.20 - Manufacture of computers and peripheral equipment	1.69	-			1.69	-			1.69	-		
31	C26.3 - Manufacture of communication equipment	0.13	-			0.13	-			0.13	-		
32	C26.5.1 - Manufacture of instruments and appliances for measuring, testing and navigation	0.11	-			0.11	-			0.11	-		
33	C27 - Manufacture of electrical equipment	0.02	-			0.02	-			0.02	-		
34	C27.1 - Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus	0.01	-			0.01	-			0.01	-		
35	C27.1.1 - Manufacture of electric motors, generators and transformers	0.04	-			0.04	0.00			0.04	-		
36	C27.2 - Manufacture of batteries and accumulators	0.01	-			0.01	-			0.01	-		
37	C27.4 - Manufacture of electric lighting equipment	0.00	-			0.00	-			0.00	-		
38	C27.5.1 - Manufacture of electric domestic appliances	0.13	-			0.13	0.02			0.13	-		
39	C27.9 - Manufacture of other electrical equipment	0.01	-			0.01	-			0.01	-		
40	C28.1.1 - Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0.02	-			0.02	-			0.02	-		
41	C28.1.3 - Manufacture of other pumps and compressors	0.00	-			0.00	-			0.00	-		
42	C28.1.5 - Manufacture of bearings, gears, gearing and driving elements	0.00	-			0.00	-			0.00	-		
43	C28.2 - Manufacture of other general-purpose machinery	0.00	-			0.00	-			0.00	-		
44	C28.9.2 - Manufacture of machinery for mining, quarrying and construction	0.00	-			0.00	-			0.00	-		
45	C28.9.9 - Manufacture of other special-purpose machinery n.e.c.	0.03	-			0.03	-			0.03	-		
46	C29.1 - Manufacture of motor vehicles	102.00	-			102.00	-			102.00	-		
47	C29.2 - Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0.14	-			0.14	-			0.14	-		
48	C29.3 - Manufacture of parts and accessories for motor vehicles	0.01	-			0.01	-			0.01	-		
49	C29.3.2 - Manufacture of other parts and accessories for motor vehicles	0.01	-			0.01	-			0.01	-		
50	C30.1.1 - Building of ships and floating structures	0.00	-			0.00	-			0.00	-		
51	C30.2 - Manufacture of railway locomotives and rolling stock	0.02	-			0.02	-			0.02	-		
52	C30.3 - Manufacture of air and spacecraft and related machinery	0.01	-			0.01	-			0.01	-		
53	C32.5 - Manufacture of medical and dental instruments and supplies	0.01	-			0.01	-			0.01	-		
54	D35 - Electricity, gas, steam and air conditioning supply	0.00	0.00			0.00	-			0.00	-		
55	D35.1 - Electric power generation, transmission and distribution	0.26	-			0.26	-			0.26	-		
56	D35.1.1 - Production of electricity	3.44	0.00			3.44	-			3.44	-		
57	D35.1.2 - Transmission of electricity	0.01	-			0.01	-			0.01	-		
58	D35.1.3 - Distribution of electricity	0.02	0.00			0.02	-			0.02	-		
59	D35.2.2 - Distribution of gaseous fuels through mains	0.00	-			0.00	-			0.00	-		
60	E36.0 - Water collection, treatment and supply	0.01	0.00			0.01	0.00			0.01	0.00		
61	E38 - Waste collection, treatment and disposal activities; materials recovery	0.00	-			0.00	-			0.00	-		
62	E38.2.2 - Treatment and disposal of hazardous waste	12.52	-			12.52	-			12.52	-		
63	F41.2.0 - Construction of residential and non-residential buildings	0.00	-			0.00	-			0.00	-		
64	F42 - Civil engineering	48.91	-			48.91	0.14			48.91	0.06		
65	F42.1 - Construction of roads and railways	0.12	-			0.12	-			0.12	-		
66	F42.2.2 - Construction of utility projects for electricity and telecommunications	0.12	0.00			0.12	-			0.12	-		
67	G46.7.5 - Wholesale of chemical products	0.00	-			0.00	-			0.00	-		
68	G47.2 - Retail sale of food, beverages and tobacco in specialised stores	0.01	-			0.01	-			0.01	-		
69	G47.4.3 - Retail sale of audio and video equipment in specialised stores	0.00	-			0.00	-			0.00	-		
70	G47.7.1 - Retail sale of clothing in specialised stores	0.02	-			0.02	-			0.02	-		
71	G47.77 - Retail sale of watches and jewellery in specialised stores	0.00	-			0.00	-			0.00	-		
72	H49.1.0 - Passenger rail transport, interurban	0.00	-			0.00	-			0.00	-		
73	H49.3 - Other passenger land transport	0.00	-			0.00	-			0.00	-		
74	H51.1.0 - Passenger air transport	0.15	-			0.15	-			0.15	-		
75	H52.2.3 - Service activities incidental to air transportation	0.16	-			0.16	-			0.16	-		
76	H52.2.9 - Other transportation support activities	0.00	-			0.00	-			0.00	-		
77	H53.1.0 - Postal activities under universal service obligation	10.73	-			10.73	-			10.73	-		
78	H53.2.0 - Other postal and courier activities	0.00	-			0.00	-			0.00	-		
79	J58.1.9 - Other publishing activities	0.00	-			0.00	-			0.00	-		
80	J58.2.9 - Other software publishing	0.03	-			0.03	-			0.03	-		
81	J59.2.0 - Sound recording and music publishing activities	0.00	-			0.00	-			0.00	-		
82	J61.1.0 - Wired telecommunications activities	0.04	-			0.04	-			0.04	-		
83	J61.2.0 - Wireless telecommunications activities	0.05	-			0.05	-			0.05	-		
84	J62.0.1 - Computer programming activities	0.00	-			0.00	-			0.00	-		
85	J62.0.9 - Other information technology and computer service activities	0.01	-			0.01	-			0.01	-		
86	J63.1.2 - Web portals	0.03	-			0.03	-			0.03	-		
87	K64.1.9 - Other monetary intermediation	4.71	-			4.71	0.00			4.71	-		
88	K64.2.0 - Activities of holding companies	0.00	-			0.00	-			0.00	-		
89	K65.1.1 - Life insurance	0.01	-			0.01	0.00			0.01	-		
90	K66.1.1 - Administration of financial markets	0.01	-			0.01	-			0.01	-		
91	K66.1.9 - Other activities auxiliary to financial services, except insurance and pension funding	0.16	-			0.16	-			0.16	-		
92	L68.2.0 - Renting and operating of own or leased real estate	46.43	-			46.43	-			46.43	-		
93	M71.1 - Architectural and engineering activities and related technical consultancy	0.00	-			0.00	-			0.00	-		
94	M71.2.0 - Technical testing and analysis	0.01	-			0.01	-			0.01	0.00		
95	M72.1.1 - Research and experimental development on biotechnology	0.02	-			0.02	-			0.02	-		
96	M73.1.1 - Advertising agencies	0.00	-			0.00	-			0.00	-		
97	N77.1.1 - Renting and leasing of cars and light motor vehicles	30.04	-			30.04	-			30.04	-		
98	N79.1.1 - Travel agency activities	0.00	-			0.00	-			0.00	-		
99	N80.2.0 - Security systems service activities	0.00	-			0.00	-			0.00	-		
100	N81.1.0 - Combined facilities support activities	0.00	-			0.00	-			0.00	-		
101	N82.9.1 - Activities of collection agencies and credit bureaus	0.14	-			0.14	-			0.14	-		
102	N82.9.9 - Other business support service activities n.e.c.	0.01	-			0.01	-			0.01	-		
103	Q86.2.2 - Specialist medical practice activities	0.01	-			0.01	-			0.01	-		
104	R92.0.0 - Gambling and betting activities	0.01	-			0.01	-			0.01	-		

		u	v	w	x	y	z	aa	ab
	Breakdown by sector - NACE 4 digits level (code and label)	Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)			
		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount	
		Million EUR	Of which environmentally sustainable (BIO)	Million EUR	Of which environmentally sustainable (BIO)	Million EUR	Of which eco-friendly (CCM + CCA + WTR + EC + PPC +BIO)	Million EUR	Of which eco-friendly (CCM + CCA + WTR + EC + PPC +BIO)
1	A1 - Crop and animal production, hunting and related service activities	0.00	-			0.00	0.00		
2	B6 - Extraction of crude petroleum and natural gas	0.00	-			0.00	-		
3	B6.1.0 - Extraction of crude petroleum	0.27	-			0.27	-		
4	C10 - Manufacture of food products	0.00	-			0.00	-		
5	C10.5.1 - Operation of dairies and cheese making	0.00	-			0.00	-		
6	C11.0.5 - Manufacture of beer	0.01	-			0.01	-		
7	C14 - Manufacture of wearing apparel	0.01	-			0.01	-		
8	C15.1.2 - Manufacture of luggage, handbags and the like, saddlery and harness	0.01	-			0.01	-		
9	C17.1.2 - Manufacture of paper and paperboard	0.00	-			0.00	0.00		
10	C17.2.1 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	3.50	-			3.50	0.08		
11	C17.2.2 - Manufacture of household and sanitary goods and of toilet requisites	0.00	-			0.00	-		
12	C19.2.0 - Manufacture of refined petroleum products	1.06	-			1.06	0.01		
13	C20.1 - Manufacture of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber in primary form	0.00	-			0.00	0.00		
14	C20.1.1 - Manufacture of industrial gases	0.02	-			0.02	0.00		
15	C20.1.4 - Manufacture of other organic base chemicals	0.01	-			0.01	-		
16	C20.3.0 - Manufacture of paints, varnishes and similar coatings, printing inks and mastics	0.00	-			0.00	-		
17	C20.4.1 - Manufacture of soaps and detergents, cleaning and polishing preparations	0.00	-			0.00	-		
18	C20.4.2 - Manufacture of perfumes and toilet preparations	0.01	-			0.01	-		
19	C20.5.9 - Manufacture of other chemical products n.e.c.	0.01	-			0.01	0.00		
20	C21.1.0 - Manufacture of basic pharmaceutical products	0.09	-			0.09	-		
21	C22.1.1 - Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	0.00	-			0.00	0.00		
22	C23 - Manufacture of other non-metallic mineral products	0.00	-			0.00	0.00		
23	C23.3.2 - Manufacture of bricks, tiles and construction products, in baked clay	0.00	-			0.00	0.00		
24	C23.5.1 - Manufacture of cement	0.00	-			0.00	0.00		
25	C23.9.9 - Manufacture of other non-metallic mineral products n.e.c.	0.00	-			0.00	0.00		
26	C24.4.2 - Aluminium production	0.00	-			0.00	0.00		
27	C25.5 - Forging, pressing, stamping and roll-forming of metal; powder metallurgy	5.95	-			5.95	0.00		
28	C26.1 - Manufacture of electronic components and boards	0.01	-			0.01	0.00		
29	C26.1.1 - Manufacture of electronic components	0.01	-			0.01	-		
30	C26.2.0 - Manufacture of computers and peripheral equipment	1.69	-			1.69	-		
31	C26.3 - Manufacture of communication equipment	0.13	-			0.13	-		
32	C26.5.1 - Manufacture of instruments and appliances for measuring, testing and navigation	0.11	-			0.11	-		
33	C27 - Manufacture of electrical equipment	0.02	-			0.02	0.00		
34	C27.1 - Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus	0.01	-			0.01	0.00		
35	C27.1.1 - Manufacture of electric motors, generators and transformers	0.04	-			0.04	0.01		
36	C27.2 - Manufacture of batteries and accumulators	0.01	-			0.01	-		
37	C27.4 - Manufacture of electric lighting equipment	0.00	-			0.00	0.00		
38	C27.5.1 - Manufacture of electric domestic appliances	0.13	-			0.13	0.04		
39	C27.9 - Manufacture of other electrical equipment	0.01	-			0.01	0.01		
40	C28.1.1 - Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0.02	-			0.02	0.02		
41	C28.1.3 - Manufacture of other pumps and compressors	0.00	-			0.00	-		
42	C28.1.5 - Manufacture of bearings, gears, gearing and driving elements	0.00	-			0.00	-		
43	C28.2 - Manufacture of other general-purpose machinery	0.00	-			0.00	0.00		
44	C28.9.2 - Manufacture of machinery for mining, quarrying and construction	0.00	-			0.00	0.00		
45	C28.9.9 - Manufacture of other special-purpose machinery n.e.c.	0.03	-			0.03	-		
46	C29.1 - Manufacture of motor vehicles	102.00	-			102.00	15.59		
47	C29.2 - Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	0.14	-			0.14	0.00		
48	C29.3 - Manufacture of parts and accessories for motor vehicles	0.01	-			0.01	0.00		
49	C29.3.2 - Manufacture of other parts and accessories for motor vehicles	0.01	-			0.01	0.00		
50	C30.1.1 - Building of ships and floating structures	0.00	-			0.00	-		
51	C30.2 - Manufacture of railway locomotives and rolling stock	0.02	-			0.02	0.01		
52	C30.3 - Manufacture of air and spacecraft and related machinery	0.01	-			0.01	-		
53	C32.5 - Manufacture of medical and dental instruments and supplies	0.01	-			0.01	-		
54	D35 - Electricity, gas, steam and air conditioning supply	0.00	-			0.00	0.00		
55	D35.1 - Electric power generation, transmission and distribution	0.26	-			0.26	0.11		
56	D35.1.1 - Production of electricity	3.44	-			3.44	0.95		
57	D35.1.2 - Transmission of electricity	0.01	-			0.01	0.00		
58	D35.1.3 - Distribution of electricity	0.02	-			0.02	0.02		
59	D35.2.2 - Distribution of gaseous fuels through mains	0.00	-			0.00	0.00		
60	E36.0 - Water collection, treatment and supply	0.01	-			0.01	0.00		
61	E38 - Waste collection, treatment and disposal activities; materials recovery	0.00	-			0.00	0.00		
62	E38.2.2 - Treatment and disposal of hazardous waste	12.52	-			12.52	-		
63	F41.2.0 - Construction of residential and non-residential buildings	0.00	-			0.00	0.00		
64	F42 - Civil engineering	48.91	-			48.91	27.21		
65	F42.1 - Construction of roads and railways	0.12	-			0.12	0.03		
66	F42.2.2 - Construction of utility projects for electricity and telecommunications	0.12	-			0.12	0.01		
67	G46.7.5 - Wholesale of chemical products	0.00	-			0.00	-		
68	G47.2 - Retail sale of food, beverages and tobacco in specialised stores	0.01	-			0.01	0.00		
69	G47.4.3 - Retail sale of audio and video equipment in specialised stores	0.00	-			0.00	-		
70	G47.7.1 - Retail sale of clothing in specialised stores	0.02	-			0.02	-		
71	G47.77 - Retail sale of watches and jewellery in specialised stores	0.00	-			0.00	-		
72	H49.1.0 - Passenger rail transport, interurban	0.00	-			0.00	0.00		
73	H49.3 - Other passenger land transport	0.00	-			0.00	0.00		
74	H51.1.0 - Passenger air transport	0.15	-			0.15	-		
75	H52.2.3 - Service activities incidental to air transportation	0.16	-			0.16	0.03		
76	H52.2.9 - Other transportation support activities	0.00	-			0.00	-		
77	H53.1.0 - Postal activities under universal service obligation	10.73	-			10.73	0.12		
78	H53.2.0 - Other postal and courier activities	0.00	-			0.00	0.00		
79	J58.1.9 - Other publishing activities	0.00	-			0.00	0.00		
80	J58.2.9 - Other software publishing	0.03	-			0.03	-		
81	J59.2.0 - Sound recording and music publishing activities	0.00	-			0.00	-		
82	J61.1.0 - Wired telecommunications activities	0.04	-			0.04	0.00		
83	J61.2.0 - Wireless telecommunications activities	0.05	-			0.05	0.00		
84	J62.0.1 - Computer programming activities	0.00	-			0.00	-		
85	J62.0.9 - Other information technology and computer service activities	0.01	-			0.01	-		
86	J63.1.2 - Web portals	0.03	-			0.03	0.00		
87	K64.1.9 - Other monetary intermediation	4.71	-			4.71	1.02		
88	K64.2.0 - Activities of holding companies	0.00	-			0.00	-		
89	K65.1.1 - Life insurance	0.01	-			0.01	0.00		
90	K66.1.1 - Administration of financial markets	0.01	-			0.01	-		
91	K66.1.9 - Other activities auxiliary to financial services, except insurance and pension funding	0.16	-			0.16	-		
92	L68.2.0 - Renting and operating of own or leased real estate	46.43	-			46.43	7.52		
93	M71.1 - Architectural and engineering activities and related technical consultancy	0.00	-			0.00	0.00		
94	M71.2.0 - Technical testing and analysis	0.01	-			0.01	0.00		
95	M72.1.1 - Research and experimental development on biotechnology	0.02	-			0.02	0.00		
96	M73.1.1 - Advertising agencies	0.00	-			0.00	0.00		
97	N77.1.1 - Renting and leasing of cars and light motor vehicles	30.04	-			30.04	0.00		
98	N79.1.1 - Travel agency activities	0.00	-			0.00	-		
99	N80.2.0 - Security systems service activities	0.00	-			0.00	-		
100	N81.1.0 - Combined facilities support activities	0.00	-			0.00	-		
101	N82.9.1 - Activities of collection agencies and credit bureaus	0.14	-			0.14	-		
102	N82.9.9 - Other business support service activities n.e.c.	0.01	-			0.01	0.00		
103	Q86.2.2 - Specialist medical practice activities	0.01	-			0.01	-		
104	R92.0.0 - Gambling and betting activities	0.01	-			0.01	-		

Template 3: GAR KPI stock [capex weighting]

% (compared to total covered assets in the denominator)		a	b	c	d	e	f	g	h	i
		Disclosure reference date 31/12/2024								
		Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator									
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**45.65%**	**6.67%**	**6.25%**	**0.01%**	**0.14%**	**0.03%**	**0.02%**	**-**	**0.00%**
2	**Financial undertakings**	**1.05%**	**0.11%**	**0.05%**	**0.01%**	**0.01%**	**0.00%**	**0.00%**	**-**	**0.00%**
3	**Credit institutions**	1.04%	0.11%	0.05%	0.01%	0.01%	0.00%	0.00%	-	0.00%
4	Loans and advances	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	1.04%	0.11%	0.05%	0.01%	0.01%	0.00%	0.00%	-	0.00%
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		-
7	Other financial undertakings[1]	0.01%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-
16	of which insurance undertakings	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%
17	Loans and advances	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%
19	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		-
20	**Non-financial undertakings**	**0.68%**	**0.35%**	**-**	**0.00%**	**0.13%**	**0.03%**	**0.02%**	**-**	**0.00%**
21	Loans and advances	0.00%	0.00%	-	-	0.00%	-	-	-	-
22	Debt securities, including UoP	0.68%	0.35%	-	0.00%	0.13%	0.03%	0.02%	-	0.00%
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%
24	**Households[2]**	**43.92%**	**6.21%**	**6.21%**	**-**	**-**	**-**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	42.36%	6.21%	6.21%	-	-	-	-	-	-
26	of which building renovation loans	0.58%	-	-	-	-	-	-	-	-
27	of which motor vehicle loans[3]	0.98%	-	-	-	-				
28	**Local governments financing**	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	**45.65%**	**6.67%**	**6.25%**	**0.01%**	**0.14%**	**0.03%**	**0.02%**	**-**	**0.00%**

% (compared to total covered assets in the denominator)		j	k	l	m	n	o	p	q	r	s	t	u
		Disclosure reference date 31/12/2024											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**0.00%**	**0.00%**	-	**0.00%**	**0.01%**	**0.00%**	-	**0.00%**	**0.00%**	**0.00%**	-	**0.00%**
2	**Financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-
3	**Credit institutions**	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-		-	-	-		-	-	-		-
7	Other financial undertakings[1]	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings**	**0.00%**	**0.00%**	-	**0.00%**	**0.01%**	**0.00%**	-	**0.00%**	**0.00%**	**0.00%**	-	**0.00%**
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	-		-
24	**Households[2]**					-	-	-	-				
25	of which loans collateralised by residential immovable property					-	-	-	-				
26	of which building renovation loans					-	-	-	-				
27	of which motor vehicle loans[3]												
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	**0.00%**	**0.00%**	-	**0.00%**	**0.01%**	**0.00%**	-	**0.00%**	**0.00%**	**0.00%**	-	**0.00%**

% (compared to total covered assets in the denominator)		v	w	x	y	z	aa	ab	ac	ad	ae
		Disclosure reference date 31/12/2024									
		Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)					Proportion of total assets covered[1]
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator										
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**0.00%**	**-**	**-**	**-**	**45.69%**	**6.69%**	**6.25%**	**0.01%**	**0.14%**	**33.89%**
2	**Financial undertakings**	**-**	**-**	**-**	**-**	**1.05%**	**0.11%**	**0.05%**	**0.01%**	**0.01%**	**2.92%**
3	**Credit institutions**	-	-	-	-	1.04%	0.11%	0.05%	0.01%	0.01%	2.84%
4	Loans and advances	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	1.04%	0.11%	0.05%	0.01%	0.01%	2.08%
6	Equity instruments	-	-		-	0.00%	0.00%		0.00%	0.00%	0.76%
7	Other financial undertakings[1]	-	-	-	-	0.01%	0.00%	-	0.00%	0.00%	0.08%
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-
16	of which insurance undertakings	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.04%
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.04%
19	Equity instruments	-	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
20	**Non-financial undertakings**	**0.00%**	**-**	**-**	**-**	**0.72%**	**0.37%**	**-**	**0.00%**	**0.13%**	**0.65%**
21	Loans and advances	-	-	-	-	0.00%	0.00%	-	-	0.00%	0.03%
22	Debt securities, including UoP	0.00%	-	-	-	0.71%	0.37%	-	0.00%	0.13%	0.63%
23	Equity instruments	0.00%	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
24	**Households[2]**					**43.92%**	**6.21%**	**6.21%**	**-**	**-**	**30.32%**
25	of which loans collateralised by residential immovable property					42.36%	6.21%	6.21%	-	-	29.45%
26	of which building renovation loans					0.58%	-	-	-	-	0.32%
27	of which motor vehicle loans[3]					0.98%	-	-	-	-	0.55%
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Total GAR assets**	**0.00%**	**-**	**-**	**-**	**45.69%**	**6.69%**	**6.25%**	**0.01%**	**0.14%**	**56.01%**

The following notes apply to all Templates in the following pages.

[1] The proportion of total covered assets is calculated as the ratio of the gross carrying amount of each exposure as reported in Template I to the value of total assets (see Template I, Line 53 "Total assets").

Template 3: GAR KPI stock [capex weighting] T-1

% (compared to total covered assets in the denominator)		a	b	c	d	e	f	g	h	i
		Reporting reference date 31/12/2023								
		Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
	GAR – Covered assets in both numerator and denominator									
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**47.94%**	**4.80%**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**-**	**0.00%**
2	**Financial undertakings**	**0.30%**	**-**	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**
3	**Credit institutions**	0.29%	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	0.00%	-	-	-	-	-	-	-	-
6	Equity instruments	0.29%	-		-	-	-	-		-
7	Other financial undertakings[1]	0.01%	-	-	-	-	0.00%	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	0.00%	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	0.00%	-	-	-
19	Equity instruments	-	-		-	-	0.00%	-		-
20	**Non-financial undertakings**	**0.02%**	**0.01%**	**-**	**0.00%**	**0.00%**	**-**	**0.00%**	**-**	**0.00%**
21	Loans and advances	0.02%	0.00%	-	-	0.00%	-	-	-	-
22	Debt securities, including UoP	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	-	0.00%
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	-	0.00%		-
24	**Households[2]**	**47.61%**	**4.79%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	45.92%	4.79%	-	-	-	-	-	-	-
26	of which building renovation loans	0.66%	-	-	-	-	-	-	-	-
27	of which motor vehicle loans[3]	1.03%	-	-	-	-				
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Total GAR assets**									

		j	k	l	m	n	o	p	q	r	s	t	u
% (compared to total covered assets in the denominator)		Reporting reference date 31/12/2023											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**												
2	**Financial undertakings**												
3	**Credit institutions**												
4	Loans and advances												
5	Debt securities, including UoP												
6	Equity instruments												
7	Other financial undertakings[1]												
8	of which investment firms												
9	Loans and advances												
10	Debt securities, including UoP												
11	Equity instruments												
12	of which management companies												
13	Loans and advances												
14	Debt securities, including UoP												
15	Equity instruments												
16	of which insurance undertakings												
17	Loans and advances												
18	Debt securities, including UoP												
19	Equity instruments												
20	**Non-financial undertakings**												
21	Loans and advances												
22	Debt securities, including UoP												
23	Equity instruments												
24	**Households**[2]												
25	of which loans collateralised by residential immovable property												
26	of which building renovation loans												
27	of which motor vehicle loans[3]												
28	**Local governments financing**												
29	Housing financing												
30	Other local government financing												
31	**Collateral obtained by taking possession: residential and commercial immovable properties**												
32	**Total GAR assets**												

		v	w	x	y	z	aa	ab	ac	ad	ae
		Reporting reference date 31/12/2023									
% (compared to total covered assets in the denominator)		Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)					Proportion of total assets covered1
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator										
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**					**47.94%**	**4.80%**	**-**	**0.00%**	**0.00%**	**31.02%**
2	**Financial undertakings**					**0.30%**	**-**	**-**	**-**	**-**	**0.70%**
3	**Credit institutions**					0.29%	-	-	-	-	0.67%
4	Loans and advances					-	-	-	-	-	-
5	Debt securities, including UoP					0.00%	-	-	-	-	0.05%
6	Equity instruments					0.29%	-		-	-	0.62%
7	Other financial undertakings[1]					0.01%	-	-	-	-	0.03%
8	of which investment firms					-	-	-	-	-	-
9	Loans and advances					-	-	-	-	-	-
10	Debt securities, including UoP					-	-	-	-	-	-
11	Equity instruments					-	-		-	-	-
12	of which management companies					-	-	-	-	-	-
13	Loans and advances					-	-	-	-	-	-
14	Debt securities, including UoP					-	-	-	-	-	-
15	Equity instruments					-	-		-	-	-
16	of which insurance undertakings					0.00%	-	-	-	-	0.00%
17	Loans and advances					-	-	-	-	-	-
18	Debt securities, including UoP					0.00%	-	-	-	-	0.00%
19	Equity instruments					0.00%	-		-	-	0.00%
20	**Non-financial undertakings**					**0.02%**	**0.01%**	**-**	**0.00%**	**0.00%**	**0.05%**
21	Loans and advances					0.02%	0.00%	-	-	0.00%	0.05%
22	Debt securities, including UoP					0.00%	0.00%	-	0.00%	0.00%	0.01%
23	Equity instruments					0.00%	0.00%		0.00%	0.00%	0.00%
24	**Households[2]**					**47.61%**	**4.79%**	**-**	**-**	**-**	**30.27%**
25	of which loans collateralised by residential immovable property					45.92%	4.79%	-	-	-	29.36%
26	of which building renovation loans					0.66%	-	-	-	-	0.36%
27	of which motor vehicle loans[3]					1.03%	-	-	-	-	0.55%
28	**Local governments financing**					**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing					-	-	-	-	-	-
30	Other local government financing					-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**					**-**	**-**	**-**	**-**	**-**	**0.00%**
32	**Total GAR assets**										**53.73%**

Template 3: GAR KPI stock [turnover weighting]

		a	b	c	d	e	f	g	h	i
% (compared to total covered assets in the denominator)		Disclosure reference date 31/12/2024								
		Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator									
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**45.59%**	**6.52%**	**6.28%**	**0.01%**	**0.08%**	**0.25%**	**0.02%**	**-**	**0.00%**
2	**Financial undertakings**	**0.98%**	**0.10%**	**0.05%**	**0.01%**	**0.01%**	**0.00%**	**0.00%**	**-**	**0.00%**
3	**Credit institutions**	0.98%	0.10%	0.05%	0.01%	0.01%	0.00%	0.00%	-	0.00%
4	Loans and advances	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	0.98%	0.10%	0.05%	0.01%	0.01%	0.00%	0.00%	-	0.00%
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		-
7	Other financial undertakings[1]	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-
16	of which insurance undertakings	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%
17	Loans and advances	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%
19	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%
20	**Non-financial undertakings**	**0.68%**	**0.21%**	**0.02%**	**0.00%**	**0.08%**	**0.25%**	**0.02%**	**-**	**0.00%**
21	Loans and advances	0.01%	0.00%	-	-	-	-	-	-	-
22	Debt securities, including UoP	0.68%	0.21%	0.02%	0.00%	0.08%	0.25%	0.02%	-	0.00%
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%
24	**Households[2]**	**43.92%**	**6.21%**	**6.21%**	**-**	**-**	**-**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	42.36%	6.21%	6.21%	-	-	-	-	-	-
26	of which building renovation loans	0.58%	-	-	-	-	-	-	-	-
27	of which motor vehicle loans[3]	0.98%	-	-	-	-				
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Total GAR assets**	**45.59%**	**6.52%**	**6.28%**	**0.01%**	**0.08%**	**0.25%**	**0.02%**	**-**	**0.00%**

		j	k	l	m	n	o	p	q	r	s	t	u
		Disclosure reference date 31/12/2024											
% (compared to total covered assets in the denominator)		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator												
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**0.00%**	**0.00%**	**-**	**0.00%**	**0.02%**	**0.00%**	**-**	**0.00%**	**0.00%**	**0.00%**	**-**	**0.00%**
2	**Financial undertakings**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3	**Credit institutions**	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-		-	-	-		-	-	-		-
7	Other financial undertakings[1]	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-
20	**Non-financial undertakings**	**0.00%**	**0.00%**	**-**	**0.00%**	**0.02%**	**0.00%**	**-**	**0.00%**	**0.00%**	**0.00%**	**-**	**0.00%**
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	0.00%	0.00%	-	0.00%	0.01%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	-		-
24	**Households[2]**					-	-	-	-				
25	of which loans collateralised by residential immovable property					-	-	-	-				
26	of which building renovation loans					-	-	-	-				
27	of which motor vehicle loans[3]												
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Total GAR assets**	**0.00%**	**0.00%**	**-**	**0.00%**	**0.02%**	**0.00%**	**-**	**0.00%**	**0.00%**	**0.00%**	**-**	**0.00%**

% (compared to total covered assets in the denominator)		v	w	x	y	z	aa	ab	ac	ad	ae
		Disclosure reference date 31/12/2024									
		Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)					
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR – Covered assets in both numerator and denominator										
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**0.00%**	**-**	**-**	**-**	**45.85%**	**6.53%**	**6.28%**	**0.01%**	**0.08%**	**33.89%**
2	**Financial undertakings**	**-**	**-**	**-**	**-**	**0.98%**	**0.10%**	**0.05%**	**0.01%**	**0.01%**	**2.92%**
3	**Credit institutions**	-	-	-	-	0.98%	0.10%	0.05%	0.01%	0.01%	2.84%
4	Loans and advances	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	0.98%	0.10%	0.05%	0.01%	0.01%	2.08%
6	Equity instruments	-	-		-	0.00%	0.00%		0.00%	0.00%	0.76%
7	Other financial undertakings[1]	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.08%
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-
16	of which insurance undertakings	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.04%
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.04%
19	Equity instruments	-	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
20	**Non-financial undertakings**	**0.00%**	**-**	**-**	**-**	**0.95%**	**0.23%**	**0.02%**	**0.00%**	**0.08%**	**0.65%**
21	Loans and advances	-	-	-	-	0.01%	0.00%	-	-	-	0.03%
22	Debt securities, including UoP	0.00%	-	-	-	0.94%	0.22%	0.02%	0.00%	0.08%	0.63%
23	Equity instruments	0.00%	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
24	**Households[2]**					**43.92%**	**6.21%**	**6.21%**	**-**	**-**	**30.32%**
25	of which loans collateralised by residential immovable property					42.36%	6.21%	6.21%	-	-	29.45%
26	of which building renovation loans					0.58%	-	-	-	-	0.32%
27	of which motor vehicle loans[3]					0.98%	-	-	-	-	0.55%
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Total GAR assets**	**0.00%**	**-**	**-**	**-**	**45.85%**	**6.53%**	**6.28%**	**0.01%**	**0.08%**	**56.01%**

Template 3: GAR KPI stock [turnover weighting] T-1

	% (compared to total covered assets in the denominator)	a	b	c	d	e	f	g	h	i
		Reporting reference date 31/12/2023								
		Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator									
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**47.92%**	**4.79%**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**-**	**0.00%**
2	**Financial undertakings**	**0.29%**	**-**	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**
3	**Credit institutions**	0.29%	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	0.00%	-	-	-	-	-	-	-	-
6	Equity instruments	0.29%	-		-	-	-	-		-
7	Other financial undertakings[1]	-	-	-	-	-	0.00%	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	0.00%	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	0.00%	-	-	-
19	Equity instruments	-	-		-	-	0.00%	-		-
20	**Non-financial undertakings**	**0.01%**	**0.00%**	**-**	**0.00%**	**0.00%**	**-**	**0.00%**	**-**	**0.00%**
21	Loans and advances	0.01%	0.00%	-	-	-	-	-	-	-
22	Debt securities, including UoP	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	-	0.00%
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	-	0.00%		-
24	**Households[2]**	**47.61%**	**4.79%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
25	of which loans collateralised by residential immovable property	45.92%	4.79%	-	-	-	-	-	-	-
26	of which building renovation loans	0.66%	-	-	-	-	-	-	-	-
27	of which motor vehicle loans[3]	1.03%	-	-	-	-				
28	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
29	Housing financing	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
32	**Total GAR assets**									

	% (compared to total covered assets in the denominator)	j	k	l	m	n	o	p	q	r	s	t	u
		Disclosure reference date 31/12/2023											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator												
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation												
2	Financial undertakings												
3	Credit institutions												
4	Loans and advances												
5	Debt securities, including UoP												
6	Equity instruments												
7	Other financial undertakings[1]												
8	of which investment firms												
9	Loans and advances												
10	Debt securities, including UoP												
11	Equity instruments												
12	of which management companies												
13	Loans and advances												
14	Debt securities, including UoP												
15	Equity instruments												
16	of which insurance undertakings												
17	Loans and advances												
18	Debt securities, including UoP												
19	Equity instruments												
20	Non-financial undertakings												
21	Loans and advances												
22	Debt securities, including UoP												
23	Equity instruments												
24	Households[2]												
25	of which loans collateralised by residential immovable property												
26	of which building renovation loans												
27	of which motor vehicle loans[3]												
28	Local governments financing												
29	Housing financing												
30	Other local government financing												
31	Collateral obtained by taking possession: residential and commercial immovable properties												
32	Total GAR assets												

	% (compared to total covered assets in the denominator)	v	w	x	y	z	aa	ab	ac	ad	ae
		Disclosure reference date 31/12/2023									
		Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)					Proportion of total assets covered
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator										
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation					47.92%	4.79%	-	0.00%	0.00%	31.02%
2	Financial undertakings					0.29%	-	-	-	-	0.70%
3	Credit institutions					0.29%	-	-	-	-	0.67%
4	Loans and advances					-	-	-	-	-	-
5	Debt securities, including UoP					0.00%	-	-	-	-	0.05%
6	Equity instruments					0.29%	-		-	-	0.62%
7	Other financial undertakings[1]					0.00%	-	-	-	-	0.03%
8	of which investment firms					-	-	-	-	-	-
9	Loans and advances					-	-	-	-	-	-
10	Debt securities, including UoP					-	-	-	-	-	-
11	Equity instruments					-	-		-	-	-
12	of which management companies					-	-	-	-	-	-
13	Loans and advances					-	-	-	-	-	-
14	Debt securities, including UoP					-	-	-	-	-	-
15	Equity instruments					-	-		-	-	-
16	of which insurance undertakings					0.00%	-	-	-	-	0.00%
17	Loans and advances					-	-	-	-	-	-
18	Debt securities, including UoP					0.00%	-	-	-	-	0.00%
19	Equity instruments					0.00%	-		-	-	0.00%
20	Non-financial undertakings					0.01%	0.00%	-	0.00%	0.00%	0.05%
21	Loans and advances					0.01%	0.00%	-	-	-	0.05%
22	Debt securities, including UoP					0.00%	0.00%	-	0.00%	0.00%	0.01%
23	Equity instruments					0.00%	0.00%		0.00%	0.00%	0.00%
24	Households[2]					47.61%	4.79%	-	-	-	30.27%
25	of which loans collateralised by residential immovable property					45.92%	4.79%	-	-	-	29.36%
26	of which building renovation loans					0.66%	-	-	-	-	0.36%
27	of which motor vehicle loans[3]					1.03%	-	-	-	-	0.55%
28	Local governments financing					-	-	-	-	-	-
29	Housing financing					-	-	-	-	-	-
30	Other local government financing					-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties					-	-	-	-	-	0.00%
32	Total GAR assets										53.73%

Template 4: GAR KPI flow [capex weighting]

	% (compared to total covered assets in the denominator)	a	b	c	d	e	f	g	h	i
		Disclosure reference date 31/12/2024								
		Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator									
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	8.24%	1.00%	0.99%	0.00%	0.00%	0.00%	0.00%	-	0.00%
2	Financial undertakings	0.13%	0.01%	-	0.00%	0.00%	0.00%	0.00%	-	-
3	Credit institutions	0.11%	0.01%	-	0.00%	0.00%	0.00%	0.00%	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	0.11%	0.01%	-	0.00%	0.00%	0.00%	0.00%	-	-
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		-
7	Other financial undertakings[1]	0.01%	0.00%	-	0.00%	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-
20	Non-financial undertakings	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%
21	Loans and advances	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%
24	Households[2]	8.12%	0.99%	0.99%	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	7.56%	0.99%	0.99%	-	-	-	-	-	-
26	of which building renovation loans	0.12%	-	-	-	-	-	-	-	-
27	of which motor vehicle loans[3]	0.43%	-	-	-	-				
28	Local governments financing	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-
32	Total GAR assets	8.24%	1.00%	0.99%	0.00%	0.00%	0.00%	0.00%	-	0.00%

		j	k	l	m	n	o	p	q	r	s	t	u
		Disclosure reference date 31/12/2024											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
% (compared to total covered assets in the denominator)		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator												
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0.00%	-	-	-	0.00%	-	-	-	0.00%	0.00%	-	-
2	Financial undertakings	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-		-	-	-		-	-	-		-
7	Other financial undertakings[1]	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-
20	Non-financial undertakings	0.00%	-	-	-	0.00%	-	-	-	0.00%	0.00%	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	0.00%	-		-	0.00%	-		-	0.00%	0.00%		-
24	Households[2]					-	-	-	-				
25	of which loans collateralised by residential immovable property					-	-	-	-				
26	of which building renovation loans					-	-	-	-				
27	of which motor vehicle loans[3]												
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-
32	Total GAR assets	0.00%	-	-	-	0.00%	-	-	-	0.00%	0.00%	-	-

% (compared to total covered assets in the denominator)		v	w	x	y	z	aa	ab	ac	ad	ae
		Disclosure reference date 31/12/2024									
		Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)					
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator										
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	8.24%	1.00%	0.99%	0.00%	0.00%	5.92%
2	Financial undertakings	-	-	-	-	0.13%	0.01%	-	0.00%	0.00%	0.46%
3	Credit institutions	-	-	-	-	0.11%	0.01%	-	0.00%	0.00%	0.42%
4	Loans and advances	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	0.11%	0.01%	-	0.00%	0.00%	0.42%
6	Equity instruments	-	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
7	Other financial undertakings[1]	-	-	-	-	0.01%	0.00%	-	0.00%	-	0.04%
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	0.00%
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	0.00%
20	Non-financial undertakings	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.00%
21	Loans and advances	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
24	Households[2]					8.12%	0.99%	0.99%	-	-	5.46%
25	of which loans collateralised by residential immovable property					7.56%	0.99%	0.99%	-	-	5.15%
26	of which building renovation loans					0.12%	-	-	-	-	0.07%
27	of which motor vehicle loans[3]					0.43%	-	-	-	-	0.24%
28	Local governments financing	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-
32	Total GAR assets	-	-	-	-	8.24%	1.00%	0.99%	0.00%	0.00%	56.01%

The percentage figures reported within the Template were calculated using total assets covered as the denominator (see Template 1, Line 48, "Total GAR assets").

Template 4: GAR KPI flow [capex weighting]

% (compared to total covered assets in the denominator)		a	b	c	d	e	f	g	h	i
		Disclosure reference date 31/12/2024								
		Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator									
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	8.23%	1.00%	0.99%	0.00%	0.00%	0.00%	0.00%	-	0.00%
2	Financial undertakings	0.11%	0.01%	-	0.00%	0.00%	0.00%	0.00%	-	-
3	Credit institutions	0.11%	0.01%	-	0.00%	0.00%	0.00%	0.00%	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	0.11%	0.01%	-	0.00%	0.00%	0.00%	0.00%	-	-
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		-
7	Other financial undertakings[1]	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-
20	Non-financial undertakings	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%
21	Loans and advances	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%
24	Households[2]	8.12%	0.99%	0.99%	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	7.56%	0.99%	0.99%	-	-	-	-	-	-
26	of which building renovation loans	0.12%	-	-	-	-	-	-	-	-
27	of which motor vehicle loans[3]	0.43%	-	-	-	-				
28	Local governments financing	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-
32	Total GAR assets	8.23%	1.00%	0.99%	0.00%	0.00%	0.00%	0.00%	-	0.00%

		j	k	l	m	n	o	p	q	r	s	t	u
		Disclosure reference date 31/12/2024											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
% (compared to total covered assets in the denominator)		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
	GAR - Covered assets in both numerator and denominator												
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	0.00%	0.00%	-	0.00%	-	-	-	-
2	Financial undertakings	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-		-	-	-		-	-	-		-
7	Other financial undertakings[1]	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-		-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-		-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	-		-
20	Non-financial undertakings	-	-	-	-	0.00%	0.00%	-	0.00%	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-		-	0.00%	0.00%		0.00%	-	-		-
24	Households[2]					-	-	-	-				
25	of which loans collateralised by residential immovable property					-	-	-	-				
26	of which building renovation loans					-	-	-	-				
27	of which motor vehicle loans[3]												
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-
32	Total GAR assets	-	-	-	-	0.00%	0.00%	-	0.00%	-	-	-	-

% (compared to total covered assets in the denominator)		v	w	x	y	z	aa	ab	ac	ad	ae
		Disclosure reference date 31/12/2024									
		Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)					
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator										
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	8.23%	1.00%	0.99%	0.00%	0.00%	5.92%
2	Financial undertakings	-	-	-	-	0.11%	0.01%	-	0.00%	0.00%	0.46%
3	Credit institutions	-	-	-	-	0.11%	0.01%	-	0.00%	0.00%	0.42%
4	Loans and advances	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	0.11%	0.01%	-	0.00%	0.00%	0.42%
6	Equity instruments	-	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
7	Other financial undertakings[1]	-	-	-	-	-	-	-	-	-	0.04%
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-		-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	0.00%
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-		-	-	0.00%
20	Non-financial undertakings	-	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.00%
21	Loans and advances	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
24	Households[2]					8.12%	0.99%	0.99%	-	-	5.46%
25	of which loans collateralised by residential immovable property					7.56%	0.99%	0.99%	-	-	5.15%
26	of which building renovation loans					0.12%	-	-	-	-	0.07%
27	of which motor vehicle loans[3]					0.43%	-	-	-	-	0.24%
28	Local governments financing	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-
32	Total GAR assets	-	-	-	-	8.23%	1.00%	0.99%	0.00%	0.00%	56.01%

The percentage figures reported within the Template were calculated using total assets covered as the denominator (see Template 1, Line 48, "Total GAR assets").

Template 5: KPI off-balance sheet exposures - Stock [capex weighting]

		a	b	c	d	e	f	g	h	i
	% (compared to total eligible off-balance sheet assets)	Disclosure reference date 31/12/2024								
		Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	8.14%	4.03%	0.25%	0.35%	1.85%	0.41%	0.17%	0.00%	0.07%

		j	k	l	m	n	o	p	q	r	s	t	u
	% (compared to total eligible off-balance sheet assets)	Disclosure reference date 31/12/2024											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	0.09%	0.09%	-	0.05%	0.50%	0.03%	-	0.03%	0.17%	0.01%	-	0.01%

		v	w	x	z	aa	ab	ac	ad	ae
	% (compared to total eligible off-balance sheet assets)	Disclosure reference date 31/12/2024								
		Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)				
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)			
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	0.01%	0.00%	-	0.00%	9.32%	4.31%	0.25%	0.35%	2.00%

Template 5: KPI off-balance sheet exposures - Stock [turnover weighting]

		a	b	c	d	e	f	g	h	i
	% (compared to total eligible off-balance sheet assets)	Disclosure reference date 31/12/2024								
		Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	6.38%	2.52%	0.25%	0.28%	1.22%	0.38%	0.09%	0.00%	0.05%

		j	k	l	m	n	o	p	q	r	s	t	u
	% (compared to total eligible off-balance sheet assets)	Disclosure reference date 31/12/2024											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	0.04%	0.02%	-	0.00%	0.58%	0.04%	-	0.04%	0.20%	0.19%	-	0.01%

		v	w	x	z	aa	ab	ac	ad	ae
	% (compared to total eligible off-balance sheet assets)	Disclosure reference date 31/12/2024								
		Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)				
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)			
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	0.03%	0.00%	-	0.00%	7.61%	2.87%	0.25%	0.28%	1.32%

Template 5: KPI off-balance sheet exposures - Flow [capex weighting]

	% (compared to total eligible off-balance sheet assets)	a	b	c	d	e	f	g	h	i
		Disclosure reference date 31/12/2024								
		Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	2.14%	0.85%	0.07%	0.09%	0.36%	0.10%	0.04%	0.00%	0.01%

	% (compared to total eligible off-balance sheet assets)	j	k	l	m	n	o	p	q	r	s	t	u
		Disclosure reference date 31/12/2024											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	0.02%	0.01%	-	0.00%	0.09%	0.00%	-	0.00%	0.03%	0.00%	-	0.00%

	% (compared to total eligible off-balance sheet assets)	v	w	x	z	aa	ab	ac	ad	ae
		Disclosure reference date 31/12/2024								
		Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)				
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)			
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	0.00%	0.00%	-	0.00%	2.39%	0.91%	0.07%	0.09%	0.37%

Template 5: KPI off-balance sheet exposures - Flow [turnover weighting]

	% (compared to total eligible off-balance sheet assets)	a	b	c	d	e	f	g	h	i
		Disclosure reference date 31/12/2024								
		Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	1.92%	0.59%	0.07%	0.07%	0.25%	0.14%	0.03%	0.00%	0.02%

	% (compared to total eligible off-balance sheet assets)	j	k	l	m	n	o	p	q	r	s	t	u
		Disclosure reference date 31/12/2024											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)		
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	0.01%	0.01%	-	0.00%	0.11%	0.00%	-	0.00%	0.04%	0.00%	-	0.00%

	% (compared to total eligible off-balance sheet assets)	v	w	x	z	aa	ab	ac	ad	ae
		Disclosure reference date 31/12/2024								
		Biodiversity and ecosystems (BIO)				TOTAL (CCM + CCA + WTR + EC + PPC + BIO)				
		Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding Taxonomy relevant sectors (Taxonomy-aligned)			
				Of which use of proceeds	Of which enabling			Of which use of proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	0.01%	0.00%	-	0.00%	2.24%	0.63%	0.07%	0.07%	0.28%

2.1.6 Disclosures pursuant to Annex X of Delegated Regulation 2021/2178

Template - The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned activities in relation to total investments

The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with, Taxonomy-aligned economic activities, with the following weights for investments in undertakings per below:		**The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with, Taxonomy-aligned economic activities, with the following weights for investments in undertakings per below:**	
- Turnover-based %	1.37%	- Turnover-based [monetary amount]	463.98
- Capital expenditures-based %	2.19%	- Capital expenditures-based [monetary amount]	740.92
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.		**The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.**	
- Coverage ratio %	72.39%	- Coverage: [monetary amount]	33,852.24

Additional, complementary disclosures: breakdown of denominator of the KPI

The percentage of derivatives relative to total assets covered by the KPI.		**The value in monetary amounts of derivatives**	
- [Percentage value %]	4.48%	[monetary amount]	1,517.23
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		**Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:**	
- For non-financial undertakings	0.02%	- For non-financial undertakings [monetary amount]	6.33
- For financial undertakings	0.09%	- For financial undertakings [monetary amount]	29.58
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		**Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:**	
- For non-financial undertakings	0.15%	- For non-financial undertakings [monetary amount]	50.96
- For financial undertakings	-	- For financial undertakings [monetary amount]	-
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		**Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:**	
- For non-financial undertakings: %	0.03%	- For non-financial undertakings [monetary amount]	8.63
- For financial undertakings: %	0.75%	- For financial undertakings [monetary amount]	255.29
The proportion of exposures to other counterparties over total assets covered by the KPI[1]:		**Value of exposures to other counterparties:**	
- [Percentage value %]	0.16%	- [monetary amount]	53.34
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities		**Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities**	
- [Percentage value %]	17.89%	- [monetary amount]	6,057.21

The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI:		Value of all the investments that are funding economic activities that are not Taxonomy-eligible:	
- Turnover-based: %	95.46%	- Turnover-based [monetary amount]	32,314.87
- Capital expenditures-based: %	94.83%	- Capital expenditures-based: [monetary amount]	32,101.59
The value of all the investments that are funding Taxonomy- eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI[2]:		**Value of all the investments that are funding Taxonomy- eligible economic activities, but not Taxonomy-aligned:**	
- Turnover-based: %	3.17%	- Turnover-based [monetary amount]	1,073.39
- Capital expenditures-based: %	2.98%	- Capital expenditures-based: [monetary amount]	1,009.73

[1] The proportion of exposures to other counterparties is entirely made up of investment property; these investments are considered, for the purposes of this report, to be Taxonomy-aligned but not Taxonomy-eligible.

[2] In line with the requirements of the clarifications published by the Commission (see Commission Communication C/2024/6691, FAQ 71), the Group has provided two different lines to set out details of Taxonomy non-eligible and Taxonomy-eligible but not Taxonomy-aligned exposures, based on the proportions of turnover and capital expenditures.

Additional, complementary disclosures: breakdown of numerator of the KPI

The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
- For non-financial undertakings:		- For non-financial undertakings:	
- Turnover-based: %	1.22%	- Turnover-based [monetary amount]	414.30
- Capital expenditures-based: %	2.01%	- Capital expenditures-based: [monetary amount]	681.45
-For financial undertakings:		-For financial undertakings:	
- Turnover-based: %	0.15%	- Turnover-based [monetary amount]	49.68
- Capital expenditures-based: %	0.18%	- Capital expenditures-based: [monetary amount]	59.47
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned activities:		**Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned activities:**	
- Turnover-based: %	1.36%	- Turnover-based [monetary amount]	458.94
- Capital expenditures-based: %	2.16%	- Capital expenditures-based: [monetary amount]	732.60
The proportion of Taxonomy-aligned exposures to other counterparties in over total assets covered by the KPI:		**Value of Taxonomy-aligned exposures to other counterparties over total assets covered by the KPI:**	
- Turnover-based: %	-	- Turnover-based [monetary amount]	-
- Capital expenditures-based: %	-	- Capital expenditures-based: [monetary amount]	-

Breakdown of the numerator of the KPI per environmental objective

Taxonomy-aligned activities – provided "do-no-significant-harm" (DNSH) and social safeguards positive assessment:

1) Climate change mitigation			
- Turnover-based: %	1.30%	Transitional activities:	Turnover: 0.12% CapEx: 0.17%
- Capital expenditures-based: %	2.08%	Enabling activities:	Turnover: 0.67% CapEx: 1.01%
2) Climate change adaptation			
- Turnover-based: %	0.03%	Enabling activities:	0.02%
- Capital expenditures-based: %	0.08%	Enabling activities:	0.04%
3) The sustainable use and protection of water and marine resources			
- Turnover-based: %	0.01%	Enabling activities:	0.00%
- Capital expenditures-based: %	0.01%	Enabling activities:	0.00%
4) The transition to a circular economy			
- Turnover-based: %	0.03%	Enabling activities:	0.03%
- Capital expenditures-based: %	0.01%	Enabling activities:	0.01%
5) Pollution prevention and control			
- Turnover-based: %	0.00%	Enabling activities:	0.00%
- Capital expenditures-based: %	0.00%	Enabling activities:	0.00%
6) The protection and restoration of biodiversity and ecosystems			
- Turnover-based: %	0.00%	Enabling activities:	0.00%
- Capital expenditures-based: %	0.00%	Enabling activities:	0.00%

Template - The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments T-1

The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with, Taxonomy-aligned economic activities, with the following weights for investments in undertakings per below:		The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with, Taxonomy-aligned economic activities, with the following weights for investments in undertakings per below:	
- Turnover-based %	0.95%	- Turnover-based [monetary amount]	282.35
- Capital expenditures-based %	1.88%	- Capital expenditures-based [monetary amount]	559.45
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.		**The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.**	
- Coverage ratio %	76.03%	- Coverage: [monetary amount]	29,815.69

Additional, complementary disclosures: breakdown of denominator of the KPI

The percentage of derivatives relative to total assets covered by the KPI.		**The value in monetary amounts of derivatives**	
- [Percentage value %]	3.40%	[monetary amount]	1,012.85
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		**Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:**	
- For non-financial undertakings	0.17%	- For non-financial undertakings [monetary amount]	51.68
- For financial undertakings	0.16%	- For financial undertakings [monetary amount]	46.89
Proportion of exposures to third-country financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU in relation to total assets covered by the KPI:		**Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:**	
- For non-financial undertakings	0.16%	- For non-financial undertakings [monetary amount]	48.68
- For financial undertakings	-	- For financial undertakings [monetary amount]	-
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		**Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:**	
- For non-financial undertakings: %	0.93%	- For non-financial undertakings [monetary amount]	277.06
- For financial undertakings: %	0.06%	- For financial undertakings [monetary amount]	18.72
Proportion of exposures to other counterparties in relation to total assets covered by the KPI1:		**Value of exposures to other counterparties:**	
- [Percentage value %]	0.20%	- [monetary amount]	58.76
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities		**Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities**	
- [Percentage value %]	18.46%	- [monetary amount]	5,504.59
The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI:		**Value of all the investments that are funding economic activities that are not Taxonomy-eligible:**	
- Turnover-based: %	16.14%	- Turnover-based [monetary amount]	4,811.91
- Capital expenditures-based: %	14.18%	- Capital expenditures-based: [monetary amount]	4,228.59

The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI2:		**Value of all the investments that are funding Taxonomy- eligible economic activities, but not Taxonomy-aligned:**	
- Turnover-based: %	2.55%	- Turnover-based [monetary amount]	759.79
- Capital expenditures-based: %	3.58%	- Capital expenditures-based: [monetary amount]	1,066.02

Additional, complementary disclosures: breakdown of numerator of the KPI

The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
- For non-financial undertakings:		- For non-financial undertakings:	
- Turnover-based: %	0.00%	- Turnover-based [monetary amount]	0.89
- Capital expenditures-based: %	0.01%	- Capital expenditures-based: [monetary amount]	1.86
-For financial undertakings:		-For financial undertakings:	
- Turnover-based: %	-	- Turnover-based [monetary amount]	0.00
- Capital expenditures-based: %	-	- Capital expenditures-based: [monetary amount]	0.00
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned activities:		**Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned activities:**	
- Turnover-based: %	0.94%	- Turnover-based [monetary amount]	281.46
- Capital expenditures-based: %	1.87%	- Capital expenditures-based: [monetary amount]	557.58
The proportion of Taxonomy-aligned exposures to other counterparties in over total assets covered by the KPI:		**Value of Taxonomy-aligned exposures to other counterparties over total assets covered by the KPI:**	
- Turnover-based: %	-	- Turnover-based [monetary amount]	0.00
- Capital expenditures-based: %	-	- Capital expenditures-based: [monetary amount]	0.00

Breakdown of the numerator of the KPI per environmental objective

Taxonomy-aligned activities – provided "do-no-significant-harm" (DNSH) and social safeguards positive assessment:

1) Climate change mitigation			
- Turnover-based: %	0.92%	Transitional activities: A % (turnover; capital expenditures)	Turnover: 0.03% CapEx: 0.07%
- Capital expenditures-based: %	1.80%	Enabling activities: B % (turnover; capital expenditure)	Turnover: 0.54% CapEx: 0.89%
2) Climate change adaptation			
- Turnover-based: %	0.02%	Transitional activities: A % (turnover; capital expenditures)	Turnover: - Capital expenditure: -
- Capital expenditures-based: %	0.08%	Enabling activities: B % (turnover; capital expenditure)	Turnover: 0.02% CapEx: 0.05%
3) The sustainable use and protection of water and marine resources			
- Turnover-based: %	-	Transitional activities: A % (turnover; capital expenditures)	-
- Capital expenditures-based: %	-	Enabling activities: B % (turnover; capital expenditure)	-
4) The transition to a circular economy			
- Turnover-based: %	-	Transitional activities: A % (turnover; capital expenditures)	-
- Capital expenditures-based: %	-	Enabling activities: B % (turnover; capital expenditure)	-
5) Pollution prevention and control			
- Turnover-based: %	-	Transitional activities: A % (turnover; capital expenditures)	-
- Capital expenditures-based: %	-	Enabling activities: B % (turnover; capital expenditure)	-
6) Protection and restoration of biodiversity and ecosystems			
- Turnover-based: %	-	Transitional activities: A % (turnover; capital expenditures)	-
- Capital expenditures-based: %	-	Enabling activities: B % (turnover; capital expenditure)	-

Template - The underwriting KPI for non-life insurance and reinsurance undertakings

	Substantial contribution to climate change adaptation			Do no significant harm (DNSH)					Minimum safeguards (10)
Economic activities (1)	Absolute premiums, year t (2)1	Proportion of premiums, year t (3)1	Proportion of premiums, year t-1 (4)2	Climate change mitigation (5)	Water and marine resources (6)	Circular economy (7)	Pollution (8)	Biodiversity and ecosystems (9)	
	Currency (EUR million)	%	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No
A.1 Non-life insurance and reinsurance underwriting - Taxonomy-aligned activities (environmentally sustainable)	-	-	-	-	-	-	-	-	-
A.1.1 Of which reinsured	-	-	-	-	-	-	-	-	-
A.1.2 Of which stemming from reinsurance activity	-	-	-	-	-	-	-	-	-
A.1.2.1 Of which reinsured (retrocession)	-	-	-	-	-	-	-	-	-
A.2 Non-life insurance and reinsurance underwriting – Taxonomy-eligible activities but not environmentally sustainable (Taxonomy-non-aligned activities)	9.52	7.14%	7.64%						
B. Non-life insurance and reinsurance underwriting – Taxonomy-non-eligible activities	123.78	92.86%	92.36%						
Total (A.1 + A.2 + B)	133.30	100.00%	100.00%						

2.1.7 Disclosures pursuant to Annex XII of Delegated Regulation 2021/2178

Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022, supplementing and amending Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2021/2178, concerns economic activities in certain energy sectors; for these types of activities, related to nuclear energy and fossil gases, the publication of specific templates is required, in accordance with Annex XII to Delegated Regulation 2021/2178.

Each of the five Templates[37]comprising Annex XII is prepared in relation to the applicable KPIs reported in this Consolidated Sustainability Statement. For this reason, it is specified below which applicable KPI, relating to the Taxonomy disclosure of credit institutions and insurance undertakings, each of the Templates in Annex XII refers to. In order to ensure transparency and comparability with the data published for the KPI relating to the investments of the Mediolanum Insurance Group, Templates 4 and 5 show the value of non-aligned eligible assets and the value of non-eligible assets calculated with reference to the six environmental objectives provided for by the Taxonomy[38]. The Templates published with reference to the applicable KPIs of the Banking Group, meanwhile, show the activities related to nuclear energy and fossil gas compared with the aligned, eligible but not aligned and non-eligible activities, calculated with reference only to the objectives of climate change mitigation (CCM) and climate change adaptation (CCA).
The total of non-eligible exposures was calculated as the difference compared with the value of eligible assets for the CCM and CCA objectives only, in line with the scope of objectives required to be analysed by Annex XII of Regulation 2178/2021.
The values in the following Templates are expressed in millions of euro and in % values.

[37] Each of the five Templates provided is published in two versions, using both capex and turnover as a weighting factor for exposures to undertakings.
[38] Annex XII refers to activities related to nuclear energy and fossil gas contributing to the climate change mitigation (CCM) and climate change adaptation (CCA) objectives; however, the Template for the KPI relating to investments (Annex X) does not require the presentation of CCM and CCA data for non-aligned eligible assets and non-eligible assets.

Applicable KPI for Banking Group: GAR STOCK

Template 1: Activities related to nuclear and fossil gases

Line	Activities related to nuclear energy	
1	The undertaking carries out, finances or has exposures to the researching, development, demonstration and construction of innovative power generation plants producing energy from nuclear processes with a minimum amount of fuel cycle waste.	YES
2	The undertaking carries out, finances or has exposures to the safe construction and operation of new nuclear plants for the generation of process power or heat, including for district heating purposes or for industrial processes such as the production of hydrogen, and improvements in their safety, with the help of the best available technologies.	YES
3	The undertaking carries out, finances or has exposures to the safe operation of existing nuclear plants generating process heat or power, including district heating or industrial processes such as the production of hydrogen from nuclear power, and improvements in their safety.	YES
	Activities related to fossil gases	
4	The undertaking carries out, finances or has exposures to the construction or operation of power plants using fossil gaseous fuels.	YES
5	The undertaking carries out, finances or has exposures to the construction, upgrading and management of combined heat/cold generation and power plants using fossil gaseous fuels.	YES
6	The undertaking carries out, finances or has exposures to the construction, upgrading and operation of heat generation plants producing heat/cold using fossil gaseous fuels.	YES

Template 2: Taxonomy-aligned economic activities (denominator) [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	1.89	0.01%	1.89	0.01%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	1.26	0.01%	1.26	0.01%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.46	0.00%	0.46	0.00%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**1,561.83**	**6.67%**	**1,558.02**	**6.65%**	**3.82**	**0.02%**
8.	**Total applicable KPI**	**23,414.17**	**100.00%**	**23,414.17**	**100.00%**	**23,414.17**	**100.00%**

Template 2: Taxonomy-aligned economic activities (denominator) [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.10	0.00%	0.10	0.00%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	4.43	0.02%	4.43	0.02%	0.00	0.00%
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	0.00	0.00%
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**1,524.90**	**6.51%**	**1,520.93**	**6.50%**	**3.98**	**0.02%**
8.	**Total applicable KPI**	**23,414.17**	**100.00%**	**23,414.17**	**100.00%**	**23,414.17**	**100.00%**

Template 3: Taxonomy-aligned economic activities (numerator) [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	1.71	0.11%	1.71	0.11%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	6.12	0.39%	6.12	0.39%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.62	0.04%	0.62	0.04%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.54	0.03%	0.54	0.03%	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.46	0.03%	0.46	0.03%	0.00	0.00%
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the numerator** of the applicable KPI	**1,556.01**	**99.40%**	**1,552.19**	**99.15%**	**3.82**	**0.24%**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**1,565.45**	**100.00%**	**1,561.63**	**99.76%**	**3.82**	**0.24%**

Template 3: Taxonomy-aligned economic activities (numerator) [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.07	0.00%	0.07	0.00%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	6.21	0.41%	6.21	0.41%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.13	0.01%	0.13	0.01%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.26	0.02%	0.15	0.01%	0.11	0.01%
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.13	0.01%	0.13	0.01%	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the numerator** of the applicable KPI	**1,522.65**	**99.56%**	**1,518.78**	**99.30%**	**3.87**	**0.25%**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**1,529.44**	**100.00%**	**1,525.46**	**99.74%**	**3.98**	**0.26%**

Template 4: Taxonomy-eligible but not Taxonomy-aligned economic activities [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.02	0.00%	0.02	0.00%	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.45	0.00%	0.45	0.00%	0.00	0.00%
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	2.52	0.01%	2.52	0.01%	-	-
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.20	0.00%	0.20	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**9,127.70**	**38.98%**	**9,123.88**	**38.97%**	**3.82**	**0.02%**
8.	**Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**9,130.89**	**39.00%**	**9,127.07**	**38.98%**	**3.82**	**0.02%**

Template 4: Taxonomy-eligible but not Taxonomy-aligned economic activities [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.03	0.00%	0.03	0.00%	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	2.46	0.01%	2.46	0.01%	-	-
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	3.72	0.02%	3.72	0.02%	-	-
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.03	0.00%	0.03	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**9,196.20**	**39.28%**	**9,142.37**	**39.05%**	**53.83**	**0.23%**
8.	**Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**9,202.44**	**39.30%**	**9,148.61**	**39.07%**	**53.83**	**0.23%**

Template 5: Taxonomy-non-eligible economic activities [capex weighting]

Line	Economic activities	Amount in EUR million	Percentage
1.	Amount and proportion of the economic activity referred to in Line 1 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of the economic activity referred to in Line 2 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.01	0.00%
3.	Amount and proportion of the economic activity referred to in Line 3 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.04	0.00%
4.	Amount and proportion of the economic activity referred to in Line 4 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.01	0.00%
5.	Amount and proportion of the economic activity referred to in Line 5 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0.00%
6.	Amount and proportion of the economic activity referred to in Line 6 of Template 1 that is not Taxonomy-eligible as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0.00%
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not included in Lines 1 to 6 in the denominator of the applicable KPI**	**12,717.76**	**54.32%**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**12,717.83**	**54.32%**

Template 5: Taxonomy-non-eligible economic activities [turnover weighting]

Line	Economic activities	Amount in EUR million	Percentage
1.	Amount and proportion of the economic activity referred to in Line 1 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.28	0.00%
2.	Amount and proportion of the economic activity referred to in Line 2 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0.00%
3.	Amount and proportion of the economic activity referred to in Line 3 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.09	0.00%
4.	Amount and proportion of the economic activity referred to in Line 4 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.01	0.00%
5.	Amount and proportion of the economic activity referred to in Line 5 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0.00%
6.	Amount and proportion of the economic activity referred to in Line 6 of Template 1 that is not Taxonomy-eligible as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.28	0.00%
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not included in Lines 1 to 6 in the denominator of the applicable KPI**	**12,681.61**	**54.16%**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**12,682.28**	**54.17%**

Applicable KPI for Banking Group: GAR FLOW

Template 1: Activities related to nuclear and fossil gases

Line	Activities related to nuclear energy	
1	The undertaking carries out, finances or has exposures to the researching, development, demonstration and construction of innovative power generation plants producing energy from nuclear processes with a minimum amount of fuel cycle waste.	NO
2	The undertaking carries out, finances or has exposures to the safe construction and operation of new nuclear plants for the generation of process power or heat, including for district heating purposes or for industrial processes such as the production of hydrogen, and improvements in their safety, with the help of the best available technologies.	YES
3	The undertaking carries out, finances or has exposures to the safe operation of existing nuclear plants generating process heat or power, including district heating or industrial processes such as the production of hydrogen from nuclear power, and improvements in their safety.	YES
	Activities related to fossil gases	
4	The undertaking carries out, finances or has exposures to the construction or operation of power plants using fossil gaseous fuels.	YES
5	The undertaking carries out, finances or has exposures to the construction, upgrading and management of combined heat/cold generation and power plants using fossil gaseous fuels.	YES
6	The undertaking carries out, finances or has exposures to the construction, upgrading and operation of heat generation plants producing heat/cold using fossil gaseous fuels.	YES

Template 2: Taxonomy-aligned economic activities (denominator) [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**234.33**	**1.00%**	**234.30**	**1.00%**	**0.03**	**0.00%**
8.	**Total applicable KPI**	**23,414.17**	**100.00%**	**23,414.17**	**100.00%**	**23,414.17**	**100.00%**

Template 2: Taxonomy-aligned economic activities (denominator) [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**233.42**	**1.00%**	**233.42**	**1.00%**	**0.01**	**0.00%**
8.	**Total applicable KPI**	**23,414.17**	**100.00%**	**23,414.17**	**100.00%**	**23,414.17**	**100.00%**

Template 3: Taxonomy-aligned economic activities (numerator) [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	-	-	-	-	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the numerator** of the applicable KPI	**234.33**	**100.00%**	**234.30**	**99.99%**	**0.03**	**0.01%**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**234.33**	**100.00%**	**234.30**	**99.99%**	**0.03**	**0.01%**

Template 3: Taxonomy-aligned economic activities (numerator) [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	-	-	-	-	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	-	-	-	-	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	-	-	-	-	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	-	-	-	-	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the numerator** of the applicable KPI	**233.42**	**100.00%**	**233.42**	**100.00%**	**0.01**	**0.00%**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**233.42**	**100.00%**	**233.42**	**100.00%**	**0.01**	**0.00%**

Template 4: Taxonomy-eligible but not Taxonomy-aligned economic activities [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.03	0.00%	0.03	0.00%	-	-
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**1,695.44**	**7.24%**	**1,695.46**	**7.24%**	**-**	-
8.	**Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**1,695.47**	**7.24%**	**1,695.49**	**7.24%**	**-**	-

Template 4: Taxonomy-eligible but not Taxonomy-aligned economic activities [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	-	-	-	-	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.04	0.00%	0.04	0.00%	-	-
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**1,692.89**	**7.23%**	**1,692.90**	**7.23%**	**-**	**-**
8.	**Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**1,692.94**	**7.23%**	**1,692.94**	**7.23%**	**-**	**-**

Template 5: Taxonomy-non-eligible economic activities [capex weighting]

Line	Economic activities	Amount in EUR million	Percentage
1.	Amount and proportion of the economic activity referred to in Line 1 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of the economic activity referred to in Line 2 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-
3.	Amount and proportion of the economic activity referred to in Line 3 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0.00%
4.	Amount and proportion of the economic activity referred to in Line 4 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-
5.	Amount and proportion of the economic activity referred to in Line 5 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0.00%
6.	Amount and proportion of the economic activity referred to in Line 6 of Template 1 that is not Taxonomy-eligible as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not included in Lines 1 to 6 in the denominator of the applicable KPI**	**21,484.37**	**91.76%**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**21,484.37**	**91.76%**

Template 5: Taxonomy-non-eligible economic activities [turnover weighting]

Line	Economic activities	Amount in EUR million	Percentage
1.	Amount and proportion of the economic activity referred to in Line 1 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of the economic activity referred to in Line 2 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-
3.	Amount and proportion of the economic activity referred to in Line 3 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0.00%
4.	Amount and proportion of the economic activity referred to in Line 4 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-
5.	Amount and proportion of the economic activity referred to in Line 5 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-
6.	Amount and proportion of the economic activity referred to in Line 6 of Template 1 that is not Taxonomy-eligible as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	-
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not included in Lines 1 to 6 in the denominator of the applicable KPI**	**21,487.80**	**91.77%**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**21,487.80**	**91.77%**

Applicable KPI for Banking Group: AUM KPI STOCK

Template 1: Activities related to nuclear and fossil gases

Line	Activities related to nuclear energy	
1	The undertaking carries out, finances or has exposures to the researching, development, demonstration and construction of innovative power generation plants producing energy from nuclear processes with a minimum amount of fuel cycle waste.	YES
2	The undertaking carries out, finances or has exposures to the safe construction and operation of new nuclear plants for the generation of process power or heat, including for district heating purposes or for industrial processes such as the production of hydrogen, and improvements in their safety, with the help of the best available technologies.	YES
3	The undertaking carries out, finances or has exposures to the safe operation of existing nuclear plants generating process heat or power, including district heating or industrial processes such as the production of hydrogen from nuclear power, and improvements in their safety.	YES
	Activities related to fossil gases	
4	The undertaking carries out, finances or has exposures to the construction or operation of power plants using fossil gaseous fuels.	YES
5	The undertaking carries out, finances or has exposures to the construction, upgrading and management of combined heat/cold generation and power plants using fossil gaseous fuels.	YES
6	The undertaking carries out, finances or has exposures to the construction, upgrading and operation of heat generation plants producing heat/cold using fossil gaseous fuels.	YES

Template 2: Taxonomy-aligned economic activities (denominator) [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.05	0.00%	0.05	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	34.32	0.09%	34.32	0.09%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	19.50	0.05%	19.50	0.05%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	2.47	0.01%	2.47	0.01%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	1.00	0.00%	1.00	0.00%	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	5.68	0.01%	5.68	0.01%	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**1,553.51**	**4.03%**	**1,489.67**	**3.86%**	**63.85**	**0.17%**
8.	**Total applicable KPI**	**38,566.02**	**100.00%**	**38,566.02**	**100.00%**	**38,566.02**	**100.00%**

Template 2: Taxonomy-aligned economic activities (denominator) [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	12.86	0.03%	12.86	0.03%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	37.44	0.10%	37.44	0.10%	0.00	0.00%
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.55	0.00%	0.55	0.00%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	2.42	0.01%	2.42	0.01%	0.00	0.00%
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.50	0.00%	0.50	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**952.47**	**2.47%**	**919.21**	**2.38%**	**33.26**	**0.09%**
8.	**Total applicable KPI**	**38,566.02**	**100.00%**	**38,566.02**	**100.00%**	**38,566.02**	**100.00%**

Template 3: Taxonomy-aligned economic activities (numerator) [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.05	0.00%	0.05	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	27.86	1.72%	27.86	1.72%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	44.97	2.78%	44.97	2.78%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	1.51	0.09%	1.51	0.09%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	1.61	0.10%	1.61	0.10%	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.64	0.04%	0.62	0.04%	0.01	0.00%
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the numerator** of the applicable KPI	**1,539.90**	**95.26%**	**1,476.07**	**91.31%**	**63.83**	**3.95%**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**1,616.53**	**100.00%**	**1,552.68**	**96.05%**	**63.85**	**3.95%**

Template 3: Taxonomy-aligned economic activities (numerator) [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	13.02	1.29%	13.02	1.29%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	80.15	7.97%	80.15	7.97%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.12	0.01%	0.12	0.01%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	3.18	0.32%	0.29	0.03%	2.90	0.29%
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.29	0.03%	0.29	0.03%	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the numerator** of the applicable KPI	**909.46**	**90.38%**	**879.10**	**87.36%**	**30.36**	**3.02%**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**1,006.24**	**100.00%**	**972.98**	**96.69%**	**33.26**	**3.31%**

Template 4: Taxonomy-eligible but not Taxonomy-aligned economic activities [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.01	0.00%	0.01	0.00%	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.02	0.00%	0.02	0.00%	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.27	0.00%	0.27	0.00%	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	37.04	0.10%	36.84	0.10%	0.20	0.00%
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	76.15	0.20%	76.15	0.20%	-	-
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	2.32	0.01%	2.32	0.01%	-	-
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**1,565.62**	**4.06%**	**1,471.03**	**3.81%**	**94.59**	**0.25%**
8.	**Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**1,681.43**	**4.36%**	**1,586.64**	**4.11%**	**94.79**	**0.25%**

Template 4: Taxonomy-eligible but not Taxonomy-aligned economic activities [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.05	0.00%	0.05	0.00%	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	2.18	0.01%	2.18	0.01%	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	73.57	0.19%	73.57	0.19%	0.00	0.00%
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	108.89	0.28%	108.89	0.28%	0.00	0.00%
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	1.89	0.00%	1.89	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**1,414.61**	**3.67%**	**1,302.02**	**3.38%**	**112.59**	**0.29%**
8.	**Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**1,601.20**	**4.15%**	**1,488.60**	**3.86%**	**112.60**	**0.29%**

Template 5: Taxonomy-non-eligible economic activities [capex weighting]

Line	Economic activities	Amount in EUR million	Percentage
1.	Amount and proportion of the economic activity referred to in Line 1 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0.00%
2.	Amount and proportion of the economic activity referred to in Line 2 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	12.23	0.03%
3.	Amount and proportion of the economic activity referred to in Line 3 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	7.33	0.02%
4.	Amount and proportion of the economic activity referred to in Line 4 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.36	0.00%
5.	Amount and proportion of the economic activity referred to in Line 5 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.71	0.00%
6.	Amount and proportion of the economic activity referred to in Line 6 of Template 1 that is not Taxonomy-eligible as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.06	0.00%
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not included in Lines 1 to 6 in the denominator of the applicable KPI**	**35,247.38**	**91.39%**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**35,268.07**	**91.45%**

Template 5: Taxonomy-non-eligible economic activities [turnover weighting]

Line	Economic activities	Amount in EUR million	Percentage
1.	Amount and proportion of the economic activity referred to in Line 1 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.48	0.00%
2.	Amount and proportion of the economic activity referred to in Line 2 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.78	0.00%
3.	Amount and proportion of the economic activity referred to in Line 3 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	9.52	0.02%
4.	Amount and proportion of the economic activity referred to in Line 4 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.42	0.00%
5.	Amount and proportion of the economic activity referred to in Line 5 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.29	0.00%
6.	Amount and proportion of the economic activity referred to in Line 6 of Template 1 that is not Taxonomy-eligible as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.73	0.00%
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not included in Lines 1 to 6 in the denominator of the applicable KPI**	**35,946.35**	**93.21%**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**35,958.59**	**93.24%**

Applicable KPI for Banking Group: AUM KPI FLOW

Template 1: Activities related to nuclear and fossil gases

Line	Activities related to nuclear energy	
1	The undertaking carries out, finances or has exposures to the researching, development, demonstration and construction of innovative power generation plants producing energy from nuclear processes with a minimum amount of fuel cycle waste.	YES
2	The undertaking carries out, finances or has exposures to the safe construction and operation of new nuclear plants for the generation of process power or heat, including for district heating purposes or for industrial processes such as the production of hydrogen, and improvements in their safety, with the help of the best available technologies.	YES
3	The undertaking carries out, finances or has exposures to the safe operation of existing nuclear plants generating process heat or power, including district heating or industrial processes such as the production of hydrogen from nuclear power, and improvements in their safety.	YES
	Activities related to fossil gases	
4	The undertaking carries out, finances or has exposures to the construction or operation of power plants using fossil gaseous fuels.	YES
5	The undertaking carries out, finances or has exposures to the construction, upgrading and management of combined heat/cold generation and power plants using fossil gaseous fuels.	YES
6	The undertaking carries out, finances or has exposures to the construction, upgrading and operation of heat generation plants producing heat/cold using fossil gaseous fuels.	YES

Template 2: Taxonomy-aligned economic activities (denominator) [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.01	0.00%	0.01	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	15.81	0.04%	15.81	0.04%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	7.82	0.02%	7.82	0.02%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.74	0.00%	0.74	0.00%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.47	0.00%	0.47	0.00%	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	1.84	0.00%	1.84	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**316.48**	**0.82%**	**301.05**	**0.78%**	**15.43**	**0.04%**
8.	**Total applicable KPI**	**38,566.02**	**100.00%**	**38,566.02**	**100.00%**	**38,566.02**	**100.00%**

Template 2: Taxonomy-aligned economic activities (denominator) [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	7.33	0.02%	7.33	0.02%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	14.45	0.04%	14.45	0.04%	0.00	0.00%
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.19	0.00%	0.19	0.00%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.73	0.00%	0.73	0.00%	0.00	0.00%
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.15	0.00%	0.15	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**216.06**	**0.56%**	**204.12**	**0.53%**	**11.94**	**0.03%**
8.	**Total applicable KPI**	**38,566.02**	**100.00%**	**38,566.02**	**100.00%**	**38,566.02**	**100.00%**

Template 3: Taxonomy-aligned economic activities (numerator) [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.01	0.00%	0.01	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	14.11	4.11%	14.11	4.11%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	17.07	4.98%	17.07	4.98%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.40	0.12%	0.40	0.12%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.42	0.12%	0.42	0.12%	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.22	0.06%	0.21	0.06%	0.01	0.00%
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the numerator** of the applicable KPI	**310.94**	**90.61%**	**295.51**	**86.11%**	**15.43**	**4.50%**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**343.17**	**100.00%**	**327.74**	**95.50%**	**15.43**	**4.50%**

Template 3: Taxonomy-aligned economic activities (numerator) [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	7.37	3.09%	7.37	3.09%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	26.19	10.96%	26.19	10.96%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.05	0.02%	0.05	0.02%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	1.23	0.52%	0.09	0.04%	1.14	0.48%
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.07	0.03%	0.07	0.03%	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the numerator** of the applicable KPI	**204.00**	**85.39%**	**193.20**	**80.86%**	**10.80**	**4.52%**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**238.91**	**100.00%**	**226.97**	**95.00%**	**11.94**	**5.00%**

Template 4: Taxonomy-eligible but not Taxonomy-aligned economic activities [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.01	0.00%	0.01	0.00%	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.05	0.00%	0.05	0.00%	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	7.05	0.02%	6.99	0.02%	0.05	0.00%
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	9.84	0.03%	9.84	0.03%	-	-
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.65	0.00%	0.65	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**503.71**	**1.31%**	**481.06**	**1.25%**	**22.66**	**0.06%**
8.	**Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**521.31**	**1.35%**	**498.60**	**1.29%**	**22.71**	**0.06%**

Template 4: Taxonomy-eligible but not Taxonomy-aligned economic activities [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.01	0.00%	0.01	0.00%	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.56	0.00%	0.56	0.00%	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	13.77	0.04%	13.77	0.04%	0.00	0.00%
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	12.82	0.03%	12.82	0.03%	0.00	0.00%
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.35	0.00%	0.35	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**530.24**	**1.37%**	**486.46**	**1.26%**	**43.78**	**0.11%**
8.	**Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**557.75**	**1.45%**	**513.97**	**1.33%**	**43.78**	**0.11%**

Template 5: Taxonomy-non-eligible economic activities [capex weighting]

Line	Economic activities	Amount in EUR million	Percentage
1.	Amount and proportion of the economic activity referred to in Line 1 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0.00%
2.	Amount and proportion of the economic activity referred to in Line 2 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	4.57	0.01%
3.	Amount and proportion of the economic activity referred to in Line 3 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	1.26	0.00%
4.	Amount and proportion of the economic activity referred to in Line 4 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.14	0.00%
5.	Amount and proportion of the economic activity referred to in Line 5 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.47	0.00%
6.	Amount and proportion of the economic activity referred to in Line 6 of Template 1 that is not Taxonomy-eligible as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.02	0.00%
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not included in Lines 1 to 6 in the denominator of the applicable KPI**	**37,695.07**	**97.74%**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**37,701.54**	**97.76%**

Template 5: Taxonomy-non-eligible economic activities [turnover weighting]

Line	Economic activities	Amount in EUR million	Percentage
1.	Amount and proportion of the economic activity referred to in Line 1 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.19	0.00%
2.	Amount and proportion of the economic activity referred to in Line 2 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.11	0.00%
3.	Amount and proportion of the economic activity referred to in Line 3 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	1.71	0.00%
4.	Amount and proportion of the economic activity referred to in Line 4 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.16	0.00%
5.	Amount and proportion of the economic activity referred to in Line 5 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.11	0.00%
6.	Amount and proportion of the economic activity referred to in Line 6 of Template 1 that is not Taxonomy-eligible as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.29	0.00%
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not included in Lines 1 to 6 in the denominator of the applicable KPI**	**37,766.79**	**97.93%**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**37,769.36**	**97.93%**

Applicable KPI for the Insurance Group: INVESTMENT-RELATED KPI

Template 1: Activities related to nuclear and fossil gases

Line	Activities related to nuclear energy	
1	The undertaking carries out, finances or has exposures to the researching, development, demonstration and construction of innovative power generation plants producing energy from nuclear processes with a minimum amount of fuel cycle waste.	YES
2	The undertaking carries out, finances or has exposures to the safe construction and operation of new nuclear plants for the generation of process power or heat, including for district heating purposes or for industrial processes such as the production of hydrogen, and improvements in their safety, with the help of the best available technologies.	YES
3	The undertaking carries out, finances or has exposures to the safe operation of existing nuclear plants generating process heat or power, including district heating or industrial processes such as the production of hydrogen from nuclear power, and improvements in their safety.	YES
	Activities related to fossil gases	
4	The undertaking carries out, finances or has exposures to the construction or operation of power plants using fossil gaseous fuels.	YES
5	The undertaking carries out, finances or has exposures to the construction, upgrading and management of combined heat/cold generation and power plants using fossil gaseous fuels.	YES
6	The undertaking carries out, finances or has exposures to the construction, upgrading and operation of heat generation plants producing heat/cold using fossil gaseous fuels.	YES

Template 2: Taxonomy-aligned economic activities (denominator) [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.04	0.00%	0.04	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	17.86	0.05%	17.86	0.05%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	12.21	0.04%	12.21	0.04%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	1.18	0.00%	1.18	0.00%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.51	0.00%	0.51	0.00%	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	3.45	0.01%	3.45	0.01%	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**694.54**	**2.05%**	**667.30**	**1.97%**	**27.24**	**0.08%**
8.	**Total applicable KPI**	**33,852.24**	**100.00%**	**33,852.24**	**100.00%**	**33,852.24**	**100.00%**

Template 2: Taxonomy-aligned economic activities (denominator) [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.76	0.00%	0.76	0.00%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	33.24	0.10%	33.24	0.10%	0.00	0.00%
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.16	0.00%	0.16	0.00%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	1.51	0.00%	1.50	0.00%	0.01	0.00%
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.33	0.00%	0.33	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**414.80**	**1.23%**	**404.12**	**1.19%**	**10.68**	**0.03%**
8.	**Total applicable KPI**	**33,852.24**	**100.00%**	**33,852.24**	**100.00%**	**33,852.24**	**100.00%**

Template 3: Taxonomy-aligned economic activities (numerator) [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.04	0.01%	0.04	0.01%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	11.41	1.56%	11.41	1.56%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	29.87	4.09%	29.87	4.09%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.81	0.11%	0.81	0.11%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	1.20	0.16%	1.20	0.16%	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.36	0.05%	0.35	0.05%	0.01	0.00%
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the numerator** of the applicable KPI	**686.10**	**94.01%**	**658.86**	**90.28%**	**27.24**	**3.73%**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**729.79**	**100.00%**	**702.55**	**96.27%**	**27.24**	**3.73%**

Template 3: Taxonomy-aligned economic activities (numerator) [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.91	0.20%	0.91	0.20%	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	40.17	8.91%	40.17	8.91%	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.06	0.01%	0.06	0.01%	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	1.72	0.38%	0.23	0.05%	1.48	0.33%
6.	Amount and proportion of Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the numerator of the applicable KPI	0.21	0.05%	0.21	0.05%	-	-
7.	**Amount and proportion of other Taxonomy-aligned economic activities not included in lines 1 to 6 in the numerator** of the applicable KPI	**407.74**	**90.45%**	**398.53**	**88.41%**	**9.21**	**2.04%**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**450.80**	**100.00%**	**440.11**	**97.63%**	**10.69**	**2.37%**

Template 4: Taxonomy-eligible but not Taxonomy-aligned economic activities [capex weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.01	0.00%	0.01	0.00%	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.20	0.00%	0.20	0.00%	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	25.38	0.07%	25.38	0.07%	-	-
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	33.59	0.10%	33.59	0.10%	-	-
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	1.65	0.00%	1.65	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**948.90**	**2.80%**	**948.90**	**2.80%**	**-**	**-**
8.	**Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**1,009.73**	**2.98%**	**1,009.73**	**2.98%**	**-**	**-**

Template 4: Taxonomy-eligible but not Taxonomy-aligned economic activities [turnover weighting]

Line	Economic activities	Amount and proportion (present information in monetary amounts and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.00	0.00%	0.00	0.00%	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	0.05	0.00%	0.05	0.00%	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	1.74	0.01%	1.74	0.01%	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	43.39	0.13%	43.39	0.13%	-	-
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	49.98	0.15%	49.98	0.15%	-	-
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity, as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139, in the denominator of the applicable KPI	1.12	0.00%	1.12	0.00%	-	-
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not included in lines 1 to 6 in the denominator of the applicable KPI**	**977.11**	**2.89%**	**977.11**	**2.89%**	**-**	**-**
8.	**Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**1,073.39**	**3.17%**	**1,073.39**	**3.17%**	**-**	**-**

Template 5: Taxonomy-non-eligible economic activities [capex weighting]

Line	Economic activities	Amount in EUR million	Percentage
1.	Amount and proportion of the economic activity referred to in Line 1 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0.00%
2.	Amount and proportion of the economic activity referred to in Line 2 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	6.44	0.02%
3.	Amount and proportion of the economic activity referred to in Line 3 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	3.60	0.01%
4.	Amount and proportion of the economic activity referred to in Line 4 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.10	0.00%
5.	Amount and proportion of the economic activity referred to in Line 5 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.13	0.00%
6.	Amount and proportion of the economic activity referred to in Line 6 of Template 1 that is not Taxonomy-eligible as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.02	0.00%
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not included in Lines 1 to 6 in the denominator of the applicable KPI**	**32,091.32**	**94.80%**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**32,101.59**	**94.83%**

Template 5: Taxonomy-non-eligible economic activities [turnover weighting]

Line	Economic activities	Amount in EUR million	Percentage
1.	Amount and proportion of the economic activity referred to in Line 1 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.48	0.00%
2.	Amount and proportion of the economic activity referred to in Line 2 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.90	0.00%
3.	Amount and proportion of the economic activity referred to in Line 3 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	5.07	0.01%
4.	Amount and proportion of the economic activity referred to in Line 4 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.12	0.00%
5.	Amount and proportion of the economic activity referred to in Line 5 of Template 1 that is not Taxonomy-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.07	0.00%
6.	Amount and proportion of the economic activity referred to in Line 6 of Template 1 that is not Taxonomy-eligible as defined in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.54	0.00%
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not included in Lines 1 to 6 in the denominator of the applicable KPI**	**32,307.68**	**95.44%**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**32,314.87**	**95.46%**

2.2 ESRS E1 Climate change

2.2.1 Material impacts, risks and opportunities and their interaction with strategy and business model

[SBM-3 DP 48 a]

IRO Description[39]	IRO category	Connection with value chain
Climate change mitigation/Energy		
Generation of direct and indirect GHG energy emissions (Scopes 1 and 2)	Actual negative impact	Own operations
Generation of indirect GHG emissions (Scope 3)	Actual negative impact	Downstream value chain
Supporting the transition through ESG investment policies	Actual positive impact	Downstream value chain
Increased financial availability for customers interested in purchasing/renovating green buildings and/or purchasing green vehicles	Actual positive impact	Downstream value chain
Mitigation of climate impact through dematerialisation of the product and service offering	Actual positive impact	Downstream value chain
Increase in the market share of green mortgages, improvement in asset "quality" and improvement in reputation, particularly towards the financial community (e.g. GAR)	Opportunities	Value chain
Climate change mitigation/Energy		
Offering insurance products that support climate change adaptation	Potential positive impact	Downstream value chain

For details on risks, see the ESRS 2 "General disclosures" section (see the paragraph "Impacts, risks and opportunities management", Disclosure Requirement E1.IRO 1).

[E1.SBM-3 DP 18]

Taking into account the regulatory framework, the recommendations and instructions provided by the various international bodies and Supervisory Authorities in the assessment of the risks to which it is exposed, the Mediolanum Group identified and mapped the risks associated with climate change attributable to two risk factors: physical risks and transition risks.

To this end, with reference to the identification of climate-related and environmental risk factors, the Group mainly relied on the contribution made by the European Central Bank within the framework of the "Guide on climate-related and environmental risks - Supervisory expectations relating to risk management and disclosure". In fact, within the Guide, the ECB provides a list of risk drivers that, through specific transmission channels, cause climate-related and environmental risks to have an impact on the traditional risk categories of financial intermediaries. The table below shows the climate-related and environmental risk factors as defined by the Supervisory Bodies (under the European Central Bank's "Guide on climate-related and environmental risks - Supervisory expectations relating to risk management and disclosure" of 2020) and divided between physical and transition risk:

[39] For details on risks, see the ESRS 2 "General disclosures" section (see the paragraph "Impacts, risks and opportunities management", Disclosure Requirement E1.IRO 1).

Risk drivers Physical risk Climate-related	 Environmental[40]	Transition risk Climate-related	 Environmental
• Extreme weather events • Chronic weather conditions	• Water stress • Resource scarcity • Biodiversity loss • Pollution • Other	• Regulatory policies • Technology • Market confidence	• Regulatory policies • Technology • Market confidence

[EI.SBM-3 DP 19 a]

The Mediolanum Group uses the ICAAP as a tool to analyse its own business resilience, assessing the extent to which the impacts of stress test scenarios may affect the Group's results of operations and financial position. With the help of this tool, Mediolanum measures the ability of the Group and of its business model to respond to adverse market conditions.

With a view to managing ESG risks, following an overall evolution of the stress testing framework, an aspect relating to the identification and classification of risks was incorporated into the 2024 ICAAP report: in particular, the methodology for identifying and mapping risks was reviewed and the relevant Policy updated, introducing a more precise quantification of each risk considered significant.

In order to achieve full compliance with regulatory requirements, climate risk was also incorporated into the stress test framework. In particular, adverse weather scenarios were added and the effects on the assets under management portfolio (through quantification of physical risk and transition risk), the retail loans portfolio (climate-adjusted LGD) and the proprietary securities portfolio were calculated.

In the implementation of the ICAAP, a range of scenarios has been considered with the aim of assessing the impact on the 2024–2026 Plan of shocks with different causes and various modes of propagation and combinations. It should be noted that in the scenarios analysed, a Conglomerate perspective is considered, incorporating the impacts of the insurance sector. This involves calculating the effects of material insurance values at the Conglomerate level, focusing from time to time on those principally affected by the assumptions of the scenario considered (such as, by way of example, fees and commissions or net interest income). The scenarios considered consist of two macroeconomic scenarios and three thematic scenarios; within these, climate-related risk is included, in order to assess how climate change may affect the Group's business. The impacts may differ, depending on the overall path to be taken in terms of emissions targets. The potential impacts of climate change and climate events may differ, depending on the overall path to be taken in terms of the green objectives to be achieved. The climate analysis of this ICAAP starts with the scenarios produced by the Network for Greening the Financial System (NGFS). These scenarios represent different combinations of objectives and implementation timelines, and therefore different profiles in terms of the risks characterising the climate world: transition risk and physical risk.

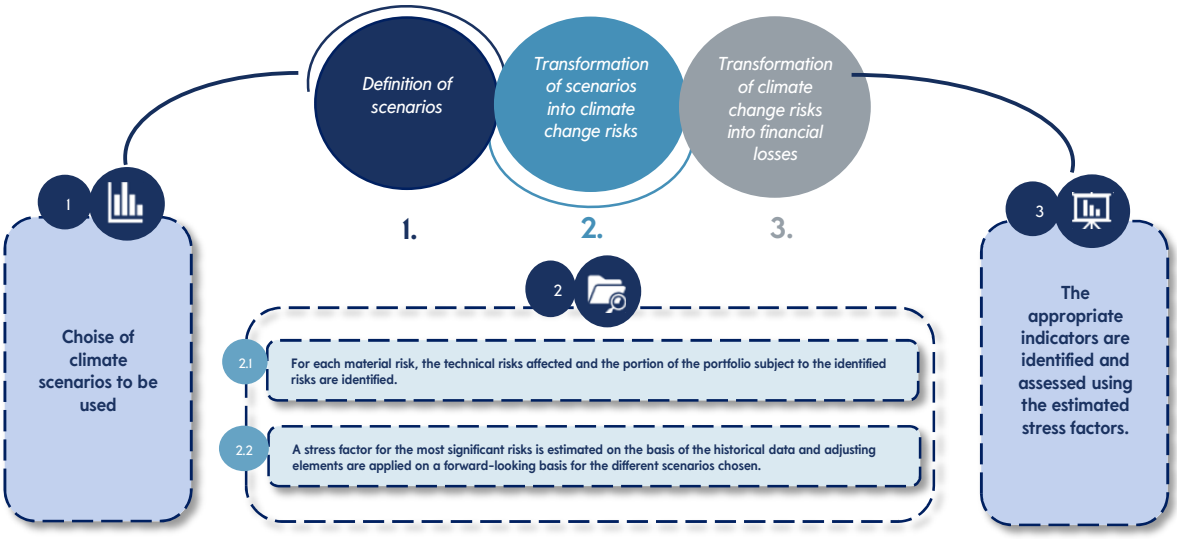
Transition risk predominantly affects the value of financial instruments such as equities and bonds, as tighter emissions targets mean higher costs for companies that are required to meet them within tight deadlines. In contrast, physical risk has a greater impact on Banca Mediolanum's loan portfolio, particularly risk secured by property.

[40] The physical environmental risks were not found to be material in the double materiality assessment.

With specific reference to the scope of the Insurance Group, the activities and main results arising from the Own Risks and Solvency Assessment (ORSA) are shown below: the document meets the requirements introduced by the Solvency II legislation and IVASS Regulation No. 32 of 9 November 2016 on the ORSA and sets the objective, for the Italian Companies and Insurance Groups, of carrying out a current and forward-looking assessment of their risk profile and preparing a report describing the results, conclusions and approach adopted for transmission to the Supervisory Authority by the set date.

The document describes the methods and assumptions used to determine the total solvency requirements and risk mitigation techniques and managerial initiatives used by the Mediolanum Insurance Group to manage significant measurable or non-measurable risks, in accordance with regulatory provisions. Alongside what has been indicated for the ICAAP, the ORSA is the operating method used by the Mediolanum Insurance Group to manage and assess its business resilience, including with regard to the risk factors associated with sustainability matters. In particular, the ORSA describes the quantitative analyses (stress testing techniques and scenario analysis) performed on significant risk factors, indicating the assumptions and results. These analyses include the stress assumptions taken into account in changes in the macroeconomic scenario, the impact that such changes could also have on the forward-looking adequacy of the securities portfolio with respect to the commitments assumed towards the insured by the Mediolanum Insurance Group and the individual Companies that make it up, when the stress assumptions considered occur, as well as any initiatives that might be implemented, in the various scenarios, in order to ensure sound and prudent risk management.

With regard to the climate stress scenarios considered, the approach used by the Insurance Group is consistent with the Climate Risk Guidelines defined at the level of the Financial Conglomerate, taking into account the specific regulatory characteristics of the sector. Since a true market-level best practice has not yet been established and given the lack of the data on projections over a long time horizon required for the purposes of the analyses, for the scenarios and stress factors described, reference is mainly made to historical data on the impacts of each risk considered, studies and public sources. The methodology used is based on the general EIOPA guidelines, divided into three steps as described below:



The approach described involves defining a specific methodology of assessment through climate change scenarios that affects three different risks associated with the business of the Mediolanum Assicurazioni Group.

- Life underwriting risks;
- Non-Life underwriting risks;
- Market risks.

[EI.SBM-3 DP 19 b]

The Mediolanum Group assesses its ability to withstand, and adapt promptly to, changing conditions arising from short- and long-term climate change, verifying its capital adequacy through specific climate stress test scenarios. This activity is periodically described in the ICAAP and ORSA reports, with regard to the scope of the Conglomerate and the Mediolanum Insurance Group, respectively.

In particular, the ICAAP report makes it possible to investigate the processes of identification, measurement, management and monitoring of capital adequacy carried out by the Mediolanum Banking Group through a perspective of connection with the Parent Company's governance functions, operational impacts in the ordinary management of the banking business and the potential evolving lines of development of the process. The process described is periodically analysed and verified through the regular reviewing and updating of the ICAAP report. The information provided in this document refers to the 2024 ICAAP, which was approved by the Board of Directors of Banca Mediolanum on 27 March 2024, in its capacity as Parent Company of the Banca Mediolanum Group.

The ORSA report, meanwhile, sets out the forward-looking assessment of the risk profile of the Mediolanum Insurance Group on the basis of the following elements:

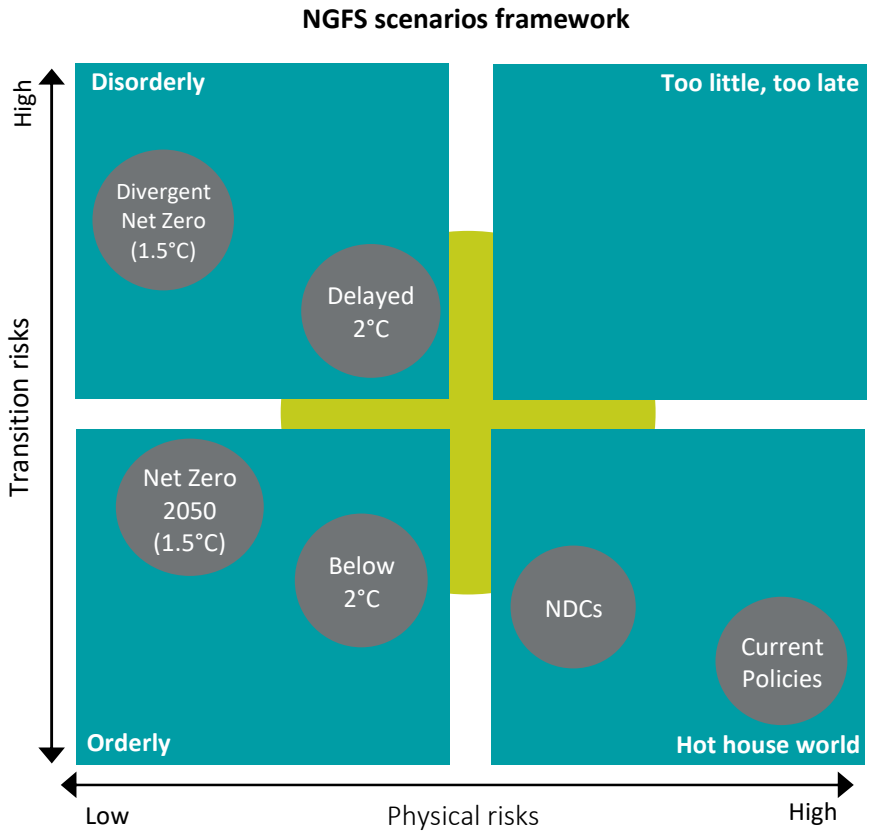
- the forward-looking risk profile and possible changes to this profile;
- overall solvency needs, in both quantitative and qualitative terms, including in the medium term;
- the link between the risk profile and overall solvency needs;
- the significant risk factors that will be subject to additional analysis, including stress tests, reverse stress tests and scenario analyses;
- coverage of the solvency requirement with the undertaking's own funds;
- compliance on an ongoing basis with technical provisions, capital requirements and the composition of own funds;
- the assessments made by the Mediolanum Insurance Group in the context of adequacy with the application of the Standard Formula to the risk profile of the same.

The ORSA report of the Insurance Group was produced by the Risk Management Function of Mediolanum Vita, in coordination with Senior Management and the other Offices involved in the assessment, following the approval of the Board of Directors on 16 May 2024.

Within the 2024 ICAAP, following the evolution and updating process, the Mediolanum Group integrated the NGFS (Network for Greening the Financial System) stress scenarios, in order to assess the trend in socio-economic parameters in various combinations of severity characterising climate risk (transition and physical). The impact of these climate scenarios was assessed according to various aspects: the value of assets under management and fee margins, the fair value and ECL (expected credit loss) of the proprietary securities portfolio, and the PD (probability of default) and LGD (loss given default) parameters of the retail loan portfolio.

In particular, two ICAAP scenarios were analysed with reference to climate risk, both produced by the Network for Greening the Financial System (NGFS):

- The Divergent Net Zero (DNZ) scenario, in which the net zero target is reached by around 2050. This climate scenario mainly has an impact on assets under management and proprietary portfolios, as the timing of achieving the objectives is challenging and involves significant costs for companies;
- The second scenario analysed was the Nationally Determined Contributions (NDC) scenario. In this scenario, the climate targets already agreed and potentially yet to be implemented by the States are considered. This scenario therefore has less impact on companies in terms of timescales and costs, but is characterised by greater physical risk. For this reason, the scenario is applied to the assets under management world and to the loan portfolio secured by Banca Mediolanum's properties.



Description of under 1.5° scenario

The first climate scenario applies stress to active mortality and portfolio rates, considering:

- on the underwriting side, the RCP 4.5 scenario, corresponding to an increase in temperature of 2.5°to 3° compared with pre-industrial levels. It is a stabilisation scenario in which the radiative force stabilises shortly after 2100, without exceeding the target levels in the long run. It was developed by the GCAM modelling team at the Pacific Northwest National Laboratory's Joint Global Change Research Institute (JGCRI) in the United States;
- on the market side, the Divergent Net Zero (DNZ) 1.5° scenario, characterised by low physical risk and high transition risk.

Description of the over 2° scenario

The second climate scenario applies stress to active mortality and portfolio rates, considering:

- on the underwriting side, the RCP 8.5 scenario, corresponding to an increase in temperature of 4° to 4.5° compared with pre-industrial levels. This is a scenario of a growing increase in greenhouse gas emissions over time. It represents scenarios in the literature that lead to a strong concentration of greenhouse gases in the atmosphere. It was developed using the MESSAGE model and the IIASA Integrated Assessment Framework of the International Institute for Applied Systems Analysis (IIASA), Austria;
- on the market side, the NGFS Nationally Determined Contributions (NDCs) 3.0° scenario, characterised by high physical risk and low transition risk.

[EI.SBM-3 DP AR 7 b]

For the purposes of identifying potential material events and projecting the relative impacts with respect to the business model, through the ICAAP, the Mediolanum Group carries out forward-looking analyses which,

according to specific stress climate scenarios, allow the effects to be verified over a three-year time horizon (2024-2026).

As proof of the importance that the Mediolanum Group attaches to pursuing the climate transition, it is committed to defining a Transition Plan, which is currently in development. In particular, as of subsequent reporting periods, specific details will be provided regarding the Mediolanum Group's objectives for reducing GHG emissions, over different time horizons.

[EI.SBM-3 DP 19 c]

With reference to the above, the analyses of climate risk scenarios for ICAAP purposes verified the resilience of the Mediolanum Group's business model, with a particular focus on the Group's two main businesses of credit and asset management. In this regard, the following is a summary of the results of the analyses carried out on these business segments over the short-medium and long term.

Credit - short/medium term

The application of the stress scenario relating to climate risk on Banca Mediolanum's loan portfolio has a negligible effect, equal to around one million over the ICAAP time horizon of three years, with an impact on the income statement in line with the base scenario.

Credit - long term

The stress analysis shows that, all else being equal, the application of a long-term climate risk scenario over 30 years has an impact of approximately 13% on the performing ECL (Expected Credit Loss) projected to date and is therefore negligible in terms of comprehensive income.

Asset management - short/medium term

At the portfolio level, a potential change in the value of assets under management in the short term (one year) is estimated of -0.5% in the Nationally Determined Contributions (NDC) scenario and -1.9% in the Divergent Net Zero (DNZ) scenario.

Over a medium-term (three-year) time horizon, the potential losses would rise to -0.6% and -3.3% in the NDC and DNZ scenarios, respectively.

The application of the selected NGFS scenarios on the managed portfolio shows that the effect would be negligible in terms of impact on the income statement.

Asset management - long term

The scenario analysis performed shows that, with the same asset allocation, the cumulative impacts on the value of assets under management are between -5% for the NDC scenario and -10% for the DNZ scenario, over the long term (year 2050). For a comparability analysis, the changes in assets under management indicated above are updated to the current date. The estimated impact would not have a significant capital effect.

ORSA – Under 1.5° scenario results (focus on market risks)

The SCR decreases, due in particular to a decrease in the SCR lapse, in the underwriting context, with a substantial lack of change on the market side. Own Funds decrease, due to a reduction in future profits. The Non-Life company records an increase in the catastrophe sub-module in both health and underwriting. The change in Own Funds is commensurate with that of the SCR. The surplus is reduced by an average of 6% in all years of the plan. The coverage ratio is always higher than the Risk Appetite level defined in the SRA of the Mediolanum Insurance Group, showing an increasing trend over the plan period.

ORSA – Over 2° scenario results (liquidity indicators)

The SCR decreases, due in particular to a decrease in the SCR lapse, in the underwriting context, with a substantial lack of change on the market side. Own Funds decrease, due to a reduction in future profits.

The Non-Life company records an increase in the catastrophe sub-module in both health and underwriting. The change in Own Funds is commensurate with that of the SCR. The surplus is reduced by an average of 4% in all years of the plan. The coverage ratio is always higher than the Risk Appetite level defined in the SRA of the Mediolanum Insurance Group, showing an increasing trend over the plan period.

With regard to the Insurance Group, the approach adopted for the purposes of assessing resilience to climate-related and environmental risks is consistent with the Climate Risk Guidelines provided by the Mediolanum Financial Conglomerate, taking into account the specific regulatory characteristics of the sector. Consistent with the EIOPA regulations, from 2022 onwards, the Mediolanum Insurance Group introduced a qualitative assessment of two climate scenarios into the ORSA analysis:

- increase in temperature - remains below 2°C, preferably not above 1.5°C;
- increase in temperature - exceeds 2°C.

In 2023, the Mediolanum Insurance Group introduced in the ORSA report a quantitative impact assessment of the climate scenarios described above. the Solvency Capital Requirement, Own Funds and Solvency Ratio were calculated in stress situations and the impact was not material, demonstrating, to date, that the response of the Mediolanum Insurance Group to this type of scenario is adequate.

[EI.SBM-3 DP AR 8 b]

To confirm the importance that Banca Mediolanum places on adapting its strategy and business model to climate change, the Group is committed to pursuing and achieving specific objectives, defined and approved within the Sustainability Plan. In fact, this Plan, in line with the projects planned in the Group's sustainability path and in accordance with the results of the double materiality process, places a particular focus on environmental matters, implementing specific climate impact assessments and monitoring to this end.

With a view to assessing the Group's business resilience in the short, medium and long term, Banca Mediolanum carries out focused activities to identify the impacts, risks and opportunities relating to climate change, defining targets consistent with the Group's commitments, particularly in relation to the Group's two main businesses of credit and asset management.

With regard to lending activities, the Bank has defined a Sustainability Plan that bases its foundations on the importance that the transition to a sustainable economy has for the Group, through:

- the provision of green mortgages, with initiatives projected over the course of the plan to promote the development of green credit, supporting and raising awareness among households of the purchase of energy-efficient properties;
- loans to support energy efficiency, supporting customer investment through specific renovation financing products, to improve the energy class of buildings, and services to define measures to improve energy efficiency;
- support for companies that demonstrate a strong commitment to the environment through investments aimed at reducing CO_2 emissions, including by promoting increasingly innovative digital products and services.

In the same way, the Group intends to focus on investments, using the impetus provided by the European Central Bank, to embark on a process of gradual internalisation of climate matters into internal risk, organisational and business processes and safeguards.

In the area of investments, Group Companies that act as financial market participants (FMPs) have been including climate change in their investment policies for some time. The climate factor is, in fact, the basis of measurement metrics, including:

- The E component of the ESG rating;
- PAI 1 – Absolute CO_2 emissions, a priority for the Group Companies;
- PAI 2 – Carbon footprint, a priority for the Group Companies;
- PAI 3 – Carbon intensity, a priority for the Group Companies;
- Additional PAI 4 - Investments made in companies that do not take initiatives to reduce carbon emissions, chosen by Group Companies as an additional environmental PAI.

In addition, with a view to setting objectives consistent with the European carbon neutrality guidelines, the Group has assessed the adoption of specific climate indicators to measure the current and prospective positioning of investments.
With regard to investment activities, the Mediolanum Group takes environmental risk factors into account through the analysis and monitoring of the E component of the ESG rating assigned to each investment product and through the monitoring of principal adverse impacts (PAI), i.e. the negative effects of investments on sustainability factors as defined by Regulation (EU) 2019/2088. In particular, in the "climate and environment" area, among the mandatory indicators of principal adverse impacts, the Bank has decided to prioritise matters relating to greenhouse gas emissions.
As well as the metrics mentioned above, in order to expand its monitoring of climate in the area of investments, the Mediolanum Group has adopted additional specific climate indicators:

- Weighted Average Carbon Intensity (WACI): a backward-looking indicator that represents the weighted average of the ratio of CO_2 emissions to the revenues of investee companies and indicates how carbon-intensive the business models of the investee companies are;
- Implied Temperature Rise (ITR): a forward-looking indicator that estimates how well companies and investment portfolios are aligned with international global warming containment targets.

In line with the provisions of the Sustainability Plan, these investment climate indicators will be monitored in order to define any targets and objectives that relate to them over the course of the plan.

2.2.2 Transition plan for climate change mitigation

[EI-1 DP 17]

The Mediolanum Group has embarked on a path towards the definition of a transition plan for climate change mitigation. Although the formal climate transition plan is planned for FY 2025, the Group has already started preliminary analyses and identified strategic initiatives focused on own emissions (Scopes 1, 2 and 3, Categories 1-14) and financed emissions (Scope 3, Category 15). In particular, ESRS E1 – Climate Change requires companies to assess and manage the risks and opportunities associated with climate change, take effective action to reduce emissions and, in particular, define a transition plan that ensures alignment with the objectives set out in the Paris Agreement, based on scientific targets (ESRS E1-1).
This commitment is not only a matter of compliance with European regulations, but also a strategic lever for consolidating the Bank's leading role in sustainability and ensuring its resilience and competitiveness in the long term.

Analysis of own GHG emissions

As part of the climate transition plan, an analysis of own emissions was carried out, separated into direct emissions (Scope 1), indirect emissions from the consumption of purchased energy (Scope 2 market-based) and indirect emissions from the value chain (Scope 3, Categories 1-14), with the aim of ensuring a complete and detailed understanding of their climate impact.
The in-depth analysis of own emissions was conducted in order to assess possible clear and ambitious reduction targets, aligned with the containment of global warming to 1.5°C in line with the Paris Agreement, aimed at establishing a decarbonisation plan that includes measures to reduce Scope 1 and Scope 2 emissions.
During 2025, possible initiatives will be examined to optimise the company fleet, improve the efficiency of the trigeneration plants and increase purchases of electricity from renewable sources.
With regard to indirect Scope 3 emissions, following the review of the Group's current stock of GHG emissions, the possibility of defining specific reduction targets in this area will be assessed.

Analysis of financed GHG emissions: Loan and investment portfolios

In the context of the climate transition plan, particular attention was paid to the analysis of the financed emissions relating to the portfolios of loans and investments, which make up approximately 90% of the total emissions of the Mediolanum Group.

The analysis of emissions in the loan portfolio focused on two main components: residential mortgages (which account for approximately 88% of financed emissions of the loan portfolio) and corporate loans.

Meanwhile, the analysis of the Group's investment portfolio was conducted taking into account both the managed portfolio (asset gatherer) and the proprietary portfolio (asset owner). For both portfolios, an in-depth analysis was carried out of the breakdown in terms of geographies and sector allocation.

While the formal climate transition plan will be completed in 2025, the analyses and initiatives already undertaken form the basis for setting emissions reduction targets.

In detail, project activities were planned in January 2025, including: the definition of a detailed operational plan, divided into specific activities, working groups, designated managers and priorities in line with company objectives and regulatory deadlines; the collection and analysis of existing data, with a targeted in-depth analysis of the different types of emissions; and the reviewing and updating of the benchmark analysis, taking into account the most recent publications of the main players in the financial sector.

[EI-4 DP 32; 33]

As previously indicated, the Mediolanum Group has not set emission reduction targets for 2024, as the climate transition plan will be completed in 2025. The following paragraphs set out the Group's climate-related objectives. For further details please refer to the dedicated paragraph (Financed GHG Emissions – Credit; Targets section; MDR-T DP 80).

2.2.3 Own GHG emissions

The Group's approach and policies

Banca Mediolanum and the Group Companies are constantly committed to minimising the environmental impact generated by businesses through the adoption of policies for the optimisation of consumption and the management of natural resources and waste. In addition to the use of certified management systems, energy from renewable sources and systems for saving energy and resources in the offices, Mediolanum believes that awareness among employees of the adoption of increasingly environmentally friendly behaviour plays a central role in reducing the environmental impact of working activities.

Over the years, the Mediolanum Group has developed various Policies designed to ensure the proper management of the above impacts. In addition to the Code of Ethics and the Mediolanum Group's Sustainability Policy, which set out its approach and general guidelines, the main Policy for managing impacts related to own GHG emissions is the Policy on Workplace and Environmental Health and Safety.

[EI-2 DP 24]

IRO: Generation of direct and indirect GHG energy emissions (Scopes 1 and 2)

Mediolanum Group Sustainability Policy

The Mediolanum Group has adopted a "Sustainability Policy" that describes the various material sustainability topical areas, i.e. the "Responsibilities". From the point of view of environmental responsibility, the Mediolanum Group is committed to plans and activities intended to reduce environmental impacts. The "climate change" topic represents the importance of the matter for the Group, and guides its ongoing commitment to adapting and mitigation the environmental impacts generated by the business activity. This involves policies to optimise energy consumption and management of natural resources and waste, use of certified management systems, energy from renewable sources, systems to save energy and resources in offices, dematerialisation of products and services through the digitalisation of documentation and raising awareness of employees on environmentally compatible conduct. From the point of view of indirect impacts, it involves, with regard to investments, taking

climate change into account in the Group's investment policies and, with regard to financing activities, promoting facilitated financing solutions to support sustainable choices and encourage responsible customer behaviour. Furthermore, the Group has pursued its continuous improvement of the sustainable management of events due to environmental impacts, focusing its attention on standards in accordance with ISO 20121 standards.

[EI-2 DP 24]

Policy on Workplace and Environmental Health and Safety

The Mediolanum Group adopted a Policy on Workplace and Environmental Health and Safety, the latest update of which was approved in 2023, which formalises the principles on which the Group bases its management of workplace health and safety and the environment, implementing the reference standards indicated by the UNI EN ISO 14001:2015 and UNI EN ISO 45001:2023 international standards. In particular, with regard to the environment, four areas of responsibility have been identified (purchase and consumption of sustainable products, energy and climate change, waste management and culture of environmental protection) that are applied in the path of implementation of the integrated management system and are set out in specific objectives. In order to pursue a model that aspires to continuous improvement, the Mediolanum Group Companies incorporated under Italian law have embarked on a process of UNI EN ISO 14001 certification, with the aim of providing the tools for the organisation to define an organisational management system, capable of defining impacts and implementing the activities necessary not only to monitor these, but to prevent them, improve them and increase their performance. The head of the integrated management system is the person appointed by the Employer who ensures the correct implementation and application of the processes of the integrated management system, also checking, updating and managing the system documentation.

In addition to the implementation of an ISO 14001-certified environmental management system certifying the development of the business in respect of the natural environment and pollution prevention, the Banco Mediolanum subsidiary has since 2018 implemented an energy management system compliant with ISO 50001 for more efficient and sustainable energy use. In 2023, both certifications were renewed. During 2020, ISO 14001 certification was also obtained by the Irish Group Companies.

The objectives of the Policy are aimed at various stakeholders, ranging from Group employees, suppliers and/or contractors, to non-employees and third parties in general who are in the workplace. The Policy is issued by Banca Mediolanum as the Parent Company of the Mediolanum Conglomerate and is adopted by the Subsidiaries it covers. The updating and review of the Policy is the responsibility of the Head of the Health Safety Security & Environment (HSSE) Section in the role of "Head of the Management System", in coordination with the other organisational units and following verification by the Employer, in order to ensure that the organisation is continually compliant and appropriate for the pursuit of the objectives indicated.

The main legislative and regulatory references to workplace health and safety and environmental protection used in the implementation of the Policy are Legislative Decree No. 81/2008 "Implementation of Article 1 of Law 123 of 3 August 2007 on the protection of health and safety in the workplace"; Legislative Decree No. 152/2006 "Environmental standards"; UNI EN ISO 45001:2023 "Occupational health and safety management system" and UNI EN ISO 14001:2015 "Environmental management systems".

The Group is committed to periodically analysing the needs and expectations of workers and stakeholders in terms of workplace health and safety and the environment, encouraging and soliciting their active participation, and to disseminating the Policy, making it known and available, in particular, to all stakeholders, with the aim of making them aware of the commitments made by the organisation in the area of workplace health and safety and the environment. The Group undertakes to disseminate and make available and easily accessible the documentation on workplace health and safety, including management documents, to the various actors (e.g. workers, customers/suppliers, supervisory authorities/bodies, etc.) based on the various levels of authorisation.

[EI-2 DP 25]

The GHG own emissions policies described above relate to climate change mitigation, energy efficiency and the dissemination of renewable energy.

Actions

[EI-3 DP 28; 29 a; 29 b; 29 ci; 29 cii; 29 ciii]

IRO: Generation of direct and indirect GHG energy emissions (Scopes I and 2)

With regard to the environment, in the context of the integrated management system, areas of responsibility and objectives are identified. The actions taken for each area of responsibility are set out below.

Energy and climate change – Energy efficiency measures

The Mediolanum Group is committed to researching and adopting energy solutions, referring to the highest market standards, characterised by reduced emissions and high energy performance for the operation of buildings, in strict compliance with regulations.

With regard to energy efficiency, during 2024, the use of smart working made it possible to moderate the operation of the building heating and cooling systems, while maintaining the minimum comfort level in each building. In order to increase the efficiency of the systems through devices designed to monitor and regulate machinery and processes, called PLC (Programmable Logic Controller), a feasibility study of a building automation system is planned for 2025.

Since April 2019, the Irish office has been in The Exchange Building, IFSC (theexchangeifsc.com/), a building accredited with a LEED GOLD standard and a BERA3 rating that translates into a 50% reduction in energy consumption, a 51% reduction in carbon emissions and a 30% reduction in water consumption.

Contributions for energy efficiency initiatives	u.m.	2024	Balance sheet item
Capex	€	42,000	90 Tangible assets; 190 b) Other administrative expenses
Opex	€	61,000	190 b) Other administrative expenses

Energy and climate change – Purchase of electricity from renewable sources

Every year, the Mediolanum Group selects suppliers to purchase electricity, issuing tenders exclusively involving players able to guarantee the quality and sustainability of their energy portfolio through "Guarantee of Origin" (GoO) certification. All electricity purchased by the Group is fully covered by Guarantee of Origin certificates.

Contributions for the purchase of Guarantee of Origin certificates[41]	u.m.	2024	Balance sheet item
Opex	€	51,636.17	190 b) Other administrative expenses

[41] The figure refers solely to the expenses incurred by Banca Mediolanum. It should be noted that the value was determined by applying the supplier's tariff shown on the bill, amounting to €5.50/MWh plus VAT for the year 2024. The calculation does not include VAT.

Energy and climate change – Energy self-generation

The Mediolanum Group has adopted initiatives to self-generate electricity, thermal energy and refrigerating energy such as trigeneration, to enable sustainable energy consumption that reduces CO_2 inputs and constitutes an environmental benefit. At its Milan 3 City office, two trigeneration plants are installed to enable the simultaneous self-generation of electricity, thermal energy and refrigerating energy, through the use of co-generators and absorption refrigeration units. The plants, powered by methane gas, self-generate electricity to power daily end-user consumption (lights, personal computers, motive power and all services, including air conditioning). The plant consists of two separate and independent plants located on the roof of the Meucci-Galvani and Galeno-Fermi Palazzi. To make the plants more efficient, the electrical output of the two units was connected to the Archimede and Galilei-Voltas building and to the nursery. In addition to providing self-generated electricity, these connections also provide an uninterrupted power supply (backed by UPS units and generators) to 100% of the workstations. In 2024, the plant covered the requirements of the Milan 3 City Campus as follows: 24% coverage of the electricity required; partial provision of the heating service; and partial provision of the air conditioning service. With trigeneration plants on Campus in 2024, 2,710 MWh of 10,738 MWh were self-generated and produced the hot water needed for heating and cold water for cooling.

With specific reference to Banco Mediolanum, the installation of solar panels inside the Barcelona headquarters was authorised during the first half of July 2023, but the installation work was completed in January 2024. Thanks to this installation, since July 2024, when the plant came into operation, 19,869 Kwh and around 2.9 tonnes of CO_2 equivalent have been saved.

Contributions for energy self-generation	u.m.	2024	Balance sheet item
Trigeneration plant			
Opex	€	171,000	190 b) Other administrative expenses
Photovoltaic system			
Capex	€	95,427	90 - Tangible assets

Energy and climate change – Sustainable mobility

The Group is committed to supporting sustainable mobility, helping to reduce the entry of CO_2 into the atmosphere. Following the introduction of the Decree of the Ministry of Ecological Transition of 12 May 2021, in the same year the Mediolanum Group created the position of Mobility Manager and adopted a workplace travel plan for employees, which has to be drafted every year (in accordance with Decree No. 179 of 12 May 2021), to respond to the staff mobility requirements, also taking into account instructions received from the municipality responsible for the region. The Mobility Manager's main task is to raise awareness of sustainable mobility matters, through the development and monitoring of the workplace travel plan, and to promote training and guidance actions to encourage sustainable mobility. Regarding sustainable mobility, in 2024:

- the shuttle bus service linking the Basiglio office with the municipality of Milan and the municipality of San Donato was confirmed, with the business being responsible for 60% of the costs of this service;
- The use of public transport to travel to the workplace is encouraged through a special agreement with ATM (Azienda di Trasporto Milanese, the Milan Transport Company) for annual urban travel passes at a discounted price;
- a further 22 rapid charging units were installed, increasing the total to 92 charging stations for electric vehicles, with more increases planned for the next few years;

- the Mediolanum Group's vehicle fleet, in 2024, comprised 152 cars, compared with 150 in 2023. The vehicles have engines with limited CO_2 emissions, petrol and diesel with the latest generation DPFs and alternative fuels. The list of models listed in the new company car policy includes maximum limits for both CO_2 and mileage, and the option of alternative powered, hybrid, electric or low environmental impact vehicles is a preferential factor in the process of renewing the company vehicle fleet. As of 31 December 2024, 84% of the cars in the fleet, i.e. 128 cars, were hybrid or electric;
- the project that, as part of the DKV fuel card, actively contributes to the implementation of regularly certified environmentally sustainable projects, was confirmed. When selecting the DKV Climate Card, an agreement was reached with the non-profit entity MyClimate to actively participate in reducing and offsetting the CO_2 emitted into the atmosphere. In 2024, the Mediolanum Group, through this project, helped to reduce its environmental impact linked to mobility by preventing the release of 638 tonnes of CO_2 into the atmosphere.

With regard to the Group's Irish Companies, sustainable mobility initiatives were also confirmed in 2024; specifically, the commitment to more efficient use of resources and reduction of emissions continued through a series of initiatives such as, for example, encouraging employees to use greener transport methods under programmes such as "Bike to Work" and "Tax Savers Public Transportation". Bike to Work, in particular, allows bicycles to be purchased at reduced prices, while Tax Savers allows for the purchase of discounted season tickets on local transport. All of this is designed to encourage more environmentally friendly mobility.

Banco Mediolanum encourages its executives to choose company vehicles with low environmental impact and, in particular, hybrid, plug-in and electric vehicles. This initiative comes to fruition at the end of the vehicle lease: to date, the company fleet consists of 19 vehicles, comprising 18 hybrid and 1 electric vehicle. In addition, Banco Mediolanum signed an agreement with "Taxi Ecológic" to manage the movements of employees and contractors within the Barcelona Metropolitan Area. Taxi Ecológic offers its services with a guarantee of sustainable mobility, as it has ISO 14001 certification and all the vehicles in its fleet are in line with the latest EU CO_2 emission regulations.

Contributions for the installation of EV charging points	u.m.	2024	Balance sheet item
Opex	€	54,579	90 Tangible assets + 190 b) Other administrative expenses

Culture of environmental protection and purchase and consumption of sustainable products

The Mediolanum Group is committed to raising awareness and involving users, both employees of Banca Mediolanum and external contract staff, in the adoption of sustainable behaviour, with the aim of ensuring the correct application of the procedures to be implemented with regard to environmental protection. The Group also researches and promotes innovation initiatives aimed at reducing the consumption and waste of resources. During 2024, four courses for employees were released: Sustainable Mobility at Mediolanum, Ecological Transition and Mobility: Towards a Sustainable Future, Ecological Transition and Mobility - Energy and Climate and Ecological Transition and Sustainable Mobility.

Eco-compatible working methods are applied at the Group's offices on a daily basis through a series of easy-to-implement measures for staff that, over the years, have led to a tangible containment of both costs and environmental impact, and to the development of more informed operating habits and conduct. In particular, the behaviours that are established and have been constantly updated over the years include, for example, setting photocopiers to shut off automatically to help save electricity; the reduction of single-use plastic, with the selection of a supplier of still water dispensers, connected to the water supply network, and the selection of environmentally friendly products in vending machines positioned in refreshment areas, such as cups and stirrers in compostable material, soft drinks in Tetrapak packaging and aluminium cans (fully recyclable).

Other contributions	u.m.	2024	Balance sheet item
ISO 14001 certification			
Opex	€	42,538.01	190 b) Other administrative expenses
Environmental safety risk assessment			
Opex	€	176,277.80	190 b) Other administrative expenses

Objectives

[EI-4 MDR-T 81]

The Group regularly monitors energy consumption and emissions metrics related to GHG and, as set out in the Policy on Workplace and Environmental Health and Safety, is committed to optimising and reducing consumption. As part of the climate transition plan, an in-depth analysis was carried out on the analysis of own emissions, divided between direct emissions (Scope 1), indirect emissions from the consumption of purchased energy (Scope 2 Market Based) and those from the value chain (Scope 3, categories 1-14), in order to ensure a complete and detailed understanding of their impact. Analysing Scope 1 and 2 emissions in detail, the Mediolanum Group recorded a reduction in emissions since 2021, mainly driven by a decrease in Scope 1 emissions. The in-depth analysis of own emissions was conducted in order to assess possible clear and ambitious reduction targets, aligned with the containment of global warming to 1.5°C in line with the Paris Agreement, aimed at establishing a decarbonisation plan that includes a combination of actions aimed at reducing Scope 1 and Scope 2 emissions. Potential strategic initiatives and interventions on the company fleet, the efficiency of the trigeneration plants and the purchase of renewable electricity will be assessed during 2025.

2.2.4 Financed GHG emissions – Investments

The Group's approach and policies

Since 2021, Banca Mediolanum and the Group Companies, which operate as financial market participants (FMPs), have been implementing specific responsible investment policies.

[EI-2 DP 25]

The following Policies cover the aspect of climate change mitigation.

[EI-2 DP 24]

IRO: Generation of indirect GHG emissions (Scope 3); Supporting the transition through ESG investment policies

Responsible Investment Policy of Banca Mediolanum

The Responsible Investment Policy, the latest update of which was approved by the Board of Directors of Banca Mediolanum in 2022, considers responsible investment to be a medium to long-term strategy that, in the assessment of undertakings and institutions, integrates financial analysis with environmental, social and governance analysis, in order to create value for investors and for the Company as a whole.

The Responsible Investment Policy is aimed at all the Bank's structures that implement investment decisions, with regard both to the products and services issued and offered to customers (e.g.: individual portfolio management) and proprietary investment activity.

This Policy is approved by the Board of Directors of Banca Mediolanum, the Parent Company of the Mediolanum Group. The Investment and Insurance Services Department is responsible for updating and periodically reviewing this document.

The Bank developed the Responsible Investment Policy based on the United Nations Principles for Responsible Investments (UN PRI). This initiative was created with the aim of supporting investors in the implementation of six principles, which commit them to incorporating social, environmental and governance parameters in the assessment of investments. Banca Mediolanum defined its Responsible Investment Policy taking into account the main legislative and regulatory references on the subject, including, but not limited to, the SFDR Regulation (EU 2019/2088) on sustainability disclosure in the financial services sector, the Taxonomy Regulation (EU 2020/852) and the Regulatory Technical Standards (EU 2022/1288).

A summary of the Responsible Investment Policy is available on the Bank's website at *www.bancamediolanum.it*, in the "Sustainability Information" section. Internally, the Policy has been disclosed through a circular and is available to employees on the company intranet.

According to the Policy, in carrying out the process of investment and therefore participation in the financial markets, the Bank takes ESG criteria into account in the selection of economic instruments and activities in which to invest and in the selection of financial partners, third-party management companies, that support it in investment activity. The sustainability positioning of investment products and the financial portfolio as a whole, as well as the approach adopted by third-party management companies, are constantly monitored by the Bank to ascertain their compliance with the criteria and guidelines established. In order to carry out the appropriate assessments used to make investment decisions, Banca Mediolanum uses information and data processed by market players with consolidated methodologies that are consistent with its own approach, thereby ensuring an objective point of view, as well as access to the most up-to-date information.

Specifically, the integration of sustainability factors into the investment process is divided into three areas: securities selection and investment; funds selection and investment; and selection of third-party management companies.

Securities selection and investment

The process for integrating the Bank's sustainability considerations can be outlined in the following steps:

1. Analysis; in-depth analysis of individual issuers based on a series of quantitative measures in order to assess and reduce non-financial risks through specific data: overall ESG score, E factor, S factor, G factor and disputes. The objective is to identify the specific ESG characteristics of each selected issuer;
2. Measurement; the assessment, through ESG metrics, of the overall portfolio positioning. The overall objective is to limit exposure to financial instruments with lower performance from the perspective of ESG metrics;
3. Monitoring; continuous verification of the contribution of the individual instrument to the overall portfolio positioning according to ESG metrics in order to identify any repositioning actions. The aim is to ensure that the portfolio maintains an overall satisfactory ESG score over time.

Funds selection and investment

The Bank's strategy for investing in funds is mainly focused on the process of integrating sustainability factors into investment and can also be outlined in the following steps:

1. Analysis; in-depth analysis of individual funds based on a series of quantitative measures in order to assess and reduce non-financial risks through specific data: ESG rating, overall ESG score, E factor, S factor, G factor, trends and PAIs (principal adverse impacts, i.e. negative effects of investments on sustainability factors). The objective is to identify the specific ESG characteristics of each selected fund.
2. Measurement; the assessment, through ESG metrics, of the overall portfolio positioning. The overall objective is to limit exposure to financial instruments with lower performance from the perspective of ESG metrics.
3. Monitoring; continuous verification of the contribution of the individual instrument to the overall portfolio positioning according to ESG and PAI metrics. The main objective is to ascertain that the portfolio has an overall satisfactory ESG score over time and, if necessary, to identify any repositioning actions. The Bank monitors ESG factors on a monthly basis at both individual fund and portfolio level, producing reports based on data provided by MSCI ESG Research with the aim of supporting the asset management team in maintaining predominant investment in instruments that take ESG factors into account.

Selection of third-party management companies

With regard to the process of selecting third-party management companies, the Bank takes a qualitative approach that involves due diligence on the sustainability policies of third-party companies issuing investment products. In addition to examining the classic characteristics of investments (philosophy, people, process) and aspects such as risk management and operational activities, it is essential to assess the quality of the sustainable approach of management companies.

The analysis for each third company is based on verifying, for example:

- the presence of responsible investment approaches within its investment processes;
- the position of the function overseeing sustainability within the corporate organogram;
- the use of specialist information providers; the internal data assessment process; and adherence to protocols and organisations that promote sustainability principles;
- the offering of products dedicated to sustainability (impact, SRI, green);
- the dissemination in products of the integration of ESG factors;
- consideration of principal adverse impacts (PAIs) in investment policies;
- publication of a PAI integration policy in accordance with industry regulations.

The Bank believes that the commitment vis-a-vis third-party management companies is the most appropriate tool to help improve the area of sustainable investment throughout the industry. The aims of this commitment are as follows:

- communicating to partner management companies how the monitoring and development of the integration of ESG and PAIs, especially priority PAIs, is a material matter for the Bank;
- accumulating information on the management companies, highlighting which are particularly proactive and any improvements achieved over time.

The Bank periodically verifies:

- the philosophy of the counterparties, including through a questionnaire aimed at assessing their sustainability approach;
- the effects of the investment approach adopted by managers of third-party companies in relation to the overall ESG assessment through a product ESG score provided by a specialised information provider.

The Bank conducts in-depth analyses with partner management companies that will have an inadequate assessment in order to understand the reasons for this positioning and may direct these companies towards actions that will result in a better assessment.

Negative effects of investments on sustainability factors (PAIs)

In order to assess the negative effects on sustainability factors generated by its activities, the Bank has adopted safeguards and measures on the basis of the data and information currently available pursuant to the SFDR Regulation and EU Delegated Regulation 2022/1288. The Bank takes into account 16 mandatory PAI indicators against which all investment products offered to customers are measured. In identifying priority indicators and selecting the additional indicators required by the relevant legislation, Banca Mediolanum took into account the following drivers: the fundamental values that inspire the corporate mission and vision; the relevant topics tracked by the materiality matrix; and the availability for each indicator of data from authoritative sources, particularly from the provider MSCI ESG Research. The assessments carried out have resulted in the following indicator scheme.

Priority PAIs in the environmental area:

- PAI 1 - Greenhouse gas emissions;
- PAI 2 - Carbon footprint;
- PAI 3 - GHG intensity of investee companies.

Priority PAIs in the social area:

- PAI 13 - Board gender diversity.

Additional PAI in the environmental area:

- PAI 4 - Investments in companies that do not take initiatives to reduce carbon emissions.

Additional PAI in the social area:

- PAI 9 - Lack of a human rights policy.

Continuous measurement over time is instrumental in long-term mitigation actions that take the form of engagement with the management companies identified. The aim of engagement is to drive change towards greater sustainability and, in the absence of progress, ultimately assess the removal of the products of the company in question.

Banca Mediolanum Product Sustainability Policy

Through the Policy in question, Banca Mediolanum promotes the digitalisation of the process of underwriting and use of the products of each line, and encourages the creation of products specifically related to sustainable issues, including climate change.

Banca Mediolanum operates as a manufacturer and distributor and, in exercising both roles, acts in such a way that environmental, social and governance factors are taken into account throughout its "production process": from the conception and design phase, to creation and release, and after-sales management, when the customer uses the product/service.

This is reflected, for example, in the following guidelines:

- designing solutions that are as far as possible based on digital processes and media, to limit the consumption and indirect production of CO_2 in the environment;

- paying attention to transparency and the clear communication of the product/service conditions in order to make customers' choices as informed as possible;
- creating inclusive and accessible products/services, using technology to serve the customer;
- overseeing sales processes and the associated risks;
- increasing the range of sustainability-focused products over time.

The Bank's offering is continuously monitored to ensure that the sustainability positioning of products maintains an adequate level of quality over time.

The guidelines described apply to:

- banking, credit and protection products and services;
- investment products and services;
- responsible investment processes;
- the distribution of financial products, in particular in the:
  - selection of the offering of financial products and services;
  - provision of financial advisory services.

The Banca Mediolanum Product Sustainability Policy is directly applicable to all of the Bank's organisational units, with reference to the processes for the design, creation and management of products and services available to customers, including banking, credit, protection and investment products.

This Policy is approved by the Board of Directors of Banca Mediolanum, the Parent Company of the Mediolanum Group. The regular updating and review of this document is the responsibility of the Investment and Insurance Services Department, in collaboration with the Communication, Bank Marketing and Digital Channels Department.

Banca Mediolanum developed its own Product Sustainability Policy, taking into consideration the main European and national regulations, including, but not limited to, the SFDR Regulation (EU 2019/2088) on sustainability reporting in the financial services sector, the CSRD Directive (EU 2022/2464) for sustainability reporting, the MiFID II Directive (EU 2014/65), EU Directive No. 97/2016 on insurance distribution IDD) and the EBA guidelines (EBA/GL/2015/18 and EBA/REP/2020/28) on Product Oversight and Governance (POG).

Internally, the Policy has been disclosed through a circular and is available to employees on the company intranet. Externally, the principles of the Policy are described through sustainability reporting.

Financial Products Distribution Strategy Policy of Banca Mediolanum

As a distributor of investment products, Banca Mediolanum favours the transition to a more sustainable economy by assessing the commitment of its partner producers to ESG issues and making climate-related investment solutions available to its customers, among other things.

Through its ESG financial products distribution strategy, Banca Mediolanum aims to:

- gain understanding of the risks and opportunities not identified by the conventional financial analysis;
- monitor the possible contribution of products to the generation of adverse impacts – significant or potentially significant – on sustainability factors.

The process for integrating sustainability considerations can be outlined in two steps:

I. analysis: assigning an ESG score (provided by MSCI ESG Research) to each investment product and assessing the positioning of the distributed products based on ESG metrics. The objective is to assess the sustainable approach pursued by the management companies from a quantitative point of view;

2. monitoring: continuous verification of the ESG score of each distributed investment product, and identification, within the range, of any products with an inadequate ESG positioning in order to trigger the appropriate mitigation actions.

This Policy, the last update of which was approved in 2021, is directly applicable within all the Bank's organisational units involved in the strategy for the distribution of investment products subject to the advisory service.

The Financial Products Distribution Strategy Policy is approved by the Board of Directors of Banca Mediolanum. The Investment and Insurance Services Department is responsible for updating and periodically reviewing this document.

Banca Mediolanum has developed its own Financial Product Distribution Strategy Policy, taking into account the main European and national regulations, including, but not limited to, MiFID II (EU 2014/65) and EU Directive No. 97/2016 on insurance distribution (IDD), and the SFDR (EU 2019/2088) on sustainability disclosure in the financial services sector. Internally, the Policy has been disclosed through a circular and is available to employees on the company intranet. Externally, the principles of the Policy are explained through the Sustainability Statement.

Responsible Investment Policy of Mediolanum Gestione Fondi SGR p.A.

The Responsible Investment Policy of Mediolanum Gestione Fondi SGR p.A., the last update of which was approved in 2024, describes how the SGR:

- incorporates the analysis of risks and sustainability factors in its investment processes, in accordance with the principles defined in this area by the Parent Company, Banca Mediolanum. The analysis of the information provided by information providers selected by the asset management company about the ESG rating assigned by them to the companies, for the companies in which MGF holds a significant stake, is carried out on an ongoing basis;
- identifies, prioritises and manages the negative effects on sustainability factors in investment decisions through continuous monitoring of news in the area of sustainability, both at the macro level (regulatory changes, sector matters/initiatives, etc.) and at the level of the individual issuing company, in order to identify any material positive and/or negative impacts that in turn may lead to a change in the ESG rating as well as an increase in the degree of overall risk and potentially generate impairment.

Monitoring of sustainability risks in the investment process

The asset management company checks that the ESG score of the funds remains satisfactory overall and stable over time and that the overall exposure to companies/UCIs with a low rating (laggard) or no rating falls within the limits approved by the Board of Directors of the Company on the basis of the specific investment policy of each fund. These limits are monitored and reviewed annually. The asset management company also monitors some indicators of climate-related and environmental risks in the fund portfolios.

Consideration of the main negative effects on sustainability factors arising from investment activities

The asset management company considers the main negative effects on sustainability factors, in order to monitor, contain and reduce, in the long term, the effects of investment choices that determine negative impacts on sustainability factors.

In order to ensure the transparency obligations provided for by Article 4 of EU Regulation 2022/1288, the asset management company measures and monitors the 16 mandatory indicators on a quarterly basis using information provided by the external information provider, MSCI ESG Research.

In accordance with the requirements of EU Regulation 2022/1288 and the approach established by the Parent Company, the asset management company has defined the following principles on the basis of which it prioritises certain PAIs and the related indicators at the level of individual entities:

- consistency between the PAIs selected and the sustainable investment strategy adopted by the asset management company and the environmental, social and good governance objectives defined at Group level;
- availability of data from external sources;
- coverage of the data of a specific indicator with respect to the weight of issuers/financial instruments in the portfolio.

Based on the above, MGF monitors and prioritises the following indicators: greenhouse gas emissions, carbon footprint, GHG intensity of investee companies and Board gender diversity. Regulation (EU) 2022/1288 requires the selection of two other optional indicators, one of which is environmental and one social. MGF, in view of the specific features of the way in which sustainability factors are integrated into the investment policy and in accordance with the approach previously defined with regard to the prioritisation of PAIs, has selected:

- among "Additional climate and other environment-related indicators", PAI 4 "Investment in companies without carbon emission reduction initiatives";
- "Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters", PAI 9 "Lack of a human rights policy".

With reference to the funds pursuant to Article 8, the asset management company defines from time to time, depending on the characteristics of the product, define whether to actively manage PAIs and if so, which ones. This information is provided in the pre-contractual product information documentation and in the relevant section "Information on product sustainability" on the asset management company's website.

The principles contained in the Responsible Investment Policy of Mediolanum Gestione Fondi SGR p.A. apply to the investment activities carried out by MGF for all the products managed (also received under delegation from third parties), consistently with the specific features of each product, as indicated in the offer and/or contractual documentation for the products. The asset management company requires that any third-party managers delegated to manage the portfolios of funds established by MGF adhere to the instructions contained in the Policy or have adopted their own consistent guidelines.

The Board of Directors is responsible for defining the principles on responsible investment contained in the Responsible Investment Policy of Mediolanum Gestione Fondi SGR p.A.. The Chief Executive Officer verified the correct application of the principles contained in the document.

Mediolanum Gestione Fondi developed the Responsible Investment Policy based on the United Nations Principles for Responsible Investments (UN PRI) of which it is a signatory. In drafting the Policy, it also took into account the main legislative and regulatory references on the subject, including, but not limited to, the SFDR Regulation (EU 2019/2088) on sustainability reporting in the financial services sector and EU Delegated Regulation 2022/1288, which supplements EU Regulation 2019/2088 with regard to regulatory technical standards (RTS). It should also be noted that, since 2017, MGF has adhered to the Italian Stewardship Principles issued by Assogestioni. The "Italian stewardship principles for the exercise of administrative and voting rights in listed companies" were adopted by Assogestioni in 2013, in order to provide a series of high-level best practices capable of stimulating

comparison and collaboration between management companies and the listed issuers in which they invest assets managed as part of collective management or portfolio management services.
A summary of the Responsible Investment Policy of Mediolanum Gestione Fondi SGR p.A. is available in the "Sustainability Information" section of the Company's website at *www.mediolanumgestionefondi.it*. Internally, the Policy has been disclosed through a circular and is available to employees on the company intranet.

Responsible Investment Policy of Mediolanum International Funds

The Responsible Investment Policy of MIFL, the latest update of which was approved in 2024 and is available on its website, considers responsible investment a medium/long-term strategy that, in the assessment of companies and third-party asset managers, integrates financial analysis with environmental, social and good governance analysis, in order to create value for investors and for society as a whole.
At the heart of MIFL's investment process is the analysis of each investment's ability to create, sustain and protect value and generate long-term returns. MIFL defines "responsible investment" as the integration of sustainability considerations, including environmental, social and corporate governance (ESG) factors, sustainability risk and active ownership into investment decision-making. MIFL is committed to supporting all 17 United Nations Sustainable Development Goals (SDGs). MIFL has prioritised a social SDG (gender equality) and three environmental-oriented SDGs, namely SDG 7 Affordable and clean energy, SDG 12 Responsible consumption and production and SDG 13 Climate action. To measure its impact on these SDGs, MIFL has mapped six PAIs: PAI 1 Greenhouse gas emissions (including Scopes 1, 2 and 3), PAI 2 Carbon footprint, PAI 3 GHG intensity of investee companies, PAI 5 Share of non-renewable energy consumption and production and PAI 9 Hazardous waste and radioactive waste ratio.
The Responsible Investment Policy outlines how ESG factors are considered at each stage of the investment process in multi-management investment teams and single stock investment teams. While investing in third-party funds and mandates is at the heart of MIFL's business, the Policy also takes into account the growing importance of direct internal management of equity and fixed-income assets. In addition, the Policy also outlines the MIFL framework for sustainable investment funds (pursuant to Article 8 or 9 SFDR).
MIFL aims to improve priority SDGs over time. The relevant actions taken vary according to the investment approach taken. For example, at the management fund level, MIFL engages indirectly with companies on material ESG matters through third-party investment managers in order to:

- improve environmental reporting;
- engage managers on the six PAIs chosen;
- monitor progress on a periodic basis.

In addition, MIFL aims for engagement through proxy voting. For active ownership (delegates), the right to vote is exercised through Glass Lewis as a delegated agent.

Multi-management ESG framework

MIFL believes that ESG risks and opportunities should be assessed by target funds and delegated managers in security selection and portfolio construction. MIFL aims to improve the analysis within the investment process by integrating ESG factors into manager selection and the creation of multi-management funds, which can help to deliver better, risk-adjusted and more sustainable returns over the long term. Several tools are available to monitor and assess ESG. The approach needs to be flexible to take account of a wide range of strategies across equity and bond markets. However, the principles and focus remain consistent.

Proprietary ESG score

In addition to standard investment considerations, the ESG team reviews the manager's approach to ESG. Both aspects are interconnected. This means that MIFL believes that companies that operate with a robust ESG framework are less likely to face regulatory challenges; are less risky from an operational perspective; and show greater transparency and deliver sustainable long-term products while minimising the risks of environmental and social responsibility. For this reason, MIFL maintains a MIFL ESG score for all the funds on its Buy List. The scores range from 1 (laggard) to 5 (leader). This includes funds classified as Article 6, 8 and 9 under the SFDR. Both quantitative and qualitative inputs are used to produce this score and to assess a manager's capabilities and commitment to ESG in relation to the three pillars of Parent, Process and Portfolio. All managers are asked to complete an ESG questionnaire which contains approximately 60 detailed questions on sustainability and ESG. This questionnaire is then used to complete the qualitative assessment of both Parent and Portfolio. The Parent pillar refers to the parent company and the Process involves an assessment of the investment process and strategy team. The Portfolio pillar is the quantitative rating assessment that leverages the ratings of the MSCI One instrument.

Framework for sustainable investment funds

MIFL's current range of sustainable investments is managed by the Multi-Management team. MIFL believes that there are advantages in adopting a multi-manager approach, whereby the assets of Article 8 and 9 funds may be allocated among one or more third-party asset management groups that are considered by MIFL to be leading managers in ESG/sustainable investments.

Framework for the selection of managers to be included in the multi-management funds for sustainable investments of Mediolanum International Funds: there are two thresholds for the selection of strategies to be included in the Article 8 and Article 9 funds of MIFL: internal assessment and external assessment.

Article 8 - Internal assessment: each underlying fund/mandate must have a minimum MIFL ESG score of 3, according to the MIFL ESG Score proprietary framework.

Article 8 - External assessment: underlying funds and strategies: 100% of the MIFL portfolios pursuant to Article 8 must be allocated to mandates/funds that meet the classifications of Article 8 or Article 9 under the SFDR.

Article 9 - Internal assessment: each underlying fund/mandate must have a minimum MIFL ESG score of 3, according to the MIFL ESG Score proprietary framework.

Article 9 - External assessment: underlying funds and strategies: 100% of the MIFL portfolios pursuant to Article 9 must be allocated to mandates/funds subject to Article 9 under the SFDR.

Additional considerations on funds/mandates for inclusion in sustainable investments

Even if the minimum criteria have been met, before selecting a fund/mandate to be included in an Article 8 or 9 MIFL strategy, MIFL must also collect information on the manager's sustainable investment approach in line with the disclosure requirements of Articles 8 and 9 contained in the SFDR. The type of information that MIFL will require from the third-party operator includes, but is not limited to:

- the ESG/sustainability themes promoted;
- the approach to ESG/sustainability investments, including the definition of sustainable investments in accordance with Article 2 (17) SFDR;
- the ESG investment strategy and binding elements;

- the allocation of targeted activities (sustainable investments, Taxonomy-aligned investments; investments used to achieve environmental and/or sustainability promotion and other);
- the use of sustainability indicators, including PAIs where relevant;
- a policy for monitoring breaches of international standards governance.

MIFL will only appoint third-party managers for the Article 8 or Article 9 Fund if it is satisfied with the information received regarding the sustainable investment approach and if the objectives are in line with those of the ESG or sustainable investment objectives of the overall portfolio.

The Responsible Investment Policy applies to MIFL's assets under management and not only to those assets classified as Article 8 or 9 under the Sustainable Finance Disclosure Regulation (SFDR). It also applies to the multi-management investment team and individual securities teams, although the approach taken differs between teams, as described in the Policy.

The Board of Directors and Chief Executive Officer of MIFL are responsible for approving the Policy, while the investment team is responsible for its implementation.

MIFL, as part of the Mediolanum Group, developed its own Responsible Investment Policy, taking into account the main European and national regulations, including, but not limited to, the SFDR Regulation (EU 2019/2088) on sustainability disclosure in the financial services sector, the MiFID II Directive (EU 2014/65) and the Taxonomy Regulation (EU 2020/852).

The Responsible Investment Policy is reviewed at least once a year and approved by the Board of Directors of MIFL before being made public. The ESG Team will inform the investment team of any updates it makes, relevant to the teams on an ongoing basis and not only when updating the Policy, through regular meetings, team meetings or updates of ad hoc meetings. The MIFL Responsible Investment Policy is also made public on the MIFL website.

Products and Responsible Investment Policy of Mediolanum Vita S.p.A.

Mediolanum Vita's Products and Responsible Investment Policy, the latest update of which was approved in 2022, provides that, as part of the investment process, ESG criteria are considered when selecting the instruments and economic activities in which to invest. The Policy applies to the investment activities of Mediolanum Vita with regard to both investments on its own account and the assets underlying the investment and social security insurance products.

The "ESG integration" approach, adopted by Mediolanum Vita, applies to investment decisions for the assets underlying the insurance products with different methods and depths, taking into account the type of financial instrument and its actual materiality, i.e. the possibility of actually affecting ESG aspects. In this regard, assets can be classified as:

- investment funds; includes Group and third-party funds (open-end funds, closed-end funds) in which the Company may invest directly through internal insurance funds, separate management or as underlyings of insurance products;
- securities; includes investments in bonds (government, corporate) and equities, although these represent a small part of the assets under management.

Investment properties are not taken into account since they represent a residual part of the company's active portfolio and new investments are not expected to be made in the future.

From an operational point of view, the incorporation of risks and sustainability forms part of the assessment of each investment opportunity and can take place by means of:

- ESG ratings relating to the financial instrument in question, detected through market information providers; - consultation and analysis of publicly available documentation (non-financial statement, press articles);

- Direct engagement of the management company in the case of investment funds through meetings with the representatives of the entity in question in order to collect information or documentation useful for assessing the ESG strategy with reference to the specific financial instrument.

As part of the assessments made, the Company places particular emphasis on using ESG ratings published and maintained by market-leading specialised companies that cover the broadest possible proportion of assets available for investments. The adoption of a market rating enables a large amount of significant information and indicators to be incorporated into the analysis of sustainability risks. To this end, MSCI ESG Research was identified as the standard provider for the Companies in the Conglomerate, based on a well-established methodology consistent with the Group's approach to sustainability.

Funds selection and investment

Mediolanum Vita considers it essential to integrate ESG risks and opportunities into both the selection of investment funds and portfolio construction. The funds managed by Companies in the Conglomerate represent the predominant share of the underlying assets and follow ESG policies in line with Group guidelines. The continuous comparison between Mediolanum Vita and the Conglomerate's asset management companies ensures ESG alignment in the funds used. For the third-party funds, the selection includes due diligence that assesses the quality of the investment firm's ESG approach, using documentation, questionnaires and direct meetings. These ESG assessments are preliminary to each distribution or investment agreement and are subject to periodic review. For further details, please see the "Engagement" actions section.

The fund-specific assessment process is completed with the support of the quantitative information from the MSCI ESG Research provider, monitoring in particular the overall fund rating and the partial scoring of the three Environment, Social and Governance factors. With respect to its MSCI ESG Research rating, the Company establishes a preference for selecting assets with a medium-high rating, avoiding, on the same basis as in other assessments, the selection of assets with a low rating (B and CCC ratings) or no rating. It should be borne in mind that the selection of funds with an ESG rating not above the defined threshold cannot be completely excluded in view of the inconsistency in the application of measurements on different sectors and markets (for example, in emerging markets, lower ESG ratings are generally used), often due to the difficulty of obtaining comparable data. In addition to the ESG analysis of individual funds, the overall portfolio is assessed in the portfolio construction process. In order to monitor and contain sustainability risks, it is verified that the total exposure of the portfolio to low-rated funds is low and that the overall score of the portfolio maintains a satisfactory overall ESG score over time. Any funds classified as "laggards" or that are of negative quality will be further discussed with the asset manager and/or delegated manager. The objective is to have limited exposure to laggard funds and generate an improvement in the integration process for laggard funds. As regards alternative investment funds (closed-end funds), it should be noted that ESG considerations and methods for integrating them into the fund's investment activity have been incorporated into the decision-making process for investment in these funds. The periodic monitoring requires details of the investments made, including with regard to ESG aspects.

Securities selection and investment

The process to identify, analyse and measure environmental, social and governance factors is of fundamental importance in assessing the sustainability risks of companies.

Investments in equity securities represent a minimum proportion of the assets managed by the Company that favours investment on the equity markets through UCIs that allow for greater diversification and risk mitigation. Mediolanum Vita, in accordance with its investment policy, has limited its operations in equity investments to the management of investments in the unit-linked product "Mediolanum Personal PIR". For the management of the equity investments present in the PIR product, with a view to more efficient management of the funds, the

Company has granted a management mandate to Mediolanum Gestione Fondi SGR p.a. (MGF), a company belonging to the Mediolanum Conglomerate. MGF has adopted a Policy for integrating ESG risks into investment decisions, in line with the Conglomerate's guidelines and in a manner that ensures assessments consistent with Mediolanum Vita's vision. Mediolanum Gestione Fondi has also been entrusted with overseeing the engagement of issuing companies for the purposes of shareholder engagement. With regard to bonds, the assets are mainly invested in Italian government and corporate securities.
The process described below of integration of the sustainability risks of the company concerns all asset classes (equities, government bonds, corporate bonds, supranational bonds), currently being effectively applied in the selection of corporate issuers. In addition to economic and financial criteria, the ESG factors of the selected issuers are also considered when making investment choices, as they are necessary for the pursuit of sustainable performance over time.
These factors are analysed using information obtained through the MSCI ESG Research provider or available public documentation (non-financial statements, press articles). Particular attention is paid to any news with a potential negative impact on society in environmental, social and governance terms (e.g. lawsuits for pollution, incidents of corruption, violation of rules). Non-financial assessments contribute to the overall opinion on the investment, with preference given to investments with higher ESG ratings, all other things being equal. In order to monitor and contain sustainability risks, it is verified that the overall exposure of the portfolio to low-rated companies is low and that the overall score of the portfolio maintains a satisfactory overall ESG score over time.

Negative effects of investments on sustainability factors (PAIs)

In accordance with the requirements of EU Regulation 2019/2088 and the approach established by the Parent Company, the Company monitors and prioritises the following four indicators: PAI 1 - greenhouse gas emissions, PAI 2 - carbon footprint, PAI 3 - GHG intensity of investee companies, PAI 13 - Board gender diversity. Regulation (EU) 2019/2088 requires the selection of two other optional indicators, one environmental and one social. In accordance with the approach previously defined with regard to the prioritisation of PAIs, Mediolanum Vita selected: PAI 4 Environmental - Investment in companies without carbon emission reduction initiatives, PAI 9 Social - Lack of a human rights policy. The continuous measurement of indicators over time serves to monitor the risk of investment-related potentially negative impacts on sustainability factors and their improvement in the long term. Mediolanum Vita adopts safeguards and measures on the basis of the data and information currently available and undertakes to refine this pathway in line with changes in the market and data and information that will become available. With regard to the available data, the Insurance Markets and Assets structure monitors the PAI indicators of the Company's products using information provided by the provider MSCI ESG Research and processed by Banca Mediolanum's Allocation Monitoring and Analysis Office.
The Policy is aimed at the Mediolanum Vita structures involved in the investment, design and product management processes.
The Policy is approved by the Board of Directors of Mediolanum Vita. The periodic updating and review of the document is the responsibility of the Insurance Markets and Assets Unit, which liaises with the Investment and Insurance Services Department of the Parent Company, Banca Mediolanum, to assess consistency with the guidelines defined at the Conglomerate level on responsible products.
Mediolanum Vita has developed the Products and Responsible Investment Policy, based on the United Nations Principles for Responsible Investments (UN PRI), of which it is a signatory. In drafting the Policy, it also took into account the main legislative and regulatory references on the subject, including, but not limited to, the SFDR (EU 2019/2088) on sustainability reporting in the financial services sector, the Taxonomy Regulation (EU 2020/852) and EU Delegated Regulation 2022/1288, which supplements EU Regulation 2019/2088 with regard to regulatory technical standards (RTS).

A summary of the Policy for Products and Responsible Investment is available on the Mediolanum Vita website. Internally, the Policy has been disclosed through a circular and is available to employees on the company intranet.

Policy for Products and Responsible Investment/Policy per i Prodotti e gli Investimenti Responsabili of Mediolanum International Life

The Policy for Products and Responsible Investment, the latest update of which was approved in 2024, applies to the investment activities of Mediolanum International Life DAC with regard to both its own investments and those of the underlying assets of its insurance and investment products. It also outlines the roles, processes and tools to support the integration of ESG factors into its investment processes.

MIL has appointed MIFL, a Group Company, as its delegated investment manager. MIFL provides discretionary portfolio management services to MIL. The delegated manager has implemented a responsible investment policy that demonstrates its commitment to integrating environmental, social and governance factors into its investment analysis and decision-making processes and into the active exercise of shareholder rights, and is in line with Banca Mediolanum's approach.

Although there may be substantial differences between the legal structures and the mandates conferred by different customers, the delegated manager follows a consistent process and implements a common governance framework for all its investment management activities.

To help focus its responsible investment aims, MIL has decided to prioritise three environment-oriented Sustainable Development Goals (SDGs) and one social SDG to value assets under management in order to seek to improve long-term returns: SDG 5 Gender equality, SDG 7 Affordable and clean energy, SDG 12 Responsible consumption and production and SDG 13 Climate action. MIL uses Principal Adverse Impact (PAI) indicators to measure its impact on priority SDGs.

MIL's delegated manager, which shares the same priority SDG, seeks to bring transparency to its process through regular and active monitoring of the six selected PAI indicators aligned with its four priority SDGs. The delegate seeks to influence change through its administration activities and through its third-party mandate managers or directly through engagement, in order to influence the improvement over time of PAIs related to the priority SDGs. The policy of proxy voting is also aligned with the priority SDGs for MIL.

The "ESG integration" approach, adopted by MIL and outlined in its Policy for Products and Responsible Investment, is applied to the investment decisions of the assets underlying insurance products in different ways, depending on the type of financial instrument, its materiality and its ability to influence ESG characteristics. For the purposes of this definition of Policy, the relevant assets may be classified as:

- investment funds - including Group and third-party funds (open-ended funds, closed-ended funds) in which the Company may invest directly through internal insurance funds or separate funds or as assets underlying insurance products;
- securities - including investments in bonds (government and corporate bonds) and equities, although these represent a small component of the assets under management.

The Board of Directors and General Manager of MIL are responsible for approving the Policy and for its implementation.

MIL establishes the Policy to meet the transparency rules and objectives established in Regulation (EU) 2019/2088 on sustainability disclosure and Delegated Regulation No. 2022/1288, effective as of 1 January 2023. In addition to the SFDR, MIFL takes other regulatory guidelines, expectations and/or obligations into account in its approach to responsible investment, including:

- the ESMA guidelines on funds' names using ESG or sustainability-related terms;
- Law No. 220 of 9 December 2021, as amended.

The Policy for Products and Responsible Investment is reviewed at least once a year and approved by the MIL Board of Directors before it is made public. MIL's Policy for Products and Responsible Investment is also made public on MIL's website.

Política sobre la Estrategia de Distribución de los Productos Financieros/Banco Mediolanum Financial Products Distribution Strategy Policy

The purpose of the Financial Products Distribution Strategy Policy is to define the offering model of Banco Mediolanum for products subject to the investment advisory service. The principles governed by the Policy therefore apply to operating procedures for profiling, assessing appropriateness and suitability, and procedures relating to the marketing of products. Banco Mediolanum combines economic and profitability objectives with social, environmental and governance (ESG approach) objectives in its financial instrument selection process.
In order to pursue these objectives, the Bank develops and adopts an approach aimed at:

- integrating sustainability risks into financial advice;
- considering the main adverse impacts on sustainability factors in consulting.

The Policy applies directly to all the Bank's organisational units that participate in the strategy for the distribution of investment products subject to the advisory service and is approved by the Board of Directors of Banco Mediolanum. It must be adopted by the Bank's corporate structures, according to their respective areas of competence. The updating and review of this document is the responsibility of Product Marketing & Strategic Marketing at Banco Mediolanum.
Banca Mediolanum has developed its own Financial Product Distribution Strategy Policy, taking into account the main European and national regulations, including, but not limited to, the SFDR Regulation (EU 2019/2088) on sustainability disclosure in the financial services sector, the MiFID II Directive (EU 2014/65) , EU Directive No 97/2016 on insurance distribution (IDD) and the Taxonomy Regulation (EU 2020/852). Banco Mediolanum is a member of SPAINSIF, a non-profit association established in 2009 by entities interested in promoting sustainable and responsible Investment in Spain. The membership base is multi-stakeholder: financial players and other organisations involved in the environmental and social impact of investments. The forum's mandate is to support the growth of sustainable undertakings, promote the efficient use of resources among undertakings, training and the development of ESG skills.
Internally, the Policy is available in a dedicated repository on the company intranet, where it can be viewed by employees. Externally, the principles of the Policy are explained through the Sustainability Statement.

ESG Risk Integration Policy of Mediolanum Gestión and Mediolanum Pensiones

The aim of the ESG Risk Integration Policy is to gather the general principles of action for the integration and assessment of sustainability risks and for the identification, management and moderation of possible PAIs in the process of making investment decisions of Mediolanum Gestión and Mediolanum Pensiones, as well as to determine the functions and responsibilities of the various areas involved in the model of the three lines of defence.
Both Companies (Mediolanum Gestión and Mediolanum Pensiones) combine economic and profitability objectives with social, environmental and governance objectives (ESG approach) in their process of managing the IICs (Instituciones de Inversión Colectiva), and in controlling the selection of investments that may be made by the delegated entities, if applicable.
In pursuit of the above objectives, the Companies are developing and adopting an approach intended to:

- understand, through environmental social and governance (ESG) factors, any risks and opportunities not detected by conventional financial analysis;
- monitor any contribution of products to the generation of any significant or potentially significant negative impacts on sustainability factors.

The first step in ensuring proper compliance with the process of integrating sustainability risks into investment decisions is to have adequate information about the sustainability factors and risks of the assets to be invested in. To this end, both Companies (Mediolanum Gestión and Mediolanum Pensiones) have at their disposal various sources of information, both public and private, with which they aim to obtain quantitative (e.g. ESG ratings or scores provided by data providers) and qualitative (e.g. sustainability information or company due diligence processes) ESG data.

Once the necessary information has been obtained, the process for its analysis and assessment can be separated into two stages:

1. analysis: allocation through a set of ESG metrics, scores or criteria to determine, from a quantitative point of view, whether or not to invest in a given asset, based on the present sustainability risk. These criteria apply to all investments for which sufficient sustainability information can be obtained in order to properly assess ESG risks;
2. monitoring: adequate management of sustainability risks requires the continuous review of the ESG metrics and scores of each product, as well as the information used to assess them, in order to identify and mitigate any deviations, and report them, if necessary, to the persons responsible for resolution. The aim is to limit the number of products with inappropriate assessments within the product range.

Mediolanum Gestión and Mediolanum Pensiones may delegate investment management to third-party entities. In this case, it will be the responsibility of these entities to correctly apply the sustainability risk integration guidelines contained in the Policy. Therefore, in addition to the economic and profitability objectives, they will also have to consider the environmental, social and governance aspects (ESG approach). In this case, both management teams (Mediolanum Gestión and Mediolanum Pensiones), as obligated persons, are required to ensure that the delegated entities comply with the terms of the Policy and must carry out adequate control and oversight for this purpose.

Mediolanum Gestión and Mediolanum Pensiones are aware that their investments might have negative impacts on sustainability factors; therefore, they seek to mitigate these by applying a due diligence policy. For further details, please see the "Engagement" actions section.

In accordance with the requirements of EU Regulation 2019/2088 and the approach established by the Parent Company, the Company monitors and prioritises the following four indicators: PAI 1 - greenhouse gas emissions, PAI 2 - carbon footprint, PAI 3 - GHG intensity of investee companies, PAI 13 - Board gender diversity. Regulation (EU) 2019/2088 requires the selection of two other optional indicators, one environmental and one social. The two Companies selected: PAI 4 Environmental - Investment in companies without carbon emission reduction initiatives, PAI 9 Social - Lack of a human rights policy.

The Policy applies to the directors, shareholders, managers, employees and agents of both Companies (Mediolanum Gestión and Mediolanum Pensiones). The highest level of management in the organisation of the company responsible for implementing the Policy is the Board of Directors of both Mediolanum Gestión, EGFP, S.A. and Mediolanum Pensiones, SGIIC, S.A.

The main laws and regulations used to prepare this document are as follows: Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of 'do no significant harm', CNMV Communication of 18 February 2021, on the application of Regulation 2019/2088 regarding sustainability-related disclosures in the financial services sector, and the CNMV document, Questions and Answers on Sustainability Regulations Applicable to Financial Products: Regulation 2019/2088 (SFDR) and Regulation 2020/852 (Taxonomy).

The ESG Risk Integration Policy and a summary thereof are available on the Mediolanum Gestión and Mediolanum Pensiones website in the "Disclosure of Sustainability Information" section. The Policy is also available in a repository on the company intranet, where it can be viewed by employees.
Ongoing climate change is one of the events that may generate risks for the business, including the physical risk associated with properties pledged to secure mortgages. In this regard, physical risks are addressed by the Mediolanum Group's ESG Risk Management Policy and, more generally, in the area of products, by Banca Mediolanum's Product Sustainability Policy, which has already been reported on.

[EI-2 DP 25]

The following Policies address climate change adaptation and climate change mitigation.

[EI-2 DP 24]

IRO: Physical risks and transition risks associated with climate change

ESG Risk Management Policy of the Mediolanum Group

The Mediolanum Group's ESG Risk Management Policy, the latest update of which was approved in 2024, incorporates the internal documentation in effect within the framework of the Risk Management Function pertaining to the type of risk in question, to which reference is made. Like all the other risk management policies, it was set out following the adoption of the Risk Appetite Framework (RAF) document by the Mediolanum Group. The document, having presented the reference strategic principles and guidelines for managing ESG risks, also describes the ESG risk identification and assessment processes (with the relative allocation of roles and responsibilities) and the applicable integration and governance models for the entire Mediolanum Group (i.e. both the Banking Group and the Insurance Group).
With regard to the management and monitoring of the level of exposure to climate-related and environmental risks, the Mediolanum Group uses specific metrics employed in the operational monitoring of these risks, which are integrated into the Banca Mediolanum Risk Appetite Framework (RAF) and the Bank's processes. The strategic indicators considered in relation to environmental, social and governance matters are set out below:

- An indicator of the sustainability of corporate receivables aimed at presenting, on the basis of an ESG rating provided by an external provider, the proportion of exposure that does not reflect sustainable finance criteria;
- ESG indicator of own funds and third-party funds.

The metrics used for management monitoring purposes by the Risk Management Function, which place greater emphasis on the interception of risk linked to climate-related and environmental risk factors, are defined on the basis of assessments relating to materiality analyses and stress methodology guidelines. In addition, with regard to the area of climate and the environment, these indicators have been identified and developed using the Bank's traditional risk categories; specifically, these indicators relate to: credit risk, market risk, strategic risks, operational risk and reputational risk.
In synergy with the process envisaged for Banca Mediolanum regarding ESG risk management, the Mediolanum Insurance Group, in view of the business model of the Mediolanum Conglomerate and in order to measure and monitor the sustainability of the products that the Conglomerate provides to its customers, has defined a key risk indicator (KRI) that aims to measure and limit the offer of funds with investment policies that are not very sensitive to ESG matters, including climate-related and environmental factors specific to the environmental component. In addition to this indicator, the new KRI based on the ESG rating of the assets of the Mediolanum Insurance Group has been added, which, in summary, represents the percentage of assets that do not meet certain sustainability standards in the ESG area. The monitoring of these indicators enables identification of the positioning of the ESG indicator of the Mediolanum Insurance Group in relation to the limits defined and the results of these activities are posted on specific monitoring dashboards on at least a quarterly basis.

This Policy is directly applicable within all of the organisational units of the Bank and is sent to all the Companies making up the Mediolanum Group, so that they can adopt it by resolution of their own corporate bodies, without prejudice to any specific provisions of local jurisdictions and their respective Supervisory Authorities.
The Policy is approved by the Board of Directors of Banca Mediolanum S.p.A. following consultation with the Risk Committee. The Risk Management Function is responsible for preparing and updating the document.
The Chief Executive Officer, as a management body, oversees the implementation of the strategic guidelines on sustainability, the RAF (Risk Appetite Framework) and the policies governing risks in the area of sustainability and, more generally, risks related to ESG issues defined by the Board of Directors.
The Risk Management Function is responsible for implementing governance policies and the risk management system and collaborates in defining and implementing the Risk Appetite Framework (RAF), ensuring, in the exercise of the Control Function, an integrated view of the various risks faced to the corporate bodies.
With specific reference to C&E (climate and environmental) risks, the Policy complies, in line with the EBA Guidelines, the ECB Climate and Environmental Risks Guide and the EIOPA Delegated Regulation (EU) 2021/1256 amending Delegated Regulation (EU) 2015/35 (delegated acts) as regards the integration of sustainability risks in the governance of insurance and reinsurance undertakings, with the requirements regarding the establishment of mechanisms to ensure regular and transparent reporting on C&E risks, allowing for timely, precise, summary, comprehensible and substantive disclosures on the subject and, therefore, the sharing of relevant information on identification, measurement or assessment, monitoring and management.
As part of the definition of the ESG Risk Management Policy, the Parent Company set itself the objective of ensuring proper management and mitigation of sustainability-related risks, also in order to protect the direct interests of internal stakeholders, while promoting the continuity and resilience of the Mediolanum Group's business.
The ESG Risk Management Policy is part of the corporate internal regulations and is therefore available to all employees and internal stakeholders on the Mediolanum Group's corporate systems.

[EI-2 DP 24]

IRO: Offering insurance products that support climate change adaptation

Banca Mediolanum's Policy on the Sustainability of Banca Mediolanum's Products

Through Banca Mediolanum's Product Sustainability Policy (cf. ESRS EI-2 Policies related to climate change mitigation – Investment for further details on the Policy's minimum reporting requirements), the Mediolanum Group encourages the creation of products, including with regard to products and services in the area of protection, for specific purposes related to sustainable matters, including climate change.

Actions

[EI-2 DP 28]

IRO: Generation of indirect GHG emissions (Scope 3); Supporting the transition through ESG investment policies

In order to facilitate the transition to a more sustainable economy and climate change mitigation in the financial system, the Group Companies have implemented a series of actions:

1. publication of the statement on the main negative effects of investment decisions on sustainability factors;
2. monitoring of climate indicators;
3. engagement;
4. offering sustainable climate-related products.

1. Publication of the statement on the main negative effects of investment decisions on sustainability factors

All the Group Companies that act as FMPs published in June 2024 the update of the annual statement (second publication in accordance with the provisions of Article 2 of Delegated Regulation (EU) 2022/1288) that contains the measurement of the negative effects of investment activity on sustainability factors. This statement helps with both understanding the impact of investments on sustainability factors and promoting greater transparency towards investors and the market in general. From 2022 onwards, with the consequent first publication of the aforementioned statement in 2023, the Group Companies launched the monitoring of PAIs (Principal Adverse Impacts), in order to assess the negative effects on sustainability factors generated through their activities. For each of the indicators, transparency is provided on the value for the reporting period and on the actions undertaken or planned to achieve long-term improvement. On 27 June 2024, the Group Companies published on their respective web pages the "Statement on the main negative effects of investment decisions on sustainability factors" for 2023, which provides the market with transparency on the value of the indicators of negative effects in relation to the investments in the scope. This Statement includes a representation of the actions carried out/planned in relation to adverse effects.

The value of the published indicators refers to the products and services for which Group Companies make investments.

The monitoring of the PAI indicators is performed on a quarterly basis, while the Principal Adverse Impact Statement is published every year (by 30 June each year for the previous year). The objective of the monitoring is to produce a long-term improvement in indicators, particularly those identified as priority indicators.

In 2024, for the first time, a comparison of the final data (2023) with those recorded in the previous period (2022) was published for each Group Company. Most of the changes were attributable to the changes that occurred in the investment portfolios, considering that, for some indicators, the data collection method was modified by the information provider and that, for others, the significance of the values was affected by a relatively limited percentage of data coverage.

2. Monitoring of climate indicators

In accordance with the 2024-2026 Business Plan, since the beginning of 2024, the Group Companies that operate as financial market participants have established the monitoring of a specific set of climate indicators. These include:

- The E component of the ESG rating;
- PAI 1 – Absolute CO_2 emissions;
- PAI 2 – Carbon footprint;
- PAI 3 – Carbon intensity;
- Additional PAI 4 – Investments made in undertakings that do not have initiatives in place to reduce carbon emissions;
- Weighted Average Carbon Intensity (WACI);
- Implied Temperature Rise (ITR).

This monitoring is formalised in quarterly reports and, for each Group Company, is subject to periodic information flows to the respective senior managers.

The indicators monitored refer to the products and services for which the Group Companies make investments.

Since 2024, the selected indicators have been included in a monitoring report that is prepared on a quarterly basis. The Group has also proposed setting potential targets by 2026.

3. Engagement

The Group Companies are committed to positively influencing the reference financial ecosystem by pursuing engagement with third-party management companies with which they have relationships, and with investee companies.

Banca Mediolanum periodically sends a Due Diligence Questionnaire (DDQ) to its third-party management companies, in order to assess and monitor their commitment to their approach to sustainability. In particular, for the year 2024, the matters assessed included: decarbonisation objectives, the framework for integrating biodiversity risks and indicators of the principal adverse impacts (PAI) on sustainability factors (absolute CO_2 emissions, carbon footprint and carbon intensity).

The scope of this activity consists of the third-party management companies that issue products for which the Bank plays the role of financial market participant (FMP).

Engagement with third-party management companies is ongoing and is aimed at improving their long-term approach to sustainability.

For the management companies for which aspects emerged that were not fully in line with the sustainability principles of Banca Mediolanum, the Bank actively engaged in a dialogue to understand the causes, share the priority PAIs identified and stress the importance of obtaining an assessment that conforms to its Sustainability Policies in order to be able to re-enter the investable universe. In 2024, some of these companies were eliminated from the investable universe, having stated during the engagement activity that they could not yet consider climate factors in the investment process or that they had no room for improvement.

Since the monitoring activity in question was established, with 21 third-party management companies, the matter of climate change has been studied in detail, with particular regard to PAIs relating to GHG emissions.

Mediolanum Gestione Fondi (MGF) believes that the ongoing dialogue with the investee issuers allows long-term value to be protected by proper risk management. To this end, MGF adheres to the Italian Stewardship Principles issued by Assogestioni, the application of which is detailed in the "Policy of Commitment and Exercise of Intervention and Voting Rights Relating to Financial Instruments held by the Managed UCIs", approved by the Board of Directors and published on the company website. During 2024, MGF held around 300 meetings with investee issuers, of which around 50 related to environmental, social and governance matters.

With regard to environmental matters, the meetings focused on the issuers in which the AMC holds significant equity investments or the companies for which the analyses carried out revealed a need for further analysis. MGF carries out continuous monitoring in order to detect any critical issues.

The main ways of helping to mitigate material impacts related to significant shareholdings in specific companies are the organisation of individual or collective engagement, possible manifestation of dissent at the Shareholders' Meeting and possible partial or total divestment.

With regard to **Mediolanum International Funds,** the manager selection team (multi-manager team) collaborates at least twice a year with each investment team for all external strategies classified as Article 6 of the SFDR. During 2023, at the time of the last available survey, the team collaborated with all external managers. During 2023, the Single Securities Fundamental Equities team collaborated with 17 target companies in its portfolios on topics directly related to priority PAIs for MIFL. The team invests in a total of around 180 companies across all strategies. The results showed an improvement in some PAI indicators in 2023 compared with 2022 for PAI 2 and PAI 9. A negative result was found for PAIs 1, 3 and 5.
During 2024, MIFL passed a number of proposals regarding greenhouse gas emissions, including directors' responsibility for risk mitigation strategies and support for shareholder proposals seeking further disclosure on companies' greenhouse gas emissions and strategies, and voted in favour of shareholder proposals requiring companies to provide reports on their actions on climate change.
MIFL's Responsible Investment Policy applies to all assets under management, all geographic regions and to the entire Investment Team.
The engagement and proxy voting actions detailed in the MIFL Responsible Investment Policy are performed on an annual basis. That is, for each calendar year, the actions are performed, monitored and reported.
The engagement results for 2024 are not yet finalised and will be available in the first quarter of 2025.

Mediolanum Vita performs annual due diligence on third-party management companies, in order to assess and monitor their commitment to their approach to sustainability. The due diligence (or qualitative assessment) on third-party managers is carried out by Mediolanum Vita's Active Insurance Markets Unit, with the advice of the MIFL Advisor for the asset managers of the UCIs underlying the My Life and Mediolanum Intelligent Life Plan policies, assigning a score based on the level of ESG integration. A due diligence questionnaire is sent to the third-party management companies for the assessment.
The assessment is mainly based on the following five aspects:

1. External Assessments & Ratings: adherence to international initiatives promoting dialogue on sustainability matters (e.g. Principles for Responsible Investment, Principles for Sustainable Insurance, Stewardship Principles) and external assessments (e.g. UnPRI, Mercer, Shareaction, etc.);
2. ESG Governance: implementation of an internal regulatory framework (e.g. possible remuneration policy related to ESG objectives) and structures focused on sustainability (e.g. the presence of a dedicated team, number of resources and related responsibilities);
3. ESG Philosophy & Tools: the presence of responsible investment approaches within investment processes (e.g. an ESG or sustainability policy) and use of specialist information providers (e.g. the number of external providers used to support the ESG approach);
4. SDGs, Environmental and Social Considerations: consideration of the United Nations Sustainable Development Goals (SDGs), PAIs and any climate goals, decarbonisation targets (e.g. adherence to the Net Zero Asset Managers Initiative (NZAMI), climate report).
5. ESG integration within the parent's fund range: a range of sustainable products within the meaning of the SFDR Regulation (% of funds with ESG integration process, Article 8 and Article 9).

The scope of this activity consists of the third-party investment companies that issue the products for which Mediolanum Vita plays the role of financial market participant (FMP).
The due diligence on third-party management companies is ongoing, updated annually and aimed at improving their approach to sustainability in the long term.
Any asset managers that are deemed to be of negative quality will be subject to further investigation and/or engagement. The objective is to achieve an improvement in the integration process for laggard and/or quality-negative asset managers (score I) and, if applicable, quantitative and qualitative information on the progress of actions or action plans disclosed in prior periods. Since the monitoring of asset managers began, there have been no asset managers with negative qualitative assessments to date. For asset managers rated lower than the others in 2024, engagement actions were carried out with the aim of improving their ESG integration processes.

Since 2022, **Mediolanum Gestión SGIIC, S.A. and Médiolanum Pensiones SGFP, S.A.**, as part of the process of integrating sustainability risk, have been monitoring the companies and assets in which they invest, examining their strategy, financial and non-financial results, capital structure and environmental, social and corporate governance (ESG) aspects. This monitoring is carried out by various means, taking into account the nature and volume of the exposure of both entities to the investee companies, including, inter alia, economic information platforms, corporate financial reports and ESG assessment tools. In addition, both entities recognise the importance of shareholder participation and the contribution that ESG considerations can make to investment outcomes.
In this context, both entities interact with the companies in which they invest when a problem arises or more information is needed on questions such as strategy, financial and non-financial performance, risk, capital structure and ESG matters. In such cases, both entities actively participate by voting on the resolutions of the annual general meetings of shareholders in accordance with the established voting policy.
In addition to exercising voting rights, there are other participation initiatives, such as the disclosure of voting to the companies and CEOs, proactive management of litigation and continuous engagement with the portfolio companies to improve their sustainability performance.
The scope of this activity consists of the third-party management companies that issue the investment financial instruments for Mediolanum and Médiolanum Pensiones, as financial market participants (FMP).
Engagement activities with third-party management companies are ongoing and aim to improve their approach to long-term sustainability.
For investment companies in which some aspects were found to not fully comply with their principles, the Group Companies (Mediolanum Gestión and Mediolanum Pensiones) voted against decisions that were not in line with the principles established in the voting policy linked to sustainability aspects and a dialogue was established with the companies concerned to understand the reasons.
In 2024, for Mediolanum Gestión, of all the votes contested, 17% were motivated by decisions not aligned with the objectives of contributing positively to climate change. For Mediolanum Pensiones, of all the votes contested, 8% were motivated by decisions not in line with the positive contribution to climate change.

4. Offering sustainable climate-related products

To promote the transition and to help mitigate climate change, the Group Companies have over time provided their customers with certain sustainable climate-related investment products. These products are intended for all customers of Banca Mediolanum and Banco Mediolanum in line with their investment profiles and sustainability preferences.

Banca Mediolanum

My Style - Global Trends Opportunity

In 2024, Banca Mediolanum launched the Global Trends Opportunity line as part of the My Style and My Style Wealth individual portfolio management services. The line invests, directly and/or indirectly, in equity financial instruments that:

- operate in sectors focused on environmental and social transformation;
- are at the centre of the major Western economies' fiscal stimulus plans;
- meet sustainability criteria from both a financial point of view and from the point of view of business models and practices. The reference is, for example, to companies involved in the energy transition, sustainable mobility, digital transition and health and well-being.

The Global Trends Opportunity line promotes environmental and social characteristics, pursuant to Article 8 of Regulation (EU) 2019/2088. The main environmental features promoted by the financial product are as follows: climate change prevention (e.g. in terms of reducing carbon emissions, carbon footprint, GHG intensity, vulnerability to climate change), development of clean technology and renewable energy and development of sustainable infrastructure.

Mediolanum Gestione Fondi

Mediolanum Futuro Sostenibile

In 2020, pursuant to Article 8 within the meaning of Regulation (EU) 2019/2088, Mediolanum Gestione Fondi established the Mediolanum Flessibile Futuro Sostenibile fund, which promotes, inter alia, environmental and social characteristics and good governance practices. In its investment decision-making processes, the asset management company assesses investment risks and opportunities, taking into account, in addition to economic and financial criteria, elements related to ESG matters, including sustainability factors and risks. In particular, investment selection also takes into account the ESG rating and it has been ascertained that the portfolio has a residual overall exposure to companies/UCIs that have been assigned a low ESG rating (laggard) or no rating and that the overall score of the portfolio is satisfactory and stable over time. In addition, the asset management company takes into account, among other factors, those that estimate greenhouse gas emissions for the total portfolio.

Mediolanum International Funds Limited

Mediolanum Best Brands Energy Transition

An investment fund (pursuant to Article 9 of EU Regulation 2019/2088) characterised by a global equity strategy, investing in companies benefiting from the transition to a clean energy system globally and in companies active in improving energy efficiency and reducing energy consumption, facilitating more responsible consumption and with an explicit sustainable investment objective.

Mediolanum best Brands Invesco Balanced Risk Coupon Selection

The investment fund (pursuant to Article 8 of EU Regulation 2019/2088) leverages Invesco's broad range of investment solutions to mitigate volatility while generating periodic income. In addition, the investable universe is characterised by companies that promote environmental and social characteristics, with a focus on climate change and clean energy initiatives. The objective is to achieve medium/long-term capital appreciation, mainly through investments (directly and/or indirectly) in fixed income securities, equities, equity instruments and commodities and to distribute periodic income. In pursuing its investment objective, the management company mainly selects investments that it believes will generate exposure to companies, issuers and/or undertakings for collective investment that promote certain environmental and social characteristics.

Mediolanum Best Brands Green Building Evolution

The investment fund (pursuant to Article 9 of EU Regulation 2019/2088) aims to achieve capital appreciation over a long-term investment horizon by investing mainly in sustainable investments, in particular in companies that contribute to climate change mitigation in built environment segment. The third-party asset manager(s) appointed by the asset manager primarily invests in/assumes exposure to companies that are actively involved in the transition to a zero-impact built environment (hereinafter referred to as "green building"), including those involved in property and developing, managing and advancing technologies for the purposes of green building, which is increasingly important as the company adapts to achieve a zero-carbon, circular, resilient and well-designed built environment.

Mediolanum Best Brands Multi Asset ESG Selection

The investment fund (pursuant to Article 8 of EU Regulation 2019/2088) aims to achieve capital appreciation over a long-term investment horizon. The asset manager mainly selects investments that it believes will generate exposure to companies, issuers and/or undertakings for collective investment that, in addition to economic and financial objectives, promote environmental, social and/or governance (ESG) factors. Certain derivatives (including but not limited to those used for hedging and efficient portfolio management purposes) and cash and cash equivalents may be excluded from this ESG exposure calculation.

Mediolanum Best Brands Socially Responsible Collection

The investment fund (pursuant to Article 8 of EU Regulation 2019/2088) aims to achieve capital appreciation over a long-term investment horizon. In seeking to achieve its investment objective, the Investment asset manager mainly selects investments (whether made directly or indirectly as described above and hereinafter) which it believes will generate exposure to companies with management strategies that take into account their responsibility to society and sustainable development and that, in addition to their economic and financial objectives, integrate environmental, social and governance (ESG) factors more successfully into their management strategies.

Mediolanum Best Brands Innovative Thematic Opportunities

The investment fund (pursuant to Article 8 of EU Regulation 2019/2088) aims to achieve capital appreciation over a long-term investment horizon. In seeking to achieve its investment objective, the asset manager mainly selects investments (whether made directly or indirectly as described above and hereinafter) which it believes will generate exposure to long-term global investment themes (e.g. affordable and clean energy, climate action and responsible consumption and production) and companies that integrate environmental, social and governance (ESG) factors into their management strategies. These investment themes derive from long-term secular economic trends that are largely driven by demographic shifts, changes in consumer preferences, urbanisation, environmental/energy challenges, energy and resource efficiency and IT changes/improvements that have the potential to drive long-term economic impacts for economies, companies and industries.

Mediolanum Best Brands Global Sustainable Bond

The investment fund (pursuant to Article 9 of EU Regulation 2019/2088) aims to achieve capital appreciation over a long-term investment horizon, mainly through sustainable investments. The sustainability topics in which the Sub-Fund invests include, but are not limited to: (i) achieving an inclusive society; (ii) vocational education and training; (iii) public health; (iv) safety and well-being; (v) enabling the circular economy; (vi) ensuring clean and abundant water; (vii) promoting safe and clean energy; and (viii) promoting sustainable mobility and infrastructure (collectively the "Sustainability Topics").

Mediolanum Best Brands Global Impact

The investment fund (pursuant to Article 9 of EU Regulation 2019/2088) aims to achieve capital appreciation over a long-term investment horizon by mainly investing in or assuming exposures to "sustainable investments" that generate positive social and/or environmental change. Positive social and/or environmental change includes, but is not limited to, good health and well-being, sustainable cities and communities, nutrition, clean water and sanitation, affordable and sustainable energy, improved education/training, responsible consumption and production, and other social and environmental goals such as those detailed in the United Nations Sustainable Development Goals (SDGs) or other similar frameworks.

Mediolanum Best Brands Circular Economy Opportunities

The investment fund (pursuant to Article 9 of EU Regulation 2019/2088) aims to achieve capital appreciation over a long-term investment horizon in sustainable investments, in particular in companies that contribute to or are in the process of moving towards a circular economy. The asset manager will primarily invest in companies that, in its opinion, contribute to the transition or advancement of a "circular economy". For further information, see the Annex to the Information Sheet for the Sub-Fund regarding Mediolanum Circular Economy Opportunities. The circular economy aims to minimise waste by taking into account the entire life cycle of materials, products and services and by redesigning products and operations to encourage one or all of the following: increased repair, re-use, recycling, redesigning and/or extension of the life of the product. The asset manager may also invest in companies active in the process of transforming their business models into circular models, facilitating more responsible consumption, including companies involved in the repair or resale of goods or companies producing or using recyclable materials.

Mediolanum Best Brands Carmignac Strategic Selection

The investment fund (pursuant to Article 8 of EU Regulation 2019/2088) aims to achieve capital appreciation over a medium/long-term investment horizon by investing primarily in companies, issuers and/or undertakings for collective investment that promote certain environmental and social characteristics and provide for corporate exclusions and threshold tolerances for activities in sectors such as controversial weapons, tobacco, adult entertainment, thermal coal producers and power generation companies. This exclusions policy includes additional rules-based exclusions, i.e. the exclusion of companies that violate global international rules, such as the principles of the United Nations Global Compact (UNGC) and the ILO Declaration on Fundamental Principles and Rights at Work.

Mediolanum International Life

Renta Variable Futuro Responsable: is an option classified as Article 8 underlying the Futuro Extra PIAS (Plan Individual Ahorro Sistemático) product, which represents a systematic savings plan with regular premiums of the Insurance Company, in which the premiums paid by the policyholder are invested in one or more investment baskets created by the Insurance Company.

Mediolanum Gestión S.G.I.I.C., S.A.

Compromiso Fund

The investment fund (pursuant to Article 8 of EU Regulation 2019/2088) aims to promote social and/or environmental characteristics by investing in companies whose business practices promote these characteristics, and in particular those that contribute to combating inequality, strengthen social cohesion, social integration and industrial relations and invest in human capital or in economically or socially disadvantaged communities, and those that promote environmental aspects such as reducing the carbon footprint and improving water consumption and waste management. In addition, with these investments, the fund seeks to have a positive impact on some of the United Nations Sustainable Development Goals (SDGs). The environmental characteristics promoted by the fund can be linked to SDG 12 (responsible production and consumption).

Mediolanum Activo

The investment fund (pursuant to Article 8 of EU Regulation 2019/2088) aims to promote environmental and social characteristics. As such, it will invest in public debt and corporate bond issues that support practices aimed at a model of industrial relations based on gender equality, responsible production and consumption and an environmentally friendly corporate culture, with a focus on climate action (SDG 13). The issuance of green, social, and sustainable bonds is linked to the total or partial financing of projects with environmental and/or social objectives aligned with the SDGs identified.

Fondo Renta Variabile Global Selección

The investment fund (pursuant to Article 8 of EU Regulation 2019/2088) aims to promote environmental and social characteristics. Therefore, it invests in companies that promote practices that contribute to a relationship model based on respect for human rights and gender equality and opportunity, as well as in companies that implement an environmentally friendly corporate culture. Moreover, with these investments, the fund seeks to have a positive impact on certain United Nations Sustainable Development Goals (SDGs). The fund invests in companies whose business is aligned with the selected SDGs, through continuous monitoring of the "UN SDGs" indicator. With a particular focus on climate action (SDG 13).

IRO: Offering insurance products that support climate change adaptation

Insurance products

Banca Mediolanum's commitment to creating sustainability-focused products also includes part of Mediolanum Assicurazioni's "home" insurance offering, which includes, inter alia, coverage of damage caused by flooding, catastrophic events and natural events. In this case the "Capital Casa e Famiglia" product, if taken out with the "Earthquake and Flood" option, which covers damage to buildings as a result of catastrophic events, pays compensation if an earthquake or flood causes damage to the building. Through catastrophic event coverage and flood coverage, Banca Mediolanum and Mediolanum Assicurazioni implement safeguards aimed at mitigating the effects of climate change. This coverage, and coverage of property fire and explosions, are also very important in mitigating risk at the banking/credit and national level.

The "Earthquake and Flood" coverage, available in the "Capitale Casa e Famiglia" policy, is offered to all private customers of Banca Mediolanum. It is also offered individually to all customers who have already taken out a "Fire and Explosion" policy with Mediolanum Assicurazioni.

Objectives

[EI-4 MDR-T 8I]

In accordance with the 2024-2026 Business Plan, since the beginning of 2024, the Group Companies that operate as financial market participants been monitoring a specific set of climate indicators and plan to set climate targets by 2026.

The Bank and Group Companies monitor the effectiveness of their climate-related policies and actions through:

- continuous verification of the contribution of the instruments to the overall positioning of the portfolio according to ESG metrics in order to identify any repositioning actions. The aim is to ensure that the portfolio maintains an overall satisfactory ESG rating over time;
- continuous measurement over time of the PAI indicators, instrumental in long-term mitigation actions that result in engagement activity;
- periodic monitoring of a specific set of climate indicators, including the weighted average carbon intensity (WACI), which measures the weighted average intensity of carbon emissions compared with the revenues of the companies in the portfolio, and the implied temperature rise (ITR), an indicator that estimates the increase in the global temperature associated with the activities of the companies in the portfolio.

The main quantitative indicators used to assess the progress made in respect of policies and actions undertaken by the Group include the following:

- ESG rating. The ESG rating of the entire offering of investment products has been monitored on an ongoing basis since 2020 in order to maintain a satisfactory level of sustainability over time;
- PAI indicators as established in EU Regulation 2019/2088. PAI indicators have been monitored since 2022 with the aim of producing a long-term improvement;
- climate indicators (e.g. WACI, ITR). Climate indicators have been monitored since 2024 with the aim of setting targets by 2026.

2.2.5 Financed GHG emissions – Credit

The Group's approach and policies

[EI-2 DP 24]

IRO: Increased availability of financing for customers interested in purchasing/restructuring green properties and/or purchasing green cars; Increase in market share of green loans, improvement in asset "quality" and improvement in reputation, particularly with regard to the financial community (e.g. GAR)

In addition to the Code of Ethics and the Sustainability Policy of the Mediolanum Group, which refer to its approach and general guidelines, the main policies for managing impacts related to climate change mitigation and energy in the Credit area are Banca Mediolanum's Product Sustainability Policy(see ESRS EI-2 Policies on climate change mitigation – investment, for further details on the minimum reporting requirements of the Policy), which defines how to integrate the sustainability dimension of products throughout the "production process", including in relation to banking and credit products and services, and the internal Credit regulations.

Within these instructions, financing transactions with counterparties that have economic activities with a strong environmental impact are generally prohibited and, in 2021, some ESG safeguards were introduced, based on the assessment of ESG factors in the corporate credit portfolio. In particular, when the loan is granted, all credit investigations relating to the corporate sector are accompanied by the counterparty's ESG score. This score, provided through an information provider, shows a summary "ESG" indicator and three specific indicators, one for each area of expertise: "Environment", "Social" and "Governance". For each indicator, a value between 1 and 5 is given, with 1 being the best score and 5 being the worst. Similarly, for all counterparty undertakings entrusted by the Bank, this score is monitored and updated on a half-yearly basis, with an analysis of any significant deviations and transitions between classes.

With regard to the retail mortgage portfolio, in 2023, at the same time as the migration of the origination platform, information on the Energy Performance Certificate (EPC) and the physical risk score of the property were included in the credit assessment processes to secure the credit relationship.

[EI-2 DP 25]

The above policies address the aspect of climate change mitigation.

Actions

[EI-2 DP 28]

IRO: Increased availability of financing for customers interested in purchasing/restructuring green properties and/or purchasing green cars; Increase in market share of green loans, improvement in asset "quality" and improvement in reputation, particularly with regard to the financial community (e.g. GAR)

To promote the transition and to help mitigate climate change, the Group Companies have over time provided their customers with certain sustainable climate-related credit products.
The Mutuo Mediolanum Bioedilizia+ mortgage is a loan for the purposes of purchase and exchange transactions on "green buildings" ("in Bioedilizia") built according to specific sustainability standards with S.A.L.E. (Sistema di Affidabilità Legno Edilizia or "reliability in timber construction") certification, Casa Clima (focused on energy efficiency and thermal comfort) certification or ARCA (focused on timber construction) certification. Green houses are sustainably built according to environmentally friendly construction techniques, using natural certified materials and integrating energy efficiency systems. During 2024, €1.3 million was granted, or 0.1% of the total mortgages granted.
Through the "Casa +" initiative, the Group confirms its commitment to meeting the needs of its customers and, at the same time, supporting the construction sector by offering mortgages and subsidised loans for property renovation. This is also in line with the regulatory framework, which provides tax breaks for property renovations, energy reclassifications and measures to improve seismic risk, on the first home. The aim is to upgrade energy classes and reduce environmental impact through investment in alternative energy solutions, supporting sustainable construction projects. The product also includes an "after-sales" option, which discounts the spread by 15 bps if the property financed improves by at least one energy class after renovation. During 2024, the following were granted:

- €4.8 million in Casa+ mortgages, equal to 0.4% of total mortgages granted;
- €14.8 million in Casa+ loans, equal to 2% of total loans granted.

As of April 2019, Banca Mediolanum's customers can apply for a mortgage with a reduced spread (Mutuo Mediolanum Eco+), secured by a first mortgage, for buildings with high energy efficiency (energy class B, A, A+) for the purposes of purchase, exchange and subrogation transactions. In May 2024, the target was expanded to include Class C properties and the product was also repriced with a spread reduction from a minimum of 15 bps to a maximum of 30 bps. In 2024, €16.6 million in Mediolanum Eco+ mortgages were granted, representing 1.2% of total mortgages granted.
The Green, Social or Sustainability bonds defined by the Banca Mediolanum framework may be issued in the form of various debt instruments (senior preferred, senior non-preferred and subordinated), in various formats and currencies, and placed through both public and private placement. Following the issue of its Green Senior Preferred Bond in November 2022, Banca Mediolanum published the Allocation & Impact Report at the end of 2023 and 2024. This document is intended to provide visibility to stakeholders each year on the progress made in pursuing the objectives linked to the funds raised on the market through the Bond. In detail, the issue was intended to finance €300 million in residential mortgages for energy-efficient properties: in the first year of the Bond's life, Banca Mediolanum was able to achieve its objective, with a portfolio of eligible green properties of

€679.45 million. At 30/09/2024, the stock of mortgages eligible for the scope was €751.70 million. To perform the analysis, the Group used an internal multi-departmental group and CRIF, a market-leading external company, which assessed the entire portfolio of mortgages granted in Italy. With regard to the qualitative and quantitative measurement of the €300 million in scope, the Impact Report shows extremely positive data, in line with best market practices.

Banco Mediolanum also promotes energy efficiency in homes through:

- Hipotecas Freedom Green: a product focused on purchases of homes with energy certification of "A" or "B". During 2024, €7.9 million in Hipoteca Freedom Green mortgages were granted, equal to 5.5% of the total number of mortgages granted for home purchases;
- Prestamos Eco Vehículo: a product focused on purchases of electric or hybrid vehicles with the "0 CO_2 emissions" label with more financing and better conditions. During 2024, €2.6 million in ECO car loans were granted, representing 12.4% of total secured vehicle loans.

Objectives

[MDR-T DP 80]

In the area of credit, green mortgages play a significant role in promoting energy transition in line with the directives and objectives of European legislation. According to the Impact Report of CRIF, the information provider, it is estimated that for every €m in green mortgages granted, there is a saving of 12.7 tonnes of CO_2 per year, compared with every €m granted in "standard" mortgages.

The Sustainability Business Plan 2024–2026 sets a target of 15% of green mortgages as a proportion of the total over the plan period. In 2024, €206 million were granted, equal to 15.31% of the total granted, a result that is fully in line with the three-year plan.

The Sustainability Business Plan includes initiatives to promote the development of green credit, supporting and raising awareness among households about purchasing energy-efficient properties. The 15% target is measured in €m of green mortgages granted with respect to the total weight since 2024. It applies to the three-year period 2024-2026 and was defined on the basis of the portfolio's inertial performance at the same time as the new production planned for the green product offering. Banca Mediolanum's objectives related to sustainability issues are based on financial data and GHG data on properties securing mortgages. The performance achieved in 2024 is in line with the objectives announced.

Material IRO	Target KPI	Base year and value	Current progress at 31/12/24	Target year
Increase in the market share of green mortgages, improvement in asset "quality" and improvement in reputation, particularly towards the financial community (e.g. GAR)	Residential mortgages for green property purchases (% of total amount granted) – 15.0%	2023 (13%)	15.3% (€206 million)	2026

In the area of credit, the energy efficiency of buildings plays a crucial role in compliance with European directives on sustainability and climate change. In this regard, the Mediolanum Group supports customer investments through specific financing products that also reward any improvements in energy class after renovation.
The 2024-2026 Sustainability Business Plan sets a target for the granting of €150 million in loans for the renovation of residential property (Casa+ mortgages and loans). Since September 2024, customer support has also been provided to the entire Banca Mediolanum Sales Network with the Green BEES tool (by Crif), which, by including the main characteristics of the property, provides a plan of preliminary measures to improve the energy efficiency of the property. In addition, customers who demonstrate that they have renovated a property will have a discount on the starting spread.
The three-year €150 million plan target is measured in €m of green mortgages granted with respect to the total weight since 2024. It applies to the three-year period 2024-2026 and was defined on the basis of the portfolio's inertial performance at the same time as the new production planned for the green product offering. Banca Mediolanum's objectives related to sustainability issues are based on financial data and GHG data on properties securing mortgages. The performance achieved in 2024 is in line with the objectives announced.

Material IRO	Target KPI	Base year and value	Current progress at 31/12/24	Target year
Increase in the market share of green mortgages, improvement in asset "quality" and improvement in reputation, particularly towards the financial community (e.g. GAR)	Residential property renovation (Casa+ mortgages and loans) (Amount granted) - €150 million in three years (2024-2026)	/	€19.2 million	2026

2.2.6 Dematerialisation of the product and service offering

The Group's approach and policies

The Group's main policies on sustainability and business conduct set out specific commitments on mitigating climate impact by dematerialising the product and service offering, including the Mediolanum Group's Sustainability Policy and the Code of Ethics (cf. ESRS GI-1 Corporate culture and business conduct policies for further details on the minimum reporting requirements of the Policies). In particular, within the Sustainability Policy, specifically in the pillar linked to responsibility to the community and the environment, the Mediolanum Group outlines its commitment to plans and activities aimed at reducing environmental impacts, including the dematerialisation of products and services through the digitalisation of documentation.

[EI-2 DP 24; 25]

IRO: Mitigation of climate impact through dematerialisation of the product and service offering

In addition, within Banca Mediolanum's Product Sustainability Policy, Banca Mediolanum defines certain guidelines to be followed, as a manufacturer and distributor, so that environmental, social and governance factors are taken into account throughout its "production process". One guideline is aimed at the commitment to design solutions that are as much as possible based on digital processes and supports to limit the consumption and indirect production of CO_2 in the environment. This policy refers to climate change mitigation.

Actions

[EI-3 DP 28; 29 a; 29 b]

IRO: Mitigation of climate impact through dematerialisation of the product and service offering

In 2024, the Communication and Network Support Office consolidated its role as the reference for the Sales Network, thanks to the expansion of the channels and the creation of personalised content. My Marketing plays a fundamental role in supporting the Sales Network, with a particular focus on sustainability matters. My Marketing is Banca Mediolanum's platform dedicated to personalisable promotional and advertising material. It plays a central role in supporting the Sales Network, integrating innovation, efficiency and sustainability. Conceived as a true e-commerce activity, My Marketing provides all the tools necessary to support the commercial negotiations, while ensuring compliance with the brand identity and the Group guidelines.

During 2024, the platform was reorganised to offer a more intuitive and faster browsing experience, allowing Family Bankers to easily locate the materials best suited to their needs. During the year, more than 20,800 orders were placed, of which about 4,200 were personalised, a significant increase compared with previous years. These data highlight not only the efficiency of the tool, but also the growing importance of personalisation and sustainability in support of the Network.

The digital brochure offering has been further expanded to 70 products available in 2024 and a total of 17,000 downloads. These materials represent a modern and sustainable solution, reducing environmental impact through complete dematerialisation and contributing to climate change mitigation by reducing the consumption of physical resources.

Alongside the digital materials, physical materials designed for specific contexts have been developed. Although physical, these materials reflect a strong commitment to sustainability. Each product is made using production processes that meet high standards of environmental responsibility, including the use of FSC certified paper and the use of solar energy through dedicated photovoltaic systems.

Still with a view to the efficiency of processes and the reduction of environmental impacts, it continued its analysis of processes that could be digitalised. In particular, the operating flows related to the management of the provisions on current accounts were examined. The objective was to identify additional dematerialisation opportunities, reducing paper usage and CO_2 emissions, while improving the speed and effectiveness of business operations.

Several major projects were completed during 2024. One of these was the digitalisation of the business account opening form and the registration form. This change allowed paper documents to be replaced with digital equivalents, thus reducing the need for the Sales Network to send paper. This not only brought environmental benefits, but also improved operational efficiency. The project was put into production in July 2024 and its use by the Sales Network and the concrete benefits that derive from it are currently being monitored.
In 2024, several projects were launched that will be completed in 2025. These include digitalising the form for account closure through Family Bankers and the transfer form. Through an in-depth analysis of the processes, the possibility of proceeding with complete, end-to-end digitalisation was assessed. This approach will not only reduce internal costs, but will also bring significant benefits through the reduction or elimination of paper documents sent to the head office, resulting in reduced paper use and CO_2 emissions.
It should be recalled that the initiatives to digitalise the undertaking processes launched by Banca Mediolanum and Banco Mediolanum as distributors of MIFL and MIL products (e.g. digital signature of contractual documentation with savings in CO_2 emissions) are also reflected in their activities.
In terms of environmental sustainability, in 2024 the Customer Communications Office continued the communication campaign promoted by Mediolanum Assicurazioni and Mediolanum Vita, in order to raise awareness among customers of the digitalisation of communications relating to their policies. In general, with regard to the sending of communications to Banca Mediolanum's customers, the level of digitalisation reached in 2023 was maintained.

Objectives

[EI-4 MDR-T 8I]

To date, no measurable results-orientated targets have been set for the dematerialisation of the offering of products and services. The work carried out is aimed at adopting an integrated approach to sustainability, to minimise the environmental and social impacts of our activities. The focus is on increasing digitalisation, reducing the use of physical materials when possible. In cases where material media are still necessary, low environmental impact solutions, such as the use of certified materials (e.g. FSC) and the adoption of printing processes powered by renewable energy, are favoured.
In 2024, the implementation of a structured monitoring system was launched to assess and report on the effectiveness of the actions taken. This process includes:

- supplier assessment: we analyse production models, sustainability certifications and compliance with applicable environmental and social regulations;
- collection and analysis of operational data: we monitor performance against environmental and social key indicators, with a focus on CO_2 emissions, operational efficiency and the use of sustainable materials.

during 2025, the evolution of performance will be monitored and the possibility of defining measurable objectives will be assessed.

2.2.7 Metrics – Own and financed GHG emissions

Energy consumption and mix

[EI-5 DP 37]

The Italian Companies of the Mediolanum Group purchase energy through players with which they contract the supply of electricity and gas on an annual basis. In addition, two trigeneration plants, powered by methane gas, have been installed at the Milan 3 City office to enable the simultaneous self-generation of electricity, thermal energy and refrigerated energy, through the use of co-generators and absorption refrigeration units. The electricity taken from the grid, 100% from renewable sources with guarantee of origin, and the electricity produced by trigeneration (24%) cover the needs of the entire campus of Milan 3 City. In addition, hot and cold water for air conditioning is self-generated, again through the trigeneration system, supporting the climate control systems within the buildings. For Banco Mediolanum, all the facilities are currently powered by external energy, with 100% of the contractual supply coming from renewable sources with guarantee of origin. In July 2024, at the office at Av. Diagonal 668 (Palacete Abadal), work began on the installation of photovoltaic solar panels for energy self-generation. In addition, in order to ensure business continuity in the event of a failure of electricity supply, the facility is equipped with electric generators powered by diesel. The Group's Irish Companies also purchase electricity from 100% renewable sources. In addition, a portion of the energy purchased by the centralised management of the building is also 100% renewable.

[EI-5 DP 37 a; 37 b; 37 c; 37 ci; 37 cii; 37 ciii; AR 34]

Energy consumption and mix	u.m.	2024
Total consumption of energy from fossil sources	**MWh**	**11,194.64**
Percentage of fossil sources in total energy consumption	MWh	52.29
Total energy consumption from nuclear sources	**MWh**	**0**
Percentage of energy consumption from nuclear sources as a percentage of total energy consumption	%	0
Consumption of renewable fuels	MWh	0
Consumption of electricity, heat, steam and cooling from renewable sources, purchased or acquired	MWh	10,193.99
Consumption of self-generated renewable energy without use of fuels	MWh	19.80
Total consumption of energy from renewable sources	**MWh**	**10,212.79**
Renewable sources as a percentage of total energy consumption	%	47.71
Total energy consumption related to own operations	**MWh**	**21,407.43**

[EI-5 DP 39]

Production of non-renewable and renewable energy	u.m.	2024
Production of non-renewable energy	MWh	2,808.60
Production of renewable energy	MWh	19.80

[MDR-M DP 77 a]

For the Group Companies, electricity consumption is calculated at year-end on the basis of bills, invoices and data recorded by the accounting system. Consumption in December, when no precise data is available, is estimated through an end-of-year projection based on the previous months, using invoices issued by the energy supplier.

All energy consumption was converted into MWh using the conversion factors provided by DEFRA[42], which make it possible to determine the calorific values and densities typical of the reported fuels.

The information in this metric does not include data relating to August Lenz & Co. AG, which has been in liquidation since 1 July 2023. No estimates were used for these data since, given the small number of employees, the estimated consumption is less than 1 MWh. The exclusion of this value therefore does not affect the validity of the calculation.

[MDR-M DP 75]

The energy consumption and mix metrics (EI-5) are used to measure performance with respect to the following impacts: "Generation of direct and indirect GHG energy emissions (Scopes 1 and 2)"; "Generation of indirect GHG emissions (Scope 3)".

[MDR-M DP 77 b]

In relation to the energy consumption and mix metrics, no external bodies, other than the entity issuing the certificate of compliance, are involved for data validation.

Gross Scopes 1, 2, 3 and Total GHG emissions

[EI-6 DP 52; 52 a; 52 b; AR 47]

Total GHG emissions	u.m.	2024
Total location-based GHG emissions	tCO_2eq	4,783,467.08
Total market-based GHG emissions	tCO_2eq	4,780,444.72

[EI-6 DP 53; AR 53]

GHG intensity based on net revenues	u.m.	2024
Net revenues	€/000	3,867,305
Intensity of location-based GHG emissions (total GHG emissions vs net revenues)	$tCO_2eq/€$	1.24
Intensity of market-based GHG emissions (total GHG emissions vs net revenues)	$tCO_2eq/€$	1.24

[EI-6 DP 55; AR 55]

For the purposes of calculating the intensity of location-based and market-based GHG emissions, the positive components taken from the consolidated income statement at 31.12.2024 were used in the denominator. It should also be noted that, for the purposes of the definition, the item "170. Balance of financial revenues and costs relating to insurance management" was also considered, given the specific nature of the insurance business.

[MDR-M DP 77 a]

The reporting on this metric on "Gross Scopes 1, 2, 3 and Total GHG emissions" does not include data for August Lenz & Co. AG, which has been in liquidation since 1 July 2023. No estimates were used for these data since, given the small number of employees, the estimated consumption is less than 1 MWh. The exclusion of this value therefore does not affect the validity of the calculation. Please refer to the individual sections for details of the methodologies and significant assumptions underlying the metrics.

[42] UK Government GHG Conversion Factors for Company Reporting – 2024.

[MDR-M DP 77 b]

In relation to the metrics on gross GHG emissions in Scopes 1,2,3 and total GHG emissions, no external entities, other than the entity issuing the certificate of compliance, are involved for validation of the data.

Scope 1

[EI-6 DP 48 a; 48 b; 50 a; 50 b]

Gross GHG emissions in Scope 1	u.m.	2024
Gross GHG emissions in Scope 1	tCO_2eq	2,412.43
Consolidated accounting group	tCO_2eq	2,412.43
Investees with operational control	tCO_2eq	-
Percentage of gross GHG emissions in Scope 1 from emissions trading systems	%	0

[EI-6 DP AR 39 b; MDR-M DP 77 a]

For Group Companies, Scope 1 GHG emissions relate to gas consumption for electricity generation (Banca Mediolanum) and consumption attributable to the company car fleet and long-term rental vehicles (petrol and traction diesel).

For the calculation of gross GHG emissions in Scope 1, the sources of conversion factors are the "Guidelines on the application in the area of banking operations of the European Sustainability Reporting Standards (ESRS) in environmental matters - Focus on Disclosure Requirements E1-5, E1-6" - version of December 2024. These guidelines provide coefficients and conversion factors in line with those defined at the national level (ISPRA in the National Inventory Report and Common Reporting Format), European coefficients, and other international coefficients (GHG Protocol). The greenhouse gases included in the calculation of emissions, specified in the guide, are CO_2, CH_4 and N_2O. The unit of measurement used is tCO_2eq. The conversion of greenhouse gases into tonnes of CO_2 equivalent was performed in line with the most recent Global Warming Potential (GWP) values published by the IPCC with a 100-year time horizon.

[EI-6 DP AR 42 c]

There were no significant events or changes in the circumstances relevant to greenhouse gas emissions between the reporting dates of the entities in the Group's value chain and the date of the consolidated financial statements. All data used to calculate GHG emissions refer to the reporting scope 01.01.2024 – 31.12.2024.

Scope 2

[EI-6 DP 49 a; 49 b; 50 a; 50 b]

Gross GHG emissions in Scope 2	u.m.	2024
Gross location-based GHG emissions in Scope 2	tCO_2eq	3,022.36
Consolidated accounting group	tCO_2eq	3,022.36
Investees with operational control	tCO_2eq	-
Gross market-based GHG emissions in Scope 2	tCO_2eq	0
Consolidated accounting group	tCO_2eq	0
Investees with operational control	tCO_2eq	-

[EI-6 DP AR 39 b; MDR-M DP 77 a]

For the calculation of gross market-based GHG emissions, the entire volume of electricity purchased by the Group was multiplied with the emission factor 0, in line with the provisions of the Guidelines on the application in the area of banking operations of the European Sustainability Reporting Standards (ESRS) in environmental matters - Focus on Disclosure Requirements EI-5, EI-6. With regard to the calculation of gross location-based GHG emissions, the emission factors provided for in the ABI Lab Guidelines on the Bank's application of the European Sustainability Reporting Standards (ESRS) were applied to Banca Mediolanum, while the average national emission factors provided by IEA[43] 2023 were applied to the foreign Companies.

The greenhouse gases included in the calculation of emissions, specified in the guide, are CO_2, CH_4 and N_2O. The unit of measurement used is tCO_2eq. The conversion of greenhouse gases into tonnes of CO_2 equivalent was performed in line with the most recent Global Warming Potential (GWP) values published by the IPCC with a 100-year time horizon.

[EI-6 DP AR 42 c]

There were no significant events or changes in the circumstances relevant to greenhouse gas emissions between the reporting dates of the entities in the Group's value chain and the date of the consolidated financial statements. All data used to calculate GHG emissions refer to the reporting scope 01.01.2024 – 31.12.2024.

Scope 3

[EI-6 DP AR 46a; AR 46c; AR 46d; AR 46i]

In the context of the calculation of Scope 3 GHG emissions for the year 2024, with reference to the categories provided for in the GHG Protocol, six significant emissions categories have been identified for the Mediolanum Group:

- Category 1 – Purchased goods and services. This category refers to emissions deriving from the purchase of goods and services during the reporting year;
- Category 5 – Waste generated during operations. This category refers to emissions deriving from the disposal of waste produced by the organisation during the reporting period;
- Category 6 – Business travel. This category refers to emissions deriving from employees' business trips by train, air, taxi and own car and, therefore, is financed by the Group;
- Category 7 – Employee commuting. This category refers to emissions deriving from employees travel between home and the workplace;
- Category 14 – Franchising. This category refers to emissions deriving from the travel between home and the workplace of the Family Bankers operating in Italy and Spain, as well as from the energy consumption of the Italian and Spanish offices for power and heating;
- Category 15 – Investments/portfolio. This category refers to emissions generated by equity and bond investments, as well as by the mortgages and corporate loans of the Mediolanum Group.

For the other categories of indirect Scope 3 emissions covered by the GHG Protocol, internal analyses were carried out to assess their applicability and relevance to the business model adopted. As a result of these assessments, it was decided to exclude them from the reporting as they are considered not relevant, not applicable or difficult to quantify, mainly due to the complexity of obtaining the necessary data.

[43] IEA Emissions Factors 2023.

[EI-6 DP AR 39 b; AR 46e; AR 46h]

The categories being assessed were classified and measured on the basis of the recommendations of the GHG Protocol, a reporting standard that provides calculation tools and methodologies for measuring and quantifying own emissions of climate-altering gases. The reference methodology used to measure only the category linked to portfolio investments is defined by the Partnership for Carbon Accounting Financials (PCAF) Standard, which provides for the choice and applicability of different approaches based on the type of asset and the level of quality of the calculation. The calculation methods used by the Mediolanum Group for the Scope 3 categories identified are shown below:

- Category 1 - Purchased goods and services: includes data relating to the purchase of durable goods (such as furniture items) and non-durable goods (particularly paper). The emission factors used are issued by the Department for Environment, Food and Rural Affairs (DEFRA) for the use of materials (2024 emission factors);
- Category 5 - Waste generated in operations: data on waste flows and their destination are included. The emission factors used are issued by the Department for Environment, Food and Rural Affairs (DEFRA) for waste disposal (2024 emission factors). The emissions were calculated taking into account the disposal system actually used;
- Category 6 - Business travel: data on the mileage of Mediolanum Group employees in trains, cars and aircraft are included. The emission factors used are issued by the Department for Environment, Food and Rural Affairs (DEFRA) for business travel emissions (air, sea, land; 2024 emission factors);
- Category 7 - Employee commuting: emissions were calculated based on the results of the 2024 survey provided to employees on company mobility and on data on average attendance at the Group's offices. These data were used for the sole purpose of identifying the distribution of the kilometres travelled on average on the basis of the transport mode used. The emission factors of the Department for Environment, Food and Rural Affairs (DEFRA) relating to the transport mode used (2024 emission factors) were applied to the kilometres travelled. This category of Scope 3 emissions also includes GHG emissions from teleworking. In order to quantify these emissions, data on the IT media used by employees and remote working days were requested. The Ecoact paper "Homeworking emissions Whitepaper", which takes into account the average use of electricity per desk, was used to obtain the kWh consumption of each medium;
- Category 14 - Mobility and offices of Family Bankers: emissions were calculated based on the results of the 2024 surveys of the Italian and Spanish Family Bankers, who provided data on their mobility habits and energy consumption linked to the offices in which they operate. The data collected were used to estimate emissions from work travel (e.g. travel to get to customers, business events and other work activities). In addition, in order to estimate emissions, the distribution of kilometres travelled on average was determined, broken down by transport mode. The relevant DEFRA 2024 conversion factors were applied to these distances, differentiating between private/company cars (petrol, diesel, LPG, electric), public transport and motorcycles/scooters. In addition to emissions from travel, emissions from the energy consumption of offices used by the Family Bankers were calculated. For electricity consumption, the survey data and, where available, the regular consumption of the Italian offices were used. The emissions were calculated by applying the location-based emission coefficient (the Italian Institute for Environmental Protection and Research (ISPRA) for Italy, Comisión Nacional de los Mercados y la Competencia (CNMC) for Spain). For the consumption of natural gas (heating), the data declared in the survey were used, applying the specific emission factor for Sm^3 (Catalan Oficina del Canvi Climàtic (OCCC) for Spain, ISPRA for Italy);

- Category 15 - Investments/Portfolio: with regard to investments linked to asset management, insurance and asset owners, an analytical approach was applied that involved calculating the individual counterparty emissions (Scope 1 and Scope 2), broken down into the value of the investment made with respect to the total value of the investee undertaking (EVIC[44]); with regard to the "Credit to corporates (NFC)" section, for each counterparty the ratio of the exposure at 31/12 to the total value of the assets of the undertaking has been calculated. The ratio was then multiplied by the total emissions figure for the undertaking, calculated as the sum of each local unit on the basis of turnover and the associated sector, using a statistical calculation model considering Scope 1, Scope 2 and Scope 3 emissions; with reference to "Mortgages", for each mortgage the ratio of the exposure at 31/12 to the valuation value of the relevant property was calculated. The ratio was then multiplied by the surface area and by the CO_2 emissions per square metre of the property. The analytical data of the portfolio were taken into account with coverage of 96%, while the emissions average was used for the remaining 4%.

[EI-6 DP 51; AR 46g]

Scope 3 categories	u.m.	2024
1. Purchased goods and services	tCO_2eq	34.56
5. Waste generated during operations	tCO_2eq	23.58
6. Business travel	tCO_2eq	931.20
7. Employee commuting	tCO_2eq	2,078.99
14. Franchising	tCO_2eq	11,773.19
15. Portfolio	tCO_2eq	4,753,190.77

[EI-6 AR 46g]

90% of Scope 3 emissions were calculated using primary data[45].

[EI-6 DP AR 42 c]

There were no significant events or changes in the circumstances relevant to greenhouse gas emissions between the reporting dates of the entities in the Group's value chain and the date of the consolidated financial statements. All data used to calculate GHG emissions refer to the reporting scope 01.01.2024 – 31.12.2024.

[MDR-M DP 75]

The metrics of Gross Scopes 1, 2, 3 and Total GHG emissions (EI-6) are used to assess performance with respect to the following impacts: "Generation of direct and indirect GHG energy emissions (Scopes 1 and 2)"; "Generation of indirect GHG emissions (Scope 3)".

[MDR-M DP 77 b]

In relation to the metrics on gross GHG emissions in Scopes 1,2,3 and total GHG emissions, no external entities, other than the entity issuing the certificate of compliance, are involved for validation of the data.

[44] For the 2024 calculation, the Enterprise Value Including Cash (EVIC) figure, also suggested by the TCFD Recommendations, was used for all asset classes, including in order to ensure greater consistency with the guidelines of the European Banking Authority. In particular, the formula used to calculate Scope 3 related to the investment category is: Scope 1 and 2 financed emissions = Total GHG emissions (Scope 1 + Scope 2) * (Exposure / Enterprise Value Including Cash).

[45] In particular, Category 1, 5 and 6 emissions are calculated using 100% primary data. Category 7 emissions are estimated through surveys of company mobility and office attendance data. Category 14 emissions combine estimates (FB mobility surveys) and primary office energy consumption data (27%). Category 15 emissions for equity and fixed-income investments are 100% based on primary data, for corporate loans on estimated calculations based on GICS sector data, and for mortgages on portfolio analytical data (96.58% coverage) and average emissions estimates.

Scope 3: Portfolio breakdown

The following is a breakdown of emissions intensity by:

- Asset class;
- Global Industry Classification Standard (GICS) sectors;
- Geographical area.

Asset class

The table below shows the total emissions of the Group's financial portfolio.

Asset class	2024
Equity investments	2,468,843.73
Bond investments	1,550,731.76
Mortgages	269,623.01
Corporate loans	473,992.28
Total	**4,763,190.77**

GICS sectors

The breakdown of absolute emissions by reference GICS sectors is shown below.

2024						
Absolute emissions (Tonne/CO_2eq)						
Product sector	Loans	Asset Mgt	Own assets	Insurance	Total	Emissions weight (%)
Materials	13,437.82	916,468.99	1,390.22	582,887.17	1,514,184.19	31.79
Utilities	57,057.21	572,151.68	717.55	301,637.61	931,564.05	19.56
Energy	0.03	496,304.19	805.96	278,602.38	775,712.57	16.29
Industry	170,758.16	258,352.63	696.15	183,168.32	612,975.26	12.87
Real Estate	330,297.48	6,339.12	36.39	6,055.53	342,728.52	7.20
Luxury goods	90,325.44	99,087.69	172.81	63,293.58	252,879.52	5.31
Information technology	5,495.44	44,740.33	14.55	38,251.36	88,501.68	1.86
Consumer staples	75,013.49	45,216.66	122.56	35,708.72	156,061.43	3.28
Health	595.25	15,682.30	5.27	13,026.43	29,309.25	0.62
Finance	21.03	13,603.59	198.96	12,555.79	26,379.37	0.55
Communication services	613.93	19,814.74	73.35	10,976.62	31,478.65	0.66
Other	-	1,253.35	0.00	162.93	1,416.27	0.03
Total	**743,615.28**	**2,489,015.27**	**4,233.77**	**1,526,326.45**	**4,763,190.77**	**100**

Geographical area

The breakdown of absolute emissions and their portfolio value, broken down by geographical area, is shown below.

	2024	
	Tonne/ CO_2eq	% emissions
Europe	2,016,096.06	42.33
Great Britain	95,603.88	4.10
America	1,377,279.05	28.92
Asia	195,302.74	2.01
Emerging markets	1,078,909.04	22.65
Total	**4,763,190.77**	**100**

3. Social information

3.1 ESRS S1 Own workforce

3.1.1 Material impacts, risks and opportunities and their interaction with strategy and business model

[SI.SBM-3 DP 13 a]

One of the drivers that has always characterised the Group is placing people at the centre and focusing attention on the needs of customers and its staff. This clear guiding principle allows us to be always focused on our business model, consistent with the values and identity of the business, attentive to technological innovation and to the ongoing search for excellence in customer service, the premise for achieving economic results that are always positive, in a long-term and sustainability-based perspective.

The centrality, involvement and active participation of the human factor in the business processes are fundamental objectives of the tools of management and development of organisational conduct. As stated in the Group's Code of Ethics, the fundamental and irreplaceable points of competitiveness of the Group include the commitment to bring out the best professional skills of people, the active participation of resources in the processes that involve them and the facilitation of the system of internal communications, which promotes the culture of listening and the circulation of information.

[SI.SBM-3 DP 14]

All own workers that may be subject to material impacts on the part of the undertaking, including impacts directly related to own operations and the undertaking's value chain, are included in the scope of the reporting and have effectively been included in the double materiality assessment.

[SI.SBM-3 DP 14 a]

The Group's main employees subject to material impacts are employees at the Group's operational sites, particularly in Italy, Spain and Ireland.

[SI.SBM-3 DP 14 b]

The material negative impacts that arose in the context of the double materiality process are mainly related to individual potential incidents such as:

- measures against violence and harassment in the workplace (potential incidents of harassment);
- employment and inclusion of people with disabilities (potential lack of integration of workers with disabilities);
- health and safety (potential harm to workers resulting from occupational accidents and illness);
- confidentiality (potential loss of confidential data and information);
- gender equality and equal pay for equal work (gender inequality in senior positions and/or in corporate career development processes; potential inequality in gender and/or pay for equal work).

[SI.SBM-3 DP 14 c]

The material positive impacts identified in the context of the double materiality process are related to the Group's activities in the development and protection of human capital and are mainly aimed at the Group's employees at the operational sites in Italy, Spain and Ireland.

The positive impact of training programmes, performance appraisal systems and professional development plans is determined by the activities promoted by the Group in the area of training, assessment and development (e.g. career growth, internal movement and job-posting, succession planning, onboarding activities and specific projects such as "Feedback4U" and the establishment of the Mediolanum Empowerment & Employability Centre).

mental and physical well-being are determined by the activities promoted by the Group (cf. ESRS SI-4 Taking action on material impacts on own workforce, – work-life balance, for further details on the Group's activities) on corporate welfare, workplace health and recruiting and retention processes.
Lastly, the positive impacts related to secure employment, the adequacy of working hours and pay, respect for social dialogue and collective bargaining derive from the application of national collective bargaining agreements (CCNLs) in the sector with economic benefits in excess of the contractual minimum levels on average and with benefits in addition to those established by the general rules of countries with regard to health and social security coverage.

[SI.SBM-3 DP I4 d]

During the materiality assessment process, a material opportunity was identified for improving employee retention, thanks to the preparation of initiatives and activities that include aspects related to training and skills development. In particular, in the assessment process, it was shown that the development and training programmes curated by the Corporate University will increasingly aim to combine the strengthening of technical skills with the refinement of soft skills, a distinctive element for the Group in conduct towards customers.

[SI.SBM-3 DP I4 e]

In the double materiality assessment process, no material impacts on own workforce were identified that might result from transition plans aimed at reducing negative impacts on the environment.

[SI.SBM-3 DP I4 fi; I4 fii]

With regard to the Mediolanum Group's own workforce, no transactions at serious risk of forced or compulsory labour exist. As explained in the Mediolanum Group's Policy for the Protection of Human Rights, the Mediolanum Group does not knowingly make use of any form of forced or compulsory labour.

[SI.SBM-3 DP I4 gi; gii]

With regard to the Mediolanum Group's own workforce, there are no transactions at serious risk of child labour. As explained in the Policy for the Protection of Human Rights, the Mediolanum Group rejects child labour and complies with the provisions of the ILO Convention or the minimum working age established in the countries (provided that it is more protective than the ILO Convention).

[SI.SBM-3 DP I5]

With reference to the impacts identified in the materiality assessment, no particularly exposed categories of workers are identified that may be impacted in a differentiated way.

[SI.SBM-3 DP I3 b]

With regard to the actual positive impact related to the presence of training programmes, performance appraisal systems and professional development plans, an opportunity was identified related to the improvement of employee retention through the preparation of initiatives and activities that include aspects related to training and skills development. This opportunity is related to the business strategy and model, as any outflows of resources may result in a loss of skills and intangible assets for the business. Initiatives to protect human capital are therefore designed to minimise the risk of loss of the organisation's knowledge and experience capital, particularly that regarded as most distinctive and critical for business development.

[SI.SBM-3 DP I6]

The assessment process also revealed the presence of investments in up/re-skilling plans to directly support the planned growth of both traditional businesses and those in a particular phase of expansion (e.g. protection, wealth management), together with pathways dedicated to the development of data management culture and technological/digital innovation.

[SI-1 DP I9]

The Policies relating to the workforce apply to the entire corporate population, unless otherwise indicated.

3.1.2 Working conditions and human rights

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Secure employment			
Ensuring the job stability and the well-being at work of Group employees	Actual positive impact	Own operations	Medium term
Working hours			
Adequacy of working hours	Actual positive impact	Own operations	Medium term
Adequate wages			
Adequacy of pay	Actual positive impact	Own operations	Medium term
Social dialogue/freedom of association, existence of works councils and rights to information, consultation and participation of workers/collective bargaining			
Employee satisfaction with social dialogue and/or collective bargaining	Actual positive impact	Own operations	Medium term

The Group's approach and policies

The Mediolanum Group takes a responsible approach to working conditions, based on full compliance with human rights and the regulations in force in the countries in which it operates. Secure employment is guaranteed through open-ended contracts and the application of national collective bargaining agreements for the sector. In cases of corporate restructuring, the Group ensures that there is a harmonious exchange of views with the social partners to manage any transfers in a fair and responsible way. Dialogue with employees is constant, with listening initiatives and professional development pathways that aim to protect human capital and reduce the risk of loss of distinctive skills for the business.

Over the years, the Mediolanum Group has developed various policies intended to ensure the correct management of the impacts described above. In addition to the collective bargaining agreements, the Code of Ethics and the Mediolanum Group's Sustainability Policy, which refer to its approach and general guidelines, the main policies for managing impacts related to "working conditions" are the Group's Policy for the Protection of Human Rights, agile working agreements and remuneration policies.

[SI-1 DP 19]

IRO: Ensuring the job stability and the well-being at work of the Group's employees; Adequacy of working hours; Adequate wages; Employee satisfaction with social dialogue and/or collective bargaining

Code of Ethics

One of the key principles of the Code of Ethics is the integrity and dignity of the person. The Mediolanum Group ensures the physical and moral integrity of its staff, working conditions that respect individual dignity and safe and healthy working environments. The Group's employees are offered equal employment opportunities on the basis of professional skills and performance, without any discrimination, with full respect for the rights of the individual.

IRO: Adequacy of pay

Group remuneration policies

In the context of its remuneration policies, the Mediolanum Group adopts various principles to ensure their neutrality, with the aim of minimising gaps in every respect, including gender differences.

IRO: Ensuring the job stability and the well-being at work of the Group's employees; Adequacy of working hours; Adequate wages; Employee satisfaction with social dialogue and/or collective bargaining

CCNLs and CIAs - Italy

The national collective bargaining agreement (Contratto Collettivo Nazionale di Lavoro or CCNL) is the source of legislation through which employee representative organisations and employers' associations (or a single employer) unanimously define the rules governing the employment relationship.

Within the Mediolanum Italia Group, various national collective bargaining agreements (CCNLs) are applied for the employees of the Company. The CCNLs applied are as follows: The CCNL for executives and professional personnel in the credit, financial, and instrumental sectors (Credit CCNL), CCNL ANIA, which governs relations between insurance undertakings and non-executive employees, the CCNL for trade, tertiary companies, distribution and services and the CCNL for private broadcasting companies. Within the Group, the most widely applied agreement is the Credit CCNL.

The application of the CCNL offers all employees a network of protections covering various aspects of working life, promoting security, stability and professional growth, including, and not limited to, in the areas of: adequacy of working hours and pay and respect for social dialogue and/or collective bargaining. As well as these social protections provided by the application of the industry CCNL, there are also more favourable treatments provided by second-level supplemental agreements (Contratti Integrativi Aziendali or CIAs). Within the Italy Group, two CIAs apply, one for Credit employees and one for Insurance employees. As is the case with the CCNL, the Credit CIA applies to the majority of employees. The most favourable treatments include but are not limited to: preferential agreements paid for by the company relating to certain areas for coverage of both in-patient and out-patient health care, company performance bonuses according to efficiency, profitability and productivity indicators, a supplementary pension with the addition of a contribution from the company, as well as paid leave days allowed during the year for medical reasons for both employees and their family members, certified medical examinations, bereavement and volunteering. The relevant CCNL and the CIA are also applied to employees with supply contracts, guaranteeing the full rights and protections of employees as provided by Italian legislation.

Collective Agreement for Banks - Spain

The Collective Agreement regulates the employment relationship of the banking staff of Banco Mediolanum, including professional categories from Technician II to Technician I. It contains the relevant salary tables and defines working conditions, including rules on promotions, leave, holidays, working hours and furlough. The agreement applies to all bank employees, except for the Chief Executive Officer. The Policy is approved by the Board of Directors, implemented by the Personas Area and communicated to all staff.

IRO: Adequacy of working hours

Agile working agreements

[SI-I DP 20; 22]

In line with its corporate culture, the Mediolanum Group undertakes to respect and promote human rights as part of its activities and to prevent, with the aim of minimising, any breach directly caused by its actions. The Mediolanum Group's Policy for the Protection of Human Rights, approved in 2020 and last updated in 2024, defines the Group's commitment to the protection of human rights according to the highest international standards, in particular the United Nations Guiding Principles on Business and Human Rights, the Declaration on Fundamental Principles and Rights at Work of the ILO and the OECD Guidelines for Multinational Enterprises. The Mediolanum Group's Policy for the Protection of Human Rights explicitly addresses trafficking in human beings, forced labour and child labour.

[SI-I DP 20 a]

With regard to respect for human rights, including the labour rights of its own workers, the Group Policy provides specific commitments regarding:

- the prevention of discrimination and practices that violate the dignity of persons: to this end, providing equal opportunities for access to work and promotion is a basic principle for the Group, ensuring at all times that persons are not discriminated against on grounds of sex, race, age, religion, origin, disability, marital status, sexual orientation or social status;
- the rejection of forced labour and child exploitation; in particular, the Group complies with the provisions of the ILO Convention or the minimum working age established in the countries (provided that it is more protective than the ILO Convention);
- respect for freedom of association and collective bargaining: the Mediolanum Group recognises the fundamental rights of workers to form and associate with trade unions or representative bodies. The Group also ensures respect for freedom of expression, trade union activity, collective bargaining and the recognised protection of employee representatives in accordance with the labour legislation of each country;
- protection of employee health: the Mediolanum Group considers the safety and health of its employees to be fundamental and prioritises improvements in working conditions. Moreover, the Group complies with the requirements set forth in the laws of each country in this regard and takes appropriate measures to ensure workplace safety and health;
- the provision of decent work: the Group remunerates employees according to criteria of fairness, on the basis of their training, experience, role and responsibility, in accordance with legislation and the socio-economic context. It also guarantees its employees the right to rest in accordance with current legislation;
- offering employees flexible ways of working that allow them to balance their professional career with other interests and responsibilities. The Group is also committed to creating a working environment that supports the work-life balance of each employee;
- the right to the protection of personal data and privacy.

[SI-I DP 20 b; 20 c; 21]

For further details on the Mediolanum Group's Policy for the Protection of Human Rights, please refer to the detailed sections.

Actions

[SI-4 DP 38 c]

The Group ensures a stable and well-being-oriented working environment for employees by providing permanent contracts, with the aim of promoting job security and productivity. It also protects occupational levels by promoting qualification, upskilling and reskilling programmes, in order to respond to ongoing developments in the labour market. The adequacy of working hours is ensured by compliance with national legislation and collective bargaining agreements. The Group has adopted flexible hours models for the purposes of work-life balance and recognises the right to disconnect, promoting a sustainable balance between work and personal well-being. In terms of remuneration, the Group implements a policy of annual increases based on merit and career development pathways, ensuring adequate and motivating remuneration. The valorisation of organisational roles and the relevant measurement of the competitiveness of remuneration, compared with the external market, takes place using consolidated international methods, ensuring fairness and transparency. Lastly, dialogue with trade unions is structured and regulated by the Industrial Relations Protocol, which defines a model of structured trade union relations, favouring constructive discussion and the implementation of shared measures for the well-being of workers.

[SI-4 DP 37]

IRO: Ensuring the job stability and the well-being at work of Group employees

In the ever-changing world of work, job stability is a fundamental value. Offering permanent contracts not only demonstrates the Company's commitment to its employees, but also creates a calmer and more productive work environment. Employees who feel confident in their role are more motivated, more engaged and more likely to contribute to the success of the business. Permanent employment is an investment in the future. It means recognising people's value, their skills and their growth potential, and is a means of attracting and retaining the best talent, who are not only looking for career opportunities but also safety and stability.
In particular, the Human Resources Department monitors the following every year:

- the main type of contract: permanent employment is by far the main form of employment, with more than 97% of employees on permanent contracts in Italy. This reflects the belief that job stability is essential to building a strong and cohesive team, capable of addressing market challenges with determination and skill. However, there are special situations that require the use of forms of fixed-term employment. These situations include temporary needs related to specific project initiatives or unexpected peaks in activity. In these cases, fixed-term hiring enables flexible and timely responses to business needs, while ensuring business continuity and efficiency. In addition, these forms of work and collaboration frequently result in job offers within the Group;
- the level of outgoing turnover: during 2024, the Group in Italy recorded a level of voluntary outflows of 3.7%, demonstrating a strong capacity to retain resources in the business, with the sole exception of Flowe, which, following a reorganisation of the business, is reviewing its structure, with impacts on the headcount.

In addition, the programmes adopted by Mediolanum are intended to avoid possible negative impacts on people and allow protection of employment levels through qualification and professional upskilling and reskilling activities, as well as through a plan to recruit new staff within the Group. There was also an increase in the supply of employment in 2024, with 236 new employees. As part of the reskilling projects, in 2024, the company:

- confirmed the partnership established in 2023 with INTOO, a major player in career transition processes, aimed at involving a cluster of resources belonging to different professional families, with the aim of providing tools and support to foster a better understanding of the working environment and a greater awareness of the skills present and the skills expected for a better performance. Having established correspondence with the role and mapped their experience, technical skills and personal characteristics, in collaboration with INTOO, they are directed to and supported on a development pathway, with an action plan designed to interpret their role with respect to the business strategy and the drawing up of an action plan;

- in the context of projects relating to ageing, generational diversity, development and employability, programmes for the continuous inclusion of young people and programmes aimed at their professional development, for employees, have continued. Through the Mediolanum Employability & Empowerment Centre project, the development and reskilling of all generations continued, based on the evolution of the skills required in the various areas.

Over the years, the Spanish Group Companies recorded steady growth in their employees, with a significant increase in 2024 compared with the previous year and a low outgoing turnover rate. For the well-being of the people who work in these foreign Companies, the Company implements various measures set out in the Equality Plan that support the work-life balance, and provide recommendations for digital disconnection, health programmes and occasions for team building, in order to promote a positive environment. Initiatives are announced and promoted through the new "Mediolanum Home" communication channel with employees.
The Irish Group Companies offer their employees numerous benefits, including annual bonuses, a company pension, health and life insurance, paid leave, educational support, flexible working, well-being programmes and employee incentives.

IRO: Adequacy of working hours

The Mediolanum Group implements the regulations in force in Italy that regulate limits on daily working time. The reference duration of specific tasks is also defined more precisely in the national collective bargaining agreements and may be less than the limit indicated by the general rule. Flexible start and end times are offered, as well as personal breaks and a large time slot for the daily lunch break. The right to disconnect is considered a fundamental aspect of ensuring the well-being of employees. According to this right, workers are entitled to fully disconnect from work outside of working hours, without feeling obliged to respond to emails, messages or calls. The Company actively promotes this practice through clear policies and internal communications that emphasise the importance of respecting rest and recovery times.
The renewal of the Credit CCNL in 2024, with effect from 1 July 2024, established a reduction in weekly working hours of 30 minutes with equal pay for full-time staff and proportional pay for part-time staff. When adapting to the new contractual conditions, the Group established, by analysing operating curves, organisational methods and the well-being of people, that this reduction should be applied close to the weekend: it was therefore applied on Friday.
In line with the specific collective bargaining agreement, Banco Mediolanum has also adopted flexibility measures for working time and measures that enable employees to balance working hours with their personal needs, as well as guidelines for digital disconnection.
The Irish Group Companies monitor working hours through in-house instruments and attendance tools, ensuring that the provisions of the "1997 Working Time Act" are upheld.

IRO: Adequacy of pay

In management terms, the Group has increased its employment levels and has also followed up on its policy of annual meritocratic pay increases and established career developments, as well as ongoing listening and communication initiatives with the corporate population. Mediolanum undertakes to apply all articles of the CCNL, including those concerning the adjustment of employees' salaries, including the contractual increases provided for in the renewal of the Credit CCNL, ensuring economic treatment in excess of the contractual minimum levels on average and providing for forms of supplementary corporate bargaining. The determination of remuneration within the Group is based on clear and transparent criteria, which take into account the role held and the associated responsibilities. The Remuneration Policy is designed to attract, motivate and retain qualified staff, while ensuring alignment with the Group's strategic objectives. Moreover, the application of collective bargaining at national level, in all the Italian Companies of the Group, provides an appropriate guarantee of compliance with adequate levels of individual remuneration, also considering the elements added to the remuneration then established at company level. The Group makes use of well-established and widely adopted methodologies at international level to measure the value of organisational roles. The adoption of these methodologies and the constant updating of their application allows accurate analyses to be carried out to measure the degree of internal equity and the level of competitiveness of the Group's remuneration compared with the external market.
The Spanish Group Companies apply the salary tables of their respective collective agreements, taking into account the professional categories of each employee. The Companies also participate in a financial market remuneration study conducted by Willis Towers Watson (WTW) to obtain a market benchmark and to take into account the competitiveness factor in Remuneration Policy decisions. In addition to the base salary and variable remuneration, which are regularly monitored against market benchmarking levels, the Irish and Spanish Companies of the Group offer various additional elements as part of their welfare programme, as specified in the section on work-life balance.

IRO: Employee satisfaction with social dialogue and/or collective bargaining

In addition to industry provisions, discussions with trade unions are also governed by the Industrial Relations Protocol, which makes it possible to implement a specific model of trade union relations within the Group. Dialogue with trade unions on corporate projects is constant, timely and aimed at identifying shared solutions with respect to the various needs presented for the attention of the parties. The Human Resources Department is supported by the Human Resources Regulatory Advisory Unit in the provision of specialist support for employment, social security and tax legislation that are relevant to the processes that the Department applies to its employees. The Department is above all focused on listening to and involving all employees with respect for transparency, ideas, individual opinions and continuous collective dialogue through industrial relations. There are eight trade unions present in the Group, involved through periodic meetings.
Banco Mediolanum has established a Trade Union Committee, made up of representatives of workers who are members of the CCOO Comisiones Obreras trade union, whose role is to represent the Company's employees and to coordinate relations between the trade union and the undertaking. Subsequently, the assessments carried out and the decisions taken are also applied to the Subsidiaries Mediolanum Gestiòn and Mediolanum Pensiones.
To ensure constant dialogue and discussion between the company and employees, various bodies are in place, formed by representatives of workers and the undertaking. These include the Equality Committee, the Health and Safety Committee and the joint Pension Plan Committee.

The Irish Group Companies, in order to take into account their employees' perspectives in the decision-making and impact management process, establish a relationship of constant dialogue with employees through the involvement of the Human Resources Department. There are currently no trade union relationships within the organisation.

[SI-4 DP 38 d]

The centrality of the Group's people entails full protection of workers' rights by maintaining constant contact with trade union representatives to safeguard employment. The application of the rules of the national employment contracts that the Group applies is in itself a guarantee of the protection and security on which the person and his/her family can rely. The sector CCNL provides a perspective of stability over time and strong social protection in a series of employee life events. This commitment is monitored through the verification and analysis of statistics and reports containing data on the percentage of company turnover and/or turnover by professional category, and the number of resources that have had their contracts stabilised (for example, transformation of an agency contract into permanent employee and/or transition to permanent apprenticeship). To monitor changes in employees' well-being at work, engagement and/or satisfaction surveys are also offered to all employees by the Human Resources Department.

With respect to the adequacy of working hours, all the main records of work attendance, as well as absences and ordinary working hours and overtime hours (where applicable) are constantly monitored on a monthly basis. The Company actively promotes this practice through clear policies and internal communications that emphasise the importance of respecting rest and recovery times. The Company ensures and promotes the taking up of leave due during the year for the mental and physical well-being of employees, with awareness campaigns for managers and staff, monitoring trends in holidays taken and planned during the year.

With regard to the adequacy of pay, each year Mediolanum carries out an accurate and structured monitoring of the adequacy and competitiveness of company salaries, through a series of targeted remuneration analyses. These include a comparison with industry benchmarks, to check the company's salary positioning relative to the target market, and a study of internal trends, with a focus on the distribution of average pay. These analyses identify any deviations and opportunities for improvement, ensuring a Remuneration Policy that reflects the principles of fairness, transparency and consistency with the corporate values. The aim of this approach is not only to promote the economic well-being of employees, but also to increase the attractiveness and sustainability of the organisation, encouraging alignment with best market practices and supporting balanced and inclusive growth.

Lastly, to take into account employee satisfaction with social dialogue and/or collective bargaining, some significant factors are monitored, such as the number of disputes, the rate of voluntary turnover, the analysis of engagement surveys and the monitoring of holiday take-up plans.

[SI-4 DP 43]

The internal Functions involved in managing impacts are the Human Resources Department and the organisational units involved, including: Human Resources Management and Development, Development and Compensation Systems, Human Resources Administrative Management and Human Resources Regulations Advisory, which interact with each other in an integrated manner. The Human Resources Department also manages the above impacts in the foreign Companies. In particular, the Departamento de Personas for the Spanish Companies and Human Resources for the Irish Companies.

Objectives

[MDR-T DP 8l b]

The Group is committed to regularly monitoring the above metrics, including: the percentage of individual permanent contracts, the corporate absenteeism rate, the corporate turnover rate and the percentage of supplementary pension members, as well as the percentage of dispute cases, in order to monitor indicators supporting job stability, general well-being at work and employee satisfaction. Surveys are sent out to all staff in order to analyse the level of engagement, general well-being and satisfaction with the actions taken.

In order to ensure ongoing employee satisfaction with working conditions and well-being, the Group, with regard to the Italian Companies, is committed to establishing and monitoring certain qualitative and quantitative indicators, such as:

- employees on permanent contracts as a percentage of the total number of employees hired by the Group, with an observation parameter of more than 90%;
- the percentage adherence to supplementary pensions, monitoring to ensure that the uptake is not less than 75% of those entitled;
- days of absenteeism. In view of the current measured level and comparison with the available sector benchmarks, the Mediolanum Group sets as a benchmark, including in view of the general environment, of maintaining a particularly low average absenteeism level of no more than 12 working days;
- the percentage of outgoing business turnover of the Group, with an observation parameter of no more than 5%;
- the percentage of active litigation cases, with an observation parameter of no more than 1%.

To monitor and analyse the above points, during the year the Group checks the data and percentages on an ongoing basis, so as to have a continuous view of trends, and also shares the data, once recorded, with the corporate trade union representatives.

3.1.3 Health and safety

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Health and safety			
Harm to workers resulting from occupational accidents and illness	Potential negative impact	Own operations	Medium term

The Group's approach and policies

The Mediolanum Group considers the promotion of workplace health and safety to be an integral part of its values and organisational culture. The Mediolanum Group acts with the aim of creating long-term added value for all stakeholders by protecting the health and safety of its workers, scrupulously complying with the applicable provisions.

Over the years, the Mediolanum Group has developed various Policies aimed at ensuring proper management of this impact. In addition to the Code of Ethics and the Mediolanum Group's Sustainability Policy, which set out its approach and general guidelines, the main Policy for managing impacts related to workplace health and safety is the Policy on Workplace and Environmental Health and Safety.

[SI-1 DP 19]

IRO: Harm to workers resulting from occupational accidents and illness

Policy on Workplace and Environmental Health and Safety

In 2021, Banca Mediolanum adopted a Policy on Workplace and Environmental Health and Safety, which describes the Company's commitment to managing workplace health and safety and environmental protection, pursuing these objectives with the adoption of the integrated management system for workplace health and safety and the environment through the implementation of the reference standards indicated by the ISO 45001:2018 and ISO 14001:2015 international standards in order to seek continuous improvement in its operations. The Policy, issued by Banca Mediolanum as the Parent Company of the Mediolanum Conglomerate, is directly applied within the Bank and the Group companies based in Italy, in light of the services agreement in force. This Policy, which is approved by the employers of the Mediolanum Group companies based in Italy and shared by the respective Boards of Directors, is sent as a Group provision to foreign subsidiaries for implementation according to a criterion of applicability in compliance with local legislation and the relevant territorial context.

[SI-1 DP 23]

Banca Mediolanum has adopted a workplace health and safety management system integrated with environmental protection and has defined within its organisational structure precise responsibilities, operational procedures and processes sensitive to these matters and adequate economic resources for the implementation of strategies aimed at achieving high standards of health and safety in the workplace and environmental oversight described in the Policy on Workplace and Environmental Health and Safety.

In particular, the corporate structures involved in various ways are required to comply with the following measures:

- to ensure compliance with workplace health and safety requirements at every stage of the company processes for which it is responsible, ensuring their effectiveness and the implementation of specific control principles;
- to ensure transparency, propriety and traceability with regard to external bodies responsible for monitoring workplace safety;
- in the context of procurement or supply contracts, to inform counterparties of any risks relating to workplace health and safety and developing the relevant preventive measures;
- in contracts with third parties, to include specific clauses undertaking to comply with the principles of prevention of workplace health and safety risks.

The company's workplace health and safety system ensures the fulfilment of obligations concerning:

- compliance with the legal technical/structural standards for equipment, installations and workplaces;
- risk assessment and the implementation of the resulting preventive and protective measures;
- organisational activities such as emergencies, first aid, contract management, regular safety meetings, consultations with employee safety representatives;
- health monitoring;
- information and training for employees;
- supervisory activities regarding compliance with procedures on the part of employees;
- the obtaining of the documentation and certifications required by law;
- regular checks on the application and effectiveness of procedures adopted.

In pursuit of this commitment, the Italian Companies of the Financial Conglomerate obtained certification for these areas issued by Bureau Veritas in the first quarter of 2024, certifying the adoption and effectiveness of their workplace health and safety management systems in accordance with the applicable laws and reference standards, with the commitment to adopt virtuous continuous improvement processes.

Actions

[SI-4 DP 37]

IRO: Harm to workers resulting from occupational accidents and illness

In 2024, for the Group's Italian Companies, the following assessment of the risks relating to the health and safety of workers was updated: ionising radiation; violence and harassment at the workplace; atmospheric discharges; noise risk for Banking Centre and Sales Support Centre operators; electrical risk; related work stress; artificial optical radiation; microclimate; and legionella. The Irish Companies carry out an annual risk assessment & safety statement through a qualified external company. Banco Mediolanum also carries out periodic risk assessments in accordance with the provisions of local regulations.
For the actions carried out during 2024 on workplace health and safety training, please refer to the section entitled "Training and skills development".

[SI-4 DP 38 a]

The Group Companies update their workers' health and safety risk assessment annually. Actions resulting from periodic controls and the risk assessment are promptly implemented and managed according to their relevance. In addition, the Group Companies periodically inform, educate and train all employees on occupational health and safety matters, in order to create an established corporate safety culture.

[SI-4 DP 38 d]

With specific reference to the Group's Italian Companies, the effectiveness of the actions is monitored within the framework of the ISO 45001 and ISO 14001 certification maintenance process, first-party and third-party (or third-entity) audits carried out annually. The results of the audits determine the maintenance of the certifications and are reported to the Supervisory Bodies of the individual Companies, as well as to the Management Bodies. With regard to the Group's Irish and Spanish Companies, an internal performance monitoring process is in place in order to pursue the continuous improvement of results.

[SI-4 DP 39]

The Group regularly prepares, implements and updates procedures, process regulations and operating instructions aimed at eliminating or minimising accidents at work and occupational illnesses, analysing accidents without consequences for people and near misses in order to proactively explore unforeseen scenarios.
A structured management process is in place to mitigate any risks and, where possible, to eliminate the causes. The risk assessment analysis to which a worker is exposed is carried out using various specific methods based on the risk factor considered. This analysis takes into account both safety risks (risks of an accident) and health risks (occupational health risks).
The objectives to be achieved and the means to be used are outlined on the basis of the context analysis.
Subsequently, the task analysis integrates the analysis by area, in order to identify the hazards, damage and risks as completely as possible. This phase is essential for defining the health monitoring plan, identifying PPE and structuring training interventions. In parallel with the mapping of hazards by area, the historical analysis of accident and health aspects is carried out in order to identify hazards, risks and harm based on what has happened in the past. This process also makes it possible to establish potential parameters for assessment and comparison, enabling analysis of trends over time by sector. For an overall summary view of the risks, the risk matrix is used, a tool that combines the likelihood and severity of events in an indexed way. Once the risk analysis has been completed, the interventions are set out and, with the collaboration of the company physician, an appropriate health protocol is defined for each task profile that requires this.
At the same time, risks can be classified in relative terms, according to the risk matrices defined on the basis of the risk analysis. The results of this assessment process are used by the Employer to define the programme of interventions.

For each intervention, the technical specifications, the necessary resources, the priorities, the executive responsibilities and the established deadlines (intermediate and final) are defined.
In this way, it complies with the provisions of Article 17, paragraph 1(a) of Legislative Decree No. 81/2008, to allow for the assessment of the risks to which the workers are exposed and determine their size (criticality). This process makes it possible to assess whether action is necessary and, if so, to define the direct or indirect, coordinated and feasible methodology for action, as well as the time required for the execution of the works (Article 28, paragraphs 1, 2 and 3 of Legislative Decree No. 81/2008).

[SI-4 DP 41]

The Employer periodically assesses, with the support of the Health and Safety Officer, all risks (social security, health and mental health), bringing the results to the attention of the health and safety governance structures, including the Workers' Safety Representatives, and any mitigating actions are prepared. Regular information is provided to workers on the risks present in the workplace, including through the provision of periodic training as well as through communications and interventions via corporate channels.

[SI-4 DP 43]

In order to prevent any workplace accidents and to ensure the implementation of legal obligations in the area of workplace health and safety and environmental protection, all workers are required, each in relation to their own roles and responsibilities, to scrupulously comply with the contents of the Policy, the related procedures and the environmental and safety directives in the performance of their work. Through its Senior Management, the Group exercises effective leadership on the matters indicated in the Policy, overseeing the management system from the highest level of management, thus making it a key component of its organisation, processes, activity and core business.
All the persons provided for by Legislative Decree No. 81/08 on the matter of health and safety collaborate according to their respective powers.
The Head of the Health Safety Security Environment (HSSE) Sector is the person appointed by the Employer who coordinates the health and safety and environment activities of the Companies based in Italy and governs coordination with Companies abroad.
The Head of the Integrated Management System is the person appointed by the Employer who ensures the correct implementation and application of the processes of the integrated management system, also checking, updating and managing the system documentation.
For both Irish and Spanish Companies, provision is made for a governance structure involving the establishment of a "Health & Safety Committee" and "Comitè Seguridad & Salud", respectively, in which the persons identified to manage health and safety matters participate.

Objectives

[MDR-T DP 81 b]

To date, the Mediolanum Group has not set measurable objectives aimed at achieving results in terms of workplace health and safety. However, within the framework of the Health and Safety Management System, it monitors the effectiveness of the policies and actions adopted, including through performance assessment, in order to pursue continuous improvement of the results set in the light of the voluntary UNI EN ISO reference standards. The monitored parameters include, for example: the number of health inspections carried out compared with the number scheduled; the percentage completion of mandatory training scheduled and delivered; the number of evacuation drills carried out compared with the number scheduled; and the number of first-party audits of health and safety-related processes.

3.1.4 Work-life balance

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Work-life balance			
Protection of the work-life balance for the Group's employees	Actual positive impact	Own operations	Medium term
Protection of employees' mental and physical wellbeing	Actual positive impact	Own operations	Medium term

The Group's approach and policies

The Mediolanum Group actively promotes corporate well-being, paying close attention to the work-life balance. Aware of the importance of a working environment that supports employees in practical ways, it has introduced numerous initiatives to promote the work-life balance, offering services, dedicated programmes and assistance pathways designed to respond to the personal and family needs of workers. Over the years, the Mediolanum Group has developed various Policies designed to ensure the proper management of the above impacts. In addition to the collective bargaining agreements, the Code of Ethics and the Mediolanum Group's Sustainability Policy, which refer to its approach and general guidelines, the main policies for managing impacts related to "work-life balance" are the agreements on smart working and regulation of remote working.

[SI-1 DP 19; 21]

IRO: Protection of the work-life balance for the Group's employees; Protection of employees' mental and physical wellbeing

Code of Ethics

One of the key principles of the Code of Ethics (see ESRS GI-1 Corporate culture and business conduct policies for further details on the minimum reporting requirements of the Policies) is the integrity and dignity of the person (see ESRS SI-1 Working conditions and human rights (paragraph on the Group's approach and policies) for further information on the principle integrity and dignity of the person).

Smart working agreements – Italy

Banca Mediolanum has developed a series of agreements and regulations to facilitate the implementation of agile working and smart working (hereinafter also SW). These regulations are designed to ensure that employees can work flexibly while maintaining high standards of productivity and safety. Banca Mediolanum's experimental smart working agreement is regulated by a specific experimental trade union agreement, signed between the Company and its trade union representatives, which governed organically - also as indicated by the national social partners in the "National Smart Working Protocol" of 7 December 2021 and in accordance with the framework provisions on smart working provided for by Article 39 of the National Collective Bargaining Agreement of 19 December 2019, renewed by the Agreement of 23 November 2023 - the organisational and conduct rules that must be followed by employees who perform their work under "ordinary" smart working arrangements pursuant to Law 81/2017 as amended.

All employees on fixed-term or permanent contracts can access smart working, including apprentices, by signing an individual agreement that can be renewed each year on expiry. The above-mentioned SW agreement is considered valid and applicable to all employees of the Bank who are not classified as executives. For the Companies Flowe, Mediolanum Gestione Fondi, Prexta and Mediolanum Comunicazione, smart working is regulated at a general level through specific corporate regulations and specific individual agreements signed by employees. To meet the social utility needs of employees and their families, Mediolanum, in setting up this new

working method, provides to all employees who sign the individual SW agreement an increase in the current welfare credit assigned to them under the Wellmed corporate welfare plan, of a one-off non-recurring notional amount of €250.00 (two hundred and fifty euro), to be used exclusively to access welfare goods and services, in accordance with the provisions of the Wellmed corporate welfare regulations.
The highest level of management in the organisation of the undertaking that is responsible for the implementation of the Policy is the Human Resources Director. The smart working agreement is made available to all interested parties in a dedicated section of the company intranet (HOMEdiolanum). At the same time, the individual smart working agreement is sent by email by the Human Resources Department to individual employees for them to sign if they wish. In 2024, it was delivered to and signed by 99.5% of employees.

E-Working Policy – Ireland

The Irish Companies of the Group have had a Remote Working Policy in place since September 2020, in order to establish guidelines and best practices on the option for our staff to make use of remote working in Ireland. E-working enables employees to work independently of the traditional workplace, through the use of technology, to maintain contact with Mediolanum and to continue to use the organisation's computer systems.
The Policy applies to all employees of the Irish Group Companies, in line with the Policy itself. E-working was originally introduced due to needs related to Covid-19 and has since become a more flexible common practice aligned with business requirements and personal benefit. The highest level of management responsible for administering the Policy is the Chief Executive Officer. The information is available on internal instruments (such as Metric streem or the myMed-HR System).

Remote Working Regulation Agreement – Spain

The Spanish Companies have entered into an agreement with the RLT (Representación Legal de los Trabajadores) to regulate the essential terms of the provision of remote services by the Company's workers, in accordance with the requirements set out in Law 10/2021 of 9 July on remote working. It applies to all persons who work at Banco Mediolanum and who work remotely. The Policy is approved by the Board of Directors and applied by the Personas area. This document is posted on the intranet and sent to all employees for signing.

Actions

[SI-4 DP 38 c]

The Group actively promotes work-life balance through agile and smart working policies and agreements, with the aim of ensuring organisational flexibility and improving the quality of life of employees. Teleworking agreements strengthen this strategy, offering solutions with a particular focus on employees with specific health conditions identified by the company physician. In addition, the Group invests in structured corporate welfare programmes, which include benefits and services to support individual and family well-being. An integrated and responsible approach is adopted in the management of supplementary pensions and pension plans, in order to ensure long-term financial security. Finally, particular attention is paid to parenthood and family care, with initiatives aimed at promoting a sustainable work-life balance. With regard to the protection of mental and physical well-being, the well-being of employees and their safety at work are crucial factors for the Group, which sees its role of looking after people as more broadly defined, according to a more conscious approach to corporate social responsibility. In addition, Mediolanum not only ensures a healthy and safe working environment, but also promotes physical health by providing programmes and incentives to encourage a healthy lifestyle. These include, among other initiatives, access to exercise facilities, disease prevention programme and healthy eating policies. The Group is paying closer attention to the quality of life in working environments and, in particular, to the relationship climate, by promoting motivation and professional development.

[SI-4 DP 37]

IRO: Protection of the work-life balance for the Group's employees; Protection of employees' mental and physical wellbeing

Review and redefinition of teleworking principles

In response to the specific health needs of employees and to facilitate the operability of all employees, and in order to promote an inclusive and flexible working environment, the Company has also decided to extend the teleworking agreement to more employees with specific health conditions, as identified by the company physician. During 2024, therefore, in agreement with trade union representatives and with the direct involvement of the company physician, the principles and methods of the organisation and management of teleworking were reviewed and redefined. This project will be fully completed within the first four months of 2025.

Wellmed Plan

For more than 20 years, the Italian Companies of the Mediolanum Group have been developing a supplementary corporate welfare initiative: the Wellmed Plan. In the context of decision-making autonomy in staff management, the corporate welfare plan came about in the context of the tax opportunities and benefits existing in the current regulatory framework. The Human Resources Department has ownership of processes that have a direct relationship with corporate welfare. The Mediolanum Group's areas of welfare intervention are quite diverse, being determined by the necessity of responding to the various needs of employees. Both services and monetary benefits are granted, differentiated according to the specific family situations. The corporate welfare plan integrates the needs of employees with public services, both at the economic level and in the quality of the services available, for example in the area of health care and treatment and caregiving for family members. Flexible benefits are also available to employees to supplement or replace a share of their ancillary compensation with services for the employee and/or his/her family, or that alternatively the employee would have had to purchase directly. The Wellmed global welfare plan has collective objectives, but does not offer standard measures and services; rather, the offering meets the individual needs of employees. For this reason, the welfare credit initiative for access to welfare services has been included in the wide range of corporate measures, within the limits and under the conditions set out in the tax rules.

Agreements on welfare services

In 2024, the Italian Companies of the Mediolanum Group reached an agreement with Edenred, the world leader in work-saving solutions, for the management of an IT platform for access to welfare services. The employee has a welfare account worth €300 for office workers, €500 for middle managers and €1,000 for executives, to be used only to access the services available on the platform. The welfare credit is a "figurative" value that can be accessed during the year. In 2024, the wallet credit was mainly used to directly purchase services and make payments to the supplementary pension fund.

During the year, the Group in Italy signed a new agreement for 2025 with AON, for the management of the IT platform for accessing welfare services. In the latter part of 2024, an experimental initiative was launched for a pilot group of employees that involved the introduction of a service to support primary health, through the "Carol" platform, which came about to respond to various needs, including the need for users to access basic health services in a more flexible and convenient way. In 2025, the Mediolanum Group will make the "Carol" platform and the services it offers available to the corporate population, in order to offer an ecosystem of health services designed to make health management quick and easy, ensuring continuous medical support.

Supplementary pensions and pension plans for employees

The Mediolanum Group takes an integrated and responsible approach to supplementary pensions and pension plans for its employees, in order to have pension arrangements in place that supplement the mandatory pension. Recognising the importance of adding to the basic pension with a supplementary pension, particularly in the context of longer working lives, the Group actively promotes participation in supplementary pension schemes, offering favourable conditions and incentives to encourage employees to build supplementary pensions from the early years of work and including in some cases (based on internal agreements) the option of directing part of the company productivity bonus and/or a share of the welfare plan to the supplementary pension. In addition, including through "Supporters" in the internal advisory service, the Company acts as a reliable and competent partner for its employees, offering supplementary pension solutions that meet their long-term financial security and stability needs.

Collective term life insurance policy

In addition to a health insurance plan for employees that protects them against major risks and the most serious health problems, in 2023 the Group took out a collective term life insurance policy from 2024 for all employees on permanent contracts and for apprentices, which provides for a supplementary benefit, paid to the spouse or cohabiting partner, children or, in the absence of these, the heirs of the employee.

Supplementary pensions information campaign

The Group constantly monitors its employees' participation in supplementary pension plans and periodically communicates with them in order to increase their knowledge and emphasise the importance of making informed decisions. In particular, in 2024, an information campaign was launched for employees of the Group's Italian Companies through video interviews with experts published on the company intranet, with the support of posters in the corporate workplaces.

Further initiatives to support the work-life balance

In order to ensure and support the work-life balance for Group employees, in 2024, the Group provided the following services and initiatives at the Mediolanum Campus in Basiglio:

- a company day nursery: a facility for around 130 children of employees. The monthly fee payable by the employee is approximately half the amount actually payable: the other half is paid by Banca Mediolanum;
- a free tax return assistance service for Form 730. The service is provided under a business agreement with a major Tax Assistance Centre;
- a company transport service, for the route from the closest Milan metro stops to the Milano 3 City Campus and back. An average of 30 journeys per day are scheduled;
- a restaurant service, available in the facilities on the Campus. The Mediolanum Group has signed an agreement with a benefit corporation that is a leader in catering services, to provide a personalised offering in line with nutritional protocols and with a zero km supply of raw materials;
- an Amazon Lockers service. The Mediolanum Campus hosts a large Amazon Hub Locker to meet the needs of all employees;
- a driver's licence renewal service. On Campus there are also other useful time-saving services, such as: a bakery and a food shop, a participating pharmacy, free fresh seasonal fruit, cultural initiatives, fitness courses and locker rooms for anyone wanting to participate in sports activities before working hours, after work and/or during lunch breaks.

To promote the work-life balance, attention has also been focused on parenting and support for families. During 2024, the Group promoted several initiatives, including:

- Futurely: a free digital platform for educational guidance, intended for the children of employees and offering two alternative options: one pathway for children in high school who have to choose a university, and another pathway for children in middle school who have to choose a high school. Both pathways aim to raise the children's awareness of their own aptitudes and prepare them to achieve their goals;
- Mediolanum CareGiver Support: a pathway designed to support and help with day-to-day management for individuals with an elderly parent who is no longer self-sufficient.

With regard to Banco Mediolanum, in addition to the provisions of the collective bargaining agreement that regulates employment relationships with staff, there are also conciliation measures and special authorisations, such as, for example, accompaniment for medical consultations and school interviews.

For many years, the Irish Companies of the Group have been developing a series of supplementary corporate welfare initiatives. The welfare initiatives are diverse because they are based on the necessity of responding to the various needs of employees, and are expressed through the provision of services and with monetary and non-monetary benefits, such as, for example, health care measures and assistance for family members. In addition to basic gross pay, the main supplementary initiatives are, in general and not exhaustively: variable remuneration, supplementary pension, life insurance, income protection, private health insurance, service with daily office lunch allowance and numerous other services to support the well-being of employees. Finally, the aforementioned Companies financially encourage and support the further development of their staff, offering a unique opportunity to benefit from continuing professional development in order to remain relevant in a competitive and rapidly evolving sector.

IRO: Protection of employees' mental and physical well-being

Awareness-raising initiatives

In 2024, the Group, as part of a constant commitment to promoting and protecting the mental and physical well-being of its employees, implemented a series of initiatives for the Italian Companies, aimed at raising awareness and promoting the topic of health care, including:

- a free 'flu vaccination campaign, carried out on Campus in the autumn of 2024, with around 650 employees participating;
- Italian League Cancer Prevention health campaigns (Lega Italiana Lotta contro i Tumori - LILT);
- specific medical consultations. In the spring of 2024, the campaign for the prevention of skin cancer was launched at an agreed rate of €50. From September 2024, meanwhile, breast cancer prevention activities began, structured for two different targets (over 40 and under 39) and involving diagnostic testing at the Head Office (ultrasound/mammogram), at a cost of €80. Around 450 employees were involved in the campaigns;
- abdominal ultrasound at the Head Office: thanks to the collaboration with the Il Sole medical consortium, it was possible to organise a full ultrasound screening with immediate medical referral. The check-up was included the employee's medical cover and did not involve any direct disbursement. Around 550 employees took part in the initiative;
- blood donation through Avis at the Head Office: in February and September, thanks to the presence of a bloodmobile at the Head Office, it is possible to make a gesture of great generosity and responsibility in the workplace;
- specialist osteopathy and nutritionist services: these are paid for by the employee but at a preferential rate;

- ONDA Foundation Health Friendly Company: an initiative that included the organisation of educational videos and pills, and online women's health publications;
- "Every Movement Counts" gamification initiative: promoting physical activity and well-being within the Mediolanum community, encouraging everyone to participate actively. Sports activities were measured based on calories consumed. Everybody's commitment became a concrete gesture: when 10 million calories had been burned in total, an amount was donated to the Abbracciamoli non-profit organisation, chosen by the winning team.

Lifeed Project

In 2024, a project continued to support professional transitions and life changes, particularly when returning from maternity and paternity leave. The aim of the project, launched in 2021 with Lifeed, is to enhance the value of the experience of parenthood and times of change in professional life through webinars, readings, ideas for reflection and skills gyms.

Analyses of work-related stress

The Human Resources Department also supports the Health Safety Security & Environment Section, which, on behalf of the Employer, regularly carries out analyses of work-related stress, in order to monitor the mental and physical well-being of employees. Please refer to the "Health and Safety" section for more details.
With reference to Banco Mediolanum, the psychosocial risks are periodically investigated through collaboration with a company specialising in the prevention of occupational risks. This work identifies improvement actions that are activated through meetings with the managers of each department. A 'flu vaccination is periodically offered on a voluntary basis. In addition, in 2024, Banco Mediolanum carried out initiatives related to the well-being and health of employees in sports, such as weekly yoga lessons and the organisation of paddleball, football and volleyball tournaments and workshops on healthy eating. Finally, with the goal of taking care of the emotional well-being of employees, an opportunity was provided to arrange a free meeting with a psychologist.
The Irish Group Companies, in addition to the supplementary corporate welfare initiatives mentioned above, offer a regular well-being campaign in which all colleagues can participate. This year it included individual coaching sessions with an organisational and coaching psychologist and seminars on mental health, nutrition, and financial well-being. Finally, the Company offers all employees a fully subsidised health screening that includes various tests to assess their overall health and well-being. An eye examination is also provided as part of the video display terminal assessment.

[SI-4 DP 38 d]

The Group has always identified and promotes policies that respond dynamically to the individual needs of employees within the Company. The physical and mental well-being of people, as well as the work-life balance, are elements of constant attention. All the initiatives described above are monitored through the verification and analysis of statistics and reports that provide adherence data and satisfaction data on the services and activities offered. In order to monitor satisfaction trends and the use of services, the Group periodically monitors developments through, for example: the percentage of adherence to the individual smart working agreement, the turnover rate, the number of adherences to initiatives dedicated to protecting the work-life balance and the mental and physical well-being of employees. The Human Resources Department provides all employees with engagement and/or satisfaction surveys, as well as quick surveys at the end of the initiatives, in order to collect information to analyse and obtain ideas for further aspects for attention, as well as directing the definition of future activities and initiatives.

[SI-4 DP 43]

The structures involved in managing impacts are the Human Resources Department and its internal organisational units, including: Human Resources Management and Development, Development and Compensation Systems and Organisational Environment, which interact with each other in an integrated manner.
The Human Resources Department also manages the above impacts in the foreign Companies. In particular, the Departamento de Personas for the Spanish Companies and Human Resources for the Irish Companies.

Objectives

[MDR-T DP 8l b]

The Group monitors the effectiveness of policies and actions relating to the protection of the work-life balance and the protection of the mental and physical well-being of employees.
In particular, the Group is committed to regular monitoring of qualitative and quantitative indicators to assess the progress of the above actions, including: adherence to the individual smart working agreement, enrolment in the company day nursery, the progress of utilisation of the welfare platform and employee engagement and satisfaction with all the proposed initiatives, in order to monitor the indicators underlying respect for the work-life balance. Surveys are sent out to all staff in order to analyse the level of engagement, general well-being and satisfaction with the actions taken.
To ensure ongoing employee satisfaction with the work-life balance and mental and physical well-being, the Group's Italian Companies are committed to establishing and monitoring certain qualitative and quantitative indicators, including:

- the percentage adherence to the individual smart working agreement, monitoring to ensure that the uptake is not less than 90% of those entitled;
- the number of guaranteed accesses to the company nursery, with an observation parameter of no less than 110 places;
- the percentage of active users of the corporate welfare platform, ensuring that it is used by at least 75% of the eligible corporate population.

3.1.5 Training and skills development

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Training and skills development			
Employee satisfaction thanks to appropriate training programmes, performance appraisal systems and career development plans	Actual positive impact	Own operations	Medium term
Improved employee retention thanks to the preparation of initiatives and activities that include aspects related to training and skills development	Opportunities	Own operations	Medium term

The Group's approach and policies

For the Mediolanum Group, learning and training have always been fundamental. Employees follow pathways and training activities designed to encourage continuous improvement, both professional and personal, with the aim of developing cross-cutting, specialised skills. The development of human capital is conceived as a lifelong career pathway, requiring structured, diversified and balanced training over time.

Over the years, the Mediolanum Group has developed various Policies aimed at ensuring proper management of these impacts and opportunities. In addition to the Code of Ethics and the Sustainability Policy of the Mediolanum Group, which refer to its approach and general guidelines, the main policy for managing impacts and opportunities related to "Training and skills development" are the Regulations on the process of training the Sales Network and employees.

[SI-1 DP 19]

IRO: Employee satisfaction thanks to appropriate training programmes, performance appraisal systems and career development plans; Improvement of employee retention through the preparation of initiatives and activities that include aspects related to training and skills development

Code of Ethics

One of the key principles of the Code of Ethics (see ESRS GI-1 Corporate culture and business conduct policies for further details on the minimum reporting requirements of the Policies) is the value of human resources. The employees of the Mediolanum Group are an essential and indispensable part of the success of the business. For this reason, Mediolanum protects and promotes the value of human resources in order to improve and increase the assets and competitiveness of the skills held by each staff member. Mediolanum is committed to stimulating the capacity, potential and personal interests of its employees in order to achieve the corporate objectives.

Regulations on the process of training the Sales Network and employees

The Regulations on the process of training the Sales Network and employees set out the guiding principles, organisational architecture and interdependencies underlying the training process for the Sales Network and employees. "Training" refers any training initiative, provided either in a standardised format (classroom courses, webinars and online courses) or by any other method deemed more suitable from time to time due to the nature of the content or the audience of learners (info-training events, corporate TV episodes, meetings, on-the-job training, etc.). The process of training the Sales Network and employees is part of a broader context of development and growth of the various professional individuals at Banca Mediolanum, both operating within the Sales Network and in the various organisational units of the Bank. This process is therefore the tool through which the Bank enriches its knowledge and skills capital, mitigating the risk of obsolescence and non-compliance with industry regulations and developing the employability of its employees.

The Policy covers all employees of the Mediolanum Group, including the Italian Subsidiaries of the Conglomerate. Periodic coordination and collaboration meetings are planned with the foreign Subsidiaries and with the Sales Network. The Head of the Human Resources Training Section, together with the Head of Sales Network Training, are the reference for the Regulations on the process of training the Sales Network and employees.

The Regulations comply with current legislation, ensuring compliance with legislative and regulatory provisions in the banking, financial and insurance fields. The external reference legislation includes: EU Regulation 2016/679 on privacy; Directive 2014/65/EU (MiFID II); Directive No. 2016/97 on insurance distribution (IDD); and the ESMA Guidelines (ESMA/2015/1886) on knowledge and skills assessment. The relevant national legislation includes: Law 236/93 on business training for workers and the IVASS and Consob Regulations; Legislative Decree No. 125/2019 on anti-money laundering; the Order of 18 June 2019 on "Transparency of banking and financial transactions and services" and Legislative Decree No. 231/01.

The Regulatory Training Line of the Network Training Section and the Human Resources Training Section carry out, at least once a year, an assessment test on a statistically significant sample of the Sales Network and the Head Office staff in scope, in order to collect data on the annual updating of the development and training needs of its Network and of Head Office employees. The Regulations form part of the internal corporate regulations and are therefore available to all staff on the Mediolanum Group's knowledge sharing platform (WeKnow).

Actions

[SI-4 DP 38 c]

The employees of the Mediolanum Group are a fundamental resource for the Company's success, and the Bank therefore constantly invests in the development and well-being of its workforce. In order to ensure maximum satisfaction and enhance individual skills, Mediolanum has implemented a series of initiatives aimed at promoting professional growth and creating a working environment that can stimulate personal skills, potential and interests. Each year, the Group is committed to activating appropriate training programmes that meet the various professional needs, supporting each employee in the continuous improvement of their skills. In parallel, performance appraisal systems enable individual progress to be monitored and potential development areas to be identified. Finally, through targeted succession plans, Mediolanum is committed to promoting opportunities for growth and career development within the organisation, so that every employee can reach his/her full potential, thereby contributing to the achievement of corporate objectives.

[SI-4 DP 37]

IRO: Employee satisfaction thanks to appropriate training programmes, performance appraisal systems and career development plans; Improvement of employee retention through the preparation of initiatives and activities that include aspects related to training and skills development

Training

Employee training is essential for disseminating the Company's culture and values and for enriching the Company's knowledge and skills, contributing, among other things, to a collaborative and stimulating environment. Investing in training demonstrates the Company's commitment to the personal and professional development of its human capital, in order to provide customers with ever-higher quality of service and high-level performance. In 2024, the total number of training activities for Italian employees exceeded 93,000 student hours, using the various methodologies made available (classroom, webinar, online, workshops, external courses, training platforms). Even excluding mandatory regulatory training, which by its nature is assigned to the entire corporate population, 99.38% of the staff were involved. Activities are also implemented for stakeholders and operating partners that, with different types of relationship, use the Group's expertise and support to contribute to the common objective of providing an excellent service to the end-customer, using open-architecture knowledge-sharing methods. Taking these volumes into account, the total number of hours of training delivered in 2024 exceeded the quota of 149,000 student hours, distributed in a balanced way between the various areas into which the training offering is classified (Citizenship, Industry, Professional, Managerial & Organisational).
Specifically, during 2024:

- a significant portion of training investments was directed at technical and regulatory initiatives and courses relating to the management of corporate governance and compliance matters, which focus on specific processes and activities to raise the awareness of and empower management and employees with regard to the management of all the responsibilities and risks inherent in banking and insurance activities (231, privacy, anti-money laundering, market abuse, cybersecurity, etc.);
- in continuity with the activities already launched last year in the Product Operations Section, specific modules were given special emphasis and attention, included in broader training programmes aimed at the entire corporate population (on-boarding pathway), focused on issues related to risk management and individual behaviour to be adopted, as well as awareness-raising initiatives that help to enrich and broaden the dissemination of risk culture;
- the training for the on-boarding and initial training of staff who join the Mediolanum Group without previous work experience continued on an ongoing and far-reaching basis. These inflows, which are always particularly numerous in the various customer care structures, require a great deal of work and care each year, both to organise training in terms of technical and professional skills and to transmit

knowledge and sharing of the corporate guidelines on culture and functional behaviours, in order to improve the quality of service provided to customers.

Great attention, including in 2024, has been directed towards activities to maintain and develop the skills required for the correct performance of working activity over time, to enable resources to prepare for and adapt to technological and technical-regulatory changes and the various phases and characteristics of the life cycle of the worker and the undertaking. To this end, a specific skills centre is in place, called the Mediolanum Empowerment & Employability Center (MEEC), a structure set up three years ago to complete upskilling and reskilling training aimed at supporting members of the workforce affected by job rotation and professional retraining processes or entire structures undergoing rapid technological and process change. Over 180 people were involved in the specific activities of the MEEC, education, training and tutoring during 2024.

The management training offering, which brings together all activities to support resources and managers in acquiring, consolidating and developing their managerial, leadership and coaching skills, was enriched this year with a new pathway, the Mediolanum Team Leader Programme, which aims to support all newly appointed managers during the complex phase of role change. 73 resources were involved in 2024 that have become team leaders in the past 2 years.

As ongoing support for the corporate digital transformation process, the third and fourth edition of the Mediolanum Digital Programme was completed and launched. The programme is designed for Change&Digital Agents, which now number around 100 colleagues from various corporate areas, who facilitate and stimulate the process of change and digital evolution within the organisational structures. The training course, now consolidated, continues to make use of the collaboration of Polimi GSoM and Cefriel, ensuring constant support for the community in developing mindsets, shared language and awareness, disseminating culture and practices that elevate the digital solution to an approach of continuous improvement of the operating processes in terms of efficiency and quality of service.

Also important are the health and safety training activities, coordinated and managed by Health Safety Security Environment, and the female empowerment initiatives for potential managers, coordinated and managed by the Diversity Manager.

Language training continued with the provision of tools and training courses differentiated according to levels of knowledge and need, including in-person lessons, online courses and dedicated apps.

Finally, always active and available to the entire corporate population is the MCU4U hub, a digital platform where employees can find information and access all training opportunities, request enrolment on external courses, access other platforms with selected content and communities for advice and suggestions, and can use self-assessment tools, helping them take direct care of their own professional development.

The foreign Companies of the Mediolanum Group take a structured approach to training, in line with the Group's learning and development framework. Through the identification of the required skills and any gaps at the organisational and individual levels, training programmes are designed to raise employee skill levels, increasing engagement and satisfaction. Banco Mediolanum defines the internal training plan on an annual basis, with the aim of aligning staff with the corporate culture, ensuring professionalism with regulatory and corporate training and improving quality and efficiency through technical skills.

During 2024, Banco Mediolanum activated various training programmes, including: training on diversity and inclusion matters; language training; the training programme on Mediolanum's values; specific leadership training; the mentoring and cross-mentoring programme; and technical courses on MIFID, Power BI and Excel.

In 2024, the Group's Irish Companies accelerated their learning and development with the support of IDA Ireland and Skillnet Ireland, investing in programmes for managerial growth, communication, process improvement and talent development. They also promoted specialist courses including CFA, ACCA, CIMA, Python Programming and Sustainable Finance, with the goal of strengthening strategic skills, corporate culture, retention and performance, ensuring better results for customers and the organisation. At the same time, the Group's Irish

Companies have strengthened their commitment to developing young talent with the launch of the third edition of the Mediolanum Investment Academy, involving five new graduates alongside the participants of previous editions. The programme includes rotations in various areas of investment, mentorship by senior professionals and opportunities for strategic growth, fostering leadership development and supporting succession planning with a focus on diversity and inclusion.

Development and compensation systems

The Mediolanum Group pays particular attention to the continuous development and improvement of people, adopting various tools and initiatives aimed at harmonising business needs with individual needs. Key elements of this strategy are our performance management system and annual review processes, which involve the entire corporate population. The Group also uses potential detection tools adapted to the different population groups (Junior, Expert and Senior) and professional models to monitor and enhance skills. At the beginning of the process, the person self-allocates objectives and, during the year, the manager and the person may introduce changes to the objectives assigned in the event of changes in activities or priorities. This drives the ongoing dialogue between managers and employees and promotes a culture of feedback as an essential tool for growth and development.

Performance Management makes the talent of individuals a central aspect, enabling them to enhance their strengths and highlight areas for improvement that can be resolved by identifying ad hoc training courses. During the year, changes in the appraisal and performance management model continued: although the usual yearly cycle was followed for the assessment and self-assessment processes, specific guidelines were provided for the definition of the priorities for the year and some of the content (the elements to be observed) of the performance management process was renewed. The process of migrating the performance system to the new management tool was completed, including the "goal setting" phase. The performance appraisal is monitored on a recurring basis by measuring the adherence rate and through a statistical review of appraisals and self-assessments. The development of people within the Company also represents the achievement of the values of Banca Mediolanum in its mission to put people at the centre, also within the Company, systematically pursuing the satisfaction, retention and engagement of people who stand out due to their ability to make a valuable immediate and future contribution. For this reason, Banca Mediolanum has for years had processes in place for job evaluation and the assessment/development of the individual potential of its "talents", with the aim of supporting decisions relating to their professional development, job changes and level/qualification transitions. This process ensures the absence of any form of discrimination relating to gender, age, ethnic origin, disability, language or political, sexual or religious orientation.

The main aims of this assessment in the Company include governing and supporting in the most objective way possible the processes of: career progress, such as promotion to management and changes in level/qualification, in general guiding all the changes that support the growth pathways of individuals; internal mobility, and more generally managing all the professional pathways of individuals, such as through job posting, to cover vacant roles at the Company; and succession planning, which is a fusion of the two previous categories, combining the aims of personal growth with job-matching methods.

These assessments consist of:

- recurring job evaluation activities that, depending on complexity, are carried out partly by internal specialists and partly by external consultants, and in 2024 underwent a significant improvement in terms of efficiency. As part of an approach of digital transformation of internal processes, this activity was updated through the use of new technological tools that reduced the time required to transition and a more effective involvement of the actors involved in the process with a final increase in the positions analysed;
- development assessment sessions, regularly conducted by competent internal staff and accredited external consultants, who aim to conduct an assessment of people's behaviour within the organisation with respect to different and/or higher roles.

These are diagnostic activities aimed at identifying aptitude and professional characteristics in order to guide development towards positions that carry greater responsibility or are more congruent. These assessments measure the personal traits, skills and competences of one or more candidates by observing their behaviours on various occasions, including role play, group interactions, individual interviews and the compilation of written tests, online tests and psychometric questionnaires. The resulting observation and assessment focuses on the intensity, effectiveness and frequency of the behaviours, referencing precise skills described within the role/level mapping. The individual assessment that is obtained provides support for decision-making at the start of a process of growth and development of the resources involved and their career evolution. Finally, this is implemented on the basis of the instructions summarised in a "development report", provided to the participant and their manager, and in the subsequent "development plan", which the participant must help to build and put into practice.

During 2024, 4 group assessments and 5 individual assessments were carried out, involving a total of 34 participants. For 2025, at least 3 group assessments and at least 6 individual assessments are planned.

The methodology adopted to map and develop human capital skills is represented by the "UPraisal" hub that accompanies people on skills development pathways with the aim of bringing out results, talent and capacity. "Person at the centre", focus and attention on empowerment and motivation: these are the levers to enhance distinctive professional skills, identify those to be improved and learn new ones in a "lifelong learning" framework, and carry out work in a more effective and efficient way. UPraisal enables users to navigate through Mediolanum's skills, read their definition, understand behavioural details and discover, above all, what training content is suggested, always available, to bridge any gaps. Staff are encouraged to use the portal during onboarding meetings and when communicating to managers. Access is monitored using the analysis tools provided, which record the use of individual content.

As a lever for innovation and improvement of the main processes of management and development of human resources, with the "Feedback4U" project, Banca Mediolanum has had a continuous feedback tool for several years. One functionality has been added to the tool since 2023, giving the option of requesting anonymous 360-degree feedback and receiving an aggregated report, which collects different points of view on a specific objective stated by the observed person. This tool can be very useful for people involved in managerial and development training, but also to strengthen retention or team building initiatives. During 2024, the use of the Feedbak4U 360° was included in the development plans in the assessment process described above. The Group also constantly introduces instruments and methodologies aimed at developing new methods and tools in order to grow its human capital.

In order to effectively manage the emerging situation of increased uncertainty and complexity combined with the advent of hybrid work, the OKR (Objectives and Key Results) Method was also introduced in 2022. In 2024, the first phase of the project to include this methodology in the ICT Division began, involving approximately 70 people in training and coaching activities to implement the process. The second stage, scheduled for 2025, will involve the rest of the Division (more than 200 people) and also aims for ICT employees to be autonomous in managing the OKR process and applying the methodology.

The Bonus Pool Programme is the "call for Ideas" programme within the Bank. It is an important tool for the involvement and engagement of the entire corporate population, as it allows each employee to develop and increase their creativity, know-how and entrepreneurship. The process is carried out with the support of the Internal Innovation Section, a consulting firm and a few selected startups, and ends with the victory of three ideas, with very high disruptive potential, to be transformed into concrete projects for the Bank. During 2024, the Innovation Section launched a new edition of the Bonus Pool which, for the first time, expanded its participation internationally to also involve the Group's foreign Companies.

Finally, in the context of ongoing training and job rotation, a specific tool is available for new hires for the assignment of technical skills within the Customers Banking Centre and the Sales Support Centre (Front Office structure): "skill posting". This tool consists of a process that enables: personal growth and increasing knowledge of the Bank's business and customer service; understanding the approach underlying skill posting; making resources increasingly proactive and responsible in submitting personal applications; and transparently identifying deserving resources who are more aligned with the professional profiles sought internally. The internal job posting system works as a tool for development and an internal recruitment channel: this initiative enables all employees who apply to announce themselves and helps to promote the growth of resources, develop talent, enhance skills acquired and support business knowledge from a 360° perspective, as well as encouraging job rotation, according to criteria oriented towards transparency and meritocracy. In 2024, 13 advertisements were published, with 126 spontaneous applications and 14 positions filled. The regulatory environment also places increasing attention on succession plans, with consequent recommendations for their adoption, not only as a formal obligation, but as awareness in the governance and strategic management of these corporate processes: these plans are in fact a tool for monitoring management stability in the medium to long term, good governance of the Company and the development of corporate talent. In accordance with supervisory regulations for banks, the current Plan represents the formalisation of the process that Banca Mediolanum has adopted, through an orderly succession to senior positions, in order to protect the Company from possible organisational weaknesses in critical roles that could have financial and/or reputational consequences. The Bank thus seeks to ensure timely substitution and support succession planning for those resources in the Company that hold senior positions and/or roles considered key for the Group. The process is structured differently depending on the role that is the subject of succession, always taking into account non-discriminatory elements in terms of diversity and inclusion. In 2024, the succession plans were updated to align them with corporate organisational changes. On that occasion, the relevant Policy was also updated to bring it into line with the new corporate templates and to clarify certain references to internal and external regulations, which in the meantime have not been amended.

With the aim of promoting a culture of continuous growth and exchange of feedback, Banco Mediolanum uses an annual performance assessment system that requires a minimum of two meetings between each line manager and his or her staff. The process, coordinated by the Area de Personas, requires the compilation by the line manager of a qualitative and quantitative assessment sheet, which sets out the skills that the staff member should have in order to carry out his/her tasks. During 2024, analytical skills, technical skills relating to the relevant role in the Company, relational skills, and, lastly, attitude and positivity, in line with corporate values, were assessed. The Performance Appraisal Programme also plays a central role for MIFL, which provides monthly feedback meetings where performance and training needs are discussed. This process allows employees to become aware of their development needs and develop a growth plan together with their line managers. This results in increased employee engagement and satisfaction. Learning and development objectives are set during the annual performance appraisal, in collaboration with employees, and are constantly monitored through the 30/30 assessment process throughout the year. Banco Mediolanum offers various services and tools to support staff development.

These notably include:

- job posting: a development tool born from the desire to enable employees to make their CVs and aspirations known to the Company. The aim is to promote the professional development of individuals and employees' abilities and skills. More than 19 job postings were created in 2024;
- job rotation: a strategy arising from specific departmental requirements that offers the opportunity and possibility, for all employees, to work in a different department for a certain period of time.

[SI-4 DP 38 d]

Periodically, the Mediolanum Group's resources are listened to through the use of climate surveys to measure their satisfaction with training and development initiatives. #VociDiMediolanum is the latest internal opinion survey (climate survey), carried out at the end of 2024, thanks to the use of technological solutions that guaranteed anonymity in completing the questionnaire. For 25 years, this investigative tool has been used cyclically to gauge the level of engagement and personal opinions on various aspects of working life. The aim is to subsequently identify actions that can increase employee welfare and promote a positive climate and motivation at work. The process involves measuring people's perception and degree of engagement, with a view to triggering a responsible, proactive contribution to the Group's objectives. The survey involved employees of the Mediolanum Group in Italy using an online questionnaire, which focused on listening to opinions on 13 survey topics and 2 open questions. People expressed their opinion, confirming the spirit of participation and openness to continuous improvement that characterises Mediolanum. Adherence to the initiative resulted in a voluntary participation level of the corporate population of 82.5%, in line with the expectation indices used by other national and international companies. The survey results will be finalised in the first quarter of 2025. In addition, hot satisfaction questionnaires are promptly requested at the end of training initiatives to assess the satisfaction of the participants and the effectiveness of the training.

Regarding the Irish Companies, in the last quarter of 2024, the external firm Mazars was engaged to conduct a corporate culture review through 5 focus groups (around 60 people, out of a total of around 200) in order to establish whether the corporate climate reflects the aspirations of the Culture Policies and the related internal procedures. The report was presented to the Boards of Directors of MIFL and MIL in February 2025, highlighting some points for attention, without any specific critical issues arising.

[SI-4 DP 40 b]

Further critical elements in the protection of human capital may also be represented by any outflows of resources, which may cause a loss of skills and intangible assets for the business: the initiatives to protect human capital are therefore aimed at minimising the risk of loss of knowledge and experience capital, in particular that regarded as most distinctive and critical for the development of the business. To this end, internal and development career pathways for individuals (particularly those with high potential or in critical roles) are activated following specific assessments of the individuals and their skills and potential. The Group's remuneration policies, as defined by the Parent Company, in accordance with the provisions of Bank of Italy orders regarding remuneration and incentive policies and practices (Title IV, Chapter 2, Section I of Circular No. 285), are designed to attract and retain individuals with professionalism and skills that are consistent with the requirements of the company and to provide an incentive to increase their commitment to improving company performance through employee satisfaction and motivation. The application of remuneration policies ensures better alignment between the beneficiaries of such policies and the shareholders of the Bank and the Group, both from a short-term perspective, through the maximisation of the creation of value for shareholders, and from a medium/long-term perspective, through careful management of company risks and the pursuit of medium/long-term strategies aimed at customer satisfaction. In the area of training, a particularly important contribution to employee retention are the Advanced Training Programmes, including the Mediolanum Certificate in Banking, Finance & Insurance, for the professional development of middle management and talent, now in its fourth edition, and the Mediolanum Compliance Programme, dedicated to the specialists of the Group Compliance Function. There are also other certification

pathways (e.g. SAS Academy), that are particularly vocational, aimed at job families most in demand on the market (e.g. IT, risk, banking specialist). More generally, but always with a view to mitigating the risks of the generally higher outgoing turnover in the early years, in view of the high number of resources that joined the Group in 2024, a specific value-based onboarding pathway, called Mediolanum Journey, has been designed and implemented for resources joining the various business areas over the last three years. Particular attention was paid to the knowledge and sharing of our business model and the historical evolution of the Mediolanum Group, its objectives and achievements, promoting in particular the moral and cultural footprint and inspiration of the founder. Around 230 new hires took part in the initiative this year.

[SI-4 DP 43]

Within the Human Resources Department, the specific organisational units involved in the design and delivery of training activities (Human Resources Training) and the creation of assessment systems and tools and development plans (Development Systems and Compensation) operate, all in collaboration with the Human Resources Management and Development Division. The Human Resources Department also manages the above impacts in the foreign Companies. In particular, the Departamento de Personas for the Spanish Companies and Human Resources for the Irish Companies.

Objectives

[MDR-T DP 8I b]

At present, the Mediolanum Group has not defined any objectives regarding training and skills development. However, with regard to the Group's Italian Companies, the quality and efficacy of training is periodically monitored through qualitative and quantitative indicators, ensuring a constant assessment of training activities. With regard to training delivered to Head Office employees, the Human Resources Training Section transposes and analyses the training requirements expressed by the Human Resources Department and by corporate management, after analysing new trends on the professional market and performance measurement, and plans the annual training plan, as provided for by internal regulations. The Group's Italian Companies are committed to establishing and monitoring certain qualitative and quantitative indicators. More specifically:

- for 2025, a level of fulfilment of the Compliance courses or more than 90% of the workforce (accessing of content and passing the final test);
- for 2025, a coverage rate for the corporate population in training of more than 90% (excluding Compliance courses and providing for involvement of at least 1 hour for each employee);
- for 2025, a coverage rate for upskilling programmes in support of the digital transformation process equal to at least 20% of the company population on an annual basis.

3.1.6 Equal treatment and opportunities for all

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Diversity			
Gender inequality in senior positions and/or in development processes	Actual negative impact	Own operations	Long term
Gender equality and equal pay for equivalent work			
Inequality in gender and/or pay for equal work	Potential negative impact	Own operations	Medium term
Employment and inclusion of people with disabilities			
Failure to integrate workers with disabilities	Potential negative impact	Own operations	Medium term
Measures against violence and harassment in the workplace			
Insecurity of workers due to incidents of harassment and/or lack of measures to protect workers and/or awareness-raising initiatives	Potential negative impact	Own operations	Medium term

The Group's approach and policies

For the Mediolanum Group, ensuring equal opportunities means recognising the value of diversity and promoting an inclusive working environment, where all individuals can best express their potential, regardless of gender, age, ethnicity, physical ability or cultural background. Through targeted Policies, defined below, the Group is committed to strengthening a fair organisational culture, in which meritocracy and inclusion promote a sense of belonging and collective responsibility. Over the years, the Mediolanum Group has developed various Policies designed to ensure the proper management of the above impacts. In addition to the Code of Ethics, the Policy for the Protection of Human Rights and the Mediolanum Group's Sustainability Policy, which set out its approach and general guidelines, the main policies for managing impacts related to these areas are the Diversity and Inclusion Policy, the Mediolanum Group's Policy for the Prevention of Sexual Harassment, the Employee Recruitment and Selection Policy and the Group's Remuneration Policies.

[SI-1 DP 19]

IRO: Gender inequality in senior positions and/or in corporate career development processes; Inequalities in gender and/or pay for equal work; Failure to integrate workers with disabilities

Mediolanum Group Diversity and Inclusion Policy

The Mediolanum Group's Diversity and Inclusion Policy, adopted in 2021 and updated in 2024, encourages the development of a culture capable of enhancing and including the diversity of people. This document provides the framework for the areas in which the Group intends to ensure the proper valorisation of the diversity existing or potentially present within the business.

The Mediolanum Group's Diversity and Inclusion Policy refers to any dimension that articulates the culture of diversity and explicitly identifies those with the greatest impact for the Group.

In particular:

- gender, as the Group is committed to combating stereotypes, unconscious prejudices and all forms of discrimination linked to gender or gender identity differences;

- aging and generational diversity, since the coexistence of different generations within the Group is considered an asset to be developed through mutual collaboration;
- cultures and ethnicities, as the cultural backgrounds of the employee population and the Commercial Network are regarded as added value by the Group;
- disability, as the Group is committed to providing employment opportunities to people with motor, cognitive and sensory impairments.

With regard to monitoring processes, the Policy also identifies the main actors involved in the context of the Policy, describing their respective roles and responsibilities, and also specifying that all the Corporate Departments support and implement the diversity and inclusion principles defined. Constant monitoring is carried out of the consistency of initiatives with the principles of the Policy. The Policy is applied directly at Banca Mediolanum and disseminated to all Companies in the Mediolanum Group, so that they can adopt it by resolution of their own corporate bodies, without prejudice to any specific provisions of local jurisdictions and their respective Supervisory Authorities. The Policy is aimed at both employees and Family Bankers.

The Policy has been approved by the Board of Directors of Banca Mediolanum. Preparation and updating is the responsibility of the Diversity Manager identified within the Human Resources Department. The main legislative and regulatory references on diversity and inclusion used to draw up the document include: the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda; the Universal Declaration of Human Rights; the ABI Women in Banking Charter; the Declaration on Fundamental Principles and Rights at Work of the ILO and the OECD Guidelines for Multinational Enterprises. The Bank is committed to ongoing dialogue on diversity and inclusion matters through collaboration with established, competent trade associations.

The Policy is available on the Bank's website *www.bancamediolanum.it* in the "Sustainability" section. It has been disseminated internally through a specific circular and dedicated communications and is available on the company intranet, HOMEdiolanum, in the "Our values" section.

IRO: Insecurity of workers due to incidents of harassment and/or lack of measures to protect workers and/or awareness-raising initiatives

Policy for the Prevention of Sexual Harassment of the Mediolanum Group

The Policy for the Prevention of Sexual Harassment of the Mediolanum Group, the latest update of which was approved in 2023, defines the principles adopted by the Group in order to prevent, identify and combat all actions, implicit or explicit, attributable to harassment and sexually inappropriate behaviours, as well as defining actions that provide support to the persons who report them, protecting them from any retaliation. The principles of the Policy are shared by the entire corporate population and must, in particular, be supported by the heads of each corporate structure in order to ensure consistent behaviour.

The Policy is directly applicable within all of the organisational units of Banca Mediolanum and is sent to all the Companies making up the Mediolanum Group, so that they can adopt it by resolution of their own corporate bodies, without prejudice to any specific provisions of local jurisdictions and their respective Supervisory Authorities. The Policy applies in all locations and contexts considered corporate but also on all occasions that relate to professional activities but take place outside corporate and business premises, such as, purely by way of example: corporate events, travel, meetings and encounters with customers. In addition, situations not linked to physical space but to the use of information technology are also considered. The document is approved by the Board of Directors of Banca Mediolanum and the Diversity Manager is responsible for preparing and updating it.

The Policy complies with the provisions of applicable national legislation, ensuring compliance with the relevant legislative and regulatory requirements in the countries in which the Group operates.

The Policy has been disseminated internally through a specific circular and is available on the company intranet, HOMEdiolanum, in the "Our Values" section.

IRO: Gender inequality in senior positions and/or in corporate career development processes

Employee Recruitment and Selection Policy

In order to ensure compliance with the principles of diversity and inclusion, the Employee Recruitment and Selection Policy, the last update of which was approved in 2021, specifies that throughout the recruitment and selection process, fair and equitable treatment for candidates is ensured with particular regard to the aspects of diversity and inclusion. Selection is made solely on the basis of the qualifications and skills required for the work to be performed, following in particular specific guidelines for the selection of staff with technical functions and for the acquisition of systems, software and services. The Employee Recruitment and Selection Policy sets out the guiding principles, organisational architecture and interdependencies that form the basis of the process of recruiting and selecting staff outside the Mediolanum Group, with the aim of regulating the various stages in order to: ensure the effectiveness and efficiency of the process; ensure that staff are provided with the skills and professionalism necessary to fulfil the responsibilities entrusted to them; ensure consistency and uniformity of behaviour for all actors involved in its various stages; and pursue the objectives of mitigating the potential risks of the process.

The Policy is directly applicable within Banca Mediolanum and the principles defined apply to all the Italian Subsidiaries.

The Policy is approved by the Board of Directors of Banca Mediolanum. The updating and review of the document is the responsibility of the Recruiting and Employer Branding Section of the Human Resources Department of Banca Mediolanum. Lastly, the Policy complies with the provisions of national legislation in force, ensuring compliance with the relevant legislative and regulatory requirements in the countries in which the Group operates.

IRO: Inequality in gender and/or pay for equal work

Group remuneration policies

Gender neutrality, the valorisation of diversity, inclusion and meritocracy are among the guiding principles in the Group's way of doing business and its people culture. Therefore, the objective of combating gender differences is also pursued through remuneration policies, minimising the gaps that exist from all points of view, as well as the pay gap.

The principles that the Group adopts in order to ensure the neutrality of its remuneration policies are:

- the recognition and full valorisation of individual talent and merit, both in the allocation of tasks, during training development and on the growth pathway;
- the protection of dignity and integrity, as well as the physical and emotional balance of each individual person.

The remuneration policies defined by the Parent Company in accordance with the provisions of the Bank of Italy relating to remuneration and incentive policies and practices (Title IV, Chapter 2, Section I of Circular No. 285), aim to attract and retain persons with skills and abilities appropriate to the needs of the undertaking and to encourage them to increase their commitment to improving corporate performance through staff satisfaction and motivation.

These Policies are updated annually and also sent to the Subsidiaries, which adopt them on the basis of the characteristics specific to each of them and in accordance with the limits applicable to them, as provided for by the industry and/or State to which they belong, in force from time to time. The corporate control functions of the Parent Company and the Subsidiaries collaborate and exchange all relevant information, in order to ensure that the remuneration policies are adequate in terms of the legislation and they function correctly. The Board of Directors of Banca Mediolanum develops and periodically reviews the Group's incentive and remuneration policies with the support of the Remuneration Committee, and is responsible for their correct implementation.

Once they have been developed, the Policies are submitted to the Shareholders' Meeting of the Bank for approval and circulated within the corporate structure, including through publication on the Parent Company's website.
The Group's remuneration policies are drawn up in accordance with the regulations and guidelines issued at national and international level by the Authorities. The Group develops remuneration policies within the framework of sound governance, which involves the Remuneration Committee and the control functions on an ongoing basis, and promotes constant dialogue with all our stakeholders, investors and proxy advisors in order to best implement their recommendations and instructions. The report on the Remuneration Policy and remuneration paid will be made available for at least ten years on the Company's website (*www.bancamediolanum.it*) in the "Corporate governance" section.

[SI-I DP 24 a]

All of the above Policies were adopted by the Mediolanum Group with the aim of promoting a fair and inclusive working environment, eliminating any form of discrimination. Through these Policies, the Group is committed to ensuring equal opportunities for all employees, enhancing diversity and fostering a corporate culture based on respect, integration and meritocracy.

[SI-I DP 24 b]

The following grounds for discrimination are specifically addressed in the Policy: racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinions, national ancestry or social background.

[SI-I DP 24 c]

At an organisational and operational level, inclusion commitments are expressed in the consideration of the principles of diversity and inclusion at various times in people's professional lives, and in particular in the various processes overseen by the Human Resources Department, including, for example: recruitment and selection, training activities, personal development pathways and talent enhancement, compensation systems, succession plans and communication initiatives for employees and for the Commercial Network. In addition, the Group has partnerships with leading specialist institutions, particularly in training, information and awareness-raising activities, in order to strengthen, increasingly, within the Group, a culture that is aware of and oriented towards the values of inclusion at all levels.
Although the work of increasing awareness and internalisation of diversity is mainly carried out within the Company, the Group is also committed externally to speaking up for the key values necessary for the creation of free and inclusive spaces. In line with this, in the planning and production of events for the Family Bankers Network and for customers, Mediolanum is committed to promoting adequate gender representation in the selection of speakers. It therefore verifies, through the relevant Functions, that it can involve female speakers, as they are typically less represented in financial contexts, pursuing and in any case ensuring the primary criterion of competence in relation to the issues dealt with, in accordance with the principle of meritocracy. Similarly, in the initiatives and events organised by third parties in which the company managers participate, it undertakes to verify compliance with adequate gender representation approaches.

[SI-I DP 24 d]

As reported in the Diversity and Inclusion Policy and in the Mediolanum Group's Policy for the Prevention of Sexual Harassment, the principles referred to in the documents are implemented in the process regulations and/or in operating procedures, which provide a better definition of the tasks and operational and control activities underlying compliance with the requirements of the regulations. The Mediolanum Group also supports and promotes the values of diversity and inclusion through corporate and organisational mechanisms aimed at creating shared well-being, in line with the provisions of the Code of Ethics, the Mediolanum Group's Policy for the Protection of Human Rights, the Mediolanum Group's Sustainability Policy and the Group Diversity and Inclusion Manifesto.

Actions

[SI-4 DP 38 a]

The Group takes a systemic approach to preventing and mitigating material negative impacts on the workforce, with targeted actions that promote an inclusive, respectful and focused culture for the valorisation of people. The actions taken by the Group are formalised in the Mediolanum Group's Diversity and Inclusion Policy. At an organisational and operational level, this is expressed in the consideration of the principles of diversity and inclusion at various times in people's professional lives, and in particular in the various processes overseen by the Human Resources Department, including:

- recruitment and selection (cf. the Employee Recruitment and Selection Policy);
- training activities;
- pathways for the development of people and the valorisation of talent;
- compensation systems;
- work-life balance;
- team composition;
- succession plans;
- communication initiatives for employees and for the Commercial Network.

With regard to training, information and awareness-raising activities, the Group draws on partnerships with leading specialist institutions to strengthen, increasingly, within the Group, a culture that is aware of and oriented towards the values of inclusion at all levels. In order to focus, guide and implement the various initiatives in support of diversity and inclusion, Banca Mediolanum carries out constant monitoring activities, using internal and external analyses of the corporate population and equipping itself with dedicated tools, such as diversity indexes (inclusion impact index) and benchmarks.

[SI-4 DP 38 b]

The Mediolanum Group, in considering the central value of the person, has been committed for years to enhancing diversity and equal opportunities in the workforce, following and promoting the principles of merit and competence, in accordance with the Group's values. Since 2021, the guidance and overall oversight of programmes on the dimension of diversity has been provided by the Diversity Manager, who is tasked with guiding and fostering a culture consistent with the principles that are formalised in the Diversity and Inclusion Manifesto. The Irish Group Companies have had a Diversity and Inclusion Manager in place since 2018. All Human Resources staff and employee representatives contribute to the organisation of the diversity and inclusion events described in the Actions and Policy.

Banco Mediolanum also has a Diversity Manager, with two separate contact persons for employees and for the Family Bankers Network, who carry out initiatives consistent with their commitment to diversity and inclusion matters.

With regard to gender diversity, in 2023, Banca Mediolanum, for the Italian Group, launched the analysis process for obtaining Gender Equality Certification, in accordance with Reference Practice UNI/PdR 125:2022, which defines guidelines for the system of management of gender equality in organisations and provides for the adoption and measurement of a set of performance indicators (KPIs) relating to gender equality policies in organisations. This Certification was obtained in May 2024 by all of the Group's Italian Companies. In accordance with the Reference Practice for Gender Equality Certification, qualitative and quantitative parameters have been identified in the D&I Business Plan of the Italian Group, drawn up by the D&I Committee and approved by the Coordination and Strategic Development Committee, in its ESG configuration, relating to the areas of: Culture and Strategy, Governance, HR Processes, Opportunities for Growth, Equal Pay, Parental Protection and Work-Life Balance. At a more operational level, the Group intends to disseminate greater awareness about diversity and inclusion issues and, in particular, about gender issues, through a series of training and awareness-raising initiatives, which are periodically designed and implemented depending on the target and the topics covered.

Within the D&I training initiatives, in order to mitigate the numerical gender gap in senior positions and to disseminate a culture sensitive to the topics of diversity, inclusion and equity, Mediolanum is committed to implementing times for discussion and training dedicated to managers and executives.

[SI-4 DP 37]

IRO: Gender inequality in senior positions and/or in corporate career development processes

In 2024, in order to mitigate the numerical gender gap in senior positions and to disseminate a culture sensitive to the topics of diversity, inclusion and equity, Mediolanum has promoted various times for discussion and training dedicated to managers and officers. These include:

- the "Leadership4change – focus D&I" course, continuing from the previous year, dedicated to all resource managers, which raises awareness of and reinforces an inclusive and aware approach to leadership that pays attention to diversity, particularly in terms of gender. It involved 160 managers in 8 appointments, totalling 480 hours. The pre-established objective is to progressively train all resources managers, with a coverage rate at the end of 2024 of 70% of the managers in target, and to provide for a module within the training pathway for new managers;
- the development pathway "Women's Empowerment and Leadership", continuing from the previous year, dedicated to female managers, with the aim of strengthening leadership skills and enhancing strengths for optimum fulfilment of the leadership role. The training initiative was delivered in 2 sessions, with a total of 35 participants and 395 training hours, and covered a range of topics, including assertiveness, self-esteem, networking and self-branding;
- mentorship and training programmes in collaboration with Valore D and Women&Technologies through the "Women Empowerment Programme" pathway. Making use of the collaboration with Value D and in continuity with previous years, some employees were enrolled on management development pathways, training modules that are developed during the year with the aim of promoting inclusive leadership styles.

Elements of focus on diversity and inclusion are also included in the design of succession plans.

The topic of gender inequality in senior positions and corporate development processes is also a priority for the Group's Subsidiaries.

During 2024, Banco Mediolanum strengthened its commitment through mentoring programmes aimed at developing leadership skills and fostering the personal and professional growth of its employees and promoting cross-mentoring initiatives in collaboration with other companies for women with high potential. At the same time, Banco launched actions to raise awareness and promote diversity, encouraging participation in events and programmes such as Diversity Leading Company and Empowering Women's Talent, with the aim of spreading examples of equality in various aspects of corporate life. Through a series of training initiatives, Banco Mediolanum also aimed to raise awareness of the values of inclusion, promoting the prevention of stereotypes, social stigmas and prejudices, the adoption of inclusive language and the sharing of successful examples through the Empoderate channel.

One of the initiatives promoted by the Irish Companies of the Group is the annual event in collaboration with 100 Women in Finance intended for university and postgraduate students in the fields of investment, finance and STEM, offering them the opportunity to learn, through a training session at the Head Office, about the roles, duties and work carried out within a financial services company. The initiative was also implemented with the aim of promoting the corporate brand as an employer, in order to attract diverse talent in the future. In addition, the Group's Irish Companies participate in an inter-company and cross-sectoral mentorship programme. The one-year mentorship programme combines high-potential mid-level mentors with senior executive mentors to allow for professional and personal development.

IRO: Inequality in gender and/or pay for equal work

As indicated by the Diversity and Inclusion Policy of the Mediolanum Group and in the Diversity and Inclusion Manifesto, Mediolanum undertakes to monitor the various aspects of diversity in order to verify its evolution and assess the results obtained through the actions undertaken from time to time, in order to enhance the wealth within the company's human capital. Mediolanum, which is a signatory of the ABI "Women in Banking" Charter to enhance gender diversity, during 2024:

- renewed its participation as a Supporter bank in the "D&I in Finance" project, promoted by ABI and organised by ABIServizi. The project provides moments of reflection and exploration to banks and operators in the world of finance on the importance of the socio-cultural transformations under way, at national and international level, on the topics of diversity, inclusion and accessibility. Also in the context of its collaboration with ABI on this topic, Banca Mediolanum joined and participated in the "GDL Charter of Women in Banking" working group set up in 2022, the aim of which is to share among participants not only practices, studies and research, so that they become support tools for individual companies, but also experiences and good practices, including through participation in events, as well as information useful for networking among interested parties;
- Mediolanum has strengthened its commitment to D&I through collaboration with qualified associations and competent institutions. In particular, it confirmed its membership of Valore D, one of the best-known organisations in Italy for promoting gender balance and an inclusive culture. It also joined Women and Technologies, an organisation that promotes women's talents in technology, innovation and scientific research. Various activities were promoted during the year, continuing from previous years, including seminars, workshops, specific training courses, inter-company mentorship programmes and employee communication initiatives, with the aim of raising awareness, promoting and increasingly disseminating an inclusive culture that is open to diversity. The collaborations with external associations in 2024 included finalisation of adherence to the Fondazione Marisa Bellisario, providing for the participation of company managers in the 24th edition of the seminar "Women, Economics and Power" at two tables: "Women and Media" and "Women and Finance";
- The Group strengthened its commitment to the internal dissemination of increasing levels of awareness about diversity and inclusion issues and, in particular, about gender matters, through a series of training and awareness-raising initiatives, which are periodically designed and implemented depending on the target and the topics covered. In continuity with the webinar programme "BeMediolanum: the value of diversity", a new appointment was proposed on the topic of inclusive and polite language. The in-person event, which involved the enrolment and attendance of 150 employees, included a guest speaker and a conflict management and communication expert. During the event, the subjects for discussion were gender stereotypes and the role that language plays in their dissemination, and how inclusion can be exercised through language and writing. In addition, we have pursued our commitment in the area of Diversity & Inclusion to increase and integrate into the business awareness, skills and distinctive attitudes on the topics of inclusion and talent enhancement related to gender, intergenerational and cultural diversity. In addition, in order to raise the awareness of new hires about the values and the consistency of the commitment on diversity matters with the Group's values, within the "Mediolanum Journey" onboarding programme, a specific section was dedicated to diversity and inclusion matters, with a particular focus on biases and stereotypes. At the event, the participants were introduced to the company's D&I initiatives. On the occasion of the Digital Days, a corporate initiative aimed at promoting digital and other change, the round table "The valorisation of talents in technology beyond stereotypes" was held, bringing strictly digital matters closer to the context of diversity and inclusion and, in particular, to the topic of the low level of representation of women in STEM (Science, Technology, Engineering and

Mathematics) studies and disciplines. A discussion took place about how technology can foster inclusivity and accessibility within the company, with the participation of internal managers, two external guests in collaboration with Women & Technologies and the Diversity Manager;

- respect for diversity and inclusion also represents a priority value and commitment in the management of recruitment activities, with the aim of sustaining a working environment that respects all forms of uniqueness of the individual and is participatory, based on the principles of freedom, fairness and dignity in professional relationships, without discriminatory, collective or individual conduct, in accordance with the Mediolanum Group's Diversity and Inclusion Policy. In addition, throughout the year, all the announcements published included a statement specifying that the Group is committed to ensuring equal treatment of all candidates according to the principles of diversity and inclusion;
- in addition to gender diversity matters, in the area of generational diversity, a preliminary phase of mapping of the corporate population was carried out, breaking it down by age group. On this topic, programmes for the continuous inclusion of young people have been confirmed and professional development-oriented activities for employees have continued, including through the Employability & Empowerment Centre programme, which provides for reskilling activities for all generations, based on the evolution of the skills required in the various areas. With regard to the generational topic, making use of the collaboration with the Community Digital HR HUB coordinated by CeTIF, the Research Centre of the Catholic University of Milan, there was participation in the Community Event entitled "Five generations at work" and the participation of the Diversity Manager as rapporteur at the Cross Community Event of the Digital HR + ESG Sustainable Finance HUB, entitled "People for a sustainable organisation".

Gender equality, diversity inclusion, meritocracy and respect for all people are key principles that guide the Group's way of doing business and its corporate culture. In this context, Mediolanum is committed to reducing gender disparities, working to close the gaps in all areas, including pay.

In this context, as part of the annual governance cycle of the Parent Company, the Remuneration Committee and the Board of Directors perform a specific assessment of the gender pay gap in the Group, based on the analyses carried out by the Human Resources Department, with the support of an external provider. The analysis is conducted taking into account, at the individual level, the overall remuneration, role and responsibilities within the organisation and framework, as well as other objective and subjective elements that may form the basis for analysis. In accordance with the regulations (including the EBA Guidelines), the analysis activity was carried out by country and consists of three macro-areas: the average pay gap, which represents the gap between the average remuneration of women and the average remuneration of men; the unadjusted equal pay gap, which measures the gender pay gap for the same or equivalent work, calculated by comparing the pay gap for similar positions; and the adjusted equal pay gap, which, through a statistical regression model, aims to strip out (objective) non-discriminatory factors from the average pay gap.

The issue of the pay gap is also a central priority for the foreign Subsidiaries, which are constantly committed to promoting fairness and inclusion within the organisation. To this end, during the year Banco Mediolanum performed in-depth analyses to monitor and assess any remuneration discrepancies. These analyses, conducted by WTW, confirmed the absence of a gender pay gap. These results were also confirmed in the context of the pay audit for the Third Equality Plan, carried out in collaboration with Fondazione Adecco, through an in-depth analysis of potential quantitative and qualitative wage discrepancies. Analysis of the pay gap is also carried out by the Irish Group Companies, which produced the first Gender Pay Report in 2024, including the regulatory key indicators of the gender pay gap and the actions taken to address any differences highlighted by the report.

The diversity and inclusion initiatives of the Irish Group Companies are focused on various strategic areas, with the aim of promoting talent growth and greater gender representation in the sector. One concrete example is the Mediolanum Investment Academy, launched in 2022 as a 24-month training programme, designed to develop

young professionals in the asset management sector. Now in its third year, the initiative has achieved gender equality, with 50% male and female participants. For three years, the Group's Irish Companies have been participating in the NEIC programme, offering students from disadvantaged areas paid summer internships. In 2024, the Group's Irish Companies organised inclusive leadership training for their senior leaders and promoted significant events and meetings on International Women's Day and in collaboration with the Irish Centre for Diversity. The Irish Group Companies also work with Cabra Community College to raise the awareness of students and encourage them to continue their education. The Bronze Investors in Diversity Award received in 2024 by the Irish Centre for Diversity confirms its commitment to promoting inclusive policies and practices, highlighting the importance of training and inclusion at all levels of the Company.

IRO: Failure to integrate workers with disabilities

As defined by the Mediolanum Group's Diversity and Inclusion Policy, the Group is committed to providing employment opportunities to people with motor, cognitive and sensory impairment. It develops initiatives that promote their integration and inclusion, providing roles that are suitable for their skills and needs and promoting conditions of well-being and support through an environment with appropriate physical but also behavioural characteristics. To this end, the Group has appointed two Disability Managers with specialist skills and Metropolitan City certification, gained after an in-depth training process and a final verification and certification exam, who carry out, as provided by the corporate role (pursuant to Legislative Decree No. 151/2015), the task of preparing personalised projects for people with disabilities and solving problems related to the working conditions of employees with disabilities.
During 2024:

- the partnership with specialist entities to develop a project dedicated to people with disabilities was strengthened. The project, launched in 2022, actively involves, with the coordination of the company Disability Managers and a team of specialists (external consultants), the categories present in the Mediolanum Group, their managers and the relevant HR managers. Based on a precise mapping of the critical issues, needs and expectations of the most fragile staff, personal and professional solutions are proposed, using technical tools of observation, investigation and problem solving. This mapping has facilitated the definition of personalised support measures, where necessary, as well as upskilling and reskilling pathways, awareness-raising in the working environment and organisational oversight. The aim of this measure is to identify and introduce organisational tools, methodologies and good practices in our approach to developing a sustainable business model. In addition, through an analysis by a team of external consultants of the results of a survey conducted in December 2023, we identified elements to propose priorities and types of intervention. The working team also drew up the lines of action planned for 2025, planning training interventions that vary according to recipient and type on the subject of diversity and inclusion, emphasising the active involvement of both the managers and the teams of the resources to which the project is dedicated. The Group also offers an option of specific psychological support, at the request of the person directly concerned, provided by a consultant who is an authorised and expert professional in the sector;
- in collaboration with the company physician and through a protocol signed with the trade unions, the Group provides access, at the request of any employee with serious disabilities, to teleworking procedures to facilitate situations in which the type of individual problem makes it impossible or difficult to travel to and/or stay on company premises. Activation is scheduled for early 2025;

- training and awareness-raising initiatives on internet and document accessibility have been provided to the corporate population. During the year, the "Accessibility" training pill was delivered to raise awareness of the subject and provide information on the relevant regulations. Specific training was provided by AGID (Agenzia per l'Italia Digitale) to colleagues involved in the Accessibility project. The support and inclusion of people with disabilities is also a priority for the Group's Subsidiaries, which are committed to promoting initiatives to encourage the full integration of staff. This aim is pursued through interventions on structural aspects and programmes dedicated to vocational training and development, often in collaboration with local authorities and foundations.

The initiatives promoted by Banco Mediolanum in 2024 included:

- using the PorTalent Once portal to facilitate the placement of disabled candidates;
- the Aflora Plan, in collaboration with the Adecco Foundation, which supports people with unrecognised disabilities, helping them to obtain the necessary recognition;
- a donation to the CEO for Diversity to foster innovation in corporate policies relating to diversity, equity and inclusion in Spanish organisations and companies;
- collaboration with the Adecco Foundation with a donation to the Disability Day campaign;
- and collaborations with specialist centres, such as Viajes 2000, Femarec and Multiple Sclerosis J M Charcot, to promote the professional integration of people with disabilities.

IRO: Insecurity of workers due to incidents of harassment and/or lack of measures to protect workers and/or awareness-raising initiatives

As defined in the Mediolanum Group's Policy for the Prevention of Sexual Harassment, respect for the person is one of the key values of the system adopted by the Mediolanum Group, which is committed to undertaking all forms of discrimination and to preventing, identifying and combating all actions, implicit or explicit, attributable to harassment and sexually inappropriate behaviour, as well as defining actions that provide support to the persons who report it, protecting them from any retaliation. To this end, during 2024:

- the Mediolanum Group's Policy for the Prevention of Sexual Harassment was approved and disseminated with the aim of safeguarding its people and providing a working environment free from the risk of sexual harassment;
- Mediolanum adhered to the Protocol on the Prevention and Combating of Violence against Women and Domestic Violence, signed by ABI and the Minister for the Family, Birth Rate and Equal Opportunities. The aim is to help prevent and combat violence against women, including domestic violence, in its various forms, and to promote training and information initiatives on the public and private tools available to support financial inclusion and the overcoming of gender-based differences;
- the Human Resources Department, by means of representatives, joined and contributed to the working group organised by Valore D, which, through the possibility of comparing different situations and sharing good practices, resulted in the publication of the Valore D Policy "From silence to action. How companies can act and network against gender-based and domestic violence", in collaboration with the Una Nessuna Centomila Foundation. The development of a project related to economic violence was also launched in collaboration with the Adiconsum consumer association. The aim of the project is to raise awareness of this matter, which, although not specifically targeting the female population, is one of the initiatives referred to in the ABI Protocol on the Prevention and Combating of Violence against Women and Domestic Violence. The topics will cover: budgeting, saving, investments and credit management.

In order to protect its people and ensure a working environment free from the risk of sexual harassment, the Group is committed to actions that encourage a culture that is as respectful as possible of the person and prevent offensive behaviour and language. To this end, the Group's 2024 harassment prevention awareness and training initiatives included:

- providing the entire corporate population with the "Preventing Sexual Harassment in the Workplace" pill, accessed by 90% of employees, the aim of which was to disseminate awareness of the matter of harassment and to explain the contents of the Policy and any whistleblowing procedures;
- a cycle of four webinars on "Personal protection: knowledge and prevention of situations of violence against women", which aimed to provide a practical knowledge and skills base to deal with potentially dangerous situations that might be experienced personally and/or as a witness. The first two webinars addressed the topic of domestic violence in public places. The third webinar was an opportunity to discuss the questions and situations that arose for participants during the first two webinars. The fourth webinar addressed the topic of stalking. Approximately 250 employees voluntarily took part in these webinars;
- the placement of the Red Bench on the Campus, as a symbol of the support of the Mediolanum community for all female victims of violence, and the collaboration with Molce Atelier, a therapeutic tailoring workshop for female victims of violence, on the occasion of 25 November, the International Day for the Elimination of Violence against Women;
- the launch of "CosaConta", a financial education project that aims to raise awareness of financial matters among the external community, also with a view to generational and gender inclusion. The aim is to make financial education widespread and accessible to all types of audiences, even with very diverse backgrounds and skills, through content such as pills, articles, videos and podcasts.

As defined by the specific Policy for the Prevention of Sexual Harassment of the Mediolanum Group, in order to promote an environment in which conduct detrimental to the dignity of persons is not concealed or minimised, the Group is committed to ensuring impartiality towards all parties involved, acting with propriety and good faith to clarify any events reported. It also operates with respect, discretion and confidentiality to protect the privacy, intimacy and dignity of the persons involved. At the same time, it provides timely and impartial assistance and support to victims of harassment, including sexual harassment, and takes appropriate measures against anyone who is held responsible for such conduct or misconduct. To this end, the Group provides all employees with specific channels for the sending of reports:

- the Human Resources Department; in particular, their Human Resources representative or the Human Resources Director;
- the Commercial Network Career, Planning and Organisation Division; specifically, the Division Manager, with reference to reports within the Commercial Network;
- the channels established within the Whistleblowing Systems. Periodically, the Health, Safety, Security & Environment Section receives and analyses the anonymous reports produced with respect to the reports received.

Banco Mediolanum has a document entitled "Protocol on the Prevention and Handling of Situations of Harassment" relating to moral and sexual harassment. This document is available to all staff on the company intranet. The Irish Companies of the Mediolanum Group implement the Policies of the Parent Company, Banca Mediolanum (Policy for the Prevention of Sexual Harassment of the Mediolanum Group). There are no particular differences, other than those required to adapt the policies to Irish regulations and/or the characteristics of the Irish Companies. The Irish Companies are committed to protecting the dignity of everybody working within the Company. In particular, they are committed to ensuring that the Company is free from any form of bullying or

harassment at work, whether in the office or remotely, and that there is an atmosphere of respect, safety and equality in the workplace.

[SI-4 DP 38 d]

As also indicated in the Diversity and Inclusion Manifesto, Mediolanum is committed to monitoring the various aspects of diversity in order to verify its evolution and assess the results obtained through the actions taken from time to time, in order to enhance the wealth within the Company's human capital. At an organisational and operational level, this is expressed in the consideration of the principles of diversity and inclusion at various times in people's professional lives, and in particular in the various processes overseen by Human Resources, including, for example: recruitment and selection, training activities, personal development pathways and talent enhancement, compensation systems, work-life balance; team composition; succession plans and communication initiatives for employees.

The various aspects of diversity and inclusion are regularly monitored, using both internal measurement activities and indices that allow for market comparisons. The internal measurement activities include:

- the Gender Equality Certification under UNI/PdR 125:2022, which required a preliminary internal gap analysis phase, followed by a phase of reporting and formalisation of documents, practices and implementation plans for all parameters defined by the standard (Culture and Strategy, Governance, HR Processes, Opportunities for Growth, Equal Pay, Protection of Parenthood and Work-Life Balance) for each Italian Company. The Practice requires, for the purpose of Certification, a structured assessment process, which the Group carried out with Bureau Veritas, with the involvement, in addition to the directly affected areas of the Human Resources Department, of various corporate structures, including Sustainability and Health Safety Security Environment, and the direct participation of employee representatives, who were interviewed briefly by the assessors. Certification was obtained in May 2024 by all the Italian Companies, which amply exceeded the minimum parameters defined by the Practice. It provides for an annual external audit to monitor compliance with the Reference Practice and any improvements;
- the "Diversity & Inclusion" survey, provided in the second half of 2023 to all employees, with the aim of measuring their perception of topics such as: the development of an inclusive and caring working environment focused on gender diversity and equality and prejudice and/or stereotyping in the workplace. The analysis of the responses received helped to identify additional areas for attention and directed the development of activities and initiatives carried out in 2024;
- the annual specific assessment by the Remuneration Committee and the Board of Directors of the Group's gender pay gap, based on the analyses carried out by the Human Resources Department, with the support of an external provider, in order to monitor the Group's performance and identify areas of potential intervention and internal project initiatives aimed at promoting gender diversity. For example, in 2024, with regard to the Group's foreign components, the analyses revealed one potential area for intervention relating to the asset management scope in the Irish business unit. In this context, in particular, the pay gap related to the Equal Pay Gap Adjusted reflects a significant presence of men in the investment/portfolio management area; this aspect is now constantly monitored, as are the targets of specific internal project initiatives aimed at promoting gender diversity (for example, the "Investment Academy"). In general, the initiatives already planned to continuously monitor the gender pay gap and the ongoing training and promotion of initiatives aimed at enhancing the elements of diversity have continued;
- periodic analysis of data on the working conditions of staff with disabilities by the Disability Managers and specialist disability-related structures. In detail, parameters including the following are analysed: the turnover rate, absenteeism and monitoring of the number of reports of any individual disadvantage, interpersonal relationships with managers and within the team, and the overall degree of personal

satisfaction. In addition, an analysis is performed of the survey responses received, in order to identify priorities and types of intervention. Following the 2024 analysis, the Human Resources Department defined the contents of the training project, which will be delivered in 2025, and will involve the managers of the resources involved, as well as their teams.

The initiatives carried out are regularly monitored with periodic analyses of data and quantitative and qualitative parameters, such as: the number of participants in the training courses; the half-yearly monitoring of D&I training hours; and reporting on any reports of harassment. In particular, any reports as defined in accordance with the whistleblowing model in the Mediolanum Group's Policy for the Prevention of Sexual Harassment are monitored. In addition, to complete the analysis of progress on diversity and inclusion topics, the Group uses specific indices that allow for its performance to be compared with market benchmarks. These tools provide an objective and comparative view that is useful for identifying strengths and areas for improvement and for guiding future D&I strategies. The indices used include:

- the Inclusion Impact Index, developed by Valore D, with indicators based on international ESG sustainability standards, which returned a total score of 71.7/100 for 2024, marking an improvement over 2023 and confirming the Group's positioning above the market average, as monitored by Valore D. Of particular note is the improvement of 5 points, from 90/100 to 95/100, in the Development area, which relates to workforce composition, succession plans and training;
- the Bloomberg Gender Equality Index (GEI), an international index to assess corporate initiatives on gender inclusion and equality of listed companies, in which Mediolanum was included in 2023. The index is based on five reference pillars: female leadership and the development of internal talent, gender equality, an inclusive culture, policies against sexual harassment and brand recognition as a brand that supports women. In 2024, the monitoring of data collected by Bloomberg continued through the Gender Equality Scores, with a view to maintaining the standards achieved.

[SI-4 DP 39]

The process of identifying the necessary and appropriate actions to address impacts on the workforce is based on a structured and integrated approach that provides for constant monitoring of corporate activities and dynamics through tools such as surveys (e.g. the Diversity & Inclusion survey); collection of feedback (e.g. the 2024 #VociDiMediolanum engagement survey) and data analysis (e.g. the figure for the presence of men and women in senior positions and growth processes). These tools identify critical touch points and assess the specific needs of staff, enabling the development and implementation of targeted planning initiatives. In addition, the Disability Managers, as well as the Human Resources Managers, act as a constant point of contact for the corporate population, ensuring ongoing involvement in the discussion with staff so that information on any problems is always available, including for staff with disabilities. The Group also benefits from ongoing advisory support from industry-leading specialists, with which a collaboration agreement has been formalised in order to guide initiatives effectively.

[SI-4 DP 43]

The entire HR Department is involved in the management of diversity and inclusion matters for all the processes specific to each practice. In particular, the Diversity & Inclusion Committee was set up to support the Human Resources Director and the Diversity Manager by providing opinions and assessments for the benefit of the Group Coordination and Strategic Development Committee, in its ESG configuration, in order to ensure the effective adoption and application of the principles envisaged in the area of diversity. The Committee also proposes actions to support the development of an inclusive working environment and culture. It makes use of an operational team, coordinated by the Diversity Manager and selected from the Human Resources Department, to propose and implement the relevant initiatives. The Development and Compensation Systems Office is specifically involved in the equal pay analysis. Other structures, including the Internal Audit Function, are also involved in managing any reports made through the Whistleblowing System.

Objectives

[SI-5 DP 46]

The area considered most significant in terms of gender diversity is the presence of women at executive level. Although there is a situation of alignment with the reference market, an objective of reducing the gap has been defined, through initiatives developed in the area of diversity and inclusion. The objective was set in the D&I Business Plan of 2024, in view of the trend of improvement already seen in recent years, with a percentage of women managers in the Italian Group in a range of 23% to 27% over three years, with a current figure of 18.8%. The objective was also included in the monitoring parameters in the Gender Equality Certification.
The foreign Companies have not formally set an objective, but follow the same principles as the Parent Company, Banca Mediolanum.

Material IRO	Target KPI	Base year and value	Current progress at 31/12/24	Target year
Gender inequality in senior positions and/or in development processes	Progressive improvement of the % of female executives - Target 23-27% in 3 years	2023 (16.8%)	18.8%	2026

One positive figure is the overall gender-balanced distribution of the workforce. The composition of the workforce is regularly monitored and the D&I Business Plan has set a target of maintaining this balance over the years, with a percentage of women in the Group's Italian Companies of between 45% and 55%, with a current figure of 51.1%. The foreign Companies have not formally set an objective, but follow the same principles as the Parent Company, Banca Mediolanum.

Material IRO	Target KPI	Base year and value	Current progress at 31/12/24	Target year
Inequality in gender and/or pay for equal work	Maintenance of a gender-balanced overall workforce - Target range 45-55%	2023 (51.8%)	51.1%	2026

The aim of the equal pay gap refers to the principles enshrined in the Pay Transparency Directive 2023/970. Equal pay gap figure aimed at measuring the "gender pay gap for the same or equivalent work" is monitored annually for all the Group's Italian Companies, in order to keep the parameter below the alert threshold identified. The objective is to keep the equal pay gap figure below 5%. At the end of 2024, the figure remained below this alert threshold.
The foreign Companies have not formally set an objective, but follow the same principles as the Parent Company, Banca Mediolanum.

Material IRO	Target KPI	Base year and value	Current progress at 31/12/24	Target year
Inequality in gender and/or pay for equal work	Maintenance of the equal pay gap below the attention threshold (5%)	2023 (< 5%)	(< 5%)	2026

The above objectives comply with the monitoring parameters adopted by the market, as well as relevant regulatory references, such as Gender Equality Certification. In defining the objective, account was taken of the impacts of all the diversity activities carried out over the years and the contribution of various perspectives through tools for collecting feedback from stakeholders. It should be noted that in 2024 there were no significant changes in the methodologies adopted or in the assumptions underlying the definition of targets.

[SI-5 DP 47 a; 47 b; 47 c]

With a view to taking into account the perspectives of its own workforce within the decision-making and impact management process, Mediolanum establishes a relationship for ongoing dialogue and feedback with employees, through the Human Resources Department, using tools such as surveys aimed at exploring employees' opinions.

Monitored takes place through the verification and analysis of statistics and reports that provide adherence and satisfaction data. In order to monitor satisfaction trends and the accessing of services, the Group periodically monitors developments by collecting feedback on all the initiatives implemented, such as, for example, webinars, training courses, the Mediolanum Journey onboarding pathway and the various initiatives targeted. Feedback is collected through questionnaires and direct discussions with the Diversity Manager. The Human Resources Department provides all employees with engagement and/or satisfaction surveys, as well as quick surveys, in order to collect information to analyse and obtain ideas for further aspects for attention, as well as directing the definition of future activities.

3.1.7 Other rights related to work (confidentiality)

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Other rights related to work (confidentiality)			
Breach of workers' right to privacy due to data loss incidents	Potential negative impact	Own operations	Medium term

The Group's approach and policies

The Mediolanum Group places a strong emphasis on the protection of personal and corporate data and safeguarding the rights of individuals, while meeting European regulatory standards, in particular the General Data Protection Regulation (GDPR). The key principles employed by the Bank are accountability, privacy by design and by default, data minimisation and retention time limitation, ensuring that each stage of data processing is oriented towards the protection of data subjects. Over the years, the Group has implemented a number of Policies and tools to strengthen information security and confidentiality. These include the Code of Ethics and the Privacy Policy, which define guidelines for responsible data management, promoting transparency, correctness and legal compliance.

[SI-1 DP 19]

IRO: Breach of workers' right to privacy due to data loss incidents

Code of Ethics

One of the key principles of the Code of Ethics (see ESRS GI-1 Corporate culture and business conduct policies for further details on the minimum reporting requirements of the Policies) is confidentiality. Mediolanum ensures the right to confidentiality of information, including of its employees, guaranteeing through specific measures the right of each individual to manage his/her personal data completely independently.

Privacy Policy

For the Mediolanum Group, personal data protection has always been a fundamental issue, as ensuring the confidentiality and security of bank data, including personal data, represents an important milestone and considerable added value. The Privacy Policy (cf. ESRS S4-1 Policies related to consumers and end-users, for further details on the minimum reporting requirements of the Policies), which describes the privacy principles, defines the oversight of aspects relating to the processing of the personal data of data subjects (e.g. employees), in accordance with EU Regulation 2016/679 "GDPR", the applicable national legislation and the orders issued by the Italian Data Protection Authority.

Actions

[SI-4 DP 37]

IRO: Breach of workers' right to privacy due to data loss incidents

For the Conglomerate Companies, training is provided in order to provide the basic privacy knowledge necessary for compliance with the requirements and controls. These measures consist in issuing mandatory online courses for all employees and contract staff of the Sales Network. The passing of these courses requires completion of a test to ascertain that the concepts covered by the courses have been assimilated.
In the Italian Companies, to ensure that all employees are aware of data protection regulations and know how to apply them correctly, in 2024 the assignment to new hires of the basic GDPR course continued and the new in-depth course to handle certain specific cases was accessed.

During 2024, Banco Mediolanum provided the entire corporate population with an online personal data protection refresher course adapted to the needs of each functional area. An online cyber security refresher course was also offered, covering the various strategies to prevent and defend against cyber attacks. To support these activities, Banco Mediolanum shared 13 data protection pills and three course compliance reminders.
Irish Group Companies also hold regular privacy training sessions for all staff and new hires via an online portal. All employees are required to pass a test, with a minimum success rate that is monitored.

[SI-4 DP 38 a]

Personal data protection is a central matter for the Group, which regards the confidentiality and security of bank data as a fundamental value. For this reason, the Human Resources Department collaborates with the Privacy Office to develop training interventions, such as mandatory online courses and refresher and awareness programmes, aimed at ensuring knowledge of the privacy regulations, integrating legal, operational, marketing and communication aspects, with a focus on the Companies, customers and employees.

[SI-4 DP 38 d]

The same methods as those used for consumers and end-users are employed to monitor and assess the effectiveness of the confidentiality measures relating to the Mediolanum Group's workforce. Therefore, please refer to the ESRS S4 chapter "Consumers and end-users" (cf. the on "Confidentiality"; S4-4).

[SI-4 DP 39]

With regard to the disclosures on the processes through which the Mediolanum Group identifies the actions necessary to manage negative impacts on confidentiality, it should be noted that the approach adopted for its workforce is similar to that used for consumers and end-users. Therefore, please refer to the ESRS S4 chapter "Consumers and end-users" (cf. the on "Confidentiality"; S4-4).

[SI-4 DP 41]

With regard to the disclosures on the ways in which the Mediolanum Group ensures that its practices do not have negative impacts, it should be noted that the approach adopted for its own workforce is the same as that used for consumers and end-users. Therefore, please refer to the ESRS S4 chapter "Consumers and end-users" (cf. the on "Confidentiality"; S4-4).

[SI-4 DP 43]

The Privacy Office, established within the Legal Affairs Division, performs and coordinates all the requirements of the privacy regulations for both Banca Mediolanum and some Companies in the Conglomerate. Among its activities, it oversees the privacy training provided to employees. The Human Resources Department supports the Privacy Office in activities relating to compliance with the provisions on privacy for employees and in accordance with the provisions established on the prohibition of remote monitoring of workers' activities. It also supports the working group in the escalation process in the event of a breach of rules by employees.
With regard to the objectives for the impact related to the potential breach of workers' right to privacy due to data loss incidents, please see the appropriate section in Disclosure Requirement S4-5.

3.1.8 Processes for engaging with own workforce and workers' representatives about impacts

[SI-2 DP 27; 29]

The centrality, involvement and active participation of employees in the corporate processes are fundamental objectives, always taken into consideration through resource management and development tools. With a view to taking into account the perspectives of its own workforce within the decision-making and impact management process, Mediolanum establishes a relationship for ongoing dialogue and feedback with employees, through the Human Resources Department, using tools such as quick surveys, engagement surveys and welfare surveys aimed at exploring employees' opinions. In addition, the Mediolanum Group is always careful to communicate with its employees, getting them engaged and informing them about the Group's business life, news and activities, through the video and information portal (HOMEdiolanum), which is updated daily.

[SI-2 DP 27 a]

Engagement takes place both directly and with employee representatives.

[SI-2 DP 27 b]

The engagement of its own workforce and of all the Group's employees takes place on an ongoing basis throughout the year and, where necessary, in a structured manner in conjunction with specific events and/or initiatives. Meetings with employee representatives are defined and scheduled during the year or close to the expiration dates of existing agreements.

[SI-2 DP 27 c]

The function responsible for ensuring that this involvement takes place is the Human Resources Department, to which internal communication also reports, together with all the functions involved in the various practices within their purview.

[SI-2 DP 27 d]

The Group operates in full compliance with all laws and regulations applicable in countries that adopt principles and regulations for the full protection of human rights. It applies national employment contracts (National Collective Labour Agreements) applicable to the sector, with economic benefits that are higher on average than the contractual minimums and with complementary company agreements. Particular importance is attributed to aspects of health and social security cover with benefits that are additional to those established by the general legislation in the countries in which it operates.

[SI-2 DP 27 e]

To confirm the importance of the role that employee engagement plays for Mediolanum, during the year the Group implemented a system of periodic surveys and regular meetings to assess the effectiveness of the engagement of its workforce.

[SI-2 DP 28]

The Mediolanum Group is always sensitive and attentive to all employees and its own workforce. It regularly assesses the needs and prospects of workers who are most vulnerable to impacts on the workforce. On the topic of disability, the Group has appointed two Disability Managers in charge of preparing personalised projects for people with disabilities and solving problems related to the working conditions of this group of employees. In addition, particular attention is also paid to the work-life balance, with a focus on parenting, through initiatives for the educational guidance of the children of employees and support pathways for those who care for dependent family members. Many initiatives have also been coordinated by the Diversity & Inclusion Unit.

[SI-2 DP 27; 29]

With specific reference to health and safety, for the Italian Companies of the Mediolanum Group, the adoption of the integrated management system for workplace health and safety and the environment makes it possible to define the methods for managing the communication and consultation of the Mediolanum Group, and to ensure an efficient and constant flow of information between the various parties and relevant stakeholders. This is in line with the objective of promoting and disseminating throughout the organisation the culture of safety and the protection of the health of workers and the environment.

The Group's foreign Companies, in both Spain and Ireland, engage their employees through the available institutional channels, in order to meet the needs and perspectives of the workers and to involve them in information and training processes.

[SI-2 DP 27 a; 27 b]

For the Italian Companies of the Mediolanum Group, engagement takes place at various stages through communication, consultation and participation:

- communication: the processes established by the organisation involve the collection, updating and dissemination of information. They ensure that relevant information is provided, received and made understandable to all relevant workers and stakeholders;
- consultation: seeking opinions before taking decisions, including the involvement of Workplace Health and Safety and Environment Committees and employee representatives;
- participation: involvement in the decision-making process, including the Human Resources Department and the employee representatives.

The primary channel for the engagement of employees on matters of workplace health and safety and the environment is the company intranet, where information on the relevant aspects of SSL and the Environment is provided to all employees, for example:

- health and safety organogram;
- a list of the names of preventative functions, including employee safety representatives;
- emergency response procedures;
- measures to be taken in the event of fire and other emergency situations;
- an extract from the Policy on Workplace and Environmental Health and Safety;
- management system procedures.

Banca Mediolanum informs its workers in the event of significant changes in the structures responsible for health and safety through the processes defined in the business model.

Employees are also involved in all business processes through information, education (mandatory training and additional "training pills") and training, participation in corporate initiatives, and by periodically consulting their workers' safety representatives.

As regards Banco Mediolanum, participation takes place through information, consultation and active participation within the Health and Safety Committee. The meetings are held on a quarterly basis, although each of the parties may request extraordinary meetings if necessary. Subsequently, the assessments carried out and the decisions taken are also applied to the Subsidiaries Mediolanum Gestiòn and Mediolanum Pensiones.

With regard to employees of the Group's Irish Companies, they are periodically involved in information and training courses on risks present in activities and in the workplace and access health and safety information through the IT tools provided.

[SI-2 DP 27 c]

Responsibility for this process, in line with the Policy on Workplace and Environmental Health and Safety, lies with the Head of the Health Safety Security & Environment (HSSE) Section, who is responsible for the Italian Companies and promotes coordination for the local implementation of the guidelines of the Parent Company of the Banca Mediolanum Financial Conglomerate.

[SI-2 DP 27 e]

With regard to workplace health and safety, Banca Mediolanum has adopted an integrated management system and has defined within its organisational structure precise responsibilities, operational procedures and processes sensitive to these matters and adequate human and economic resources for the implementation of strategies aimed at achieving high standards of health and safety in the workplace. Banca Mediolanum also identified areas of responsibility and objectives relating to the promotion of workplace health and safety that the organisation is committed to pursuing and integrating into its business activities.

[SI-2 DP 28]

For the Group Companies, protection is ensured for fragile individuals with initiatives to support their employment, such as, by way of example and on the basis of the relevant national legislation, the company medical service and the possibility of working completely remotely.

3.1.9 Processes to remediate negative impacts and channels for own workers to raise concerns

[SI-3 DP 32 a]

With a view to identifying and managing any reports regarding actual and potential negative impacts on its workforce, Mediolanum establishes a relationship of constant dialogue and feedback with employees, through the Human Resources Department (and its equivalent structures in the foreign Subsidiaries), particularly through the relevant managers, using tools and channels such as surveys to explore employee opinions, through dialogue with employee representatives and through the whistleblowing channel, which is available to the entire corporate population.

One channel available to the workforce is the Whistleblowing System, which provides whistleblowers with specific, independent channels through which to submit detailed reports of breaches of the Model 231 principles (specific to Italy) as well as other relevant national and European Union legislation of which they become aware due to their work/functions.

[SI-3 DP 32 b]

For the areas potentially subject to whistleblowing (provided for by the relevant regulations), the Group has implemented a Whistleblowing System that ensures the receipt and management of complaints/concerns (with even the suspicion that they are justified), which is completely confidential, free of conflicts of interest on the part of the managers of the same, and protects against retaliatory measures. The reporting channels are, with small differences relating to foreign Subsidiaries: a paper form sent by post (including anonymously), a direct meeting with the Whistleblowing Manager; and the IT platform (in writing or verbally). The disclosure of the internal regulations on the Whistleblowing System and its operating procedures, as well as the reporting channels activated, is made publicly available by the Group Companies on their websites (if these exist) and, for the workforce, also on the company intranet.

[SI-3 DP 32 c]

The Group has activated a Whistleblowing System that provides for the possibility of receiving and managing complaints from staff on matters within the scope of the relevant legal framework (excluding complaints solely of a personal nature, an extra scope of whistleblowing legislation).

[SI-3 DP 32 d]

The disclosure of the internal regulations on the Whistleblowing System and its operating procedures, as well as the reporting channels activated, is made publicly available by the Group Companies on their websites (if these exist) and, for the workforce, also on the company intranet.

[SI-3 DP 32 e]

The Whistleblowing Manager, identified within the Internal Audit Function, or consisting of a collegiate body (in the case of the Spanish subsidiaries) is responsible for the proper functioning of the Whistleblowing System. The Whistleblowing Manager is supported by the Whistleblowing Officers, usually identified within the Internal Audit Function, who are responsible for receiving, analysing and assessing the reports received, in compliance with applicable legislation and internal corporate regulations. The Group's Whistleblowing System has the characteristics described within the "criteria for the effectiveness of non-judicial grievance mechanisms" defined in the United Nations Guiding Principles on Business and Human Rights. Internal and external reporting channels are made available to the various stakeholders in the internal regulations, which also indicate the procedures and timescales for managing reports received. This legislation is published in the company intranet sections and on websites, which potential whistleblowers may also access to make reports. Confidentiality and protection from retaliation ensure a safe environment for whistleblowers, while training courses for all persons at the Head Office allow stakeholders to access sources of information and expertise.

[SI-3 DP 33]

To date, no assessment/approval surveys on the whistleblowing channels are available.

The Mediolanum Group prohibits retaliation, i.e. any behaviour, act or omission, even if only attempted or threatened, carried out as a result of the report, that causes or may cause unjust harm to the whistleblower, directly or indirectly (cf. ESRS GI-1 DP 10c How the undertaking protects whistleblowers for more details).

In relation to the whistleblowing regulations and with the intention of promoting a corporate culture based on transparency, integrity and accountability, an online course entitled "Whistleblowing: the internal reporting system" continues to be assigned to new hires. This course aims to raise awareness among all employees and provide clear guidance on how to use the reporting channels provided by the Company.

[SI-3 DP 32 a]

With specific reference to workplace health and safety, the Mediolanum Group is committed to ensuring working conditions in safe and comfortable environments. To this end, it disseminates a culture geared towards safety and awareness of potential risks and their prevention. Any conduct contrary to these principles can be reported through different reporting mechanisms.

[SI-3 DP 32 b]

The covered persons of the Code of Ethics are required to refrain from any conduct that could, even only potentially, entail a breach of the principles and conduct set out in the Code, the implementation procedures or the legislation referred to, including with regard to safety and well-being in the workplace. Any breach of the principles and provisions contained in the Code of Ethics must be promptly reported through the appropriate channels established by the Company for the reporting of alleged non-compliance.

Workers can report any situations of danger concerning health and safety at work through an email notification to the Health Safety & Environment Section or by contacting the employee safety representative.

Lastly, there is a process structured through the health monitoring procedure, through which workers can bring to the attention of the occupational medical service problems related to stress from work activities for corporate management.

[SI-3 DP 32 c]

As explained in the dedicated Policy, the Health Safety Security & Environment Sector periodically carries out risk assessment activities on the basis of the reports received.

[SI-3 DP 32 d]

The company intranet is the main means of disclosing internal regulations.

[SI-3 DP 32 e]

In managing matters relating to workplace health and safety, the Mediolanum Group takes an approach aimed at eliminating risk and, if this is not possible, maximum mitigation, and in any case based on its prevention, pursuing the objective of continuous improvement of the context. The Company identifies and assesses the risks to which the worker is potentially exposed and periodically carries out analyses to eliminate, where possible, the risks themselves, or in any case to minimise any impact they may have. Lastly, it periodically analyses the workplace health and safety needs and expectations of workers and stakeholders, encouraging and soliciting their active participation.

[SI-3 DP 33]

The Group disseminates, makes available and readily accessible workplace health and safety documentation, including management documents, to the various actors (workers, customers/suppliers, supervisory authorities/bodies, etc.) based on the different levels of authorisation. The undertaking has policies in place to protect individuals from retaliation (cf. ESRS GI-1 DP 10c for more details on how the Group protects whistleblowers).

3.1.10 Metrics

Characteristics of the undertaking's employees

[SI-6 DP 50 a; AR 55]

Characteristics of the undertaking's employees - number of employees by gender	u.m.	2024
Total number of employees[46]	**n**	**3,554**
Men	n	1,807
Women	n	1,747
Other	n	0
Undisclosed	n	0

Characteristics of the undertaking's employees - number of employees by country	u.m.	2024
Total number of employees[47]	**n**	**3,554**
Italy	n	2,921
Spain	n	437

[SI-6 DP 50 b; AR 55]

Characteristics of the undertaking's employees - number of employees by contract type and gender[48]	u.m.	2024
Total	**n**	**3,554**
Number of permanent employees	**n**	**3,396**
Men	n	1,752
Women	n	1,644

[46] The figure includes all employees of the Group at 31.12.2024 and is expressed as a number of persons.
[47] The total number of employees includes all employees of the Group at 31.12.2024, including employees of the Irish and German Companies, which have not reached the representativeness threshold of 10% of the total number of employees.
[48] The data include all employees of the Group at 31.12.2024 and are expressed as a number of persons.

Characteristics of the undertaking's employees - number of employees by contract type and gender[48]	u.m.	2024
Other	n	0
Undisclosed	n	0
Number of fixed-term employees	**n**	**114**
Men	n	53
Women	n	61
Other	n	0
Undisclosed	n	0
Number of employees with variable hours	**n**	**44**
Men	n	2
Women	n	42
Other	n	0
Undisclosed	n	0

[SI-6 DP 50 c]

Employee turnover[49]	u.m.	2024
Number of employees who left the undertaking	n	149
Voluntary	n	129
Due to redundancy	n	6
Due to retirement	n	11
Due to death in service	n	3
Total employee turnover rate	%	4.19

[SI-6 DP 50 d; 50 di; 50 dii]

The figures shown in the tables, relating to the Group's scope, are taken from the final financial statements without the use of estimates. The figures are expressed in terms of headcount and represent the situation at 31.12.2024.

[SI-6 DP 50 e]

The figures are in line with previous years and there were no significant fluctuations in the number of employees during the reporting period. At Group level, the use of temporary staff has been reduced and only happens in special circumstances, in particular for the replacement of temporarily absent staff or to manage peaks of activities, projects and specific needs.

[SI-6 DP 50 f]

The most representative reference in the consolidated financial statements to the total number of employees is the figure relating to average employment (Notes – Part C – Information on the income statement – Item 190 Administrative expenses - Table 12.2).

The basis for preparation is regulated by Bank of Italy Circular 262/2005, as subsequently updated, according to which the average number of employees also includes, in the "Other staff" item, atypical employment contracts that are not included in the average number of employees determined in accordance with paragraph 50a).

[49] The data include all employees of the Group at 31.12.2024 and are expressed as a number of persons.

[MDR-M DP 77 a]

The number of employees by gender was broken down by dividing the number of employees for each gender declared by the total number of current employees. Similarly, the number of employees by country was broken down by dividing the number of employees in each country by the total number of current employees. The employee turnover rate was calculated as the ratio of the number of employees who left the workplace on a voluntary basis or due to redundancy, retirement or death in service to the total number of employees at the end of the reporting period.

Collective bargaining coverage and social dialogue

[SI-8 DP 60 a; b]

100% of the employees of Banca Mediolanum and Banco Mediolanum are covered by collective bargaining agreements. At the Group level, also including the Irish and German Companies, where this form of bargaining is not provided for, the overall percentage is 94.49%.

[SI-8 DP 63 a]

The overall percentage of Group employees covered by employee representatives is 17.11%. Specifically, Banco Mediolanum has coverage of 96.34%, while for Banca Mediolanum the percentage is 6.40%[50].

[SI-8 DP 63 b]

Currently, no Mediolanum Group Companies have agreements in place with their employees for representation by corporate committees.

[SI-8 DP AR 70]

	Collective bargaining coverage		Social dialogue
Coverage ratios	Employees – EEA (for countries with >50 employees representing >10% of total employees)	Employees – Non-EEA (estimated for regions with >50 employees representing >10% of total employees)	Workplace representation (EEA only) (for countries with >50 employees representing >10% of total employees)
0-19%	-	-	Italy
20-39%	-	-	-
40-59%	-	-	-
60-79%	-	-	-
80-100%	Italy/Spain	-	Spain

[MDR-M DP 77 a]

The percentage of total employees covered by collective bargaining agreements was calculated as the ratio of the number of employees covered by collective bargaining agreements to the total number of employees at the end of the reporting period. Similarly, the percentage of employees covered by employee representatives was calculated as the ratio of the number of employees covered by employee representatives to the total number of employees at the end of the reporting period.

[50] The detail for the Irish and German Companies is not reported as they do not reach the representativeness threshold of 10% of the total number of employees.

Diversity metrics

[SI-9 DP 66 a]

Employees at Senior Management level by gender[51]	u.m.	2024
Employees at Senior Management level	**n**	**75**
	%	**100**
Men	n	62
	%	82.67
Women	n	13
	%	17.33
Other	n	0
	%	0
Undisclosed	n	0
	%	0

[SI-9 DP AR 71]

For the Parent Company, the Chief Executive Officer, the General Manager and their direct subordinates, including the Heads of the Control Functions, fall into the category of "Senior Management". For the Spanish and Irish Subsidiaries, this category includes the Chief Executive Officer and the General Manager (where present).

[SI-9 DP 66 b]

Age distribution of employees out of total number of employees[52]	u.m.	2024
Employees under 30 years old	n	412
	%	11.59
Employees 30-50 years old	n	2,353
	%	66.21
Employees over 50 years	n	789
	%	22.20

[MDR-M DP 77 a]

The calculation of the age distribution of employees out of the total number of employees was made by dividing the number of employees in the individual age brackets envisaged (under 30, between 30 and 50 and over 50) by the total number of active employees; the primary data used in the calculation refer to the number of persons employed as at 31.12.2024.

Adequate wages

[SI-10 DP 69]

For all the Italian and Spanish Companies, the salaries of permanent and fixed-term employees are equal to or higher than the minimums established by the CCNL applied and for the Irish Companies the legal minimums in force. The remuneration paid is also aligned with industry benchmarks for similar positions, seniority and years of experience. This is demonstrated by a comparison with industry research, which the company regularly uses to ensure that wages are adequate and attractive in relation to the external labour market.

[51] The data are expressed as a number of persons as at 31.12.2024.
[52] The data are expressed as a number of persons as at 31.12.2024.

[MDR-M DP 77 a]

All employees of the Mediolanum Group were considered in order to cover this regulatory request.

Training and skills development metrics

[SI-13 DP 83 a]

Training and skills development metrics by gender	u.m.	2024
Percentage of employees who participated in periodic performance and career development reviews[53]	**%**	**92.35**
Men	%	92.09
Women	%	92.62
Other	%	0
Undisclosed	%	0
Percentage of reviews in proportion to the number of reviews agreed by management	**%**	**100**

[SI-13 DP 83 b]

Average number of hours of training by gender[54]	u.m.	2024
Total number of training hours offered and completed by employees	**h**	**137,224.35**
Men	h	67,821.61
Women	h	69,402.74
Other	h	0
Undisclosed	h	0
Average number of training hours per employee	**h**	**38.61**
Men	h	37.53
Women	h	39.73
Other	h	0
Undisclosed	h	0

[MDR-M DP 77 a]

The percentage of employees who participated in periodic performance and career development reviews was calculated as the ratio of the number of employees who participated in periodic performance and career development reviews to the total number of active employees at the end of the reporting period. Similarly, the average number of training hours per employee by gender was calculated as the ratio of the total number of training hours offered and completed by employees to the total number of employees at the end of the reporting period.

Health and safety metrics

[SI-14 DP 88 a]

In 2024, the percentage of employees and non-employees covered by the health and safety management system on the basis of legal requirements and (or) recognised standards or guidelines was 100%.

[53] The performance review processes are implemented for all employees, with the sole exception of staff absent for an extended period and staff hired in the last part of the year.
[54] The figure includes all employees of the Group as at 31.12.2024.

[SI-14 DP 88 b]

During 2024, there were no occupational injuries or diseases that caused the death of employees and non-employees or other value chain workers operating on Mediolanum Group sites.

[SI-14 DP 88 c]

Recordable accidents at work	u.m.	2024
Number of recordable accidents at work	n	2
Employees	n	1
Non-employees	n	1
Rate of recordable accidents at work	%	0.31
Employees	%	0.18
Non-employees	%	1.2

[MDR-M DP 77 a]

The rate of recordable accidents at work is calculated on the basis of all employees of the Mediolanum Group by dividing the number of recordable accidents at work by the number of hours worked, and multiplying the result by 1,000,000. It should be noted that during 2024, the total number of hours worked for the category of employees amounted to 5,624,657 hours, while the total number of hours worked for the category of non-employees amounted to 833,099 hours, for a total of 6,457,756 hours worked.

Compensation metrics (pay gap and total compensation)

[SI-16 DP 97 a]

Gender pay gap	u.m.	2024
Italy	%	26.82
Spain	%	26.02
Ireland	%	40.04

[SI-16 DP 97 b]

Total annual remuneration rate	u.m.	2024
Italy	%	36.72
Spain	%	22.12
Ireland	%	8.09

[SI-16 DP 97 c]

With regard to the gender pay gap, it should be noted that the figure is constantly monitored by the corporate bodies of the Parent Company, both considering the average pay gap and considering the gender pay gap for equivalent work (equal pay gap), which is well below the "materiality" threshold of 5%, with a further in-depth analysis resulting from the exclusion of objective factors underlying the gap (adjusted equal pay gap), below 3%. As indicated in the first section of the report on the Group's Remuneration Policy and fees paid, the analyses carried out in 2024 do not show any particularly critical issues.

[MDR-M DP 77 a]

The gender pay gap was calculated by comparing the average gross hourly pay of male and female employees. In particular, the difference between the average gross hourly pay of men and women was determined, then compared with the average gross hourly pay of men. The result was then multiplied by 100, resulting in the percentage of the gender pay gap. The gender pay gap was calculated taking into account the following remuneration elements: the individual gross annual remuneration, with reference to the total fixed remuneration, and the variable remuneration actually paid to each person during the year for any reason. The overall remuneration thus determined at individual level was compared with the number of working hours stipulated in the employment agreement, to determine the "hourly pay", the averages of which were then calculated by gender.

The total annual remuneration rate is calculated at country level as the ratio of the total remuneration of the highest earner to the median total annual remuneration of all employees (excluding the highest earner). The individual gross annual remuneration was considered, with reference to the total fixed remuneration, and the variable remuneration actually paid to each person during the year for any reason; in addition to these mainly monetary components, contributions to welfare and benefits, calculated at the tax value, were also considered at the individual level. The total remuneration thus determined at individual level was used (excluding the highest remuneration) to calculate the median with which the highest remuneration could be compared.

Serious human rights incidents, complaints and impacts

[SI-17 DP 103 a; 103 b; 103 c; 103 d]

With regard to any incidents, complaints and severe human rights impacts, the Mediolanum Group notes that no breaches have been notified with regard to the workforce in the Group's Italian, Irish and German Companies. During the year, Banco Mediolanum received two reports through the whistleblowing channels. In one case, the internal investigation process resulted in no breach; in the second case, an investigation conducted in collaboration with the Ethics Committee found inappropriate conduct in the form of a discriminatory situation that resulted in non-conservative disciplinary measures commensurate with the materiality of what had been reported, in line with current legislation and company protocols in this regard. These measures did not entail the application of economic sanctions. A preventive action plan was also drawn up with the aim of generating ever increasing sensitivity among employees with regard to the prevention of situations attributable to situations that violate the dignity of the person; in particular, in November and December 2024, a training and awareness-raising action was carried out directly for team managers, the contents of which were prepared in collaboration with an external company specialising in the matter. This training was completed by 100% of team leaders and is expected to be extended to all employees in 2025.

[SI-17 DP 104 a]

There were no severe human rights incidents related to the undertaking's workforce during the reporting period.

[SI-17 DP 104 b]

As a result, no fines, penalties or damages were awarded in respect of such incidents.

[MDR-M DP 77 b]

In relation to the social metrics, no external entities, other than the entity issuing the certificate of compliance, are involved in the data validation. The equal pay gap and average pay gap calculation was performed by an external, independent and internationally qualified consulting firm.

[MDR-M DP 75]

The following metrics are used to assess the Group's performance with respect to the impacts, risks and opportunities relating to own workforce matters:

- the metrics on the characteristics of the employees of the undertaking (SI-6), as the basis of calculation for the other quantitative metrics on own workforce;

- the metrics of coverage of collective bargaining and social dialogue (SI-8), with respect to the following positive impacts: "Employee satisfaction with social dialogue and/or collective bargaining"; and "Ensuring the job stability and the well-being at work of the Group's employees"; "Adequacy of working hours";
- diversity metrics (SI-9), with respect to the potential impact "Gender inequality in senior positions and/or in corporate career development processes";
- the metrics of adequate pay (SI-10), with respect to the "Adequacy of pay" positive impact;
- the training and development metrics (SI-13), with respect to the positive impact, "Employee satisfaction thanks to appropriate training programmes, performance appraisal systems and career development plans"; and the subsequent opportunity, "Improvement of employee retention through the preparation of initiatives and activities that include aspects related to training and skills development";
- the health and safety metrics (SI-14), with respect to the potential impact "Harm to workers resulting from occupational accidents and illness".
- the remuneration metrics (SI-16), with respect to the potential impact "Inequality in gender and/or pay for equal work":
- the metrics of incidents, complaints and severe human rights impacts (SI-17), with respect to the potential impact "Insecurity of workers due to incidents of harassment and/or lack of measures to protect workers and/or awareness-raising initiatives".

3.2 ESRS S2 Workers in the value chain

3.2.1 Material impacts, risks and opportunities and their interaction with strategy and business model

[S2.SBM-3 DP 10 a]

The impacts related to workers' rights within the supply chain are a lever for guiding the Mediolanum Group's business model towards higher standards of sustainability and responsibility. The inclusion of supplier selection and assessment criteria that integrate the analysis of the social and environmental impacts of the products and services provided, together with a guarantee of respect for the fundamental rights of workers, is a distinctive element to strengthen key controls in the area of governance, compliance and sustainability. This approach not only promotes respect for human rights and the protection of the health and safety of workers throughout the supply chain, but also reinforces the bank's reputation as a promoter of responsible practices. Attention to these aspects can generate long-term value, mitigating operational and reputational risks and fostering trusted relationships with strategic stakeholders.

[S2.SBM-3 DP 11]

According to the double materiality assessment process, the workers in the value chain that may be subject to material impacts on the part of the undertaking, including impacts directly related to own operations and the undertaking's value chain, are the workers and suppliers of the Group. Such workers are included in the scope of the disclosure.

[S2.SBM-3 DP 11 a]

The main workers in the value chain subject to significant impacts are employees of the Group's suppliers in Italy, the Group's main market, and in other European countries, mainly Spain and Ireland.

[S2.SBM-3 DP 11 ai-v]

These workers mainly operate in the upstream value chain of the undertaking, mainly in relation to the following types of supply:

- professional services (e.g. advisory and legal services);
- IT services (e.g. software, hardware, information providers);
- management services (e.g. security, call centre, office supplies);

- facilities (e.g. cleaning, canteen);
- marketing and advertising (e.g., gadgets, advertising services);
- construction (e.g. renovations, office furnishings).

[S2.SBM-3 DP II b]

There are no geographical areas or specific goods for which there is a significant risk of child labour, forced or compulsory labour among workers in the Group's value chain. In particular, as explained in the Policy for the Protection of Human Rights of the Mediolanum Group, the Group promotes respect for human rights along the supply chain, as well as the application of its sectoral policies and the Group Code of Conduct, which, inter alia, provide for measures related to the exercise of due diligence to prevent, mitigate and manage human rights impacts. In particular, it calls on suppliers and their employees to adhere to the commitments described in the Policy, always respecting their management autonomy and following the best practices and procedures found according to the internal rules and regulations of purchasing.

[S2.SBM-3 DP II c]

The material negative impacts that were identified as part of the double materiality assessment process relate to individual potential incidents concerning breaches of workers' rights in the value chain (e.g. working hours and health and safety).

[S2.SBM-3 DP IIe; I3]

No material risks and opportunities for the undertaking arising from impacts on workers in the value chain were identified in the double materiality assessment process.

[S2.SBM-3 DP I2]

In the double materiality assessment process, no types of workers in the value chain have been identified that may be more exposed to risks.

3.2.2 Suppliers

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Working conditions			
Violation of workers' rights (job stability, working hours, adequate wages for a dignified life, social dialogue, freedom of association, work-life balance, health and safety, child labour, forced labour, etc.) in the value chain	Potential negative impact	Value chain	Medium term

The Group's approach and policies

The Mediolanum Group regards supply chain management as a key element in ensuring sustainable supply, in which the focus on ethical, social and environmental values is fully integrated with the operational needs of the business. The selection and involvement of suppliers follows a structured approach, based on qualification processes and periodic assessment, which ensure compliance with high standards in terms of governance, sustainability and respect for human rights. This system is not limited to verifying the economic soundness of business partners, but also includes the adoption of measures to safeguard the health and safety of workers and reduce environmental impacts. This entails the integration of the principles of the ISO 20400 standard, which guides the Group towards a sustainable supply, requiring suppliers to demonstrate their ability to bring added value with sustainability criteria to the products and services offered.

Over the years, the Mediolanum Group has developed various Group Policies intended to ensure the correct management of the impacts described above. In addition to the Mediolanum Group's Code of Ethics and Sustainability Policy, which set out its approach and general guidelines, the main policies for managing impacts related to the rights of workers of suppliers are the Mediolanum Group's Policy for the Protection of Human Rights, the Mediolanum Group's Purchasing Policy and the Supplier Code of Conduct.

[S2-1 DP 16]

IRO: Violation of workers' rights (job stability, working hours, adequate wages for a dignified life, social dialogue, freedom of association, work-life balance, health and safety, child labour, forced labour, etc.) in the value chain

Mediolanum Group Policy for the Protection of Human Rights

In line with its corporate culture, the Mediolanum Group undertakes to respect and promote human rights (see ESRS S3-1 Policies related to affected communities for further details on the Mediolanum Group's Policy for the Protection of Human Rights) as part of its activities and to prevent, with the aim of minimising, any breach directly caused by its actions. Relations with suppliers are one of the Group's principles and commitments to its stakeholders. In particular, the Group promotes respect for human rights along the supply chain, as well as the application of its sectoral policies and the Code of Conduct, inter alia, which provide for measures related to the exercise of due diligence to prevent, mitigate and manage human rights impacts. In particular, it calls on suppliers and their employees to adhere to the commitments described in the Policy, always respecting their management autonomy and following the best practices and procedures found according to the internal rules and regulations of purchasing.

Mediolanum Group Purchasing Policy

The Purchasing Policy of the Mediolanum Group, the latest update of which was approved in early 2025, describes the principles adopted by Banca Mediolanum, as a Mediolanum Group company, to optimise the management of purchasing processes and ensure adequate levels of control over the costs and quality of services provided by suppliers. With specific reference to sustainability matters, the Policy describes the process of qualification of the suppliers integrated over the years in order to assess the characteristics of the supply chain in relation to the social and environmental impacts of the products and services provided, while respecting and protecting human rights, through the integration and computerisation of ESG data. This Policy is directly applicable within the Bank and the Companies of the Financial Conglomerate. The updating and review of the Purchasing Policy of the Mediolanum Group is the responsibility of the Banca Mediolanum Purchasing Division, which has been identified, at the level of the Conglomerate, as a specialist structure assisting the various organisational units. The Mediolanum Group's Purchasing Policy is approved by the Board of Directors of Banca Mediolanum. Banca Mediolanum developed its Purchasing Policy taking into account the main national, international and EU regulations, initiatives and agreements in force from time to time. Suppliers are actively engaged in ESG issues through the administration of a specific questionnaire that takes into account the suggestions of the ISO26000 "Guide to Social Responsibility" and ISO20400 "Sustainable Procurement". In addition, with service providers considered strategic and ongoing, buyers organise periodic meetings with the aim of tracking supplier performance and internal customer satisfaction and procurement, as well as sharing the supplier's development plans and innovation and evolution projects in the ESG area. Spain and Ireland have implemented the Mediolanum Group's Purchasing Policy, taking into account the specific features of Spanish and/or Irish regulations.

Supplier Code of Conduct

The Supplier Code of Conduct of the Mediolanum Group, approved by the Board of Directors of Banca Mediolanum on 12 December 2024, establishes the rules of conduct to be adopted by suppliers in their business relations with the Group. The primary purpose of this document is to promote fair, transparent and sustainable commercial relations with all commercial partners. In line with the principles laid down in the current Model 231, Anti-Corruption Policy and Code of Ethics, where applicable, within the individual Companies that make up the Group and in accordance with the international guidelines defined by ISO 20400 and the United Nations Global Compact, the Code aims to prevent and combat any form of corruption, conflict of interest and unlawful conduct. Furthermore, in line with the Mediolanum Group's Sustainability Policy, the Code encourages suppliers to adopt responsible practices with regard to the environment and human rights, thereby contributing to the creation of an ethical and sustainable supply chain. Specific objectives include protecting the Group's reputation, complying with applicable laws and regulations, promoting fair competition and enhancing a corporate culture based on integrity and social responsibility. The Group's Supplier Code of Conduct applies to all economic entities that establish commercial relations with Group Companies, recorded in the Official Suppliers' Register held by each Group Company. The Supplier Code of Conduct of the Mediolanum Group is approved by the Board of Directors of Banca Mediolanum and adopted by it; it is also sent to all the Companies belonging to the Mediolanum Group, so that, by resolution of their own corporate bodies, they can adopt their own Code of Conduct in accordance with the principles set out in this document. In order to always remain an adequate reference point to ensure the ongoing effectiveness and suitability of its contents and their application, this Code will be subject to periodic review by the "Purchasing Division" of the Parent Company, particularly if the national and international regulations referred to are subject to changes or new case law interpretations, and in cases where the need arises. Reading the Supplier Code of Conduct is a necessary requirement for establishing and maintaining commercial relations with the Mediolanum Group. In addition, the Group expects its suppliers to adequately inform their employees and supply chain entities about the principles of the Code and that they should, in turn, comply with its contents. The Mediolanum Group developed the Code taking into account the main European and international guidelines, including, but not limited to, the international guidelines defined by ISO 20400 and the international guidelines defined by the United Nations Global Compact, to which Banca Mediolanum has adhered since 2021. In 2025, Spain and Ireland will implement the Supplier Code of Conduct.

[S2-1 DP 17]

The Group requires its suppliers to ensure respect for fundamental human rights in all activities and relations along the supply chain, including through compliance with the provisions of the ILO Convention. This includes the rejection of all forms of labour exploitation, precarious work, child labour, forced labour, human trafficking and discrimination, promoting safe, dignified and inclusive working conditions. Suppliers must ensure the fair treatment of all workers, respecting union rights and promoting diversity and gender equality.

[S2-1 DP 17 a]

The areas of responsibility for suppliers are defined by the Group, which has always been committed to promoting a culture within its business that is compliant with current regulations, aligned with international best practices and able to ensure the satisfaction of its resources. This culture results in the pursuit of compliance with rules, privacy and ethics and is based on the value of the person, promoting behaviours based on consistency, transparency, fairness and mutual trust, in full compliance with the Group's Code of Ethics.

[S2-1 DP 17 b]

The status of full supplier of the Parent Company has been integrated, assessing the social and environmental impact of the supplier, including respect for and protection of human rights, through the integration and computerisation of ESG data. Suppliers are actively engaged in ESG issues through the administration of a specific questionnaire that takes into account the suggestions of the ISO 26000 "Guide to Social Responsibility" and ISO 20400 "Sustainable Procurement". In addition, with service providers considered strategic and ongoing, buyers organise periodic meetings with the aim of tracking supplier performance and internal customer satisfaction and procurement, as well as sharing the supplier's development plans and innovation and evolution projects in the ESG area.

[S2-1 DP 17 c]

At the time of the approval of the Supplier Code of Conduct, its acceptance was defined as a necessary requirement for the establishment and maintenance of commercial relations with the Mediolanum Group. The Group, if it deems it necessary, reserves the right to carry out checks and audits to monitor compliance with the principles defined herein, either directly or through third parties. In the event of any breach of the Code, the Group may take any contractual measures that it deems appropriate, including termination of the business relationship.

[S2-1 DP 18]

As specified in the Supplier Code of Conduct, in the process of registering in the Official Register of Suppliers and in the standard contractual formats adopted by the Parent Company, suppliers are required to ensure respect for fundamental human rights in all activities and relations along the supply chain, including through compliance with the provisions of the ILO (International Labour Organization) Convention. This includes the rejection of all forms of labour exploitation, precarious work, child labour, forced labour, human trafficking and discrimination, promoting safe, dignified and inclusive working conditions. Suppliers must ensure the fair treatment of all workers, respecting union rights and promoting diversity and gender equality.

[S2-1 DP 19]

The Policy for the Protection of Human Rights, as well as the Supplier Code of Conduct of the Mediolanum Group, are based on key international guidelines. These include the International Bill of Human Rights; the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO) which promotes rights such as freedom of association, the elimination of forced labour, child labour and discrimination at work; and the ILO's Tripartite Declaration of Principles concerning Multinational Enterprises, which is aimed at MNEs, governments, entrepreneurs and workers in areas such as employment, training, working and living conditions and industrial relations. Lastly, there are the OECD Guidelines for Multinational Enterprises, which are non-binding principles and standards for responsible business conduct in a global context consistent with applicable laws and internationally recognised standards.

Actions

[S2-4 DP 32 a]

The Mediolanum Group has adopted several initiatives to prevent negative impacts related to suppliers. In particular, for 2024, the main action plans implemented provide for:

- the supplier classification process;
- the vendor rating process;
- the supplier selection process.

[S2-4 DP 31]

IRO: Violation of workers' rights (job stability, working hours, adequate wages for a dignified life, social dialogue, freedom of association, work-life balance, health and safety, child labour, forced labour, etc.) in the value chain

Supplier classification process

The Parent Company, with the aim of efficiently managing the corporate purchasing processes, ensuring the functionality and effectiveness of supply and to comply with the regulatory requirements on health and safety, has implemented the FULL supplier qualification procedure over the years. The procedure consists of a set of activities aimed at collecting and verifying information on suppliers and also identifies the suppliers' due diligence for the purposes of the EIF/NEIF (Essential or Important Functions/Non-Essential or Important Functions) classification. The full supplier classification in the Register also enables assessment of the risk relating to the supplier in relation to the provisions in the areas of compliance, risk management, Legislative Decree No. 231/2001, Legislative Decree No. 81/08, ESG and reputational risk. The four areas of action on which the Suppliers Register is based for evaluating sustainable purchases are as follows:

- environmental, through the analysis of an ESG report provided by a specialised information provider;
- social, through the collection, verification and periodic updating of the D.U.R.C. (Certificate of Social Security Compliance) and the insurance policy, as well as the collection of the documents necessary for the purposes of workplace safety provided for by Legislative Decree No. 81/08, with verification of the technical and professional suitability of the supplier and its resources;
- financial, with questionnaires (some for specific activities) with an indication of turnover, the dependency ratio, with references from other customers, collection of data from the reports of certified bodies, economic and financial screening and related analysis carried out by the "Loans" Office to verify financial solidity;
- ethics, by means of reputational verification, protests and adverse events from certified data sources.

Through the Suppliers' Register, the Purchasing Division constantly monitors the requirements necessary to be in line with the assessment criteria, and has a portfolio of qualified references used for scouting activities.
There are two types of classification for registration in the Official Suppliers' Register:

- "Full" classification: full classification is for suppliers with which contracts and/or framework agreements are signed that are continuous, recurring, multi-annual and/or of high economic value, and is based on the collection, verification and assessment of information on different areas (financial, compliance, ESG, reputational). For foreign suppliers, a simplified procedure was activated that, in addition to the registration process, entails the acquisition of a Financial and Reputational Report, which includes a score calculated on the basis of information and data present in public sources from a Certified Supplier.
- "Light" classification: for occasional suppliers, provision is made for a process of recording only personal, administrative and tax data, mainly designed for freelance professionals, suppliers subject to occasional collaborations and deals of low economic value that do not belong in the high-risk product categories.

In 2024, the assessment of full suppliers continued, in line with the provisions of the Policies and Regulations. The year ended with a total of around 360 classified active providers. In 2025, the Supplier Code of Conduct will be included in the FULL classification stages for the Official Suppliers' Register, as well as in the standard contractual formats. Reading the Code is a necessary requirement for establishing and maintaining commercial relations with the Group.

Vendor rating process

The vendor rating process adopted by the Parent Company involves "strategic" suppliers, which support the Italian Conglomerate in the sustainable development of business innovations and evolutions through a new engagement model in order to share Mediolanum's sustainability principles. This process, initiated in 2023 and fully computerised, takes place through regular meetings with suppliers and the internal customer for the assessment of the collaboration.

In particular, in 2024: meetings were held with 40 strategic suppliers with the aim of sharing the Mediolanum Group's principles on ESG matters and collecting information on supplier engagement on sustainability and innovation matters; the ESG questionnaire, which is administered to all qualified suppliers in full mode, was updated in accordance with the ISO 2600 and ISO 20400 standards. The above ESG questionnaire, enhanced with the supplier's ESG intentions and future commitments, will continue to be used during 2025 with a view to continuous improvement.

Supplier selection process

The selection process currently implemented takes into consideration the assessment of suppliers in relation to ESG and financial performance. During the selection phase, in addition to the price of the asset or service acquired, the Parent Company also considers ethical aspects, anti-corruption, conflicts of interest, respect for property and intellectual property violations. Particular attention is also paid to the safeguarding of human and labour rights principles, anti-corruption and the protection of the environment. In accordance with the ISO 20400 standard, suppliers are required to highlight their ability to contribute added value through the inclusion of sustainability criteria as part of the product or service provided. With a view to continuously improving the responsible and sustainable procurement process, a collaboration project with Bureau Veritas, a body recognised and accredited by the largest national and international organisations in the area of inspection, compliance verification and certification services, has been in place for several years. The collaboration addresses the matters covered by ISO 20400:2017, the first international standard on responsible procurement, which enables companies to make more informed decisions by introducing criteria and processes for evaluating suppliers, products and services based on their sustainability performance. In the tender phase, however, a screening model has been defined and extended to the sustainability criteria with information on the social and environmental impacts of the products and services provided. The responses to the tender are assessed and reported in the scoring model. In 2024, the periodic assessment on ISO 20400:2017 of Bureau Veritas was carried out in December, through the analysis of documents and interviews with buyers involved in the purchasing process, in order to assess the new features introduced in the last year and to update the compliance rating accordingly. The rating scale from 1 (minimum) to 3 (maximum) recorded a significant improvement, placing us in the various sections in a rating range from 2.6 to 3.00. The Purchasing Policy of the Mediolanum Group has been updated to reflect the procedures for adopting the new internal and external regulations; during 2025, the Regulation on the Purchasing Process was updated to bring them into line with the "Purchasing Policy" updated at the end of 2024.

The foreign Companies of the Group have not yet adopted a process similar to that of the Italian Companies; however, the said criteria and standards are gradually being aligned.

[S2-4 DP 32 d]

With a view to continuous improvement, the Parent Company monitors and assesses the effectiveness of the actions described in the previous sections, mainly through the ISO 20400 certification process.

[S2-4 DP 33 a]

The Parent Company adopts a structured approach to mitigate any material negative impacts in terms of violation of the rights of workers in the value chain. This process is divided into two main stages:

- contractual governance and dedicated contact persons: in the context of contractual agreements with suppliers, a solid governance activity is established. To this end, specific contact persons are identified who are responsible for monitoring and managing the collaboration with each supplier;
- periodic monitoring and discussion with suppliers: the buyers, through the vendor rating process, periodically organise a discussion with the contact persons of the strategic suppliers, in order to jointly examine the main matters involved in the collaboration, including matters of sustainability and human rights.

The approach is in line with the guidelines provided by ISO 20400, the international standard for sustainable procurement that addresses seven key matters, including protecting and respecting human rights.

[S2-4 DP 33 b]

In order to establish and maintain commercial relations with the Parent Company, it is necessary to read the Supplier Code of Conduct, through which suppliers can adequately inform their employees and supply chain stakeholders of the principles of the Code so that they, in turn, comply with its contents.

[S2-4 DP 33 c]

The Group, if it deems it necessary, reserves the right to carry out checks and audits to monitor compliance with the principles defined herein, either directly or through third parties.

[S2-4 DP 35]

In the event of any breach of the Code, the Group may take any contractual measures that it deems appropriate, including termination of the business relationship.

[S2-4 DP 36]

In 2024, the Group was not notified of any breaches and consequently there were no high penalties and/or measures in the area of human rights connected to the upstream value chain.

[S2-4 DP 38]

The Parent Company's Purchasing Division oversees all the goods and services procurement activities necessary for the performance of the corporate activities. In particular, the Procurement Division includes the "Contract Management" Management Support Unit, which is also responsible for managing policies and initiatives relating to sustainable procurement.

Objectives

[MDR-T DP 8I b]

With a view to continuous improvement, the Parent Company has launched various projects over the years with the aim of raising awareness and involving employees along the value chain, with a particular focus on suppliers, in the context of a strategic path aimed at improving ESG performance and minimising the risks of violation of the rights associated with the working conditions of employees of suppliers. At present, no specific quantitative targets have been defined for this area.

As already mentioned in this document, the Parent Company monitors and assesses the effectiveness of the actions described in the previous sections, mainly through the Group Policies adopted in relation to these aspects and through the ISO 20400 certification, the international standard on responsible procurement, which introduces criteria and processes for assessing suppliers and products/services based on their sustainability performance.

With the aim of assessing progress in sustainable procurement, the Parent Company, also in the context of the ISO 20400 certification, monitors a set of qualitative and quantitative indicators applied to active suppliers for which classification has started and/or is being updated in the FULL Suppliers' Register, which also includes ESG criteria in line with the suggestions of ISO 20400 and ISO 2600. In addition to the above, another monitoring element is represented by the number of periodic meetings with strategic suppliers as part of the vendor rating process.

3.2.3 Processes to remediate negative impacts and channels for value chain workers to raise concerns

[S2-3 DP 27 a]

The Mediolanum Group has adopted a Whistleblowing System to enable the reporting of alleged violations of the principles contained in Model 231, as well as other national and European Union legislative provisions that require the adoption of reporting systems. To this end, both employees and third parties are entitled to make, through the channels provided and also represented on the websites of the Group Companies, reports detailing potential and/or actual violations of the regulations mentioned above, of which the whistleblower has become aware due to the functions performed.

[S2-3 DP 27 b]

With regard to workers in the supply chain, the Parent Company may request clarification or report a breach or suspected breach of the "Supplier Code of Conduct" by the supplier or any person whose services it uses for the supply of goods or services by writing to: *ufficioacquisti@pec.mediolanum.it*.

[S2-3 DP 27 c]

The Parent Company makes internal and external reporting channels available to whistleblowers (see ESRS S1-3 Own workforce, Processes to remediate negative impacts and channels for own workers to raise concerns, DP 32d, for further details on the whistleblowing channels).

[S2-3 DP 27 d]

The Internal Audit Function is responsible for the proper functioning of the Whistleblowing System and, within it, the Whistleblowing Manager and the Whistleblowing Officers, responsible for receiving, analysing and assessing reports received, are identified, in accordance with applicable legislation and corporate internal regulations (cf. ESRS S1-3 Own workforce, Processes to remediate negative impacts and channels for own workers to raise concerns, DP 32e, for further details on the control and monitoring methods in the area of whistleblowing).

[S2-3 DP 28]

The Purchasing Division of the Parent Company requires that the "Supplier Code of Conduct" be read during the stages of classification of the suppliers in the register and during the contract drafting stage. Reading the Code is a necessary requirement for establishing and maintaining commercial relations. In addition, in accordance with the above "Principles", the Parent Company expects its suppliers to adequately inform their employees and supply chain entities about the Code principles and that they should comply with the Code principles. The Parent Company, if it deems it necessary, reserves the right to carry out checks and audits to monitor compliance with the principles defined herein, either directly or through third parties. In the event of violations of the Code, the Parent Company may take the contractual measures deemed most appropriate, including termination of the business relationship. Spain and Ireland will implement the Supplier Code of Conduct in 2025.

On the other hand, to report a violation, or suspected violation, of the principles contained in Model 231, as well as other national or European Union legislative provisions requiring the adoption of reporting systems, pursuant to the Whistleblowing Systems Policy in force, it is possible to use the channels and means of transmission provided for by the relevant internal regulations, which can be viewed on the website of Banca Mediolanum and of the Group Companies concerned (see ESRS G1-1 Business conduct, Corporate culture and business conduct policies, DP 10c, for further details on the procedures for protecting whistleblowers).

3.3 ESRS S3 Affected communities

3.3.1 Material impacts, risks and opportunities and their interaction with strategy and business model

[S3.SBM-3 DP 8 a]

The impacts on the affected communities are connected to one of the main dimensions that guide the Group's social strategy, as enshrined in the Group's Code of Ethics: the "centrality of the person" and "responsibility to the community", and represents one of the four fundamental areas of responsibility on which the sustainability strategy is based. In 2001, as a sign of this commitment, the Mediolanum Foundation was set up with the aim of developing and supporting the Group's main social activities. Since then, the Foundation has played a central role in implementing projects to promote community welfare, with a particular focus on the most vulnerable areas and the emerging needs of the social fabric.

The community-related impacts, in the broader view of the Mediolanum Group's "responsibility to the community", help to direct the development of the strategy towards specific areas, such as financial inclusion and social credit objectives (see ESRS S4 for more details). This orientation is in line with the broader approach of the business, which views growth and economic development as an inclusive process that has to take into account the impacts generated on people and communities.

[S3.SBM-3 DP 8 b]

Responsibility to the community may also have a significant impact on the Group's reputation. The positive effects generated by social initiatives are periodically monitored through customer satisfaction surveys, which make it possible to assess the degree of appreciation and trust of customers and the communities in which the Group operates. In addition, indirectly, the positive effects generated by social initiatives may help to generate an increase in revenues for the Mediolanum Group (e.g. expansion of the customer pool/market share).

[S3.SBM-3 DP 9]

All of the affected communities that may be subject to material impacts caused by the undertaking, including those directly related to the own operations and the value chain of the undertaking, are included in the scope of the disclosure and have in fact been included in the double materiality assessment.

[S3.SBM-3 DP 9 a; 9b; 9 ai-iv]

The type of community subject to material impacts caused by the undertaking, due to both its own operations and its upstream and downstream value chain, is a community living in the regions where the Group operates, where the objective is to positively influence the socio-economic fabric through development, employment, innovation and services for local communities. The double materiality assessment process identified only positive impacts on these communities.

[S3.SBM-3 DP 9 c]

The Mediolanum Group has always been set apart by its social commitment, which includes support on the part of the Mediolanum EF Foundation for sociocultural and educational/training projects, initiatives, donations, sponsorship and long-term partnerships, both in the regions in which the Group operates and abroad.

[S3.SBM-3 DP 9 d]

The double materiality process identified as material opportunities related to the affected communities the improvement of trust on the part of the communities in which the Mediolanum Group operates through initiatives for financial education and support for culture and innovation, or initiatives for emergency situations or directed at social causes, which may indirectly generate an increase in revenues for the Mediolanum Group (e.g. expansion of the customer pool/market share).

[S3.SBM-3 DP 10]

No negative impacts were identified with respect to the affected communities in the double materiality assessment process.

[S3.SBM-3 DP II]

The material opportunity identified arising from impacts in relation to the affected communities does not have a particular impact on specific groups of affected communities.

3.3.2 Economic, social and cultural rights of communities

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Economic, social and cultural rights of communities			
Socio-economic development of the communities present through the support of regional associations, solidarity, sports, cultural activities, etc.	Actual positive impact	Value chain	Medium term
Improvement of trust on the part of the communities in which the Mediolanum Group operates through initiatives for financial education and support for culture and innovation, or initiatives for emergency situations or directed at social causes, which may indirectly generate an increase in revenues for the Mediolanum Group.	Opportunities	Value chain	Short term

The Group's approach and policies

In line with its founding values, the Mediolanum Group makes a concrete commitment to supporting local communities through social and cultural inclusion projects, supporting human promotion and development activities. The focus on the affected communities translates into targeted initiatives, implemented both directly and through the Mediolanum EF Foundation, with the aim of generating a positive and lasting impact in the areas in which the Group is present. These measures range from assistance to vulnerable individuals, education, artistic and cultural promotion, to emergency activities in the context of humanitarian crises. The overall responsible vision, which integrates sustainability and innovation into support projects at both national and international level, confirms the Group's commitment to enhancing communities and promoting constant dialogue with stakeholders, with the aim of building a tangible and measurable impact over time.

Over the years, the Mediolanum Group has developed various Policies aimed at ensuring the proper management of the above areas. In addition to the Code of Ethics and the Mediolanum Group's Sustainability Policy, which set out its approach and general guidelines, the main policies for managing impacts and opportunities related to "region-related impacts" are the Mediolanum Group's Policy for the Protection of Human Rights, Banca Mediolanum's Community Support Policy and the Charitable Donations Policy.

[S3-1 DP 14]

IRO: The socio-economic development of the communities in which we operate through the support of regional associations, solidarity, sports, cultural activities, etc.; Improvement of trust on the part of the communities in which the Mediolanum Group operates through initiatives for financial education and support for culture and innovation, or initiatives for emergency situations or directed at social causes, which may indirectly generate an increase in revenues for the Mediolanum Group

Community Support Policy of Banca Mediolanum

Banca Mediolanum's Community Support Policy, the latest update of which was approved in early 2025, outlines the fundamental principles for promoting shared well-being and support for the communities in which the Group operates. The general objectives of the Policy include the promotion of Mediolanum's Mission, which is embodied in the construction of authentic, long-lasting relationships based on loyalty, commitment and transparency; in personalised advice, with effective solutions capable of covering people throughout their entire lives; and in innovative and sustainable action. In order to achieve these objectives, the Parent Company broadcasts its own value system at every level, with the ultimate objective of enhancing the relationships established with the communities of which it is a part.

In particular, the Group intends to achieve these objectives through interventions in various areas, relating to education and professional inclusion, financial inclusion, social inclusion, support in emergency situations and art and culture. The Policy applies to all Banca Mediolanum organisational units, including the Sales Network, and is sent to all Mediolanum Group Companies for adoption.

The corporate body responsible for implementing the Policy is the Board of Directors of Banca Mediolanum, which is responsible for approving the Policy and defining the guidelines in the area of support to the community. The updating and review of the document is the responsibility of the Sustainability Office, within the Administration, Finance and Control Department.

The document refers to various international regulations and standards, including: the Sustainable Development Goals (SDGs) of the 2030 Agenda of the United Nations, the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the ILO, the OSCE Guidelines for Multinational Enterprises and the ABI "Women in Banking" Charter. The interests of stakeholders are taken into account through the involvement of various corporate actors responsible for relations with the internal and external stakeholders material for the Mediolanum Group, including the Diversity Manager, the Human Resources Department and the Diversity & Inclusion Committee. The Policy is made available to stakeholders through the publication and dissemination of the document within the Mediolanum Group, as well as through publication on the Banca Mediolanum website.

Charitable Donations Policy

The Charitable Donations Policy, updated in 2023, outlines the Group's long-standing commitment to developing a solid and sustainable business in the long term, generating added value for all stakeholders, including through attention to and support for the development of the communities in which it operates. This includes charitable donations. The Charitable Donations Policy intends to set out the principles on the basis of which charitable donations are made, identifying the roles, responsibilities and areas for which such donations are provided. Charitable donations may be provided to natural persons (including customers) who are particularly disadvantaged, in support of solidarity initiatives that fall within the scope of the Policy, to third-sector entities or to other entities. All instruments in which an economic interest of the Bank that provides them is evident are excluded from this Policy:

- pricing exceptions granted to customers for commercial opportunities;
- complimentary products for customers and prospects;
- contributions to events in which the Bank has a commercial interest;
- initiatives to explicitly enhance the Bank's brand;
- sums, services or other benefits in general provided to Family Bankers, employees or third parties for purposes other than remedying damages or events of a strictly personal nature;
- temporary or permanent preferential conditions on the offering of products and services, which are regulated in the context of promotional activities.

The Policy applies directly in Banca Mediolanum and is sent for adoption and application, in accordance with the principle of proportionality and taking into account applicable regulations and specific local situations, to the other Companies in the Conglomerate. The Subsidiaries are required to submit for prior examination by the Parent Company any charitable initiatives to be undertaken in derogation of the principles regulated in the Policy. The Parent Company assesses the nature of the initiative and compliance with the principles of sound and prudent management and issues a binding opinion to the Subsidiary. If the Subsidiaries have specific characteristics or needs, they will provide information to the Parent Company on any exceptions to the process of adopting the guidelines at the local level. The document is submitted for examination and approval by the Board of Directors, after consultation of the Risk Committee. The Sustainability Office is responsible for updating and periodically reviewing this document. The interests of stakeholders are taken into account through the involvement of various corporate actors responsible for relations with the internal and external stakeholders material for the Mediolanum Group, including the Technical Secretariat of the Chairman's staff, the Charity and Donations Committee and the Commercial Network Department. The document is made available to stakeholders through the publication and dissemination of the document within the Mediolanum Group, as well as through publication on the Banca Mediolanum website.
The Policy provides that political, trade union or non-governmental entities and bodies may not receive charitable donations or sponsorships, except in special cases that require the approval of the Board of Directors. In 2024 Banca Mediolanum did not grant loans in this area.

Mediolanum Group Policy for the Protection of Human Rights

The "Policy for the Protection of Human Rights" document of the Mediolanum Group (formerly the Policy for the Protection of Human Rights) outlines the Group's commitment to the protection of human rights according to the highest international standards. The general objectives include the respect and promotion of human rights in company operations, preventing or minimising any violation caused by the Group's operations. The Policy is committed to maintaining moral integrity and equal opportunities, and prohibits discrimination based on political opinions, religion, race, nationality, age, gender, sexual orientation, state of health and other personal characteristics.
The Policy applies throughout the Group and involves various categories of stakeholders, including employees, Family Bankers, suppliers, customers and the communities in which the Group operates. The corporate body responsible for implementing the Policy is the Board of Directors of Banca Mediolanum, which is responsible for approving the Policy and defining the human rights guidelines.
The document refers to various international regulations and standards, including: the International Bill of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the ILO, the Tripartite Declaration of Principles of the International Labour Organization and the OECD Guidelines for Multinational Enterprises. The Policy is disseminated externally as a charter of values, so that stakeholders that have relationships with the business can know about and understand its purposes, and is made available to stakeholders through the publication and dissemination of the document within the Mediolanum Group, as well as through publication on the Banca Mediolanum website.

[S3-1 DP 16]

The Mediolanum Group's Policy for the Protection of Human Rights, approved in 2020 and last updated in 2025, defines the commitment of Banca Mediolanum and the Group to the protection of human rights according to the highest international standards, including, in particular, the United Nations Guiding Principles on Business and Human Rights, the Declaration on Fundamental Principles and Rights at Work of the ILO and the OECD Guidelines for Multinational Enterprises. To this end, the Group adopts processes and mechanisms to monitor compliance with these principles and prevent or minimise any breaches caused by its actions.

[S3-1 DP 16 a]

The Mediolanum Group undertakes to protect and promote human rights in the context of its economic and business activities and acts in order to prevent any violation directly caused by its actions, considering as a priority the direct or indirect impacts on people, in view of internationally recognised working standards, as well as local legislation in the countries in which the Group Companies operate. The areas of responsibility for communities are defined by the Group, which has always been committed to promoting a culture within its business environment that is compliant with current regulations, aligned with international best practices and able to ensure the satisfaction of its resources and the focus on its customers.

[S3-1 DP 16 b]

The Mediolanum Group encourages continuous and constructive dialogue with all the affected communities, with the aim of promptly identifying any problems and working together to identify shared and sustainable solutions. The Mediolanum Group's Policy for the Protection of Human Rights is disseminated externally as a charter of values and rules of conduct promoted by Banca Mediolanum, so that stakeholders who have dealings with the Company can know about and understand its purposes. To this end, the Policy for the Protection of Human Rights is also published on the Banca Mediolanum website.

[S3-1 DP 16 c]

The Mediolanum Group takes concrete measures to prevent, mitigate and remedy any negative impacts on human rights. These measures include the implementation of accessible reporting procedures and effective repair tools to ensure that stakeholders' claims are addressed in a timely and transparent manner. The monitoring and gradual strengthening of human rights protection measures take place through a sustainability reporting system that includes the active engagement of stakeholders, the definition of objectives for improvement and the adoption of specific indicators to measure their effectiveness.

[S3-1 DP 17]

The Mediolanum Group's Policy for the Protection of Human Rights, in line with the relevant international standards and regulations, demonstrates the Group's commitment to respecting and promoting the rights of all stakeholders, including the affected communities. No cases of non-compliance with international standards and regulations were identified during 2024; therefore, no sanctions or enforcement of orders for breaches in this area were necessary.

Actions

[S3-4 DP 31 b; 32 c]

IRO: The socio-economic development of the communities in which we operate through the support of regional associations, solidarity, sports, cultural activities, etc.; Improvement of trust on the part of the communities in which the Mediolanum Group operates through initiatives for financial education and support for culture and innovation, or initiatives for emergency situations or directed at social causes, which may indirectly generate an increase in revenues for the Mediolanum Group

In continuity with previous years, in 2024 the Mediolanum Group implemented a series of actions with a specific focus on the socio-economic development of the communities in which it operates, aimed at generating positive and sustainable impacts and pursuing the objectives set out in its Policies. These initiatives are designed to promote common well-being, including through support for regional associations that encourage solidarity, sports and cultural activities. The main actions taken are described below.

Prestito di Soccorso ("Emergency Loan")

Banca Mediolanum and Fondazione Mediolanum EF have confirmed their commitment since 2009, alongside anti-usury foundations active in Italy with social projects aimed at providing financial support to the most vulnerable sections of the population with problems of over-indebtedness and financial exclusion. Banca Mediolanum's decision to support the fight against poverty and usury through the "Prestito di Soccorso" ("Emergency Loan") (social micro-credit) mechanism now involves collaboration with 15 diocesan anti-usury foundations. The anti-usury foundations operate through the Caritas organisations of the various Dioceses, using parish Listening Centres to gather information on families in need. Following the signing of the relevant agreements between anti-usury foundations, Banca Mediolanum and Fondazione Mediolanum EF, as a form of sponsorship, the Bank has undertaken to grant the foundations a revolving line of credit to be used to grant loans with repayment by instalments to persons in difficulty, whether they are households or individual companies, at a rate of 1.25%). The Bank bears the entire credit risk associated with these financing operations, while Fondazione Mediolanum EF has indicated that, in accordance with its mission, it is giving priority to women with dependent children as beneficiaries of the loans. At 31 December 2024, the revolving credit line provided by Banca Mediolanum stood at €5,400,000. In total, 771 loans were granted, totalling €6,827,872.

Conto Accoglienza ("Welcome Account")

Through the "Conto Accoglienza" ("Welcome Account") current account, reserved for customers with a Prestito di Soccorso, Banca Mediolanum's main aim is to support customers with debt and/or financial difficulties. The account has no fees and provides banking transactions to manage day-to-day life, combined with educational features to ensure its correct and targeted use, with a view to pursuing sustainability.

Collaborations with foundations and associations

Banca Mediolanum has always been committed to developing a solid and sustainable business in the long term, creating added value for all stakeholders and actively contributing to the development of the community in which it operates. This includes making donations for charitable purposes and supporting initiatives of collective interest. Collaborations with foundations and associations are a fundamental component of the Group's social commitment, involving not only customers, but also employees, in support of projects of social importance. In confirmation of the Group's commitment to providing practical support to local entities and contributing to the well-being of the community, the entire process of granting donations is overseen by the Charity and Donations Committee, which ensures full consistency with the principles and guidelines that the Bank is required to follow. In 2024, donations totalling €3,302,098 were provided for social and cultural support initiatives, individuals in difficulty and associations and foundations.

Contributions to initiatives in favour of the third sector (charitable donations)	u.m.	2024	Balance sheet item
Opex	€	3,302,098	Explanatory note - "Administrative expenses: Other administrative expenses - Entertainment, gifts and donations expenses"

In Spain, in 2024, Banco Mediolanum was engaged in the following collaborations:

- a collaboration with the "Una mela per la vita" ("An Apple for Life") Foundation for research on multiple sclerosis: in October, a solidarity action was organised promoted by the Multiple Sclerosis Foundation, the aim of which was to purchase apples for solidarity purposes. The funds raised were used to promote support, treatment, and research services related to this disease. The Bank purchased the apples, which were then made available to workers, accompanied by an explanation of their purpose and the allocation of the resources obtained;
- Collaboration with the "Oncologia Infantile Enriqueta Villavecchia" Foundation for the delivery of solidarity roses by Sant Jordi: on the occasion of the Spanish festival of Sant Jordi, it collaborated with the Foundation through the purchase of roses linked to the organisation. These were distributed among the people who work, with the aim of allocating the funds raised to support this group and to continue to contribute to the solidarity work of the Foundation.

In addition, the joint venture of Banco Mediolanum, "Mediolanum Aproxima", also continued in 2024. This project was created in 2014 to support local non-profit organisations through the direct involvement of the Family Bankers and their customers. The aim of this solidarity project is to encourage cooperation between local NGOs and people. In 2024, 158 solidarity initiatives were implemented (156 by the Commercial Network and 2 by the Head Office), 163 NGOs were assisted and 154 Family Bankers participated. Thanks to these 158 initiatives, €2,905,139 was donated, due to the involvement of the Spanish delegation of Fondazione Mediolanum EF.

In 2024, the 10th anniversary of the Mediolanum Aproxima solidarity project was celebrated with several actions:

- the "365 days of solidarity" communication campaign: at national and regional level with the media to communicate the results of Banco Mediolanum's social action and tell the story and the successes of these ten years;
- launch of the ebook, on the occasion of the "Book Day", entitled "Mediolanum Aproxima, a Decade of Solidarity".

Over the years, the Irish Group Companies have also established partnerships with various associations and foundations. These include supporting Coolmine Therapeutic Community (CTC), an Irish charity, with the Women and Children programme, run through the Ashleigh Centre, an Irish drug treatment centre for pregnant and new mothers and sponsorship of the Belvedere Youth Club (BYC), in order to empower, support and educate children and help them engage in positive activities. MIFL also led the development of patronage programmes promoted with charitable partners, with the goal of helping potential new business partners address governance priorities related to social issues and link them to the improvement of the Sustainable Development Goals (SDGs), as well as helping charities to become autonomous entities able to increase their fundraising capabilities.

MIFL also aims to create partnerships between businesses, charities and sports organisations. These include the Irish Olympic Federation, to engage young people through sport and guide them away from less constructive activities. The philanthropic event organised in 2024 raised €600,000 thanks to the support of national and international partners and Fondazione Mediolanum. Finally, the Irish Companies of the Mediolanum Group also continued to provide financial support to the "Little Blue Heroes Foundation", a non-profit organisation managed entirely by volunteers. The organisation aims to help families in need in local communities in Ireland who have children receiving long-term medical treatment for serious illnesses.

Cents that count

Banca Mediolanum offers customers participating in the initiative the option of donating the cents on their monthly current account balance, if in credit, to Fondazione Mediolanum EF. With the increase in adherences to the service, and the consequent increase in the amounts available, the Foundation undertakes to identify new beneficiaries among trusted associations that have demonstrated effectiveness in the implementation of the projects. This makes it possible to increase the positive impact of the service and to support more beneficiaries. The main actions of the service are implemented on an annual basis; fundraising takes place monthly and the distribution of funds, as well as the reporting, takes place at the end of the calendar year. At 31 December 2024, donations totalled €831,140.46 (+38% compared with 2023), demonstrating significant growth due to the increased attention that the Family Banker Network dedicated to the service, thanks to the intervention of the Mediolanum Values Manager, which increased activation on target products from 12.7% at the beginning of 2024 to 15.9% at the end of the year, and to the growing commitment of customers and the Bank to support charitable causes. This initiative has also been implemented by Banco Mediolanum in Spain, where donations totalled €27,306.03 in 2024, thanks to the participation of 11,084 customers and 1,240 Family Bankers with an associated account.

Mediolanum Insieme

Banca Mediolanum continued to collaborate with local associations, including through the "Mediolanum Insieme" project. The objective of this project is to support non-profit entities in the region indicated by the Family Bankers, giving them visibility on the Bank's website and promoting their initiatives, implemented at both local and regional level, through direct email marketing targeted at customers. In 2024, partnerships were launched with 13 associations working in areas such as social integration, work training, support for families in difficulty and protection of the rights of people with disabilities. Banca Mediolanum intends to continue its collaboration in 2025, with a view to consolidating the results achieved and further improving the impact of the initiatives.

Social and cultural initiatives

Banca Mediolanum's commitment has also been realised through a series of very impactful socio-cultural initiatives. Seven events were organised to support important local organisations, such as the San Patrignano Community (Comunità di San Patrignano) and the Italian Institute of the Blind (Istituto Italiano dei Ciechi), with the aim of raising awareness of social and inclusive issues among participants. Banca Mediolanum also provided financial contributions in the form of donations to associations, totalling €35,000. In addition, in 2024, Banco Mediolanum maintained its cultural contribution by sponsoring several major festivals, including Festival Mil·lenni, Alma Festival Madrid, the Festival de les Arts and Festival Porta Ferrada. At the same time, it supported events dedicated to financial advisory ("Eventi Asesores Financieros"), responsible finance (EFPA Financial Advisory Tour) and empowerment of women in the financial sector (Women and Finance Day in Vigo).

These events, conceived and supervised directly by the Group in collaboration with the associations involved, represent a concrete example of integration between solidarity and social development, highlighting the Bank's ongoing commitment to promoting social and cultural well-being, sustainability and inclusion and strengthening its role as an active and responsible partner in the communities in which it operates.

[S3-4 DP 32 d]

In order to monitor and assess the effectiveness of actions and initiatives in favour of the affected communities, the Customer Satisfaction Survey is adopted, which explores this area by means of specific questions. In addition, in 2024, a project was launched that provides a social impact framework, with the aim of collecting the results of the impact generated.

In addition, with regard to foreign Companies, the charities and foundations supported provide information on the projects to which the funds received have been allocated. Each year, a report is produced that highlights the positive impacts generated by the support received.

[S3-4 DP 34 b]

The Mediolanum Group is also committed to improving the trust of the communities in which it operates, promoting financial education initiatives, support for culture and innovation, as well as measures for emergency situations or significant social causes. These initiatives not only strengthen ties with the local community and its citizens, but indirectly contribute to the Group's sustainable growth, facilitating the expansion of its customer base and the increase in its market share, with a positive impact on both the social fabric and corporate performance. The main initiatives undertaken in 2024 are described below.

Financial education and cultural support

The Group undertakes to pursue its commitment through projects aimed at disseminating financial subjects, aimed at both customers and potential new users. These projects are a pillar of Banca Mediolanum's educational and relational approach, aimed at creating lasting value for people and communities.

Initiatives for emergency situations or directed to social causes

The Mediolanum Group carried out targeted actions to deal with emergency situations, strengthening its role as a responsible actor in promoting community well-being and sustainability for future generations. The initiatives undertaken included:

- natural disasters: in 2024, Banca Mediolanum was again close to the populations affected by natural disasters dating back to 2023, taking action that led to the provision of €2,496,500 to 945 households. Specifically, the Bank provided €562,000 to 232 households affected by the flooding in Emilia Romagna and €1,934,500 to 713 households affected by the flooding in Tuscany. In addition, Banca Mediolanum implemented a series of preferential measures aimed at providing concrete support to beneficiaries in difficult situations. These included the option of suspending mortgage and loan repayments for 12 months; preferential credit lines were activated; for mortgages and loans outstanding, a spread reduction (-1%) was offered for a period of 24 months; and for current accounts and term deposits, all costs were reduced to zero for a period of 24 months. At the same time, during 2024, Banco Mediolanum carried out various crowdfunding campaigns to collect donations from customers, Family Bankers and employees, intended for victims of natural disasters. These included the fire in Valencia on 22 February and the DANA emergency. The amounts collected through donations were doubled by Banco Mediolanum through the Fondazione Mediolanum Delegation, reaching a total of €19,542 and €1,057,376 respectively;
- global humanitarian emergencies: in order to address severe global humanitarian emergencies, the Group, through its collaboration with Fondazione Mediolanum, has undertaken concrete actions in collaboration with humanitarian organisations. In response to the conflict in Lebanon, a fundraiser was launched with AVSI to provide urgent humanitarian assistance, including shelter and basic items, such as water, food, hygiene kits, blankets and shelters, to the vulnerable populations. At the same time, in response to the emergency in Gaza and the West Bank, the Group worked with Pro Terra Sancta to provide immediate aid, including food, blankets and clothes for displaced persons, as well as psycho-social support aimed at mitigating the consequences of the conflict. In general, the above measures were taken at the time of the occurrence of a specific emergency and demonstrate Banca Mediolanum's ongoing commitment to supporting the affected communities and to providing concrete assistance during emergencies.

Collaboration with the Fondazione Mediolanum EF

Banca Mediolanum is a committed supporter of the Mediolanum Foundation in pursuing civic, solidarity and social goals. Fondazione Mediolanum, established in 2001 and active at national and international level, decided to focus its interventions on assistance for disadvantaged children. The Foundation operates through the provision of aid for basic needs and the promotion of basic education and vocational training, contributing to the autonomy of children and to respect for the universal values of the individual. The Foundation's work is based on a rigorous projects policy, which prioritises reliable, effective, and efficient partners to mitigate and address the hardship situations identified. The actions, which cover different areas, including assistance, research, education, rights and health, are planned and implemented with defined time horizons, monitoring the effectiveness of interventions and the achievement of objectives. Fundraising and the granting of contributions takes place within the calendar year, and are promoted through marketing campaigns and fundraising. In 2024, the Foundation funded several projects, a significant increase compared with 2023. Total contributions received and granted increased, demonstrating the effectiveness of fundraising campaigns and continued donor support. The main areas of action were as follows:

- fundraising: in 2024, Fondazione Mediolanum benefited from the contributions of the Mediolanum Financial Conglomerate, allowing it to finance projects for disadvantaged children totalling €1,750,000.00. These contributions were used for both granting funds and operating expenses. In addition, the Foundation received contributions through cause-related marketing, i.e. the promotional campaign of Banca Mediolanum, which donated amounts to support projects for disadvantaged children linked to the taking out of certain products, allocating to the Mediolanum Foundation an amount for each product to support a project for disadvantaged children. In 2024, €541,319.00 (+17% compared with 2023) was granted. In addition, Banca Mediolanum's customers were able to make donations through the Mediolanum For You Rewarding programme, which rewards the loyalty of customers by enabling them to accumulate points to use to receive rewards or experiences. During the year, it should also be noted that Banco Mediolanum donated to the Foundation's Spanish Delegation a total of €746,353 (+564% compared with 2023). It should be noted that this amount is largely due to the commitment made by Banco Mediolanum to double all donations collected following the launch of the fundraising campaign for the victims of the flooding that hit Valencia hard in October 2024.
- Donations were also made by Mediolanum Comunicazione S.p.A. totalling €22,000 (-8% compared with 2023), for specific promotional activities at certain periods of the year (e.g. Easter, Christmas etc.). In 2024, the Bank granted €24,040.00 (103% compared with 2023). The total contributions by the Mediolanum Financial Conglomerate in 2024 amounted to €3,083,712 (+43% compared with 2023). The Foundation received funds from the Revenue Agency for "Recognised associations and foundations – allocation of 5 per thousand funding" totalling €250,332.25 (+7% compared with 2023). The fundraising activities involved various donors, including customers of Banca Mediolanum and Banco Mediolanum, Family Bankers, employees, executives, members of the Board of Directors, external private donors and businesses. The total contributions received by the Foundation during 2024 amounted to €6,355,792.17;
- grants: Fondazione Mediolanum operates as a lending body, financially supporting projects of other non-profit entities. It has adopted a collaborative approach to achieve a common fundraising goal, doubling the funds raised as a "reward" once the goal is achieved. This model stimulates donors and increases project visibility.

[S3-4 DP 36]

No violations were reported to the Group during 2024 and consequently no significant human rights sanctions or measures were imposed.

[S3-4 DP 38]

The Sustainability Office is the point of contact for the management of projects to support the community and to ensure that their implementation takes place in a manner consistent with the principles of the Banca Mediolanum Community Support Policy. To this is added collaboration, where necessary, with other departments/offices involved in specific activities. In the Irish Companies, the Human Resources Office is involved in this, while in the Spanish Subsidiaries, the Acción Social Office is involved.

Objectives

[MDR-T DP 8l b]

The Mediolanum Group has not defined measurable and temporal objectives with respect to the areas relating to the affected communities. However, the effectiveness of the Banca Mediolanum Community Support Policy and the related actions are monitored by tracking the investments made in the community, according to formalised procedures for each individual support action. A number of qualitative and quantitative indicators are reported and monitored to assess progress, including:

- the number of projects financed by Fondazione Mediolanum EF and the monetary value of the contributions paid;
- the monetary value of donations for social and cultural support initiatives;
- customer perceptions of the Mediolanum Group's social commitment (customer satisfaction survey).

3.3.3 Engaging with affected communities about impacts

[S3-2 DP 2l]

For the Mediolanum Group, the point of view of the affected communities is an important factor in the orientation of strategic choices, ensuring that the initiatives undertaken respond effectively to local needs and generate a positive and sustainable long-term impact. For this reason, opportunities for discussion and listening are periodically organised in the context of sustainability. Community engagement initiatives vary according to the Group's needs. For example, in 2024, as part of the process of updating the materiality analysis, Fondazione Mediolanum EF launched a structured process of stakeholder engagement, in order to include the point of view of the affected communities in the process of identifying and analysing material positive and negative impacts, whether current or potential, with the aim of guiding the Foundation's activities and strategic decisions. Also in the context of the "Mediolanum Insieme" project, the point of view of the affected communities is central to guiding the Bank's decisions: this approach ensures that the needs and concerns of the communities are taken into account and that the actions taken are aligned with the expectations of stakeholders. Furthermore, with regard to the Irish Companies, in line with the principles and ethics of the Mediolanum Group, which aims to have a positive and lasting impact on its social environment, there is a constant dialogue with the supported charities.

[S3-2 DP 2l a; 2l b; 22]

The frequency of the engagement is ongoing and guaranteed to correspond to the Group's strategic updates, to ensure continuous alignment between the Group's activities and the needs expressed by the communities. The Group has set itself an objective of managing relations with all stakeholders, including the interested communities, on an ongoing basis, through various engagement tools and continuous feedback mechanisms. The involvement of the affected communities is managed, depending on the circumstances and the region, either directly, for example by administering questionnaires, or through continuous feedback processes, including periodic surveys and the presence in the region of Family Bankers (e.g. as part of the process of updating the materiality analysis and as part of the "Mediolanum Insieme" project), or through the legitimate representatives of the communities themselves, who are informed and aware of their specific needs and circumstances.

[S3-2 DP 21 c]

In Italian Companies, engagement initiatives are overseen by the Administration, Finance and Control Department, sometimes with methodological support from academic institutions, research institutions and specialised organisations, in order to ensure a rigorous and structured approach to analysis, engagement and reporting. In foreign Companies, the above initiatives are overseen by the Sustainability Officer, assisting the CEO.

[S3-2 DP 21 d]

With regard to the Italian Companies, the effectiveness of community engagement is measured through the use of specific performance indicators, which allow the progress and results of the engagement process to be assessed. These indicators enable monitoring of the impact of the activities carried out and ensure that the objectives set are achieved, thus providing a solid basis for assessing and continuously improving the effectiveness of engagement. Furthermore, in relation to the Irish Companies, the supported charities provide an annual report highlighting the increase in the results achieved during the reporting year thanks to the support received.

3.4 ESRS S4 Consumers and end-users

3.4.1 Material impacts, risks and opportunities and their interaction with strategy and business model

[S4.SBM-3 DP 9 a]

The Mediolanum Group has always offered its customers a relationship based on freedom and human relations, placing them at the heart of its strategy and business model, through its resources, tools and services. The Mediolanum Group pursues the objective of building a solid and lasting relationship with customers through transparency in communications and the knowledge and skills developed to guide them in managing their assets. In addition, the commitment to the supply of products and services is based on the importance of ensuring a high level of satisfaction, through increasingly flexible and cutting-edge solutions that can completely fulfil all the needs of customers.

The impacts related to "Customer centricity and access to high-quality information" therefore represent the maximum expression of the Mediolanum Group - the "Bank built around the customer" - where the focus on protecting the main aspects of the customer's life is fully integrated into the offering of products and services, through a holistic advisory model aimed at meeting the customer's needs throughout the entire life cycle.

With regard to the impacts related to the "Social inclusion of customers", the Group is committed, in the area of "Financial inclusion", to the creation of dedicated products and services, the presence of Family Bankers/Financial Agents in the regions where the Group operates (both domestic and foreign), the issue of digital tools for the autonomous management of operations by the customer and the guarantee of "Responsible business practices" with respect to the Group's various internal and external stakeholders.

Lastly, the Group guarantees the confidentiality of customer data and transactions, ensuring compliance with legislation and regulations in the sale of financial products and services, including digital products and services.

[S4.SBM-3 DP 9 b]

The main risks identified in the double materiality assessment concern the potential negative impacts related to the confidentiality of customer data, such as the IT risk of the malfunctioning of systems available to the customer and risks related to the theft of customer data, and the impacts related to accessing products and services, such as the risks of distribution of banking, investment and insurance products/services that are not in line with internal sustainability guidelines and the Mediolanum Group's Sustainability Policy.

The main opportunities identified in the process of the double materiality assessment are linked to the positive impact generated in terms of financial inclusion, such as the increase in the Mediolanum Group's market positioning towards non-profit/ social economy operator targets, and are linked to the positive impact connected to the centrality of the "person" and support in achieving the customer's well-being objectives, such

as gaining a greater market share thanks to initiatives that improve the level of personalisation of investment plans and customer protection.

[S4.SBM-3 DP 10]

All consumers and end-consumers that may be subject to material impacts on the part of the undertaking, including impacts directly related to own operations and the undertaking's value chain, are included in the scope of the reporting and have effectively been included in the double materiality assessment.

[S4.SBM-3 DP 10 a]

The main consumers and/or end-users subject to material impacts are the Group's customers in Italy, which is the Group's main market, and in other European countries such as Spain. The Group's products and services are separated into banking, credit and protection products and services as well as investment products and services.

[S4.SBM-3 DP 10 ai-iv]

The Group does not include products that are inherently harmful to people and/or increase the risk of chronic diseases. In addition, it undertakes to protect consumers and/or end-users of its products and/or services by preventing any negative impacts on their rights to privacy, personal data protection, freedom of expression and the principle of non-discrimination. Lastly, it ensures that information on products and services, including the financial services distributed, is accurate and easily accessible by means of specific dedicated disclosures.

[S4.SBM-3 DP 10 b]

The material negative impacts that arose in the context of the double materiality process are related to individual potential incidents, such as: Confidentiality (e.g. loss of confidential data and information); responsible business practices (e.g. purchasing choices not consistent with the real needs of the customer, influenced by unfair, misleading and/or aggressive business practices, including greenwashing or socialwashing of the products offered).

[S4.SBM-3 DP 10 c]

Some material positive impacts, identified in the context of the double materiality process, are generalised for types of consumers and countries/regions (e.g. the protection of freedom of expression thanks to the establishment of effective reporting/complaints systems, satisfaction thanks to effective methods of engagement and listening to feedback, contribution to financial education). Meanwhile, the specific impact connected to the facilitation of access to credit for specific customer targets (e.g. young people, female entrepreneurs, etc.) is related to the Group's banking and credit products and services.

[S4.SBM-3 DP 10 d]

The outcome of the double materiality process has identified as significant risks connected to impacts on consumers and/or end-users the risks of the distribution and monitoring of banking and/or investment and insurance products/services that are not in line with internal sustainability guidelines and with the Mediolanum Group's Sustainability Policy and risks associated with the scope of "confidentiality", such as the malfunctioning of the systems available to customers and the theft of customer data. With regard to opportunities, the outcome of the double materiality process identified as material opportunities connected to the impact on consumers and/or end-users, the increase in the Mediolanum Group's market positioning towards non-profit/social economy operator targets and the achievement of a greater market share thanks to initiatives that improve the level of personalisation of investment plans and customer protection.

[S4.SBM-3 DP 11]

The double materiality assessment identified two main potential negative impacts (loss of confidential data and information; purchasing choices not consistent with the customer's real needs, influenced by unfair, misleading and/or aggressive commercial practices, including greenwashing or socialwashing of the products offered) as potentially putting consumers and end-users at greater risk.

[S4.SBM-3 DP 12]

As regards opportunities, the increase in the Mediolanum Group's market positioning towards non-profit/social economy operator targets is connected to specific groups of customers such as third-sector entities, households in difficulty, dependent persons (Law 104/92) and female victims of violence.

3.4.2 Confidentiality

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Confidentiality			
Breach of customers' right to privacy due to loss of data and confidential information	Potential negative impact	Downstream value chain	Short term
IT risk of the malfunctioning of systems available to the customer	Risk	Own operations	Short/medium term
Specific risks related to the theft of customer data, which may occur along the entire value chain of an asset management company	Risk	Own operations	Short/medium term

The Group's approach and policies

IRO: Breach of customers' right to privacy due to loss of data and confidential information; IT risk of the malfunctioning of systems available to the customer; Specific risks related to the theft of customer data, which may occur along the entire value chain of an asset management company

[S4-1 DP 15]

Protecting confidentiality is a fundamental element of the Mediolanum Group's commitment to customers and stakeholders, highlighting an approach focused on protecting personal information and strengthening data security measures. The Group has adopted an integrated system that includes the rigorous application of European Regulation 2016/679 (GDPR) and the implementation of targeted strategies to ensure cyber security and the protection of sensitive data. In this context, the Bank has strengthened its cybersecurity infrastructure, investing in strategic plans and innovative objectives that include the dematerialisation of documentation and the advanced management of any breaches. To this end, numerous reference documents and policies have been developed and adopted, as described in this document, for cybersecurity processes, as well as for the management of cybersecurity and data breach incidents. Lastly, through ongoing training, both internal and external, the Mediolanum Group aims to make its stakeholders aware of the importance of data protection, developing specific skills and promoting a culture of privacy.

IT Security Policy of the Mediolanum Group

The Mediolanum Group's IT Security Policy, the latest update of which was approved in early 2025, defines the reference model for overseeing the IT security aspects of the Group.

In particular, it aims to outline:

- the general principles and high-level rules of IT security on the use and management of the information system;
- the IT security macro-processes necessary to prevent, contain and react to threats to persons and corporate assets, in order to comply with national and international regulations;

- the objectives of the IT security management process expressed in terms of cyber risk protection and control requirements;
- guidelines for communication, training and awareness-raising activities for users;
- the roles and responsibilities of corporate bodies, governance structures and organisational units in the context of processes and activities related to IT security;
- the procedures for directing and coordinating the Companies of the Mediolanum Conglomerate in this context;
- a reference to internal rules regulating the consequences of any violation of the Policy by staff;
- a reference to the laws and other applicable external regulations on IT security and ICT resources;
- a reference to the general principles and guidelines for the security of the development of the application software;
- a reference to corporate regulations in terms of minimum security safeguards for third parties, outsourcing and the development and management of EUDA (end user developed applications) software.

The IT Security Policy of the Mediolanum Group applies directly within Banca Mediolanum, subject to the approval of the Board of Directors and, in the exercising of the management and coordination function that is the responsibility of the Parent Company, is sent to the Companies in the Mediolanum Financial Conglomerate, so that they can apply the principles and rules set out therein, on the basis of a principle of proportionality.
The Policy is reviewed and updated by the IT Security Governance Office, which forms part of the IT & Security Governance Section of the ICT Division and is approved by the Board of Directors of Banca Mediolanum.
The Policy refers to national and EU laws and regulations applicable in the area of IT security and draws on the recognised international standard NIST SP 800-53 – Security and Privacy Controls for Information Systems and Organizations.
The Policy is made available through publication on the company intranet to all employees of Banca Mediolanum and is communicated to the entities in the Conglomerate so that they can view and adapt it. No communication is made to customers due to the confidentiality of the information contained in the document.

ICT Incident Management Policy of the Mediolanum Group

The ICT Incident Management Policy of the Mediolanum Group, the latest update of which was approved in early 2025, formalises the principles defined by the Banca Mediolanum ICT Division for the "IT incident management" process and describes the principles relating to the effective management of incidents on the ICT systems and applications under management with the aim of:

- preparing a rapid and efficient response to the occurrence of an incident at all stages (i.e. identification and classification, initial support and first-level diagnosis, analysis and diagnosis, resolution and restoration; validation of first-level oversight and closure of the incident) in accordance with the escalation procedures provided for in the Bank's business continuity plan;
- ensuring the integrity, availability, confidentiality and authenticity of the services.

The Policy applies to Banca Mediolanum and the Group Companies; in exercising the management and coordination function that is the responsibility of the Parent Company, the Policy is also sent to the other Companies in the Mediolanum Financial Conglomerate, so that they apply the principles expressed therein on the basis of a principle of proportionality, insofar as they have been transposed in accordance with the relevant internal laws and any specific sectoral and/or local regulations.
The updating and review of the document is the responsibility of the IT User Support & Service Management Support Unit within the ICT Division of Banca Mediolanum, which is approved by the Bank's Board of Directors.
The Policy refers to the national and EU laws and regulations applicable to the management of ICT incidents and is based on the international standard ISO/IEC 27035 Information Technology, Security Techniques and Information Security Incidents.

The Policy is made available through publication on the company intranet to the employees of Banca Mediolanum and is communicated to the entities in the Group so that they can view it and transpose its content. No communication is made to customers due to the confidentiality of the information contained in the document.

[S4-1 DP 17]

In the area of protection of consumer and employee data, the business protects human rights, in line with the commitments of the Mediolanum Group formalised in the Policy for the Protection of Human Rights and with its adherence to the UN Global Compact, a United Nations initiative. All cybersecurity policies are based on recognised international rules and standards (e.g. NIST SP 800-53).

Privacy Policy

The Privacy Policy, the last update of which was approved in 2022, is intended to provide a description of the privacy principles. The objective of this document is to oversee aspects relating to the processing of the personal data of data subjects (e.g. customers, employees, suppliers and visitors), in accordance with EU Regulation 2016/679 "GDPR" (hereinafter also the "GDPR"), applicable national legislation and the orders issued by the Italian Data Protection Authority. The principles set forth in this Policy are implemented in the process regulations, which will set out in greater detail the tasks and the operational and control activities underlying compliance with the requirements on protection of this data.

The Bank, by means of the document in question, provides the guidelines and identifies the requirements to be met in order to ensure that the processing of personal data, belonging, inter alia, to special categories and data relating to criminal convictions and offences, is carried out in compliance with fundamental rights and freedoms, as well as the dignity of the data subject, with particular reference to confidentiality, personal identity and the right to protection of the same. These principles are adopted by Banca Mediolanum, as a company of the Mediolanum Banking Group and the Parent Company of the Financial Conglomerate.

It is also sent for adoption, in accordance with a principle of proportionality and taking into account local regulations and specificities, to the Companies in the Conglomerate.

The foreign Companies apply the Policy, unless local regulations have different and stricter requirements. The Policy is approved by the Board of Directors of Banca Mediolanum and the document is classified as a Policy within the reference framework of internal regulations. It is updated by the Corporate & Legal Affairs and Disputes Department (Privacy Office). In implementing the Policy, in alignment with the objectives of the GDPR, the Company includes among its objectives the adoption of technical and organisational measures for the processing of personal data, such as to ensure the adequate security of the data, including protection against unauthorised or unlawful processing, accidental loss, destruction or damage. This document is published on the company intranet whenever it is updated, for all employees of Banca Mediolanum, and is communicated to the entities in the Group so that they can view it and transpose its content.

Regulation on the process of managing and reporting personal data breaches

The Regulation describes the various stages of the process to enable the Company responsible for data processing to report such breaches to the Italian Data Protection Authority in cases where this is mandatory, assessing the severity of the situation and establishing remedies and corrective measures to minimise the privacy risks to the relevant data subjects.

The Regulation describes the actions assigned to the corporate functions concerned and the execution times to be complied with in the event of a breach of personal data in accordance with current legislation on the matter (EU Regulation 2016/679 on personal data protection). This document is published on the company intranet whenever it is updated, for all employees of Banca Mediolanum, and is communicated to the Companies in the Group so that they can view it and transpose its content.

Actions

[S4-4 DP 30; 31 a]

In 2024, the Mediolanum Group confirmed the specific guidelines for the oversight and protection of personal data to enable activities to be carried out in smart mode with respect to personal data protection, the correct use of company email and the use of company devices only through secure connections.

The Privacy Office is responsible for overseeing privacy compliance, and in particular advises the corporate structures. In addition, the Office:

- prepares, at Group level, the Data Processing Agreement (DPA) as a contractual addendum used as an annex to supply agreements that provide for the processing of personal data and consequently the qualification of the supplier of the data processor;
- handles regulatory alerts and activates the necessary processes for adaptation to the corporate functions;
- manages reports of personal data breaches;
- sends notifications to the Italian Data Protection Authority;
- draws up and updates privacy notices and consents;
- drafts and updates letters of authorisation for processing;
- handles the management of requests from data subjects concerning their own data;
- handles the management of requests relating to the Code of Conduct of "private" central risks;
- oversees the privacy training provided to employees and contract staff of the Sales Network;
- handles the management of customer complaints relating to privacy;
- keeps the data processing register up to date;
- carries out the preliminary risk assessment and the data protection impact assessment (DPIA).

In 2024, as part of the training initiative for the Banca Mediolanum Commercial Network, 221 hours of privacy training were provided to newcomers to the Commercial Network, through intervention in the presence of the Privacy Officer and resources from the Privacy Office. In addition, more than 60 hours of training were dedicated to each member of the Privacy Office, in particular to the interpretative study of the legislation on the processing of personal data and the examination of the orders of the Data Protection Authority applicable to the practical cases under discussion. In addition, instructions were given to the Sales Network on training in the use of video surveillance tools in accordance with the principles and rules on personal data protection.

Banco Mediolanum, in the area of privacy and data protection, carried out the following initiatives:

- periodic reporting activities: by maintaining the data protection reporting register and monitoring the corresponding mitigation measures;
- continuous data protection training and awareness-raising for employees handling customer data: an online data protection training course of about one hour was completed in 2024 with the passing of a test. In addition, 13 data protection training pills and three course compliance reminders were sent. Data protection training is included in mandatory training, and the delivery of the training sessions is monitored by the HR function.

[S4-4 DP 33 a]

In 2024, the ICT Division of Banca Mediolanum also implemented the following initiatives in relation to the management of the IT risks of the malfunctioning of the systems available to the customer and the risks associated with the theft of customer data, which may occur along the entire value chain of an asset manager:

- overcoming and preventing infrastructure obsolescence: the initiative was completed in 2024 through the implementation of 14 projects aimed at managing infrastructure obsolescence (646 infrastructure assets) in accordance with the objectives set for this purpose. This initiative mitigated the risk of unwanted interruptions due to malfunctions related to technological capabilities, lack of updates and potential vulnerabilities to which the services offered to customers and the Sales Network might be exposed;

- strengthening data resilience: the initiative, launched in 2024 and scheduled for completion in 2025, provides for the strengthening of the ICT Division's controls aimed at enabling the execution, storage and secure management of copies of data (i.e. backup) managed by the services offered to customers and the Sales Network, through the completion of the Backup Vault initiative. The greater robustness of backups enables the ICT Division to be more efficient whenever operations are restored after any system malfunction;
- cybersecurity training: strengthening solutions to support the cybersecurity awareness of employees and the Sales Network. The replacement of the supplier and platform, which took place in 2024, allowed the scope of the content of the training pills to be extended and simulated phishing campaigns to be implemented, in order to promote a culture of corporate security. This initiative aims to mitigate not only the risk of malfunctions, but all risks related to IT security management;
- development of anti-fraud safeguards: the launch of the initiative to develop the current safeguards to protect customer safety in relation to anti-fraud matters was launched in 2024 through the adoption of the new tool (Cleafy) which provides a wider and deeper view of elements to assess fraud risk;
- the initiative to strengthen controls of the accessing via software by Sales Network operators of customer data managed by corporate IT solutions through the introduction of "Multi-Factor Authentication" (MFA) for access to the portal and the Office 365 suite.

In addition, in 2024 the Risk Management Function carried out an annual assessment of Banca Mediolanum's applications, with an impact assessment of potential malfunction scenarios and an assessment of effectiveness of the existing first-level safeguards.

Banco Mediolanum also provided training in the area of cybersecurity: in 2024, employees and Family Bankers attended annual information security training of approximately one hour. In addition, information pills were used on a monthly basis on various current cybersecurity topics. The training included a number of basic security management topics, such as the availability of secure passwords, the use of the networks, fraud identification and incident reporting, so that users are adequately informed about the main risks to which they are exposed and can avoid them as much as possible, and respond appropriately in the event that they occur. Pills are a key element in addressing, as they arise, topics that are of greater interest, depending on the time of year. The delivery of the training sessions is monitored by the HR Department.

[S4-4 DP 31 d]

At Banca Mediolanum, the Privacy Controls Unit operates in the Corporate & Legal Affairs and Disputes Department, with the task of verifying the adequacy and compliance with privacy legislation of business operations, as well as the correct functioning of personal data processing processes, in order to prevent, mitigate or remediate any risk of breach of the privacy rights of data subjects.

The ICT Division, meanwhile, is responsible for the IT risks of the malfunctioning of the systems available to the customer and related to the theft of customer data, which might occur along the entire value chain of an asset manager.

[S4-4 DP 32 a]

If an event occurs that involves, including accidentally or unlawfully, the destruction, the loss, modification, unauthorised disclosure of, or access to, the personal data processed, a process of management and reporting this is initiated. This process is described in the specific Regulation on the process of managing and reporting personal data breaches, which is also applicable to the activities carried out by Banca Mediolanum for the Companies of the Financial Conglomerate, under specific corporate management service agreements.

[S4-4 DP 32 b]

In the event of a data breach, without undue delay and, where possible, within 72 hours of becoming aware of it, the Company, as data controller, is required to notify the Data Protection Authority of the breach. In addition, if the breach poses a high risk to the rights of persons, the data controller is required to notify all data subjects.

[S4-4 DP 32 c]

The state of implementation/completion of the resolution and mitigation actions taken in the event of a data breach are periodically monitored and controlled by the DPO, who, potentially with the support of the Privacy Controls Unit, ascertains that the defined actions are managed according to the methods and timescales indicated.

[S4-4 DP 34]

The Mediolanum Group is responsible for maintaining, auditing and updating security measures, integrating the principles of data protection by design and by default. These actions are essential to prevent breaches and ensure the protection of personal data.

The GDPR, with the aim of providing European citizens with complete control over their personal data and simplifying the regulatory framework for the undertakings managing such data, has imposed rules that are still in place. In particular, the fundamental principles are:

- the principle of accountability, i.e. the duty of the data controller to decide and be able to demonstrate the decisions made with respect to data protection;
- privacy by design, i.e. the protection of data throughout its entire processing cycle;
- privacy by default, i.e. ensuring data protection is the "default setting";
- data minimisation, i.e. the use of the minimum sufficient set of data necessary to achieve the purposes of the processing;
- definition of a data retention period, i.e. the obligation to provide a preliminary indication of the period in which the data will be processed, after which the data will be deleted.

In accordance with these principles, the Mediolanum Group must necessarily take into account in making decisions, including those of a commercial nature, any repercussions on the data subjects of any breach of privacy.

[S4-4 DP 37]

The resources assigned to monitor privacy compliance are as follows:

- the Privacy Office carries out and coordinates compliance with privacy regulations and is responsible for ongoing monitoring, the introduction of new privacy regulations and the proper functioning of the procedures adopted;
- the Data Protection Officer (DPO), introduced by Regulation (EU) 2016/679, in addition to overseeing the reference regulatory framework, is responsible for specialist advice, regulatory alerts and gap analysis, checks of the adequacy and functioning of corporate structures and processes in relation to the current regulatory framework and identification of any actions to mitigate non-compliance risks;
- The Privacy Control Unit, by means of sampling, analyses the internal operating and control procedures put in place in the personal data processing processes and supports the DPO, at his/her request, in the context of the relevant oversight and monitoring activities. In accordance with the Group's Regulations on Coordination and Guidance, with regard to the foreign Subsidiaries, the latter refer to the above-mentioned Offices of the Parent Company.

In the Spanish Subsidiaries, however, this oversight is managed by the Departamento de Asesoría jurídica y asesoría fiscal/Legal and Tax Advisory Department.

Objectives

[MDR-T DP 8I]

The ICT Division of Banca Mediolanum has no quantitative objectives in relation to the risks overseen; however, it monitors the effectiveness of the policies and actions relating to the IT risk of the malfunctioning of systems available to the customer by periodically analysing metrics linked to service continuity.

In order to ensure the restoration of ICT services in support of critical processes within the maximum timescale deemed acceptable by the organisation (the recovery time objective), the number of times that applications supporting critical processes for b continuity purposes have been unavailable, in excess of the defined recovery time objective, is monitored on a monthly basis. In alignment with the RAF (Risk Appetite Framework), an appetite threshold of 0 and a tolerance threshold of 3 are defined. In 2024, there were no breaches of the tolerance threshold, while the appetite threshold was breached once in September.

In order to ensure the satisfaction of the customers of the Sales Network when using "mission critical" ICT services, the number of occasions when there is unplanned downtime of customer-facing services simultaneously within scope is monitored. In alignment with the RAF, an appetite threshold of 0 and a tolerance threshold of 3 have been defined. In 2024, there were no breaches in the tolerance and appetite thresholds.

The effectiveness of policies and actions relating to the risks associated with the theft of customer data that may occur along the entire value chain of an asset manager is monitored by the ICT Division of Banca Mediolanum through the periodic analysis of metrics related to the monitoring of operational losses due to customer fraud. In particular, the percentage of the total amount of reimbursements compared with the total amount of non-recognitions is monitored. In alignment with the RAF, an appetite threshold of 2% and a tolerance threshold of 4% have been defined. In 2024, there were no breaches in the tolerance and appetite thresholds. The Group's foreign Companies have not defined any specific objectives for confidentiality.

With regard to the IRO "Breach of customers' right to privacy due to loss of data and confidential information", the Group, through its privacy policies (see ESRS S4-1 Policies related to consumers and end-users for further details), identifies the monitoring process for the proper management of personal data, in order to ensure that the processing of such data is carried out with respect for the fundamental rights and freedoms, as well as the dignity, of the data subject, with particular reference to confidentiality and personal identity and the right to protection of the same.

Quantitative indicators are monitored, including the number of reports of alleged breaches, including those classed as a data breaches, which are consequently notified to the Italian Data Protection Authority.

3.4.3 Access to information

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Access to (quality) information			
Protection of customers' freedom of expression through effective whistleblowing/complaint systems	Actual positive impact	Downstream value chain	Short term
Customer satisfaction through effective engagement and listening to feedback	Actual positive impact	Downstream value chain	Long term
Assurance of the quality and usability of the offering thanks to accessibility of information	Actual positive impact	Downstream value chain	Medium term

The Group's approach and policies

The Mediolanum Group considers it a priority to ensure that its customers have simple and transparent access to high-quality information, recognising that this aspect represents a turning point for consolidating trust and improving the customer experience. The multi-channel approach, which integrates the physical support of Family Bankers with advanced digital tools such as mobile applications and the web portal, ensures the fast and intuitive use of banking services, allowing users to access information in real time and with maximum clarity. Digital accessibility, in line with Decree-Law No. 76/2020, commits the Bank to making digital channels a universal tool for accessing banking products, services and information.

Over the years, the Mediolanum Group has developed various Policies aimed at ensuring the correct management of the impacts described above. In addition to the Code of Ethics and the Mediolanum Group's Sustainability Policy, which set out its approach and general guidelines, the main policies for managing impacts related to "access to high-quality information" are the Code of Conduct, the Customer Protection Guidelines and the Complaints Management Policy.

[S4-1 DP 15]

IRO: Customer satisfaction, thanks to effective methods of engagement and listening to feedback; Assurance of the quality and usability of the offering thanks to accessibility of information; Protection of customers' freedom of expression through effective whistleblowing/complaint systems

Code of Conduct

One of the areas covered by the Code of Conduct (see ESRS GI-1 Corporate culture and business conduct policies for further details on the minimum reporting requirements of the Policies), in line with the principles defined in the Customer Protection Guidelines, is customer protection. In particular, the Code of Conduct specifies that, in relations with customers, the covered persons of the Code are required to base their conduct on the principles of transparency, loyalty, diligence and fairness, avoiding any conduct that may give rise to an abuse of the good faith or inexperience of the customer.

The Mediolanum Group therefore considers it essential for relations with customers to be based on:

- full transparency and fairness, in order to enable the customer to understand the characteristics and value of all the products and services offered;
- offering products and services in line with the customer's needs, expectations and interests;
- maintaining the high quality standards of its services and maximising customer satisfaction;
- avoiding the risk of falling into unfair commercial practices, i.e. aggressive or misleading sales practices, by providing information that does not correspond to the truth or may deceive current or potential customers about the characteristics of the products and services;
- promptly responding to and resolving complaints and grievances received, as they represent an opportunity for improvement in terms of customer satisfaction;
- independence from any form of condition, whether internal or external.

Customer Protection Guidelines

The objective of the Customer Protection Guidelines is to provide all Group structures with a description of the principles aimed at ensuring that their work is fully compliant with the provisions of current customer protection legislation and, more generally, with the principles of transparency, diligence and propriety that must characterise the activities of financial intermediaries, as well as the Mission and values of the Mediolanum Group. Compliance with the rules and principles of transparency and fairness in customer relations mitigates legal and reputational risks and ultimately increases overall confidence in the system. The purpose of the document is therefore to help ensure that customers can make informed choices, in order to promote the establishment of correct and transparent relationships between Group Companies and customers.

The principles defined apply to the conduct of all employees and contract staff of the Group. The Policy applies directly in Banca Mediolanum and is sent for adoption, in accordance with the principle of proportionality and taking into account local regulations and specific characteristics, to all Companies belonging to the Mediolanum Group.

The Board of Directors is the strategic supervisory body that monitors compliance with the laws, regulations and the articles of association, proper administration and the adequacy of the Bank's organisational and accounting structures, and is an integral part of the overall internal control system. It aims to ascertain the effectiveness of all the structures and functions involved in the control system and the adequate coordination of these, promoting corrective measures for any shortcomings and irregularities detected, including in terms of customer protection. The Compliance Department is responsible for preparing and updating the Policy.

The Group continuously bases its strategic and operational decisions on the principle of full compliance with regulations. This principle underlies the way in which governance and leadership structures and management, commercial and control processes have been defined. In general and, therefore, regardless of the specific type of product and/or service in question, the information provided during any form of dialogue with customers must be expressed in a clear, understandable and accessible manner, taking due account of the level of financial literacy of the customers to whom they are addressed and, in general, the accessibility and transparency requirements stipulated by current legislation.

The Mediolanum Group has placed customers at the heart of its value system, aiming to ensure their well-being and supporting them in fulfilling their aspirations, through a deep understanding of their needs. In order to ensure that all corporate behaviours are fully consistent with the values and Mission of the Group, they must always be based on the principles of transparency, loyalty, diligence and propriety. The interests of stakeholders are taken into account through a process of indirect customer engagement, as well as through the implementation of safeguards and controls to intercept incorrect conduct and ensure that the information provided is clear, understandable and accessible.

IRO: Protection of customers' freedom of expression through effective whistleblowing/complaint systems

Complaints Management Policy

In accordance with the applicable legislation in the banking and financial area, Banca Mediolanum has adopted a structured and codified process for the handling of customer complaints, aware that the complete satisfaction of its customers, in addition to being a priority element of its strategy, constitutes an important factor in the development and dissemination of a consistent corporate image within its core market. This process is formalised in the Complaints Management Policy, the last update of which was approved in 2023. The complaints management process is aimed not only at complying with current regulations, but also at obtaining important information for the continuous improvement of customer services and business processes.

The Bank adopts and applies procedures for handling complaints that ensure prompt and exhaustive responses, promote the resolution of critical issues identified on the basis of complaints received and safeguard the quality of customer relationships. Adequate oversight of this process is an essential factor in the improvement of the activities and services offered, as well as the customer's relationship with the intermediary and its staff.

The document in question applies to the management of complaints addressed to Banca Mediolanum in its role as a banking, financial, insurance and pension intermediary, including, with regard to insurance brokerage activities, complaints relating to the conduct of the Bank's employees and contract staff.

The control activities relating to the complaints management process consist of first, second and third-level controls (see S4-4 DP 31d for further details).

The Policy is directly applied by Banca Mediolanum and is sent to the Companies of the Mediolanum Banking Group to which the regulations contained in the Policy are applicable, so that they can adapt their internal regulations, based on the specific nature of each one, and on the proportionality criteria. The document is also sent to Mediolanum Vita, the Parent Company of the Mediolanum Insurance Group, so that, likewise, it can adapt the internal regulations of the Insurance Group with the same attention as mentioned above for the Banking Group. Similar procedures have been put in place for the Group's non-Italian Companies to ensure the correct handling of any complaints received, and to provide regular reports to the Parent Company.

The document is approved by the Board of Directors of Banca Mediolanum and is communicated to and applied, to the extent of its competence, to/by all organisational units, to/by its employees and contract staff.

The updating and review of the document is the responsibility of the Disputes, ADR and Claims Section within the Corporate & Legal Affairs and Disputes Department. The Corporate & Legal Affairs and Disputes Department is responsible for all legal and judicial matters that involve the Company (including, but not limited to: the handling of summons, appeals, citing of third parties, complaints, suits/actions, citing of a civilly liable person in criminal proceedings) as the result of a complaint. With regard to this activity, the Department, which includes the Complaints Office within its Disputes, ADR and Complaints Section, provides support through its other Sections and/or Offices, also in relation to the periodic reporting required.

The main legislative and regulatory references on the handling of complaints used to prepare the document are the EBA/ESMA/EIOPA Guidelines "Guidelines for complaints-handling for the securities (ESMA) and banking (EBA) sectors" of 27 May 2014; the EIOPA Guidelines on Complaints Handling by Insurance Intermediaries (EIOPA BoS-13/164 [T]); ISVAP Regulation No. 24 of 19 May 2008 as amended; the COVIP Resolution of 4 November 2010: "Instructions for the handling of complaints"; the Regulation for Intermediaries adopted by CONSOB Resolution No. 20307 of 15 February 2018; and the Order of the Bank of Italy of 29 July 2009 as amended, concerning "Transparency of banking and financial transactions and services".

Actions

[S4-4 DP 30]

IRO: Customer satisfaction through effective engagement and listening to feedback

In December 2024, in collaboration with the BVA-Doxa research institute, Banca Mediolanum carried out a market survey in Italy involving 1,268 "Prima Banca" customers of Banca Mediolanum, by means of CAWI (Computer-Assisted Web Interviews) (i.e. online interviews on a structured questionnaire lasting approximately 20 minutes).
At the same time, a similar sample was built on a BVA-Doxa panel interviewing customers of competitor banks. The reference market sample consists of 2,318 individuals interviewed on their "First Bank". The results confirm the level of overall satisfaction recorded in the previous year, with performances above the market average also for 2024.
The results of the study are shared with Senior Management and the various areas concerned in order to encourage an in-depth discussion of the findings. Any initiatives or actions taken in response to the results of the analyses are the responsibility of the respective areas of competence. At present, there is no formalised process for monitoring the actions undertaken.

	"First Bank" current account holder Banca Mediolanum			"First Bank" current account holder Total market		
	Total	Women	Men	Total	Women	Men
Customer satisfaction index[55]	84.9	85.95	84.19	71.31	71.46	71.19
Overall satisfaction	84.95	86.32	84.09	71.73	72.24	71.31
Satisfaction compared with expectations	83.73	83.94	83.60	70.07	69.82	70.27
Satisfaction compared with other banks	86.36	87.77	85.50	72.27	72.66	71.95

Banco Mediolanum also carries out annual surveys to measure the overall satisfaction of its customers both internally and by relying on a specialised company (Stiga) that also allows a comparison with the level of satisfaction of customers of other banking institutions.
In 2024, 7,603 customers responded to the internal survey and 7,792 customers responded to Stiga's survey.
In addition to the general survey to measure overall satisfaction, specific surveys are also conducted of: customers that have not made transactions in the six months following subscription; customers that have made a disinvestment equal to or greater than 50% of their assets under management; satisfaction with and recommending of the mortgage granting process; satisfaction with and recommending of the loan granting process; satisfaction with and recommending of the process of domiciliation of bills; and satisfaction with and recommending of the succession process.

[55] Source: Customer Satisfaction Survey 2024, carried out in collaboration with the BVA-Doxa Institute Interviews in CAWI mode (online questionnaire) carried out in December 2024.

[S4-4 DP 30 c]

With regard to further customer engagement initiatives carried out in 2024, please refer to the section entitled "Customer engagement processes".

[S4-4 DP 3l d]

The results of the survey are shared with Senior Management and the various areas concerned in order to encourage an in-depth discussion of the findings. Any initiatives or actions taken in response to the results of the analyses are the responsibility of the respective areas of competence. At present, there is no formalised process for monitoring the actions undertaken.

[S4-4 DP 30; 3lc]

IRO: Assurance of the quality and usability of the offering thanks to accessibility of information

The Mediolanum Group is committed on a daily basis to seeking out products and services that prioritise the protection and centrality of people. The basis for improving the customer experience is therefore the constant search for innovation, quality and usability of the offering.
In 2024, a major project initiative continued, having been launched in 2023, aimed at implementing accessibility on the digital channels used by customers, based on a new design system with a "mobile first" approach that can also support the web channel. "Accessibility" refers to the ability of information systems to provide services and information that can be used without discrimination, even by those who need assistive technologies due to functional limitations.

This approach, as well as being compliant with the most recent regulations and best market practices on accessibility, is intended to offer an experience of using digital channels that is increasingly recognisable, consistent and inclusive, in line with Banca Mediolanum's values. In particular, in view of the transposition of European legislation by Legislative Decree No. 82 of 28 June 2022, implementing Directive (EU) 2019/882 on the accessibility requirements for products and services, during 2024 Banca Mediolanum continued the adjustment process as provided for, in continuity with the provisions of the Stanca Law (Law 4 of 9 January 2004) on digital accessibility. In this regard, after an initial phase of analysis and rationalisation of the scope of intervention, the activities envisaged by the document accessibility project were launched to adapt the communication models made available to customers in digital mode. Given the wide range of documents and communications managed within Banca Mediolanum and by the Group Companies through various production and dissemination processes, it became necessary to identify many different solutions for adaptation to accessible modalities, initiating a progressive conversion and/or production plan. In 2024, all project activities aimed at developing Banca Mediolanum's digital channels were also initiated or completed.
Legislation with similar aims and requisite safeguards is also being implemented (the European Accessibility Act), also in the European Community. However, the EU legislature, probably aware of the significant economic, IT and operational impacts, considered it appropriate to provide for the entry into force of these provisions in the European Community by 28 June 2025. The activity of transposing the instructions of the EU regulations also concerns Banco Mediolanum, which, since 2023, has been working to develop all of its channels (including digital channels) aimed at the end-customer to this end.

This initiative is of primary importance to the Group because, while it meets a need for regulatory compliance, it is part of the process outlined in the Sustainability Plan and represents an opportunity to reach certain groups of customers potentially interested in accessing the services offered by the Bank.
Banca Mediolanum reported compliance with the regulations on its websites and mobile applications on 5 November 2022, also providing an adaptation roadmap for the adoption of the necessary measures to achieve full compliance of all digital touch points for customers. In this regard, the adjustment process defined by Banca Mediolanum is in line with the orientation of the other main banks. In fact, in 2024, the Bank also actively participated in the interbank task force established on these issues at the associative level. As part of this task force, ABI has had the opportunity to represent to the Authority the significant complexities in implementation that characterise the banking sector.
Lastly, with the support of ABI, Banca Mediolanum set up a specific dialogue and discussion group with the main representative bodies of persons with functional limitations already involved in ABI working groups, including:

- UICI Onlus: Unione Italiana dei Ciechi e degli Ipovedenti (The Italian Union of Blind and Visually Impaired Persons);
- ENS: Ente Nazionale per la protezione e l'assistenza dei Sordi (National Body for the Protection and Assistance of Deaf Persons);
- FIABA Onlus: Fondo Italiano Abbattimento Barriere Architettoniche (Italian Fund for the Removal of Architectural Barriers)
- Fondazione LIA: Libri Italiani Accessibili (Accessible Italian Books);
- Fondazione ASPHI Onlus: Associazione per lo sviluppo di Progetti Informatici a favore di persone con disabilità (Association for the Development of Computer Projects for People with Disabilities).

In addition to establishing relations with such associations, in 2023 the Bank also signed up to the European Disability Charter, an agreement that renews every year and that entered into force in January 2024. This group was established in order to identify and correctly interpret people's needs, in order to direct the Group's projects towards the topics prioritised for these types of customers, also in order to intervene effectively to meet any related needs, thereby reducing any reputational risk and facilitating compliance with the regulations.

During 2024, the accessibility adaptation of the Group's public sites continued: in addition to the Banca Mediolanum sites (which account for over 90% of access to all the Group's public sites), the following sites were adapted: Mediolanum Gestione Fondi SGR., Mediolanum Vita, Mediolanum Assicurazioni, Prexta and Flowe - SB (already being worked on in 2023), the websites *mediolanumprivatebanking.it* (in which the content relating to Mediolanum Fiduciaria is also included) and *mediolanuminvestmentbanking.it*. The adaptation of the Group's remaining public sites and other channels used by customers, currently under way, will be completed as part of a progressive transformation plan, which will end in 2025. As part of the adaptation of the communication channels, during 2025 the process of signing contracts in digital form will be made accessible, including through the Family Bankers.
With respect to the Spanish Companies, the regulations on accessibility will enter into force from 2025 and, as a result, all channels will be modified to ensure proper accessibility for all users. The EAA (European Accessibility Act) sets out minimum accessibility requirements across the EU for a range of products and services, including those offered by banks, in order to strengthen the rights of people with disabilities. In fact, since 2023, Banco Mediolanum has been working on the development of all its channels (including digital channels) aimed at the end-customer, in order to comply with the standards indicated in the European EAA Directive.

In Italy, the Customer Banking Centre provides qualified, extensive assistance in the form of information and/or practical measures for the Bank's customers, via approximately 443 operators, assisted by two external partners. During 2024, the Customer Banking Center provided support to 757,235 customers by telephone or in writing (i.e. chat and/or email), obtaining a very high level of satisfaction for the service provided, in line with previous years, with an average score of 3.7 (scale of 1 to 4).

The development of a new routing system, released in December 2023 and aimed at distributing calls more efficiently and enhancing the callback service, has improved performance by increasing the percentage of managed contacts. Various internal process optimisation measures, in addition to the new routing system, have reduced average customer response times.

With regard to banking products and services, in 2024 Banca Mediolanum also invested in digitisation in order to meet the new needs of its increasingly smart and digital customers. In 2024, it also continued with the process of improving banking products and services relating to sustainability, extending the monthly limit for withdrawal and payment of the Mooney service, which allows customers to withdraw and/or pay cash at affiliated stores. The service is part of a digital and green-oriented development plan, using the application of Banca Mediolanum as the only platform through which the customer can operate. It also reduces cash management costs, including in terms of environmental sustainability and supply chain (e.g. CO2 reduction due to the transportation of ATM refilling/emptying staff).

The extension of the limits for the use of the service has responded to the need of the Sales Network and target customers to have greater possibilities and opportunities for use in cash management, particularly for the payment service, which is especially appreciated by users of the service. Thanks also to the extension of the limits, the use of the Mooney service recorded a monthly increase (+10%) during the year in terms of the number of transactions and especially in the geographical area where cash is most present. The service also contributes to meeting basic transactional needs, which to date are not always met by banks due to the rationalisation of bank branches, which leaves customers without a physical reference for basic banking transactions. Therefore, the Mooney withdrawal and payment service is constantly evolving; further developments and extensions in terms of the usability of the service are also being assessed for the future, in order to respond increasingly to the needs of customers and the Sales Network.

With regard to credit products in 2024, the digital financing offering has increased further. In fact, with regard to the Selfy PayTime product, which allows current account movements to be divided into instalments by granting one or more loans, the maximum amount payable has been increased to €5,000 (compared with €2,500 previously) and the maximum duration has been increased to 60 months (compared with 48 months previously). The request for division into instalments is made by the customer directly by application and the outcome and the related granting are "instant". During the subscription process, all the information about the product and the pricing applied is provided to customers, enabling them to make an informed choice. In September 2024, with the aim of progressively increasing accessibility to Banca Mediolanum credit, a new type of preferential loan was introduced.

Mediolanum Special Care is a loan dedicated to dependent persons to finance the costs of those who need assistance, care or special equipment. The purpose of this loan is to purchase goods or services to improve accessibility in daily life, such as mobility aids (e.g. wheelchairs or crutches), work to remove architectural barriers (e.g. the installation of ramps or environmental adaptations) or technological support devices (e.g. screen readers or hearing aids). Caregivers may also request a loan if it is intended to support the expenses of the dependent person. A total grant target of €3 million has been set for 2025.

[S4-4 DP 3Id]

The effectiveness of actions and initiatives undertaken on credit products is tracked and assessed through a process that includes periodic monitoring aimed at verifying customer satisfaction, in full compliance with the POG (Product Oversight and Governance) regulations.

One key element in measuring the effectiveness of the initiatives is customer satisfaction questionnaires, regularly administered to customers taking out loans. These tools enable the gathering of feedback both on the actual satisfaction of the need for which the product was taken out and on the overall customer experience during the application process.
In the case of Selfy PayTime, a specific survey was carried out one year after the launch of the product which showed a high level of approval, with positive satisfaction in 94% of cases.
Thanks to these tools and practices, the Mediolanum Group ensures that the initiatives implemented are effective and that they continue to produce positive results for consumers, responding in a way appropriate for their needs and expectations.
In general, regular checks are carried out on the products being placed, both through the production of dashboards and reports, subsequently shared internally, and through "official" documents required by law (e.g. product governance) in which, due to critical issues or indicators deemed significant, detailed analyses are carried out and possible recovery actions are provided.

[S4-4 DP 30; 3Ic]

IRO: Protection of customers' freedom of expression through effective whistleblowing/complaint systems

During 2024, the Complaints Office carried out periodic activities according to its responsibilities. In particular:

- the annual publication on the website, in the complaints section, of the report on complaints handling activities, which summarises the data and types of reports received by the undertaking, as well as their outcome and the main actions taken in response to the matters that arose;
- the provision of periodic and ongoing training initiatives aimed at providing up-to-date knowledge of tasks, duties and new regulations relating to its duties. In particular, in 2024, the training plan included the following initiatives:
    - IVASS update;
    - two training sessions with the support of an external law firm;
    - five internal training meetings;
- analysis of the reasons underlying the complaints to improve customer service and, where appropriate, launching improvement activities, in addition to monitoring those already launched. The results of the analyses are reported specifically to the corporate bodies.

The analysis of complaints received as at 31 December 2024 took account of all complaints received in writing, by fax, letter, email, certified electronic mail (PEC), telegram or other permitted form, from customers or potential customers (prospects) of the Group, in relation to banking and investment services and insurance intermediation provided by the Group. During 2024, the Mediolanum Group received a total of 6,017 complaints, in line with the figure for 2023 (6,002): of these 5,725 were "processable" and 292 "non-processable" (i.e. complaints that do not identify the complainant or the product subject to the complaint), as they lack the essential information to be adequately handled. The number of "reopened" complaints (i.e. for which customers did not consider the response received in the first instance to be satisfactory) was 572 (-24% compared with 2023), of which 540 were "processable" and 32 were "non-processable". The channel most used by customers to send complaints was email, used in around 46% of cases. Of the 6,017 complaints received, approximately 93% were addressed to Banca Mediolanum, Banco Mediolanum, Flowe and Prexta.

ABF and ACF appeals

In 2024, 121 appeals were received from the Banking and Financial Arbitrator (ABF), 75 of which related to Banca Mediolanum and 46 of which related to Prexta, for a total *petitum* of €1,119,563.00 (of which €1,069,338.00 related to Banca Mediolanum and €50,225.00 to Prexta).
During the same period, 120 cases were resolved, including 79 referring to Banca Mediolanum, 40 referring to Prexta and 1 referring to Flowe.
With regard to the Bank, 28 orders entailed a disbursement of €63,894.00; with regard to Prexta, 34 orders entailed a disbursement of €22,881.00.
In 2024, 21 appeals were also received from the Arbitrator for Financial Disputes (Arbitro per le Controversie Finanziarie or ACF) for a total *petitum* of €635,372.
Finally, 17 cases were resolved during the same period, 16 of which related to Banca Mediolanum and 1 to Mediolanum Gestione Fondi; 13 orders, relating to the Bank, entailed a disbursement of €90,072.00.

Banco Mediolanum provides customer support services in order to receive and respond to complaints and requests from customers. The activity is in line with international regulations and internal policies. The Spanish Subsidiaries comply with the provisions in force on the handling of complaints, periodically collecting relevant information for the continuous improvement of services provided to customers.

In order to monitor the effectiveness of complaints handling actions, control activities are carried out on the complaints handling process, consisting of:

- first-level controls, carried out by the Litigation and Complaints Monitoring managerial support unit, which carries out line controls on complaints handling;
- second-level controls, carried out by the Compliance Function, at least once a year, assessing: the overall situation of the complaints received; the decisions of the Banking and Financial Arbitrator and the judicial authority that have resolved in favour of customers matters that are the subject of previous complaints considered unsubstantiated; the main critical issues arising from the complaints received and the adequacy of the procedures and solutions adopted;
- third-level controls carried out by the Internal Audit Function, which analyses the risks associated with a complaints handling process that is inadequate or incorrectly implemented by the structures in charge.

[S4-4 DP 37]

The departments of the Italian Companies responsible for managing the aforementioned impacts with reference to "access to high-quality information" are:

- the Communication, Bank Marketing and Digital Channels Department with regard to "Assurance of the quality and usability of the offering thanks to accessibility of information";
- the Service, Operations & ICT Department and the Corporate & Legal Affairs and Disputes Department, with regard to "Protection of customers' freedom of expression through effective whistleblowing/ complaint systems";
- the Investment and Insurance Services Department, the Market e-Business Intelligence Unit and Market Research Office with regard to "Customer satisfaction through effective engagement and listening to feedback".

As regards the Spanish Companies, they are respectively the Dirección de Organización/Organisation Department, the Departamento de Asesoría jurídica y asesoría fiscal/Legal and Tax Advisory Department and the Dirección Strategic Marketing & Business Development/Strategic Marketing & Business Development Department.
In general, the structure is considered adequate in terms of number and professionalism. This professionalism is ensured over time, partly due to continuing professional development, including, inter alia, participation in annual

training initiatives organised as part of the Bank's broader training offering to all its staff. Staff employed in the Office are given specialist training to deal with matters relating to the specific activity carried out.

Objectives

[MDR-T DP 8I b]

IRO: Customer satisfaction through effective engagement and listening to feedback

Currently, the Group has not set measurable objectives, since the number of surveys and the specific details of each project are determined from time to time, according to the needs and modalities of the research. However, a performance analysis of customer satisfaction is provided with a historical depth based on more than 10 years of data (first collected in 2012), which acts as a monitoring tool, in order to provide the relevant structures with evidence and suggestions.

[MDR-T DP 8I b]

IRO: Assurance of the quality and usability of the offering thanks to accessibility of information

With regard to policies and actions on accessibility of information, no measurable targets have been set. The Group regularly monitors the above actions through dedicated reports and monitoring of qualitative and quantitative indicators related to the various actions.

[MDR-T DP 8I b]

IRO: Protection of customers' freedom of expression through effective whistleblowing/complaint systems

With regard to complaints, the Group Companies undertake to comply with the management times established by current legislation. Compliance with the deadlines established by law is regularly monitored and, in 2024, no significant phenomena were detected that should be reported in this regard.
The Group Companies aim to provide comprehensive responses and limit as much as possible the number of "re-openings", i.e. complaints re-opened at the request of customers not satisfied with the feedback received.
In addition, for each individual complaint, the Office takes all steps to resolve the individual problem to which the complaint relates. If this anomaly has an impact, even only a potential impact, on other positions, the necessary measures are taken.

3.4.4 Access to products and services

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Access to products and services			
Contribution to customers' financial education, generating a positive socio-economic impact in the communities where we operate	Actual positive impact	Downstream value chain	Long term
Contribution to the dissemination of virtuous customer behaviour on ESG matters through awareness-raising and the promotion of sustainable products	Actual positive impact	Downstream value chain	Medium term
Facilitating access to credit for specific customer targets (e.g. young people, female entrepreneurs, etc.)	Actual positive impact	Downstream value chain	Medium term

Increase in the Mediolanum Group's market positioning towards non-profit/social economy operator targets	Opportunities	Downstream value chain	Medium term
Risk of distribution of banking products/services not in line with internal sustainability guidelines	Risk	Downstream value chain	Short/medium term
Distribution risk and monitoring of investment and insurance products/services not in line with the Mediolanum Group's Sustainability Policy	Risk	Downstream value chain	Short/medium term

The Group's approach and policies

The Mediolanum Group places the social inclusion of customers at the centre of its vision, including accessibility, quality and sustainability as guiding principles in the provision of products and services. The Group has implemented major social inclusion initiatives aimed at directly supporting households and individuals in order to ensure more widespread and sustainable access to credit through non-profit companies and dedicated programmes. The Group is also committed to conducting training activities outside the organisation designed to develop financial knowledge and skills and a safe and responsible approach to the world of finance.

In addition to the Code of Ethics, the Code of Conduct and the Sustainability Policy, which set out its approach and general guidelines, the main policies for managing the impacts related to "access to products and services" are the Banca Mediolanum Community Support Policy, the Product Sustainability Policy and the Financial Products Distribution Policy.

[S4-1 DP 15]

IRO: Contribution to customers' financial education, generating a positive socio-economic impact in the communities where we operate

The Group's main policies on sustainability and business conduct set out specific commitments on financial inclusion, including the Mediolanum Group's Sustainability Policy and the Code of Ethics (cf. ESRS GI-1 Corporate culture and business conduct policies for further details on the minimum reporting requirements of the Policies). In particular, within the Code of Ethics, "responsibility" with regard to the commitment to solidarity and to education and development projects is one of the key principles of the Group's value system.

In addition, within the Banca Mediolanum Community Support Policy, (see ESRS S3-1 Policies related to affected communities for further details on the minimum reporting requirements of the Policies) the Group is committed to facilitating financial inclusion and promoting training activities aimed at developing a safe and responsible approach to finance.

IRO: Contribution to the dissemination of virtuous customer behaviour on ESG matters through awareness-raising and the promotion of sustainable products; Risk of distribution of banking products/services not in line with internal sustainability guidelines; Risk of distribution and monitoring of investment and insurance products/services not in line with the Group's Sustainability Policy

As part of the broader Mediolanum Group Sustainability Policy, Banca Mediolanum incorporates the sustainability dimension of products into its processes through dedicated policies, including, but not limited to, the Product Sustainability Policy and the Financial Product Distribution Strategy Policy (cf. ESRS E1-2 Policies on climate change mitigation for further details on the minimum reporting requirements for the Policies).

Banca Mediolanum operates as a manufacturer and distributor and, in exercising both roles, acts in such a way that environmental, social and governance factors are taken into account throughout its "production process": from the conception and design phase, to creation and release, and after-sales management, when the customer uses the product/service. This is reflected, for example, in the following guidelines:

- paying attention to transparency and the clear communication of the product/service conditions in order to make customers' choices as informed as possible;
- overseeing sales processes and the associated risks;
- increasing the range of sustainability-focused products over time.

In addition, the Bank's entire offering is continuously monitored to ensure that the sustainability positioning of products maintains an adequate level of quality over time.

IRO: Facilitating access to credit for specific customer targets (e.g. young people, female entrepreneurs,etc.); increase in the Mediolanum Group's market positioning towards non-profit/social economy operator targets

Financial inclusion is a key tool for improving economic stability, reducing inequality and promoting individual and collective well-being. With this awareness, the Group supports people in difficulty through the creation of dedicated products and services, as well as through the presence of Family Bankers on the ground and the availability of digital tools for customers' self-management of their finances.
The Group's main policies on sustainability and business conduct set out specific commitments on financial inclusion, including the Mediolanum Group's Sustainability Policy and the Code of Ethics (cf. ESRS GI-1 Corporate culture and business conduct policies for further details on the minimum reporting requirements of the Policies). In particular, within the Code of Ethics, "inclusion" in decisions that affect relations with stakeholders (including which customers to serve) is one of the key principles of the Group's value system.
Lastly, the Product Sustainability Policy (cf. ESRS EI-2 Policies on climate change mitigation for further details on the minimum reporting requirements of the Policies) indicates as a key guideline in taking into account environmental, social and governance factors throughout its "production process" the creation of inclusive and accessible products and services.

Actions

[S4-4 DP 30]

IRO: Contribution to customers' financial education, generating a positive socio-economic impact in the communities where we operate

With regard to the impact linked to customer financial education, during the year the Group continued its commitment to various projects aimed at disseminating financial topics for existing and prospective customers. In particular, in 2024, the Financial Education project was launched, with the objectives of:

- disseminating the important matter, of great social value, of increasing the financial, insurance and social security knowledge and skills of an (initially) indistinct public, by offering content that is consistent with the Group's identity and values;
- being increasingly active in relation to increasing awareness of the market, bodies, institutions and trade associations;
- supporting the daily work of the Family Bankers with dedicated editorial content, including to support them.

In the first few months of the year, a new section on financial education was created in the sustainability section of the bancamediolanum.it website. The articles, which are informative, along with the glossary entries, were accessed by 93,050 people.

The project evolved in November with the release of a new blog on the subject, where more technical and traditional articles are accompanied by people's real stories, in order to convey concepts and notions in financial education through concrete examples related to life experiences. The blog's content was accessed by 7,445 people, who spent an average of 1.15 minutes on the Banca Mediolanum website. The new phase of the project involved increasing the involvement of the Bank's people, both as a source of content and as active support in the development of published articles and narrative pathways.
All the content has been produced in collaboration with ABI's Foundation for Financial Education and Savings (Fondazione per l'Educazione Finanziaria e al Risparmio or FEduF), with which the Group worked throughout the year.

In addition, in the area of protection, to which Banca Mediolanum pays particular attention, a scientific and informative social event, entitled "Costruisci il Tuo Futuro"("Build Your Future") took place, organised by Banca Mediolanum in collaboration with accredited partners and guests and streamed on the Bank's social channels in October. The aim of the event was to reaffirm the importance of protection as the basis of wealth planning that supports the achievement of customers' objectives at all stages of their life cycle.

Lastly, as of January 2025, a series of formats, designed and conceived on the basis of the survey carried out in March 2024 in collaboration with the research institute BVA-Doxa, entitled "Il mondo finanziario al femminile" ("The World of Finance from a Female Perspective"), on the knowledge of the financial world of female customers, will be available in the catalogue of events that can be requested from the Sales Network. The survey revealed specific needs, in particular the need for in-depth analysis of financial education, public speaking and empowerment, which will be the main themes of the dedicated events.

During the same period, Banco Mediolanum focused on creating content for the Company's blogs and social profiles aimed at improving the financial education of customers and savers. In particular, in 2024, 89 publications (more than 7 publications per month) were published on its social networks and 19 articles related to financial education were published on the blog CuálesSonTusMetas (about one every 3 weeks).
The scope of the topics covered regarded, for example, assistance with tax returns, explanations of concepts such as volatility and diversification, warnings on errors in the management of personal finances and explanations of the impact of our biases on financial decisions.

[S4-4 DP 3l c]

Mediolanum Magazine, with a total of 7,374,153 distributed, has also increased its use of multimedia content to encourage access by customers and introduced new areas for in-depth analysis: since November 2024, one section has been dedicated to COSACONTA, Banca Mediolanum's financial education blog, and another section to the promotion of the Bank's social media channels, which reserve a monthly post for the magazine. In general, Mediolanum Magazine covers topics such as economics and finance, major events, solidarity initiatives and advances in new technologies, as well as promotions and banking services specifically dedicated to the target indicated. The magazine's email opening rate is around 31%, in line with the industry business and finance benchmark.

[S4-4 DP 3l d]

The results of Banca Mediolanum's financial education activities, monitored by the Communication, Bank Marketing and Digital Channels Department, are tracked by means of analytics that measure how many people enjoy content on the digital platforms and in what way. In addition, market surveys (Doxa) are implemented in order to learn about consumers' perceptions of the attention that the Mediolanum Group places on the specific issue of financial education.

IRO: Contribution to the dissemination of virtuous customer behaviour on ESG matters through awareness-raising and the promotion of sustainable products

[S4-4 DP 30]

With regard to the impact linked to the Group's contribution to the spread of virtuous customer behaviour on ESG matters, during the year the Group's commitment consisted of a combination of raising awareness and promoting sustainable products.

Family Bankers are central to the dissemination of virtuous customer behaviour on ESG matters. In this regard, the Sales Network in Italy is offered, on a voluntary basis, a training course for EFPA certification at the ESG level. In the reporting year, the number of Family Bankers in Italy with EFPA ESG certification was 311.

In addition, events specifically related to sustainability matters were organised in the region in 2024, involving customers, Family Bankers and other persons interested in the matters addressed.

The Sustainability section of Banca Mediolanum's website, contained in the Corporate area of the website (*https://www.bancamediolanum.it/corporate/sustainability*), is an integrated communication tool that describes the Bank's overall approach to sustainable development, with the aim of informing stakeholders and the public about initiatives relating to social, environmental and economic responsibility and promoting dialogue with communities.

The main areas are corporate Policies, certifications, manifestos, initiatives and projects and reports, as well as the sustainability reporting of the Mediolanum Group, providing a complete overview of the concrete actions undertaken and of Banca Mediolanum's future commitments.

In order to integrate ESG values into customer relations, an initiative is in place to send a gift on the occasion of the birthdays of the Bank's best customers.

The supply of such gifts is renewed and selected on an annual basis, also on the basis of the quality characteristics of the product and the presence of a virtuous production chain for the product, as well as any values conveyed by the relevant message, where present. In fact, in the tender for the assignment of the supply, values shared with Banca Mediolanum, i.e. that present a version of social and environmental sustainability, for example through the use of innovative and high-quality raw materials, can be identified for every participating supplier.

To create the packages, we tend to favour 100% Made in Italy artisan products, the use of zero km raw materials and recyclable materials such as glass and paper, avoiding the use of plastic, rather than packaging that supports successful entrepreneurial projects.

In 2024, in particular, the products of the following were also selected:

- start-ups of excellence, thus supporting the businesses of young entrepreneurs who have had support in pursuing research in the food sector;
- suppliers that in turn supported a joint project, transferring part of the proceeds to a non-profit company.

[S4-4 DP 31 c]

Specific surveys are conducted to check customer satisfaction with the gifts received from Banca Mediolanum. In support of the choice, a BVA Doxa survey is periodically carried out to learn about the level of appreciation of the gifts delivered, as well as customer preferences in terms of product category. The results of the last survey in 2024 are as follows:

- 100% of respondents knew about the initiative;
- 97% welcomed the initiative (average of 9 on a scale of 0 to 10);
- 85% of customers appreciated this year's gift more than or as much as those received in previous years.

With reference to the topic of the dissemination of virtuous customer behaviour on ESG issues, thanks to awareness-raising and the promotion of sustainable products, the divestment of the Maestro Circuit was an opportunity to provide customers with more functional and advanced e-money products. For this reason, in fact, a new Mediolanum Card debit card was launched on Mastercard Circuit in May 2023, distributed to both new and existing customers, with the delivery completed in 2024.
During 2024, more than 600,000 debit cards were sent out (divided into 5 batches). The cards were sent to customers at their mailing address at no cost to them, and they were guided throughout the process by dedicated communications.
In particular, in order to raise awareness of ESG matters among customers, the debit card is made of 100% recycled PVC, a material that reduces CO2 emissions by 36% at the time of production.

IRO: Facilitating access to credit for specific customer targets (e.g. young people, female entrepreneurs, etc.)

[S4-4 DP 30; 31c]

The Group focuses its efforts on developing credit products for social purposes, aimed at ensuring real accessibility for specific customer targets (e.g. young people, female entrepreneurship, etc.). The Group's offering at 31 December 2024 is as follows:

- Mediolanum Young mortgage (Banca Mediolanum): the intended recipients of the Mutuo Mediolanum Young mortgage are young people under the age of 35, in order to encourage first-time buyers. The mortgage provides for a loan with a maximum LTV of up to 90% and an optional pre-amortisation period of two years, without the application of any increase and a progressive reduction of the spread applied, every five years, in case of regular payments. During 2024, €4.2 million of Mediolanum Young mortgages were granted, equal to 0.31% of total mortgages granted;
- Mediolanum Special Care loan: soft financing for dependent persons to finance the costs of those who need assistance, care or special equipment. The purpose of this loan is to purchase goods or services to improve accessibility in daily life, such as mobility aids (wheelchairs or crutches), work to remove architectural barriers (e.g. the installation of ramps or environmental adaptations) or technological support devices (e.g. screen readers or hearing aids). Caregivers may also request a loan if it is intended to support the expenses of the dependent person. The initiative was launched in the final months of 2024, with performance data expected to be reported in subsequent years;
- Memorandum of Understanding to favour credit repayment on the part of female victims of gender-based violence: on 23 November 2023, ABI, Fabi, First-Cisl, Fisac-Cgil, Uilca and Unisin signed meeting minutes extending until 25 November 2025 the Memorandum of Understanding to favour credit repayment on the part of female victims of gender-based violence. The aim of the Memorandum of Understanding is to support female victims of gender-based violence who are included in protection pathways, by providing the option of requesting a suspension of payment of the principal on mortgage loans and consumer loans, with the corresponding extension of the repayment plan, for a period of no more than 18 months. In 2024, Banca Mediolanum, always very focused on promoting support initiatives for people or families in difficulty, decided to adhere to the Protocol. Women on "protection pathways" for gender-based violence, duly certified by the social services of their municipality of residence or anti-violence centres or refuges, can access the measures provided for in the Protocol.

In addition, in 2024 initiatives were developed to support families in difficulty due to the increase in market rates (increased "mortgage holiday" options and mortgage and loan moratoria). Given the macro-economic context and the simultaneous rise in the Euribor between 2022 and the end of 2023, with the aim of providing customers with better solutions for managing the increase in monthly instalments, the "mortgage holiday" option was remodelled:

- for mortgages, the option was increased to up to 18 times over the entire term of the loan and a maximum of 6 times in the same year (rather than 6 repayments over the entire term of the loan and a maximum of twice per year). This change, which came into effect from 1 March 2024, affected all new mortgages granted, but also approximately 89,000 mortgages in stock, managed through a unilateral improvement for customers. During 2024, more than 64,000 instalments were suspended on 17,000 mortgages;
- for loans granted before 31 March 2022, the option of a payment holiday was introduced, allowing for the suspension of repayments once a year, up to a maximum of three repayments during the term of the loan. This change affected around 40,000 loans.

Banco Mediolanum also introduced a repayment holiday option for new floating rate loans from June 2024 and from the fourth quarter of 2024 on outstanding stock. The option provides for the possibility of skipping six repayments over the life of the loan, with a maximum of two per year, and can only be exercised from the second year (after the end of the initial period at a promotional fixed rate) exclusively by customers up to date with their repayments.

[S4-4 DP 31d]

The effectiveness of actions and initiatives undertaken on credit products is tracked and assessed through a process that includes periodic monitoring aimed at verifying customer satisfaction, in full compliance with the POG (Product Oversight and Governance) regulations.

One key element in measuring the effectiveness of the initiatives is customer satisfaction questionnaires, regularly administered to customers taking out loans. These tools enable the gathering of feedback both on the actual satisfaction of the need for which the product was taken out and on the overall customer experience during the application process.

IRO: Increase in the Mediolanum Group's market positioning towards non-profit/social economy operator targets

[S4-4 DP 33 b]

Within the framework of the 2024-2026 Sustainability Plan, the Group aims to strengthen its market positioning, with a specific focus on the targets represented by non-profit and social economy operators.

The proposed solutions cover banking, investment, protection and credit services with offers specifically dedicated to voluntary organisations, social promotion associations, philanthropic bodies and social enterprises, including social cooperatives, networks of associations and mutual aid, non-profit, civic purposes, solidarity and social utility companies, registered in the Single National Register of the Third Sector.

[S4-4 DP 30]

In order to pursue the opportunity to increase the Group's market positioning towards non-profit operators/social economy targets in 2024, the training course for Family Bankers named "The value of consultancy for third-sector entities" was created in collaboration with Mediolanum Corporate University, aimed at promoting services and products dedicated to this particular type of entity with a particular focus on credit solutions. The first two editions involving 61 Family Bankers took place in 2024. The training plan, which relies on specialised speakers in canon law, ecclesiastical asset administration and the non-profit sector, will continue in the coming years, becoming a permanent course in the Corporate University's educational offering.

In addition, Banca Mediolanum pays the utmost attention to the protection of the assets of ecclesiastical bodies, recognising the complexity of the relevant economic and financial situations and the need to collaborate with experienced professionals. The Bank is committed to offering expertise and personalised solutions through internally trained financial advisors, with the support of experts from the same ecclesiastical bodies. The solutions proposed cover banking services, investments and insurance and special attention is paid to credit solutions with specially dedicated offers. The Bank offers investment solutions in mutual funds certified in accordance with the guidelines of the Italian Episcopal Conference, working with partner Nummus (Nummus.Info is the certifying body for portfolios conforming to the guidelines issued by the Italian Episcopal Conference (CEI) and uses the research of MSCI ESG Research).

The Technical Secretariat of the Chairman's staff assists, with the support of the Wealth Management Department, the Family Bankers in meetings on national territory and continuously promotes, both through newsletters and in the dedicated community on the company intranet, products and services for the Family Bankers who have completed the specific training courses for third-sector entities and ecclesiastical bodies, with particular attention to credit solutions.

Banca Mediolanum has developed financing for voluntary organisations, social promotion associations, philanthropic bodies and social enterprises, including social cooperatives, networks of associations and mutual aid, non-profit, civic purposes, solidarity and social utility companies, registered in the Single National Register of the Third Sector (Prestiti e Fidi Mediolanum ETS), as well as a current account for voluntary organisations, social promotion associations, philanthropic bodies and social enterprises, including social cooperatives, networks of associations and mutual aid, non-profit, civic purposes, solidarity and social utility companies, registered in the Single National Register of the Third Sector (Conto Accoglienza). In 2024, loans and exposures were granted to the ETS totalling €937,400.

The latter was created in February 2023 with the aim of offering a current account alongside the current financing offering (covered by consumer credit regulations) and is intended for entities previously identified by foundations operating in the third sector sponsored by Fondazione Mediolanum EF that have an agreement in place with Banca Mediolanum, which are in a situation of financial difficulty and are therefore accessing credit. More specifically, these are low-income and/or poverty-line individuals who need credit to deal with emergency situations on which the improvement (or non-worsening) of their quality of life depends. The objective of the account is to promote the financial inclusion of these customers through a product that is simple to use and easily comparable, under preferential conditions with one free instalment and limited banking operations that can be used to manage their day-to-day life.

Since 2009, Banca Mediolanum, with the backing of the Mediolanum EF Foundation, has supported numerous diocesan foundations associated with the Consulta Nazionale Antiusura "Giovanni Paolo II" (the John Paul II National Anti-Usury Council), through agreements to grant funding in the form of social micro-credit, through the "Prestito di Soccorso" ("Emergency Loan") project. By 31 December 2024, agreements were concluded with 15 foundations throughout Italy.

771 families were also helped and the revolving ceiling provided amounted to €5,400,000, while the total amounts granted amounted to €6,827,872.

In 2024, the agreement was extended to two new foundations and nine ceilings were raised with foundations with which the operation was already in place for a total amount of €950,000; anti-usury foundations are mainly regional in nature. The Bank's strategic development plan therefore includes the intention to cover, progressively over time, all the Italian regions where these foundations operate, by entering into ad hoc agreements.

[S4-4 DP 37]

The Italian Departments responsible for managing the impacts attributable to the "access to products and services" topic mentioned above are the Communication, Bank Marketing and Digital Channels Department and the Credit Department, as well as the Technical Secretariat of the Chairman's staff, with specific reference to actions related to non-profit and social economy operators.

In general, the structure is composed of an adequate workforce in terms of the number and professionalism of the resources employed. With regard to the Spanish Companies, with reference to the above topics, the Dirección de Organización/Organisation Department and the Dirección Strategic Marketing & Business Development/Strategic Marketing & Business Development Department work in synergy.

[S4-4 DP 33 a]

IRO: Risk of distribution of banking products/services not in line with internal sustainability guidelines; Risk of distribution and monitoring of investment and insurance products/services not in line with the Mediolanum Group's Sustainability Policy

With regard to the risks associated with the distribution and monitoring of banking, investment and insurance products/services that are not in line with the internal sustainability guidelines and Sustainability Policy of the Mediolanum Group, the Compliance Function carried out, with regard to changes in the regulatory framework, both ex ante assessment and ex post control activities to oversee non-compliance risks, including those related to ESG matters and climate-related risk, with specific regard to areas that affect customers or potential customers.

[S4-4 DP 30]

With specific reference to the supervision of the IRO "Distribution risk and monitoring of investment and insurance products/services not in line with the Mediolanum Group's Sustainability Policy", the Group has adopted a series of measures:

- an Investments and Insurance ESG Committee, established as early as 2020 to support the Investment and Insurance Services Department;
- the drafting of the Financial Products Distribution Strategy Policy, in force for several years, to which the Group adheres;
- the ESG adequacy audit, which was made more efficient during 2024.

The Mediolanum Group has established the Investments and Insurance ESG Committee, which is tasked with providing support and advice in the analysis and monitoring at the Conglomerate level of the overall ESG positioning of the offer in this area, in the proposal of sustainable investment guidelines, methods for assessing ESG characteristics and any parameters that the offer has to comply with at Group level, promoting the consistency of the safeguards undertaken by the Group Subsidiaries in this area. The Investments and Insurance ESG Committee ensures that the guidelines on responsible finance and initiatives aimed at meeting regulatory requirements are correctly transposed by the Companies of the Conglomerate concerned and, through specific working groups, oversees the way in which they are implemented and monitors their consistency.

The scope of these activities includes all the Group's investments (asset management) and insurance products.

Banca Mediolanum and Banco Mediolanum, which provide customer advisory services (Financial Advisors), have introduced sustainability safeguards into their financial product distribution policies, specifying that ESG factors should be taken into account, both when selecting the product offering to be made available to customers, and continuously through the monitoring and maintenance of the offering itself.

In particular, through the ESG distribution strategy, Banca Mediolanum and Banco Mediolanum aim to:

- gain understanding of the risks and opportunities not identified by the conventional financial analysis;
- monitor the possible contribution of products to the generation of adverse impacts – significant or potentially significant – on sustainability factors.

The process for integrating sustainability considerations can dividend into the following stages:

1. analysis: assigning an ESG score (provided by MSCI ESG Research) to each investment product and assessing the positioning of distributed products based on ESG metrics. The objective is to assess the sustainable approach pursued by the management companies from a quantitative point of view;
2. monitoring: continuous verification of the ESG score of each distributed investment product, and identification, within the range, of any products with an inadequate ESG positioning in order to activate the appropriate mitigation actions.
   These safeguards help to mitigate the risk of the distribution and monitoring of investment and insurance products and services that are not in line with the Mediolanum Group's Sustainability Policy, ensuring an offering that is consistent with ESG principles. The scope of these activities includes all investment products offered to customers of Banca Mediolanum and Banco Mediolanum through the customer advisory service.
3. ESG adequacy check: Banca Mediolanum and Banco Mediolanum act as Financial Advisors and therefore provide financial advisory services to their customers.

In performing this role and in accordance with applicable legislation (MiFID II), Banca Mediolanum and Banco Mediolanum carry out the advisory process, considering sustainability in its two main phases:

- collection of investor preferences;
- verification of the adequacy of investment proposals.

In response to the most recent regulatory requests, action has been taken both to collect the sustainability preferences of customers with greater granularity, and to adapt the adequacy verification mechanism in order to comply with the quantitative thresholds determined by the customer in relation to the specific sustainability characteristics of the instruments to be included in the portfolio (e.g. the presence of sustainable investments, investment in environmentally sustainable activities, consideration of the negative effects of investments on sustainability factors). The collection of sustainability preferences and the associated adequacy verification apply to all customers of Banca Mediolanum and Banco Mediolanum who intend to invest part of their assets.

Objectives

IRO: Increase in the Mediolanum Group's market positioning towards non-profit/social economy operator targets; facilitating access to credit for specific customer targets (e.g. young people, female entrepreneurs, etc.)

[S4-5 DP 40; 41a; 41b; 41c]

The Group has defined the objective, to be pursued within the three-year period 2024-2026, to promote the increase in social credit (emergency loans, ecclesiastical bodies, special care loans and credit for third-sector entities). In particular, the objective of providing €10 million in social credit is to promote social inclusion, combat poverty and strengthen social cohesion. The objective established, defined in absolute terms, provides for a total of €10 million to be granted. This objective is precise, measurable and spread over a period of three years, with an average of around €3.3 million per year. In 2024, for example, €3.05 million were paid out, a result in line with the three-year plan. The scope of this objective includes both the direct lending activities of Banca Mediolanum and collaboration with diocesan foundations and third-sector organisations. It is aimed at specific groups, including persons in economic difficulty and non-profit organisations registered in the Single National Register of the Third Sector (Registro Unico Nazionale del Terzo Settore - RUNTS). Geographically, the initiative is spread across the entire national territory, with a particular focus on local communities and the most vulnerable

areas. The timeframe is the three-year period 2024-2026, with interim targets that enable the progress of the programme to be assessed and any corrections to be made in order to ensure the achievement of the final target. Definition of the objective is based on an accurate methodology that combines analysis of social needs, the operational capacity of the Bank and the expected impacts on beneficiaries. The data used are taken from internal studies and collaboration with foundations and associations, and are consistent with the scenarios and priorities outlined at national and European level. The objective also takes into account the local context, with a particular focus on the areas most affected by financial exclusion and the risk of usury. In the process of defining the initiatives, numerous stakeholders have been involved, including diocesan foundations, third-sector entities and local communities, whose contribution has been key in defining criteria, priorities and operating methods.

Material IRO	Target KPI	Base year and value	Current progress at 31/12/24	Target year
Facilitating access to credit for specific customer targets (e.g. young people, female entrepreneurs, etc.); Increase in the Mediolanum Group's market positioning towards non-profit/social economy operator targets	Social credit (Prestito di Soccorso and credit to third-sector entities) (Amount granted) – €10 million over three years (2024-2026)	/	€3.05 million	2026

[MDR-T DP 8I b]

With regard to the additional impacts, risks and opportunities relating to access to products and services, no further measurable and results-oriented objectives have been set. The Mediolanum Group monitors the effectiveness of its policies and actions through the use of specific qualitative and quantitative indicators; for example, monitoring indicators are used in financial education actions to assess how much the recipients are accessing participating in them. Such indicators may include quantitative data, such as site visits, figures on workforce traffic and average content usage time.

3.4.5 Responsible business practices

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Responsible business practices			
Building deep relationships based on loyalty and transparency, confirming the centrality of the "person" and his/her projects in achieving well-being objectives	Actual positive impact	Downstream value chain	Long term
Purchasing choices not consistent with real needs, influenced by unfair, misleading and/or aggressive business practices, including greenwashing or socialwashing of the products offered	Potential negative impact	Downstream value chain	Medium term
Achieving greater market share through initiatives to improve the degree of personalisation of investment plans and customer protection	Opportunities	Downstream value chain	Medium term

The Group's approach and policies

Mediolanum was created as "The Bank built around the customer" and has always placed the customer at the centre of its business model at Group level. Our strong desire to understand customer needs is based on the relationship between the customer and the Family Bankers, who, through their professionalism, support customers as they achieve their objectives. With the primary goal of the centrality of the person, relationship care and service excellence, the Group also develops its strategy, ensuring transparency, clarity of information and responsible business practices.

In addition to the Code of Ethics, the Code of Conduct and the Customer Protection Guidelines, which set out its approach and general guidelines, the main policies applied by the Group to manage impacts related to "responsible business practices" are the Policy on Transparent Banking and Financial Transactions and Services, the Policy for the Prevention and Management of the Risk of Non-Compliance with the Antitrust Regulations and Unfair Business Practices of the Mediolanum Group, the Policy for Managing Conflicts of Interest with Customers relating to the Distribution of Products and Services and the Policy for Managing Advertising Campaigns, Events and Advertising Materials.

IRO: Building deep relationships based on loyalty and transparency, confirming the centrality of the "person" and its projects in achieving the objectives of well-being; Achieving a bigger market share thanks to initiatives that provide for the improvement of the degree of personalisation of the investment plans and customer protection

[S4-1 DP 15]

The Group's main Policies on customer protection (cf. ESRS S4-1 Policies related to consumers and end-users for further details on the minimum reporting requirements of the Policy on Customer Protection Guidelines) and on business conduct (cf. ESRS GI-1 Corporate culture and business conduct policies for further details on the minimum reporting requirements of the Policies) set out specific commitments on customer protection and the centrality of the person.

The Mediolanum Group puts its customers at the heart of its business model, providing them with personalised and unique advice, with effective solutions that cover the various stages of people's lives. As also highlighted in the Group's Code of Ethics, in fact, the basis of a lasting relationship with the customer is the identification of needs, as well as their satisfaction, through an innovative and constantly evolving offer of products and services. In addition, seeking the interests of customers requires precise and in-depth customer knowledge, which can be acquired through dialogue and listening, as well as the correct identification of the investor's risk profile, which is a further aspect, also regulatory, that the Group considers very material.

Since 2018, the evolution of Banca Mediolanum's distribution model has led to a strong refocus on this matter: the integration of protection specialists for the placement of stand-alone products, first at Banca Mediolanum and also from 2020 at Banco Mediolanum, in line with what had already been achieved in the distribution of credit products and the insurance products that can be combined with them, has fostered the dissemination of a culture of protection as an integral and foundational element of asset planning. Protection, above all from major risks is, in fact, an essential condition for avoiding or at least mitigating situations of difficulty that might compromise the stability of the individual and the family, as well as their life goals and plans.

The protection offering follows the advisory approach that generally guides our Sales Network, which is naturally in line with the legislation on the placement of insurance products, based on the identification and analysis of the protection needs of acquired and potential customers.

The protection insurance offering is mainly dedicated to protecting against major risks and, in order to respond more appropriately to the specific needs of customers, provides a high personalisation component in terms of cover, limits, duration and options for the free splitting of premiums. The commitment to provide dedicated solutions is also demonstrated by the continuous efficiency of products, including through the expansion of the range where necessary, and of processes.

The ambition on the topic of sustainability is inherent to protection, and some cover offers significant levels of support in particular situations of vulnerability of the individual, such as the death of a loved one who is also earning income (also providing for anticipation of the benefit, particularly favourable in the case of minor beneficiaries), or serious illness or disability due to accident and illness, or lack of self-sufficiency (also with psychological assistance to caregivers), which is accompanied by the need for care and assistance when the ability to produce income of the person suffering from the loss is lost, or the reimbursement of medical and health expenses, including for cancer treatment, and for the entire life of the insured (with premiums independent from changes in age).

The Bank's attention to the need to support persons experiencing situations of serious difficulty was expressed in 2024, in continuity with previous years, also with its adherence to the Cause Related Marketing initiative, which involves the donation to selected charities of a financial contribution for each contract signed relating to a selection of products, including the Mediolanum Capitale Salute policy for protection. For the year 2024, contributions were donated to support the constructive reintegration into society of individuals, especially minors, who have experienced serious difficulties.

The same purpose of support also drives the Insurance Companies in enhancing the efficiency, if necessary, of solutions and processes, in order to be able to intervene even more promptly and effectively in favour of customers if events occur that result in particularly significant human and economic distress, such as, for example, the catastrophic and increasingly frequent atmospheric events that, especially in recent years, have plagued our national territory.

Banca Mediolanum's interest in building an offering that is increasingly aimed at protecting and prioritising people is clearly demonstrated by its independent commitment since 2020 to carry out an annual ESG scoring for products other than financial products, including non-life insurance products. The need to report on and quantify specific elements of the offering and the processes contributes to the development of a growing internal awareness and, consequently, to an ever-more active and concrete focus on the implementation of responsible business practices.

IRO: Purchasing choices not consistent with real needs, influenced by unfair, misleading and/or aggressive commercial practices, including greenwashing or socialwashing of the products offered

[S4-1 DP 15]

Policy on Transparent Banking and Financial Transactions and Services

The transparency provisions covered by the Policy on Transparent Banking and Financial Transactions and Services, the last update of which was approved in 2022, apply to the offering of banking and financial products at each stage of the relationship between the Bank and the customer: the pre-contractual stage, i.e., before the contract is signed (pre-contractual documents, dissemination of indicators of total costs, prevention of disputes through organisational controls), the stage of entering into the contract (summary document, form of contracts) and the post-contractual phase, i.e., the fulfilment of the relationship between intermediaries and customers (periodic communications, management of the relationship).

The contents of the document and its subsequent updates are examined and approved by the Board of Directors of Banca Mediolanum.

The provisions on transparency apply, unless otherwise provided, to all transactions and services governed by Title VI of the Consolidated Banking Act of a banking and financial nature offered by intermediaries, including outside of branches (indirect sales channel) or through "remote communication techniques".

The rules on the transparency of banking and financial transactions and services are in addition to the regulatory sources of other areas of the law that regulate the subject of transparency and fair conduct towards customers, such as those relating to the offering of investment services, governed by the Consolidated Finance Act (TUF), or insurance products (Private Insurance Code) or the provisions contained in the Consumer Code.

In particular, the Policy aims to:

- frame the principles and rules of conduct to ensure the substantive, as well as formal, fulfilment of the applicable provisions;
- provide guidelines for the operational fulfilment of legal and regulatory obligations and the internal provisions laid down by the Bank;
- define the roles and responsibilities of the main Functions involved in the activities of applying the rules on transparency, information flows between actors and the Board of Directors, responsibility for the document, the scope of application of the Policy and the covered persons.

The Policy is circulated and made available to the company through publication on corporate platforms.

Policy for the Prevention and Management of the Risk of Non-Compliance with the Antitrust Regulations and Unfair Business Practices of the Mediolanum Group

The Policy, the last update of which was approved in 2024, describes the principles for preventing and managing the risk of non-compliance with the antitrust regulations defined for the Mediolanum Group and aims to define, as for other non-compliance risks, the principles for preventing and mitigating the risk of incurring legal or administrative penalties, material financial losses or damage to reputation, as a result of violation of the obligations under competition protection laws ("antitrust risk") by Group Companies, and to strengthen governance on antitrust matters and promote a culture of competition.

In particular, the risk of non-compliance with the antitrust legislation may arise from cases such as restrictive competition agreements, abuse of a dominant position, mergers, violation of the prohibition on cross-directorships, as well as from unfair commercial practices that undermine the free market and free competition between undertakings.

The antitrust risk prevention and management principles are applicable to the Group and are intended to offer a support tool, which, through knowledge of the main elements of competition laws, helps to identify situations where there is a potential risk of breach and provides guidance on the correct behaviour to be adopted and the rules to be followed in situations where there is a potential risk of breach. In this respect, the document is directly applicable within all the organisational units of Group Companies and more generally to all their employees and contract staff.

The risk control model recognises the centrality of the Board of Directors in terms of antitrust risk management: it is responsible for adopting an organisational system appropriate for the characteristics of the individual Company and its size and market position. To this end, the Policy is approved by the Board of Directors of the Parent Company, Banca Mediolanum, with the aim of encouraging the dissemination of a proper risk culture within the organisation, in order to ensure that every decision is taken in accordance with the corporate values, professional ethics and applicable regulations, thereby helping to identify and mitigate operational and reputational risks. Preparation and updating are the responsibility of the Compliance Function of the Parent Company.

With the Policy, the Mediolanum Group undertakes to comply with and implement the main antitrust regulations and guidelines, which are based on the Treaty on the Functioning of the European Union (TFEU). They are issued by the main institutions of the European Union such as the Parliament and the Council of the European Union, the European Commission and the European Securities and Markets Authority (ESMA).

Specifically, antitrust risk as a result of anti-competitive conduct and, more generally, breach of the obligations established by the reference legislation relating to:

- competition limitation agreements;
- abuse of dominant position;
- mergers involving the establishment or strengthening of a dominant position in such a way as to eliminate or reduce competition to a substantial and lasting extent;
- the exchange of "sensitive" information;
- the assumption or performance of directorships in competing undertakings or groups of undertakings operating in the credit, insurance and financial markets;
- misleading and comparative advertising and unfair commercial practices.

The principle of a free market and competition are included in the fundamental and shared values of the Mediolanum Group, which bases its actions on compliance with rules, professional ethics and the value of the person, promoting behaviours based on consistency, transparency, fairness and mutual trust in full compliance with the Code of Ethics, the Code of Conduct, the Risk Culture Policy and the Policy for the Prevention and Management of the Risk of Non-Compliance with the Antitrust Regulations and Unfair Business Practices of the Group. The interests of stakeholders are taken into account through a process of indirect customer engagement, as well as through the implementation of safeguards and controls to intercept incorrect conduct and ensure that the information provided is clear, understandable and accessible.

The Policy is published on the corporate intranet and sent by the Parent Bank to the Companies of the Mediolanum Group, so that they can adopt it by resolution of their own corporate bodies, without prejudice to any specific provisions of local jurisdictions and their respective Supervisory Authorities.

Policy for Managing Conflicts of Interest with Customers relating to the Distribution of Products and Services

Policy for Managing Conflicts of Interest with Customers relating to the Distribution of Products and Services, the latest update of which was approved at the beginning of 2025, aims to define and describe the policies adopted to identify, prevent or, where appropriate, manage situations of conflict of interest (including those arising from Group relationships) that may arise with the customer or between customers in the context of the intermediary's activities. The principles set out in the Policy and the identification, management and monitoring processes established by them aim to ensure that a conflict of interest does not prejudice the interests of customers, the Bank, the shareholders or other stakeholders, by identifying, preventing or managing conflicts. The Compliance Function normally monitors and updates the document on an annual basis.

The Policy aims to protect the customer's interest at the time of:

- the provision of investment services and activities and ancillary services;
- carrying out capital markets or corporate finance transactions or a combination of these services;
- distribution of insurance-based investment products (IBIPs);
- distribution of non-insurance-based investment products;
- distribution of banking products and services.

The Parent Company's Policy is intended for all companies in the Mediolanum Group that provide investment and ancillary services or distribute insurance or banking products, and is intended to mean "best practice" as applicable to the specific activity carried out, even in cases where the legislation of the countries in which the Company operates does not provide for similar levels of attention.

The Board of Directors, a body with strategic oversight functions, defines conflicts of interest policies, approves conflict management measures and procedures, disseminates the risk management culture within the organisation and provides oversight of the required conduct. In this regard, it plays an active role in approving, raising the awareness of resources about and ensuring compliance with the standards of conduct described in the Policy in question.

The principles set forth in the Policy are identified and applied in order to comply with European legislation on conflicts of interest, which mainly consists of the MiFID and IDD regulations. Furthermore, these principles comply with the obligations laid down by the rules of the Italian legal system, in which the EU framework on conflicts of interest is implemented, i.e. Article 21, paragraph 1(a) and 1(b) of Legislative Decree No. 58/98 (TUF), in Book IV, Part III of the Regulations for Intermediaries, in particular Article 92, in Article 119(a), paragraphs 6 and 7, of Legislative Decree No. 209 of 7 September 2005 (hereinafter also the "CAP") and in Article 55 of IVASS Regulation No. 40 of 2 August 2018.

Banca Mediolanum places the customer at the heart of its business strategy, adopting all appropriate measures and tools to ensure that the development of its activities and the pursuit of its business objectives are congruous and work in synergy with the duty to act honestly, fairly and professionally, ensuring that the best interests of its customers are fulfilled.

An excerpt of the document is available in the "Transparency" section of the Banca Mediolanum website at *www.bancamediolanum.it*.

Policy for Managing Advertising Campaigns, Events and Advertising Materials

The objective of the Policy, the last update of which was approved in 2023, is to provide guidelines to prevent and mitigate the risk of any breaches of the legislation on consumer protection and to support the organisational units concerned and the Sales Network in preparing advertising materials and organising information and promotional events for customers or potential customers of the Bank and the Group Companies concerned.

The principles relating to the management of advertising campaigns, events and advertising materials reported in the Policy include the principle relating to greenwashing and socialwashing. In particular, the Policy describes the recommended characteristics for communicating that a product is environmentally friendly or sustainable and some examples of poor practice, i.e. behaviours to avoid during promotional events and advertising relating to products and services.
The Policy is directly applicable within Banca Mediolanum, is aimed at all organisational units and is sent for adoption, in accordance with a principle of proportionality and taking into account local regulations and specific characteristics, to all Companies of the Mediolanum Group.
The principles set out in the above-mentioned Policy are approved by the Board of Directors of Banca Mediolanum, the Parent Company of the Mediolanum Banking Group.
Banca Mediolanum has defined its Policy taking into account the main legislative and regulatory references on the subject, including, but not limited to, Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 (MIFID II), EU Directive 2016/97 of the European Parliament and of the Council on insurance distribution (IDD), the ESMA "Progress Report on Greenwashing", the EBA "Progress report on greenwashing monitoring and supervision" and the EIOPA "Advice to the European Commission on Greenwashing".
Banca Mediolanum has always focused on matters of consumer protection, particularly aspects relating to the transparency of services and products and, more generally, to the correctness of the information provided in relation to the services and products offered by financial intermediaries to customers, in the context of both promotional and advertising activities and placement and distribution activities. The relevant rules are specifically defined with the aim of protecting customers from any conduct by intermediaries, which may not be based on principles of loyalty, fairness, diligence, clarity of information and transparency of conditions and costs.

Actions

IRO: Building deep relationships based on loyalty and transparency, confirming the centrality of the "person" and its projects in achieving the objectives of well-being; Achieving a bigger market share thanks to initiatives that provide for the improvement of the degree of personalisation of the investment plans and customer protection

[S4-4 DP 30; 31 c; 33 b]

In accordance with its vision, the Mediolanum Group is committed on a daily basis to seeking products and services that prioritise the protection and centrality of the person. The basis for improving the customer experience is the constant search for innovation, personalisation and safety.
A new working environment was released during 2024, namely: "Life Planning", which supports Family Bankers in analysing customer characteristics and identifying their life needs, with the aim of providing personalised solutions consistent with the customer's specific needs. The new environment has been progressively opened to Family Bankers after a specific training course. This is because Banca Mediolanum's objective is to evolve the Network's commercial approach towards advice that is more oriented towards the customer's life goals.
The personalised solutions offered by Life Planning are based on the personal characteristics of customers, their life goals and their current and prospective financial situation. In fact, one essential characteristic of the Life Planning path is the monitoring over time of both solutions for the goals identified and, above all, the modification and evolution of these goals in relation to the life path of the customer. This creates a long-term relationship with the customer based on listening and mutual trust.
Also on the corporate platform for the Family Banker network, BMedRed, Banco Mediolanum has a "Mis Metas" application aimed at managing the life goals set by customers, which allows the most suitable products and services to be combined. During 2024, the application was made available to customers, who can autonomously view and possibly modify goals or introduce new ones and, therefore, with the support of their Advisors, assess their investments.

[S4-4 DP 3l d]

A key element to measure the effectiveness of initiatives is customer satisfaction questionnaires that are sent periodically to customers. These tools allow feedback to be collected both on the actual satisfaction of the need for which the product/service was purchased and on the overall customer experience (cf. ESRS S4, paragraph entitled "Access to products and services (Actions)" for more details on customer satisfaction questionnaires).

IRO: Purchasing choices not consistent with real needs, influenced by unfair, misleading and/or aggressive commercial practices, including greenwashing or socialwashing of the products offered

[S4-4 DP 30; 3l a]

During 2024, the Compliance Function, as part of its oversight of the relevant regulations and with particular reference to changes in the regulatory framework, carried out both ex ante assessment and ex post control activities to oversee non-compliance risks, including those related to ESG matters and climate-related risk, with specific regard to areas that affect customers or potential customers.

In detail, the activities, for all types of risks monitored by the Function, are structured on the basis of the phases typical of the methodological framework of the Function: ex ante advisory support for the process owner structures in relation to areas and legislation not directly overseen by the Risk Management Function (e.g. market risk, liquidity risk, prudential supervision) and relating to the distribution of products with potential impacts for customers or potential customers (e.g. greenwashing). In the context of product governance, products are also checked before marketing. This applies to both new and substantially modified products.

With regard to ex post control activities in the same areas, the Compliance Function identifies any mitigation actions to overcome the shortcomings detected, which may include:

- an adaptation of internal regulations;
- the activation of new safeguards and/or controls;
- the integration of ICT procedures and controls to support specific process steps;
- the review of roles and responsibilities and the integration of data management and governance processes at both the organisational and operational levels and the infrastructure, architectural and application levels;
- training initiatives for staff and/or the Sales Network and/or the Heads of the Control Functions and/or members of the Board of Directors;
- the strengthening of line controls ("first-level controls").

It should be noted that, in order to enable adequate Group coordination on a continuous basis, the Parent Company's Compliance Function carries out supervision and coordination activities in relation to the corresponding functions of the foreign Subsidiaries, identifying and preparing adequate information flows, so as to direct and share any information relevant to monitoring the risk of non-compliance with the regulations in scope, complying with local specificities. In addition, the Function has periodic interactions with the Insurance Group in order to exercise its guidance and coordination role at the conglomerate level and with the aim of gradually adopting a homogeneous, shared control methodology.

Specifically with regard to the transparency and adequacy of the banking offering, within the Italian scope, the Bank's Customer Protection Unit, within the Communication, Bank Marketing and Digital Channels Department, oversees and coordinates activities relating to the regulations in force on consumer protection and, more generally, to the principles of transparency, diligence and fairness that must characterise the activities of financial intermediaries.

In 2024, the Unit strengthened its collaboration with consumer associations through constructive dialogue and the sharing of initiatives and activities with customers. It also continued its relations with disabled associations and renewed the Bank's membership of the European Disability Charter.

The Banking Transparency Management Office and the Usury Management Office operate within the Customer Protection Unit. The Unit performs the activities of governance and supervision of the requirements and obligations established by applicable legislation. Banking Transparency is regulated by a rather complex regulatory framework. The main aims are the comparability of products through the use of comprehensive cost indicators and the standardisation and simplification of information documents in order to communicate transparently to the customer. The projects and measures currently under way in the area of Banking Transparency aim to strengthen oversight of the quality of the process of creating and reviewing information material and increasingly improving communication to customers, making it clearer, more complete and more accessible.

Banca Mediolanum, while respecting contractual autonomy, aims to inform customers about the essential elements of the contractual relationship and any changes thereto, mitigating legal and reputational risks and thus contributing to sound and prudent corporate management.

[S4-4 DP 3l d]

On the other hand, the ex-post control activity carried out by the Compliance Function, from which any mitigation actions may arise, and the progress of these, are reported periodically to the corporate bodies at least once a quarter, on the basis of a verification plan approved annually by the Board of Directors.

[S4-4 DP 32 a]

The Compliance Function identifies business processes that expose the Company to the main non-compliance risks specific verification measures are planned for these, taking into account any shortcomings that may have been found in the controls previously carried out and any new risks identified as a result of changes in the regulations and in the Company's business. The process control model assesses the risk exposure of each activity that makes up the process, verifying existing safeguards and carrying out controls to determine their effectiveness and completeness in order to express an opinion on the compliance of the process with current regulations.

[S4-4 DP 32 b]

In particular, the Compliance Function carries out specialist advisory activities, for the purposes of the assessment of compliance risk, constant monitoring of the external regulatory environment (regulatory alerts), assessment of the impact of regulations (gap analysis) on corporate processes, adequacy checks (through the identification of proposed changes, including organisational and procedural changes, arising from gap analysis, assessments and opinions) and checks on the functioning of corporate structures and processes, with the aim of preventing any breach of mandatory or self-regulatory rules and monitoring the adoption of the proposed corrective measures.

Specifically in the area of product governance, the Function carries out checks on products before they are marketed, also with regard to the requirements laid down by the reference regulations for the distribution of sustainable products in accordance with the regulatory provisions introduced over time, and carries out an ex ante assessment of new products and services, whether in banking, insurance or investment, and of any substantial changes to them.

The prevention of the risk of non-compliance is also linked to the timely detection of symptomatic signs of risky situations, which could involve direct or indirect damage that takes the form of sanctions or is economic or reputational in nature. For this reason, as part of the overall control and risk mitigation framework, the Compliance Function uses a specific set of indicators for the remote analysis and monitoring of operational behaviour with regard to certain regulatory areas. To this end, each month it collects, processes and analyses data relating to non-compliance risk factors: the key compliance indicators (KCIs), divided by regulatory area and type.

The indicators collected are not necessarily the source of a risk of non-compliance, but are elements that, following appropriate investigations, could highlight anomalies, errors or malfunctions, or business trends that may entail the need to define further safeguards to mitigate compliance risk.
The information deriving from the periodic analysis of the KCIs also helps to direct the ex-post control activities of the Function and to assess, during the year, the need to carry out specific investigations.
In relation to verifications of the functioning of corporate structures and processes designed to prevent breaches of mandatory or self-regulatory rules, "mitigation" actions are included, which are shared with the heads of the company structures concerned (owners), making use, where necessary, of the support of internal corporate structures. Mitigation actions provide for the definition of a timescale for their implementation and are regularly monitored by the Function, interacting, where necessary, with the owner of the action and with the organisational units responsible for the adaptation measures. Mitigation actions and their state of progress are also reported periodically to the corporate bodies.

[S4-4 DP 32 c]

At least once a year, the Compliance Function presents to the corporate bodies a report on the activities carried out in the previous year, which describes the advisory and control activities carried out, the results that were found, any weaknesses detected and any measures identified to remove them, as well as the activity plan for the following year.
In addition, on a quarterly basis, it submits to the Risk Committee, where applicable, and to the Board of Directors, a periodic report on the activities carried out, with reference to both advisory and supervisory activities, with reference to the specific observation period. The reports are also made available to the Supervisory Authority (ECB) together with the minutes of the Board meetings.

[S4-4 DP 34]

Mediolanum's focus on protecting the main aspects of our customers' lives is fully integrated into its offer of products and services. In fact, the offering is designed and updated in line with the product governance principles defined by the reference regulations. In order to enable customers to relate to the financial world in the best possible way and foster an understanding of its main characteristics, Banca Mediolanum – with the support of the Customer Protection Unit – fully complies with the transparency requirements that serve to provide the necessary clarity of information.

[S4-4 DP 37]

The resources assigned to managing the material impacts relating the construction of strong relationships based on loyalty and transparency, confirming the centrality of "the person" and their projects in the achievement of well-being objectives belong to the Communication, Bank Marketing and Digital Channels Department.
The resources assigned to managing material impacts relating to the "Purchasing choices not consistent with real needs, influenced by unfair, misleading and/or aggressive business practices, including greenwashing or socialwashing of the products offered" impact are mainly attributable to the organisational units that carry out the following activities:

- oversight of areas relating to the financial advisory services adequacy model adopted by the Bank and governance of the placement of all types of financial products offered to customers;
- monitoring of the requirements and obligations established by legislation on transparency, and the correct performance of the process and the related requirements in the area of Product Oversight and Governance (POG), including aspects relating to accessibility.

To these are added the resources of the Compliance Function, for both the Italian and Spanish Companies, who have adequate knowledge of the regulations and the business model, as well as of the products. The Function is required to provide support to the corporate structures indicated above in the assessment of the risks of non-compliance with the rules, through specialist ex ante advisory activities as well as ex post control activities. In particular, in the context of the product governance processes, the Function oversees and supervises the consistency and adequacy of governance and control systems in the process of product preparation and review, paying attention to all stages of the product life cycle, from design, production and marketing to monitoring, as well as carrying out ex ante validation and ex post control activities on the products marketed, including banking, insurance and investment products.

Objectives

[MDR-T DP 8l b]

IRO: Building deep relationships based on loyalty and transparency, confirming the centrality of the "person" and its projects in achieving the objectives of well-being; Achieving a bigger market share thanks to initiatives that provide for the improvement of the degree of personalisation of the investment plans and customer protection

No quantitative targets have been set to date, as the Life Planning platform represents an evolution in method in the customer and Family Banker relationship; for this reason, the results will be gradual and determinable during 2025. Currently, monitoring is carried out through:

- standard first-level reporting that monitors the accessing of the platform, the saved projects and the related areas of need analysed with the customer;
- second-level reporting by the analytical CRM structure, which adds more in-depth analysis to this monitoring.

In particular, the main indicators used are:

- adoption indicators, aimed at determining, for each Family Banker, how many of the customers in target were subject to at least one interaction based on the Life Planning platform;
- business development indicators, aimed at understanding the effects of the new method on the development of the relationship and the consequent business KPIs in the various areas of need covered.

With regard to the Mis Metas service, no quantitative targets have been set to date and, with a gradual increase in the use of the instrument by customers, monthly monitoring of data trends is carried out.

IRO: Purchasing choices not consistent with real needs, influenced by unfair, misleading and/or aggressive commercial practices, including greenwashing or socialwashing of the products offered

While not setting quantitative targets, the Compliance Function also aims to continuously monitor the risk of non-compliance to which the Company is exposed, with reference to the aforementioned issues (unfair, misleading and/or aggressive commercial practices, greenwashing or socialwashing of the products offered). To this end, it carries out the following activities:

- monitoring of regulatory changes and checking the adequacy and functioning of organisational safeguards (structures, processes, operating and commercial procedures) as well as the effective implementation of the suggested measures to prevent the risk of non-compliance with the rules;
- development and monitoring of specific risk indicators in order to detect any anomalies in the context of the risk of non-compliance (KCIs or key compliance indicators);
- in the context of product governance (POG), checks products before they are marketed, also with regard to the requirements established by the reference legislation for the distribution of sustainable products;

- ex post checks on the same areas, issuing any mitigation actions and informing the corporate bodies in the context of ordinary reporting activity.

3.4.6 Commitments related to the Protection of Human Rights Policy of the Mediolanum Group

[S4-1 DP 16]

In line with its corporate culture, the Mediolanum Group is committed to respecting and promoting human rights (cf. ESRS SI-1 DP 19 Policies related to own workforce, section on Equal treatment and opportunities for all, for further details on the Policy for the Protection of Human Rights of the Mediolanum Group) as part of its activities and to preventing or otherwise minimising any breach directly caused by its actions. The Mediolanum Group's Policy for the Protection of Human Rights defines the Group's commitment to the protection of human rights according to the highest international standards, in particular the United Nations Guiding Principles on Business and Human Rights, the Declaration on Fundamental Principles and Rights at Work of the ILO and the OECD Guidelines for Multinational Enterprises.

[S4-1 DP 16 a]

Relations with customers are one of the Group's principles and commitments to its stakeholders. In particular, the Mediolanum Group is particularly careful to offer customers only products and/or services that meet their situation and requirements, facilitating their understanding of terms and conditions, benefits, risks and costs and avoiding any unjustified discrimination, all in accordance with the Group's Code of Conduct. The Group promotes respect for human rights to its customers, as well as the application of its sectoral policies and the Code of Conduct, inter alia, which provide for measures related to the exercise of due diligence to prevent, mitigate and manage human rights impacts.

[S4-1 DP 16 b; 16 c; 17]

Cf. ESRS S3-1 DP 16b, 16c, 17 for further details on the Mediolanum Group's Policy for the Protection of Human Rights.

[S4-4 DP 35]

In 2024, with regard to consumers and end-users, the Group was not notified of any breach and consequently no penalties and/or measures arose in the area of Human Rights. In addition, there were no incidents of discrimination and corrective actions taken in the context of Whistleblowing Reports.

3.4.7 Processes for engaging with consumers and end-users about impacts

[S4-2 DP 20]

The Mediolanum Group involves its customers in terms of actual and potential material impacts, both through the action of the Family Banker Network spread throughout the region and through a series of structured processes. These include the assessment of customer satisfaction and periodic customer experience surveys, carried out quarterly on specific topics. In addition, the Group monitors brand reputation through special surveys, organises events on the ground to strengthen direct dialogue, and uses social networks and direct communication tools such as MPM and direct mail to ensure continuous and targeted engagement.

Customer satisfaction assessment

On an annual basis, in both the Italian and Spanish regions, a customer satisfaction survey is carried out with the aim of analysing both overall customer satisfaction with the Mediolanum Group and satisfaction with certain detailed aspects (e.g. product satisfaction and clarity in communications) (cf. ESRS S4-4 Taking action on material impacts – Access to information for further details on the initiative).

Regional events

[S4-2 DP 20 b]

Events are an important tool for customer relationships and dialogue - actual or potential - on both economic and financial matters, as well as on non-banking matters. In 2024, more than 3,000 events were held, either directly by the Head Office or through the regional Sales Network, involving more than 200,000 participants, in person or digitally. Major national, in-person events were also organised, with simultaneous live streaming on all the Bank's social media channels, in addition to two "cinema" events, both of which were broadcast simultaneously in around 100 cinemas throughout Italy.

The following should be noted in particular:

- the "La Musica del Cuore" ("Music of the Heart") charity event held in November at the Duomo in Milan, in support of the "Insieme per il nuovo Buzzi" ("Together for the new Buzzi") project of Fondazione Mediolanum, where guests were able to participate in fundraising in support of this project;
- in the area of protection, considered an important factor in wealth planning to support the achievement of customer objectives at all stages of the life cycle, the commitment to enhancing its importance was confirmed in October 2024 with the "Costruisci il tuo futuro" ("Build Your Future") national event;
- the "Scegli il tuo domani" ("Choose your Tomorrow") tour, an event in several stages spread throughout the country in the final months of the year, the contents of which have been developed with a view to increasing and enriching the financial culture of customers, with the support of commercial campaigns in which theoretical concepts are deepened, adding training to the commercial approach (PAC Initiative).

Overall, more than 61,000 spectators were involved in these last events, including around 15,000 in person.

In 2024, Banco Mediolanum organised various events relating to customers, including:

- local marketing events and customer loyalty events (approximately 35,300 attendees);
- market sessions aimed at customers, broadcast through the Banco Mediolanum YouTube channel with the aim of raising awareness of the entity, including through the dissemination of financial content. In addition, the Commercial Network organised 13 Razoptimismo events across Spain and provided 24 cinema tickets to customers and prospects for the film of the story of Ennio Doris.

[S4-2 DP 20 a]

Engagement takes place directly with end-customers.

[S4-2 DP 20 d]

In order to monitor customer satisfaction with the events held in the region, a satisfaction questionnaire was submitted by telephone to the participants (on average 15% per event) in which feedback and any useful suggestions to guide the next initiatives were collected.

[S4-2 DP 20 c]

The Communication, Bank Marketing and Digital Channels Department is responsible for ensuring that the engagement takes place and that the results guide the undertaking's approach. In Spain, the engagement described above is developed by the Dirección Strategic Marketing & Business Development/Strategic Marketing & Business Development Department.

ISO 20121 sustainable events

[S4-2 DP 20 a]

Over the years, the Mediolanum Group has established guidelines and procedures relating to the criteria of environmental, social and economic sustainability that must be taken into account at all stages of an event, providing a description of the principles adopted by Banca Mediolanum on the subject of sustainable management of events, according to the international standards defined by ISO 20121. Events with ISO 20121 reporting are generally addressed to the Sales Network representing customers and their interests. These are events organised with total management of expenditure by the Events Organisation Office.

[S4-2 DP 20 b]

The frequency with which the Sales Network is involved varies according to the planning arising from the commercial requirements dictated from time to time by the Commercial Network Department.

[S4-2 DP 20 c]

Within the Group, Senior Management for the Sustainable Events Management System (SGSE), supported by the Sustainability Office and the Head of the Communication, Bank Marketing and Digital Channels Department, guides decisions regarding the sustainability of events.

[S4-2 DP 20 d]

No surveys have yet been prepared to assess the effectiveness of the communication and involvement of the Sales Network. The effectiveness of actions is measured by ad hoc ex post reporting that assigns a score for each item analysed in the three categories (social, environmental and economic sustainability) in question. The overall result shows very high scores, thanks to a strong focus on choices that favour local suppliers with a consequent reduction in environmental impact and a positive impact on communities.

Overall, the other items analysed (e.g. stakeholders' needs, food recovery, inclusivity, protection of religious sensitivity, total exclusion of discrimination, well-being of resources) have also had positive results.

In 2024, in continuation of the activities of previous years and in the light of the objectives received from the Review of Sustainable Management of Events, the Events Organisation Office, in collaboration with the Sustainability Office, analysed, from the point of view of sustainability, at a qualitative level, 92 events, comprising:

- 13 events in a digital mode only;
- 79 in-person events.

Promotional campaigns

[S4-2 DP 20 b]

In 2024, the Banca Mediolanum Campaign Management Office launched multiple commercial campaigns, maintaining a constant flow of communications to customers and prospects, further exploiting the multi-channel approach and increasing the level of personalisation of targets and content to ensure greater consistency with the customer's profile and needs. A total of 123,123,989 commercial communications were handled during the year. With respect to institutional and regulatory communications, a total of 47,053,666 documents were handled. During the year, several commercial campaigns were carried out with a priority focus on matters related to environmental and social sustainability, as well as solidarity.

In particular:

- with regard to the area of credit, several campaigns have been launched, in particular aimed at holders of variable-rate loans, with the aim of communicating the options for mitigating the effect of rising interest rates, with concessions on spreads or longer durations;
- in support of Fondazione Mediolanum EF, in order to encourage subscriptions to the "cents that count" service for Banca Mediolanum, commercial communications were made by email, banner, website and application, aimed at raising customers' awareness of the service and inviting them to support beneficiary projects such as Dynamo Camp. The Cause Related Marketing campaign was also structured. In addition to an information banner on the entire customer base, an email was also sent out to thank customers who subscribed to a current account, card, health insurance or investment fund product in the October-December quarter. In synergy with Fondazione Mediolanum EF, the Bank donated a sum to charity for each target product subscribed in the quarter indicated;
- during the year, several commercial initiatives were implemented to promote products protecting against damage and to raise awareness of the importance of protection in household financial planning. The content is aimed at the protection of both the person and the home, with a particular focus on the risks related to the weather events affecting the Italian territory with increasing frequency;

- Several campaigns were carried out during 2024 to mitigate the risk of fraud, addressing major security issues including: the family emergency scam, investment scams, fraudulent payment drives and quishing. Furthermore, the content provided by Certfin has been disseminated and the key concepts on fundamental rules to protect against scams, cyber fraud and telephone fraud have been renewed a number of times. To ensure the widespread dissemination of information, various communication channels were used, including emails, banners and post-login layer apps, as well as a monthly mention in the newsletter sent to all customers;
- in terms of environmental sustainability, the communication campaign promoted by Mediolanum Assicurazioni and Mediolanum Vita continued in 2024, in order to raise awareness among customers of the digitisation of communications on their policies.

With regard to Banco Mediolanum, the first product-related advertising campaign was launched in 2024, nationally and in geolocation. The initiative aimed to attract new customers through the 12-month Deposit 3.0, establishing long-term relationships and enhancing the key role of the Family Banker in financial planning. It also aimed to enhance the brand's visibility and reputation, as well as testing the new CRM for the assignment of potential customers to Family Bankers. The campaign was developed in two stages: a geolocated test in Castellón and a second stage, lasting three weeks, with digital media, press, TV, public transport and social media activities. A total of 130 regulatory mailings and 54 commercial emailings were sent to customers.

[S4-2 DP 20 a]

Engagement with these promotional campaigns takes place directly with end-customers.

[S4-2 DP 20 c]

The Communication, Bank Marketing and Digital Channels Department is responsible for ensuring that the engagement takes place and that the results guide the undertaking's approach.

[S4-2 DP 20 d]

The effectiveness of customer engagement in commercial campaigns is measured by trends in product and service adherence, comparing pre- and post-initiative results that are necessarily related to the delivered content.

Social networks

[S4-2 DP 20 b]

The Group's presence on the main social networks (e.g. Facebook, Instagram, LinkedIn, X, TikTok) provides for the native possibility of the platforms to receive publicly visible comments and private messages from unidentified users. Although these channels do not represent a caring touchpoint included in those formally provided to customers, their potential relevance from a reputational point of view and the opportunity to listen to the opinions of users mean that these forms of interaction should be managed, constantly monitored and increased. This takes place as defined by the Process Regulation - Oversight of Social Media Channels; in particular, there is provision for taking responsibility for comments and messages that represent a form of request for information or assistance or a complaint, managed where possible at the first level (therefore directly by the Digital Marketing Office) or escalated to other offices competent for the subject matter covered in the conversation. In 2024, around 660 caring requests were handled, compared with more than 4,800 comments and 7,000 mentions and direct messages.

[S4-2 DP 20 a]

Engagement takes place directly with end-customers.

[S4-2 DP 20 c]

The Communication, Bank Marketing and Digital Channels Department is responsible for ensuring that the engagement takes place and that the results guide the undertaking's approach.

[S4-2 DP 2l]

In order to gain a better understanding of the customers' point of view, in 2024, the collaborative relationship with Banca Mediolanum and with the consumer associations was strengthened through constructive dialogue and the sharing of initiatives and activities with customers. Similarly, the Bank continued its relations with disabled associations and renewed the Bank's membership of the European Disability Charter.

3.4.8 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

[S4-3 DP 25 a]

In accordance with applicable legislation, the Mediolanum Group has adopted a structured and codified process for handling complaints, while at the same time providing comprehensive responses, aware that full customer satisfaction, as well as being a priority element of its strategy, is an important factor for developing and spreading a good corporate image within the market.

Complaints are constantly monitored to identify any critical areas related to the products. Where complaints have the potential to affect the characteristics of a product, corrective action is taken. The number of substantiated complaints is very limited and only a few reports are followed up each year.

[S4-3 DP 25 b]

Customers who believe that they have not received a level of service appropriate to their expectations may contact the Bank free of charge through the Customer Banking Centre or their Financial Advisor, indicating the reasons for this dissatisfaction and suggesting possible remedies.

If it has not been possible, for any reason, to overcome the differences, the customer may address a complaint directly to the Complaints Office, whose contact details are provided in the relevant section, "Complaints, appeals (ABF/ACF) and settlements", on the Bank's website and in the contractual material.

The Complaints Office is exclusively responsible for handling complaints received. When sending definitive responses to customers, it uses language that is simple and easy to understand, based on the fair treatment of the customer, with a view to ensuring proper and timely handling of the complaint. The complaints handling procedures provide that the activities performed for customers by the staff responsible for handling the complaints are free of charge.

Additional channels made available by the undertaking and dedicated to customers are available to raise any concerns, including social media and the free helpline.

Channels made available through participation in third-party mechanisms include the Il Sole24ore offices.

[S4-3 DP 25 c; 25 d]

The Bank and the Group Companies report on their websites, providing adequate information on the home page, in customer guides, in contractual files and in information sheets the most material information concerning the handling of complaints, information on how they were presented to the undertaking, the response time required by law and the corporate department responsible for examining complaints with the relevant contact details.

The complaints management procedure records the essential elements of each complaint received, together with any measures taken on behalf of the customer to resolve the problem. Each complaint received, also classified according to the service/product provided, is assigned a numerical code enabling its unique and progressive identification on an annual basis.

The Companies' complaints offices are also responsible for indicating, during the handling of complaints received, the need for certain actions to mitigate risk and/or improve the processes or procedures adopted, identified by the analysis of the cases handled, involving, where necessary, the second-level corporate functions and some organisational structures involved in the matter in question, such as, for example, the Organisation and Project Management Division and the Customer Protection Unit.

Specific organisational structures therefore draw up the necessary information and periodic reports on complaints, including for the Board of Directors and the control functions/bodies. The annual report is also supplemented by the Compliance Department in its own annual report with regard to the complaints handling process and any of the procedural, organisational and behavioural shortcoming described above.
During 2024, the progress of the mitigation initiatives launched in previous years and not yet completed was monitored, as well as new improvement initiatives aimed at optimising operating and customer service processes.
For more information on the overall complaint handling situation in the year 2024 of the Parent Company, Banca Mediolanum, please visit the following address: https://www.bancamediolanum.it/informazioni-al-cliente/reclami-ricorso-conciliazione.

[S4-3 DP 26]

The procedures for submitting complaints are widely communicated to customers on several channels (e.g. websites, information sheets, Banking Centre, Family Bankers).
During 2024, the Group Companies handled the following number of complaints:

- Banca Mediolanum S.p.A.: 2,894;
- Prexta S.p.A.: 1,209;
- Mediolanum Gestione Fondi S.G.R. p.A.: 4;
- Mediolanum Assicurazioni S.p.A.: 107;
- Mediolanum International Life dac – Italian branch: 76;
- Mediolanum Vita S.p.A.: 248;
- Flowe S.p.A. SB: 305;
- Banco Mediolanum S.A: 1,171;
- Mediolanum International Funds LT: 3.

The Code of Ethics aims to provide concrete responses from the Group to its stakeholders, including its customers, and provides that the covered persons of the Code of Ethics shall refrain from any conduct that may, even only potentially, involve a breach of the principles and rules contained in the document, the implementation procedures or the regulations referred to, implicitly providing for the protection of anyone who makes a report to this effect (including customers).

[S4-3 DP 25 a]

With specific reference to the safeguarding and protection of personal data, when a breach is likely to present a high risk to the rights and freedoms of natural persons, the data controller is obliged to report the breach to the data subject, describing the nature of the breach and providing recommendations for mitigating any negative effects. However, communication is not necessary if the data controller has taken appropriate technical and organisational measures, such as encryption, which make the data incomprehensible to unauthorised persons, or has taken measures to prevent the high risk. The data controller is also required to notify the Data Protection Authority of the event.
In order to better understand the perspectives of customers in particularly vulnerable groups in the event of a privacy breach, the data controller is required to take a number of specific measures. First, it is essential to carry out a data protection impact assessment to identify the specific risks associated with the processing of data in these groups and to determine the appropriate measures to mitigate them. In addition, the data controller must ensure that information and communications are accessible and comprehensible, using simple and clear language, particularly when the data concerns minors or other vulnerable groups.

[S4-3 DP 25 d]

In order to offer continuous monitoring of requests and applications made to all Group Companies by the data subjects, the Privacy Office has a dedicated email address that is continually monitored by members of this office. In any case, data subjects receive a specific privacy policy statement in which their rights and the methods of exercising their rights are described and reaffirmed, as well as the channels available to the data subject.

4. Governance information

4.1 ESRS G1 Business conduct

4.1.1 Corporate culture

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Corporate culture			
Dissemination of fairness and ethics among employees and to the market	Actual positive impact	Own operations	Short term
Providing finance/investment to companies engaging in practices that potentially violate human rights	Potential negative impact	Value chain	Long term
Risk linked to failure to control compliance with internal and external rules, due to failure to manage rules related to the exercise of banking and brokerage activities, the management of conflicts of interest and protection of consumers, including from the phenomenon of greenwashing.	Risk	Own operations	Medium term
Risk of non-compliance with the principles of transparency, truthfulness and completeness in the process of dialogue with the regulators with which the Function/business interfaces	Risk	Own operations	Medium/long term
Risk of failure to prevent the offences provided for in Legislative Decree No. 231/2001	Risk	Own operations	Medium/long term
Inadequate consideration of scenario variables, sustainability priorities and stakeholder expectations in strategic planning, decision-making and operational processes	Risk	Own operations	Medium/long term
Risk of non-compliance with obligations/deadlines established by legislation on sustainability	Risk	Own operations	Medium/long term
Investment risk not in line with the Sustainability Policy of the Mediolanum Group	Risk	Own operations	Short/medium term
Risk of non-compliance with obligations/deadlines established by legislation on sustainability in the area of investments	Risk	Own operations	Medium/long term
Improvement in the reputation of the Mediolanum Group through maintenance and/or improvement of rating scores and ESG indices	Opportunities	Own operations	Short term

The Group's approach and policies

[GI-I DP 9]

The Mediolanum Group's business culture is based on a set of values and practices that reflect a constant commitment to ethics, transparency and social responsibility. This approach is rooted in a robust and structured governance system defined by the Code of Ethics, the Code of Conduct and the Organisation, Management and Control Model adopted pursuant to Legislative Decree No. 231/2001.

In terms of governance, the internal control system plays a crucial role in ensuring that the Group operates in compliance with current regulations and with defined strategic objectives. This system is supported by an organisational structure that has clearly defined roles and responsibilities aimed at monitoring and mitigating operational and reputational risks.

Over the years, the Mediolanum Group has developed various Group Policies aimed at ensuring the proper management of the impacts, risks and opportunities described above. In addition to the Code of Ethics, Code of Conduct, Model 231 and the Mediolanum Group's Policy for the Protection of Human Rights, which set out its approach and general guidelines, the main policies for managing impacts, risks and opportunities related to corporate culture are the Mediolanum Group's Sustainability Policy, the Risk Culture Policy, the Mediolanum Group's ESG Risk Management Policy, the Responsible Investment Policies and the Policy on Combating the Financing of Companies Producing Anti-personnel Mines, Cluster Munitions and Sub-munitions of the Mediolanum Group.

[GI-I DP 7]

IRO: Dissemination of propriety and ethics among employees and towards the market; Risk of non-compliance with the principles of transparency, truthfulness and completeness in the process of dialogue with regulators with which the function/company liaises; Risk of failure to prevent the offences provided for by Legislative Decree No. 231/2001; Risk related to failure to control compliance with internal and external rules, due to failure to manage rules connected to the exercise of banking and brokerage activities, the management of conflicts of interest and consumer protection, including from the phenomenon of greenwashing

Code of Ethics

Since 2002, Banca Mediolanum and its Group Companies have had a Code of Ethics in place in order to:

- mitigate operational and reputational risks and promote the dissemination of a culture of internal controls;
- prevent the offences provided for in Legislative Decree No. 231/2001, as it contains a set of principles of "corporate ethics", with which it aims to recommend, encourage or prohibit certain conduct, beyond and regardless of what is provided for in the legislation.

The Code was structured in four sections: "Purposes and Covered Persons", "The Value System", "Rules of Conduct" and "Implementation and Breaches". The latest update of Banca Mediolanum's Code of Ethics was approved by the Board of Directors of Mediolanum on 20 December 2022, as this body is responsible for its approval and updating. The management of any reports of breaches, responses to clarifications on the application of the Code and the coordination of training initiatives are the responsibility of the Banca Mediolanum Risk Committee, which also makes use of other Group structures for these purposes. The activities intended for this purpose include the coordination of control and verification tasks to be entrusted to the departments within the internal control system, other corporate functions assessed depending on the case and any external advisors. In order to ensure the effective application of the Code of Ethics, Mediolanum has established specific channels for reporting alleged non-compliance with the document. Reports of any alleged breaches may be sent, including anonymously, to the e-mail address: *codiceetico@mediolanum.it*.

The Code of Ethics is an internal reference with which all Companies belonging to the Group are required to comply: it standardises the conduct of Directors, Statutory Auditors, management, employees, members of the Group's sales networks, contractors and suppliers, within their remit, and those who operate in the Group's interest. The Mediolanum Group developed its Code of Ethics taking into account the main national regulations, including, but not limited to, Legislative Decree No. 231 of 8 June 2001 and Legislative Decree No. 81 of 9 April 2008, the "Consolidated Law on Workplace Health and Safety". The Corporate Body responsible for implementing the Policy is the Board of Directors of Banca Mediolanum, whose task is to oversee at the strategic level and monitor compliance with legal, regulatory and statutory regulations, as well as the adequacy of the Bank's organisational and accounting structures. The Code of Ethics, which is the result of a process of consultation and active participation involving the various stakeholders, is designed to disseminate the ethical values that the Group seeks to recognise in itself, and to provide concrete responses to its stakeholders, by indicating specific commitments to them in terms of principles of conduct and control in the various modes of interaction with the company. In a relationship of reciprocity, the stakeholders are required to commit themselves to the values established in the Code. The Policy is made available to stakeholders (including all Group employees, who are required to read it) through the publication and dissemination of the document within the Mediolanum Group, as well as through publication on the website. The Code is also intended for third parties (e.g. suppliers and external professionals) who come into contact with the Group, and is also referred to in contracts via specific provisions. The Group is active in terms of training initiatives for the knowledge and application of the Code; these initiatives aim to create the sharing of the values and principles contained in the Code.

Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001 of Banca Mediolanum

The Group has specific organisational models in place pursuant to the regulations for which models are provided for exemption from liability in the event of the commission of offences in the interest of the entities themselves. Like the other Italian Group Companies, the Bank has adopted an Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001, the last update of which was approved in 2024. The Model was developed according to a process that enabled the identification of the types of offences that could potentially be committed in the course of the various operations managed. Analysis and monitoring of the operational phases into which the individual processes are divided has enabled the identification of procedures and operating practices that constitute organisational safeguards against the risks of offences. In addition to financial and banking offences (e.g. market abuse, money laundering, relations with supervisory authorities, etc.), offences not specific to banking, but that also present risk profiles for the Company, were also considered (e.g. computer crime, breaches of workplace health and safety rules, corporate offences, tax offences, etc.). The Model is constantly updated, both after additions introduced by the legislator to "sensitive" cases and following significant changes in the corporate organisational structures. Specific corporate bodies are tasked with overseeing the functioning, effectiveness and observance of models. These bodies perform their supervisory work through an organised system of information flows from corporate organisational units that are involved in sensitive activities. The Italian Companies have assigned the duties of the Supervisory Body to the Board of Statutory Auditors.

The organisational models are intended for persons that work for Group Companies, regardless of the relationship they have with the Companies, whether they hold positions of representation, administration or management of the Company, or whether they are managed or overseen by one of the above persons. The models also cover the members of the Sales Networks, but are limited to the activities that they perform and that can be classed as directly related to the operating cycle of the Company for which they work. With regard to suppliers and external professionals, control safeguards have been developed: however, as these persons are separate from the entity and have decision-making and organisational autonomy, it is not possible to consider them as covered by the models. The Boards of Directors are responsible for approving and transposing the organisation, management and control models by means of a specific resolution and for implementing them by assessing and approving the actions necessary for the implementation of the fundamental elements. In order to identify these actions, the Management Bodies make use of the support of the Bodies with supervisory tasks on specific regulations.

The models are prepared in accordance with regulatory instructions and the guidelines drawn up by the trade associations, which provide instructions for the adoption of organisation and management models suitable for the prevention of offences.

The models are developed taking into account the specific nature of the Companies' organisational structures, with the aim of implementing a system suitable to ensure the prevention of offences and compliance with the rules in force, while also responding to the needs of internal stakeholders.

Model 231 is updated periodically and, in particular, the document of the Parent Company, Banca Mediolanum, was updated in 2024. The models are brought to the attention of the covered persons through the appropriate channels for the dissemination of internal regulations. Furthermore, extracts of the models are available on the institutional websites of the Companies. The Subsidiaries implement the Policies defined at Group level with adaptations arising from specific or local regulations.

Group Code of Conduct

In accordance with the provisions of the Code of Ethics and in order to put into practice the principles contained therein, the purpose of the Code of Conduct is to provide a description of the principles adopted by each Company in the Mediolanum Financial Conglomerate, in relation to the conduct of the members of the Management Bodies, employees, persons in the Sales Network authorised to sell via the indirect sales channel and Group contract staff. Compliance with the Code is overseen and monitored by an internal control system involving various departments that operate, with specific roles, at the various levels into which the "hierarchy of controls" is divided. Control activities are planned according to the methodologies in use at each corporate unit and are regularly directed at areas characterised by greater corporate risk. They are carried out with the utmost care and diligence and adequately documented in order to ensure that the Board of Directors, at least once a year, receives adequate information on the outcome of investigations carried out on suspected breaches of the rules of conduct and any disciplinary action taken.

The Code, the last update of which was approved in 2024, sets out the rules of conduct of the Group and is sent to all the Companies belonging to the Mediolanum Group, so that, by resolution of their own corporate bodies, they can adopt their own Code of Conduct in accordance with the principles set out in this document. Without prejudice to any specific provisions of local legislation and their respective Supervisory Authorities, the principles defined apply within each Company, with the specific features of each category, to the conduct of the members of the Management Bodies, employees, persons in the Sales Network authorised to sell via the indirect sales channel and Group contract staff. The principles and rules laid down in the Group Code of Conduct are approved by the Board of Directors of Banca Mediolanum.

In accordance with the provisions of the Code of Ethics, the document is part of the Group's broader risk culture framework and is also aligned with the principles on which the "Code of Ethics" and the "Code of Ethics and Conduct" prepared by Assoreti are based.

The Code is drawn up to guide day-to-day activities and take decisions consistent with the ethical rules, company values and applicable legislation, incorporating legal and supervisory provisions, the relevant collective bargaining agreements, codes and category regulations where they exist and individual contracts, and creating, together with other regulations adopted for the purposes of the Group and individual Companies, a single regulatory framework aimed at ensuring that the covered persons are aware of the expectations that the Group and its stakeholders have with regard to their conduct. The interests of stakeholders are taken into account through a process of indirect customer involvement, as well as through the implementation of safeguards and controls to intercept incorrect conduct and ensure that the information provided is clear, understandable and accessible.

The Code is brought to the attention of all of the covered persons, as well as interested parties that will subsequently enter into relations with the Group. Compliance with all the provisions contained in the Code must be considered an essential part of the contractual obligations for employees, persons in the Sales Network authorised to sell via the indirect sales channel and Group contract staff. The Code is available and can be viewed on the channels made available to the covered persons and all updates are notified to them by means of specific communications. The provisions of the Code are the subject of training, with a particular focus on new hires.

Risk Culture Policy of the Mediolanum Group

In 2024, the Mediolanum Group adopted a Risk Culture Framework, represented in the Risk Culture Policy. The Policy defines the structure of the Framework and sets out the roles and responsibilities of the corporate bodies, control functions and other corporate departments and structures involved in implementing it for various reasons. The Policy defines the risk culture as the totality of organisational culture, behaviour, personal and professional ethics and individual and organisational risk appetite, including both the characteristics of the undertaking and the human factor. The Policy is not intended to be an exhaustive guide to all legal and regulatory obligations, but sets out the values and guidelines for establishing, promoting and supporting the risk culture within the organisation, in order to ensure that all decisions are made in accordance with corporate values, professional ethics and applicable regulations. The reference values expressed in the Policy are consistent with the inspiring principles expressed in the Code of Ethics adopted by the Mediolanum Group, i.e. being a community of people committed to building a personal and business culture consistent with the shared value system, the principles of conduct of which are based on the sound and prudent management of professional activity. As part of the Risk Culture Framework of the Mediolanum Financial Conglomerate, monitoring activities are to be carried out, at least once a year, on the evolution of the Risk Culture Framework, in order to adapt it dynamically and proactively to the changing needs of the corporate context and the environmental context.

The purpose of the Policy is to indicate the fundamental principles for the dissemination of risk culture at all levels of the corporate organisation, also outlining the roles and responsibilities of the Board of Directors, the Control Functions and all employees, contract staff and Sales Networks of the Group. The Policy is also applicable to the entire Mediolanum Financial Conglomerate, including Italian and foreign Subsidiaries and Companies in the Mediolanum Insurance Group.

The Policy has been approved by the Board of Directors of Banca Mediolanum. The Compliance Function of Banca Mediolanum is responsible for preparing and updating the Policy, with the support of the other control functions and the main corporate structures involved, each within its area of responsibility.

The Policy implements the main regulations and guidelines on risk culture and internal governance issued in recent years by major international authorities such as the European Commission, the European Central Bank, the European Banking Authority and the Bank for International Settlements.

The sound and prudent management of banking and financial activity and the adequate and timely management of the risks arising from it fall within the fundamental and shared values of the Mediolanum Group, which bases its action on compliance with rules, professional ethics and the value of the person, promoting behaviours inspired by consistency, transparency, fairness and mutual trust, in full compliance with the Group's Code of Ethics, Code of Conduct and Risk Culture Policy. The interests of stakeholders are taken into account through a process of indirect customer engagement. In addition, safeguards and controls are implemented to intercept improper conduct and ensure that the information provided is clear, understandable and accessible.

The Policy has been published on the company intranet. In addition, the Chief Executive Officer, the General Manager and the Head of the Compliance Function of the Parent Company took part in an episode broadcast on company TV, during which the key principles of risk culture expressed in the Policy were disseminated to the corporate population and to the Sales Network. Lastly, the Head of the Compliance Function was a speaker in specific training modules focused on disseminating risk & compliance culture, aimed at new employees both at the Head Office and in the Sales Network.

IRO: Inadequate consideration of scenario variables, sustainability priorities and stakeholder expectations in strategic planning and decision-making and operational processes; Risk of non-compliance with obligations/deadlines set forth in sustainability legislation; Reputational improvement of the Mediolanum Group through maintenance and/or improvement of rating scores and ESG indices

Mediolanum Group Sustainability Policy

The document sets out the Group's sustainability principles and related governance, integrating sustainability into the corporate values in order to develop a solid and sustainable business in the long term. It is intended to generate value for all stakeholders by promoting responsible management, customer centricity, employee support, respect for the environment and community development. The Policy defines the strategic guidelines and sets out the principles for managing ESG risks (Legislative Decree No. 125/2024), promotes a culture of sustainability, facilitates non-financial reporting and strengthens stakeholder engagement. The Policy applies to all organisational units of Banca Mediolanum and the Sales Network and is sent to all Group Companies for transposition. There are no specific exclusions and the value chain includes all organisational units involved in the management of processes related to sustainability matters. The corporate body responsible for implementing the Policy is the Board of Directors of Banca Mediolanum, which is responsible for approving the Policy and defining the sustainability guidelines. The document refers to various international regulations and standards, including the Paris Agreement on Climate Change, the United Nations (UN) 2030 Agenda for Sustainable Development, UNEP FI – Principles for Responsible Banking (PRB), the United Nations Global Compact (UNGC), the Universal Declaration of Human Rights, the OECD Guidelines, Directive 2022/2464 of the European Parliament and of the Council (CSRD), Commission Delegated Regulation (EU) 2023/2772, Regulation (EU) 2020/852 of the European Parliament and of the Council, Regulation (EU) 2019/2088 of the European Parliament and of the Council, the ECB Guide on Loan Origination and Monitoring, the EBA Guidelines on Loan Origination and Monitoring and the European Action Plan for Sustainable Finance. The interests of stakeholders are taken into account through a process of directly and indirectly involving them. The Mediolanum Group has launched a stakeholder management process aimed at involving all internal and external stakeholders in defining the sustainability strategy, in line with the founding philosophy of the Group, which puts people at the heart of its operations. The Policy is disseminated through publication in the Sustainability section of the Banca Mediolanum official website, in order to ensure transparency and accessibility. The document is approved by the Board of Directors and sent to all Group Companies for adoption.

IRO: Granting of loans/investments vis-a-vis undertakings implementing practices that potentially violate human rights; Investment risk not in line with the Group's Sustainability Policy; Risk of non-fulfilment of the requirements/deadlines provided by the legislation on sustainability in the area of investments

ESG Risk Management Policy of the Mediolanum Group

In order to address investment risk not in line with the Mediolanum Group's Sustainability Policy, all the Mediolanum Group Companies implemented the Mediolanum Group's ESG Risk Management Policy (cf. ESRS EI Policies on climate change mitigation and adaptation, Section EI-2 , DP 24).

Responsible Investment Policies

Since 2021, the Group Companies, which operate as financial market participants (FMPs), have had specific Responsible Investment Policies in place. These Policies provide that, as part of the investment process, ESG criteria are taken into account in the selection of economic instruments and activities in which to invest and in the selection of financial partners, third-party management companies, which accompany it in the investment activity (cf. ESRS EI Climate change, Section EI-2 Policies relating to climate change mitigation and adaptation, DP 24).

Credit internal regulations

Within the Credit internal regulations (see ESRS EI-2 Policies related to climate change mitigation and adaptation for further details on the minimum reporting requirements of the Policy), financing transactions with counterparties that have economic activities with strong environmental impact and with corporate purpose/activities not operating in sectors/fields that may expose the Bank to reputational risks (e.g. EROs, weapons, etc.) or that are in a serious state of economic depression are generally prohibited; it is also specifically prohibited to finance companies established in any legal form, based in Italy or abroad, that, directly or through Subsidiaries or affiliates, carry out activities that are part of the production chain for anti-personnel mines, cluster munitions and sub-munitions, of any nature or composition, or parts thereof.

Policy on Combating the Financing of Companies Producing Anti-personnel Mines, Cluster Munitions and Sub-munitions of the Mediolanum Group

The Policy, approved by the Board of Directors of Banca Mediolanum on 12 December 2024 and subsequently disclosed for adoption to the Subsidiaries, describes the key principles and safeguards to ensure compliance with the prohibition on financing provided for by the legislation, with regard to both the primary and secondary markets, including OTC markets, also in relation to transactions undertaken independently by Group customers. In the Policy, the producer companies for which financing is prohibited are identified through an exclusion list, to be updated quarterly and drawn up on the basis of information in publicly available lists, considered reliable and identified from time to time also through comparison with the trade associations. In this context, "financing" is understood as any form of financial support, including through Subsidiaries domiciled in Italy or abroad, including, but not limited to, the granting of credit in any form, the issue of financial guarantees, the assumption of shareholdings and the purchase of or subscription to financial instruments issued by the Companies. The Policy is directly applicable within all of the organisational units of the Bank, which fully adopts the Group principles contained in the Policy. The Policy is sent to all the Companies making up the Mediolanum Group, with the exception of the operating Subsidiaries, so that, by resolution of their own corporate bodies, they can adopt the principles of the Group defined in the Policy, without prejudice to any specific provisions of local jurisdictions and their respective Supervisory Authorities. The principles cited in the Group Policy will be implemented in the internal regulations of the Bank and of the Group Companies covered by the document. These regulations will provide a better definition of the tasks, operational and control activities of each organisational model adopted by the Subsidiaries within the scope of application, in compliance with the requirements of the aforementioned regulations and the principles and guidelines of the Policy. The Policy has been approved by the Board of Directors of Banca Mediolanum. The Compliance Function of Banca Mediolanum is responsible for preparing and updating the Policy, with the support of the main corporate structures involved, each within its area of responsibility.

With the Policy, the Mediolanum Group undertakes to comply with and implement the regulations described below and, in particular, the requirements of Italian Law No. 220 of 2021, which, in implementation of the Ottawa Convention and the Oslo Convention, introduced a total ban on the financing of Companies carrying out activities of construction, production, development, assembly, repair, preservation, employment, use, warehousing, storage, holding, promotion, sale, distribution, import, export, transfer or transport of anti-personnel mines, cluster munitions and sub-munitions of any nature or composition, or parts thereof. Furthermore, with particular regard to the Italian scope, the Supervisory Instructions of the Bank of Italy, Consob, COVIP, IVASS and MEF of 26 July 2024 provide clarifications and timely instructions to enable intermediaries to effectively prepare safeguards in order to ensure compliance with the prohibition established in the said law.

The Policy is provided to all the covered persons and can be viewed on the channels made available to the covered persons. All updates are notified to them by means of specific communications.

[GI-I DP 10 a]

In line with the Supervisory provisions, the Group has implemented an internal control system, structured over several levels and defined as a set of rules, procedures and organisational structures designed to allow for an adequate process of identifying, measuring, managing and monitoring the main risks. From a structural standpoint, the internal control system is divided into several levels, consisting of:

- line controls ("first-level controls"): these are designed to ensure that transactions are executed properly. These controls are performed by the same operating units (e.g. hierarchical, systematic and spot checks), and by units dedicated exclusively to control tasks that report to the heads of the operating units (the controls are performed in the back office). Where possible, they are incorporated into IT procedures. According to this configuration, the operational structures are primarily responsible for the risk management process. In the course of day-to-day operations, these structures are required to identify, measure or assess, monitor, mitigate and report the risks arising from ordinary business, in accordance with the risk management process. These structures must also comply with the operating limits assigned to them, in accordance with the risk objectives and procedures governing the risk management process;
- risk and compliance controls ("second-level controls"), which ensure compliance with the operating limits assigned to the various functions, the correct implementation of the risk management process and the compliance of the company's operations with regulations, including self-regulation. In accordance with legal requirements, the functions responsible for second-level controls are separate from those responsible for production;
- internal audit ("third-level controls"): aimed at identifying breaches of procedures and regulations and periodically assessing the completeness, adequacy, functionality (in terms of efficiency and effectiveness) and reliability of the internal control system and the information system, at predetermined intervals in relation to the nature and intensity of the risks. The Parent Company has established four permanent and independent corporate control functions, as follows:
  - Compliance Function;
  - Risk Management Function;
  - Anti-Money Laundering Function;
  - Internal Audit function.

The first three relate to the "second-level" control system, while the Internal Audit function relates to "third-level" controls. The Subsidiaries, both Italian and foreign, implement the Policies defined at Group level with adaptations deriving from specific or local regulations.

The Mediolanum Group has also adopted a Whistleblowing System to enable, inter alia, the reporting of alleged violations of the principles contained in Model 231 (specific to Italy), as well as other national and European Union legislative provisions that require the adoption of reporting systems. To this end, both employees and third parties (within the scope of the relevant legislation) are entitled to make, through the channels provided and also represented on the websites of the Group Companies, reports detailing potential and/or actual violations of the regulations mentioned above, of which the whistleblower has become aware due to the functions performed. The Whistleblowing Manager, identified within the Internal Audit Function, or consisting of a collegiate body (in the case of the Spanish Subsidiaries) is responsible for the correct functioning of the Whistleblowing System. The Whistleblowing Manager is supported by the Whistleblowing Officers, usually identified within the corporate functions/divisions responsible for managing the Whistleblowing System, who are responsible for receiving, analysing and assessing the reports received, in compliance with applicable legislation and internal corporate regulations. An effective whistleblowing system is an important tool for the constant respect of the principles of transparency and integrity of the Company and a useful "alert" for the adoption of timely and appropriate measures in the event of any breaches, with the aim of mitigating the impact also in terms of reputational risks.

[GI-I DP 10 e]

The following requirements apply at Group level to the methods of transmitting information/data/news:

- periodic and event information flows must be sent to the corporate bodies to which supervisory duties are assigned by the corporate structures concerned using methods defined by those bodies;
- reports of evidence or suspicion of any breach of the Models for the prevention of offences, the general principles and the principles enshrined in the Code of Ethics, by the corporate structures or other covered persons of the Models, are required to contact institutions through the whistleblowing channels, including through specific IT systems;
- The corporate bodies responsible for supervising the regulations concerning the liability of entities for the commission of offences are required to act in such a way as to protect the reporting persons referred to in the previous points from any form of retaliation, discrimination or penalisation or any consequence arising from the reports, ensuring the confidentiality of their identity, without prejudice to the legal obligations and the protection of the rights of the Company or of third parties;
- any reports received are carefully assessed and the advisability of consequent actions is considered, listening, if necessary, to the reporting person and/or the person responsible for the alleged breach.

[GI-I DP 10 g]

In 2024, the Group carried out various training activities to support professional growth and the dissemination of a shared corporate culture, involving the entire corporate population and the Sales Network and respecting the specific characteristics of the individual Group Companies, in accordance with any local provisions issued in this regard by the Supervisory Authorities in the relevant jurisdictions. The main training activities included:

- technical and regulatory courses, aimed at management and contract staff, for the management of corporate governance and compliance issues in order to raise awareness and a sense of responsibility about managing the obligations and risks inherent in the banking and insurance business;
- a Code of Ethics video training path that explores shared ethical principles to be complied with;
- an online course on the Code of Conduct, to guide the organisational behaviours of the employees, dealing with topics such as: the culture of risk, correctness in carrying out work tasks, customer relations, combating illicit activities, sustainability and respect for human rights; training courses on transparency and Product Oversight and Governance (POG), to improve the effectiveness of the service and ensure clear and transparent communication;
- Anti-money laundering training, provided online and in a blended format (in person and via web conferences) to ensure widespread participation and territorial coverage;
- a training course on the administrative liability of entities, which examined basic concepts by examining relevant offences, the responsibilities of organisations and prevention measures. With regard to the Companies that belong to the Group within the scope of Italy, significant amendments to the Criminal Code, new predicate offences and the evolution of the crime of corruption were explored, as well as a further course on combating fraud and falsification of non-cash means of payment, as well as offences against cultural heritage;
- for new hires and new Family Bankers, the Group has a training course in place on whistleblowing, with the aim of promoting a corporate culture based on transparency, integrity and responsibility; raising awareness among all employees; and providing clear instructions on how to use the reporting channels provided by the Company.

For the corporate population, specific modules have also been introduced in the broader training programmes focused on risk management, the individual behaviours to be adopted and awareness-raising initiatives to disseminate the risk culture. In addition, in order to support the Bank and the Banking Group Companies in relation to "conflicts of interest" matters and the processes for their prevention, an online course on the subject was provided. Finally, for the Sales Network in Italy, in 2024, the Executive Master's in Banking Consulting (EMBC),

a six-month specialist training course for young recent graduates who wish to become Banker Consultants (about 300 entries per year), continued.

For the purposes of implementing the Organisation, Management and Control Models for the prevention of unlawful acts, the corporate bodies with supervisory duties ensure that an adequate pathway is in place for informing and training the covered persons. The purpose of training plans is to raise awareness of legislation and the organisational models, and in particular to adequately support those involved in "sensitive" activities. For this purpose, mandatory training courses were structured with a final test, also extended to members of the Sales Networks.
For the Group's Italian Companies, the training on the "administrative liability of entities" was updated in 2024. Training courses for staff and employees are reviewed annually to incorporate both the amendments made by the legislature to the subject referred to in Legislative Decree No. 231/2001, and to propose cases of particular interest based on the most relevant case law. The Group has made available both a basic course and a series of "mini-training" updates on the most recent offences or for the examination of significant sentences. For the Spanish Companies in the Group, compulsory training was provided in 2024, with final assessment testing of all staff and the sales network. Among other topics, the training related to the Code of Ethics, the internal reporting system and the main criminal risks to which the organisation is exposed.
Training on conduct is provided by the Human Resources Department by means of the following methods:

- annual on-line training of all staff (Intuition Platform) in ethics and conduct;
- CFs (Controlled Functions) and PCFs (Pre-approved Controlled Functions) in the IAF (Individual Accountability Framework) and SEAR (Senior Executive Accountability Regime) areas through intuition (annual IAF training) and through face-to-face presentation to the entire corporate population in the area of the fitness & probity training requirements.

During 2024, Banco Mediolanum provided mandatory online training with final assessment testing of all staff and the sales network. Among other topics, the training related to the Code of Ethics, the internal reporting system and the main criminal risks to which the organisation is exposed. This training takes place every two years, so it is expected to be offered again in 2026. The Irish Companies in the Group have implemented similar corporate ethics and conduct training initiatives for all staff.

Actions

[MDR-A 68 a; 68 b; 68 c]

There are many areas of responsibility in the area of corporate culture. The actions taken in relation to the main IROs identified are described below.

IRO: Dissemination of fairness and ethics among employees and to the market

Code of Ethics training

In 2024, a total of 1,759.75 hours of training were provided on the Code of Ethics and its principles to all employees of the Bank. Employees were provided with online training consisting of 12 courses with the aim of disseminating knowledge of the values and principles described in the Code of Ethics.

IRO: Risk of non-compliance with the principles of transparency, truthfulness and completeness in the process of dialogue with the regulators with which the Function/business interfaces

Transparency of relations with the Supervisory and Control Authorities

The persons responsible for relations with the Supervisory Authorities are required to conduct themselves with the utmost propriety, integrity and independence in carrying out the activities for which they are responsible, in accordance with the provisions of the Group's Code of Conduct. The Group is committed to maintaining an open and transparent relationship with the Supervisory Authorities and to fostering trust-based cooperation. Failure to comply with this principle could lead to regulatory sanctions, reputational damage and/or substantial economic sanctions.

Also in the year in question, the Compliance Function managed relations with national Supervisory Authorities and trade associations for matters directly within its competence, in accordance with the principles of transparency, truthfulness and completeness. In particular, it was responsible for centralised control of the correct management of communications (requests) from these national authorities, directing them to the relevant corporate structures and monitoring response times, where provided for. The centralised management of the Supervisory Bodies involves the following activities:

- the receipt of communications sent by the various national authorities;
- recording requests and directing them to the correct corporate structures for the relevant processing and monitoring compliance with the deadlines for the sending of any response on the part of the relevant owner;
- analysing the decisions of the various extrajudicial bodies (e.g., for the Italian scope, ADR (alternative dispute resolution), with the support of the other corporate structures concerned, in order to ascertain compliance with corporate processes and procedures;
- integration of specialist information on the interpretation and application of the rules on the basis of information gained from requests from and contact with the Supervisory Authorities.

The scope of the actions implemented corresponds to the scope of the Code of Conduct (see GI-I DP 7 MDR-P b). The Compliance O.U. is responsible for monitoring national Supervisory requests on an ongoing basis throughout the year.

IRO: Risk linked to failure to control compliance with internal and external rules, due to failure to manage rules related to the exercise of banking and brokerage activities, the management of conflicts of interest and protection of consumers, including from the phenomenon of greenwashing

Mapping of activities carried out and/or planned in 2024 and 2023 attributable to the Risk Culture Policy framework

In the reporting year, the Parent Company launched a project activity aimed at mapping all the activities carried out and/or planned in 2023 and 2024 and attributable to the Mediolanum Group's Risk Culture Policy framework. The results of the mapping activity were presented to and approved by Banca Mediolanum's Board of Directors, together with a roadmap of development actions aimed at strengthening this framework of the Bank.

In the reporting year, the main actions implemented to mitigate risks and disseminate the corporate culture mainly related to:

- the definition of training courses for Head Office and Sales Network staff;
- the implementation of an annual reporting process for the Board of Directors and the Risk Committee, with the aim of representing the level of dissemination of the risk culture within the Company, based on a set of quantitative indicators to which the Control Functions, the Human Resources Department and the other Departments involved in various ways in the framework contribute;
- the review of the parameters for defining the variable remuneration of Senior Management and the Sales Networks;

- the identification, prevention or management of conflicts in the context of activities concerning the provision of investment services and activities and ancillary services, the carrying out of capital markets or corporate finance transactions and a combination of these services, the distribution of insurance-based investment products (IBIPs). All actions are intended to ensure that a conflict of interest does not adversely affect the interests of customers, the Bank, shareholders or other stakeholders. Furthermore, in the event of conflicts arising in the provision of investment services, if it is found that the management measures applied were not sufficient to neutralise this conflict, the customer will be informed of the existence of the conflict, so that they can make an informed decision on the proposed transactions, and ultimately the intermediary may decide to refrain from providing the service;
- the identification of appropriate measures, through specific guidelines to prevent and mitigate the risk of any breaches of the legislation on consumer protection and support the various organisational units of the Group Companies in the adoption of correct practices, also with a focus on greenwashing, i.e. attitudes that absolutely be avoided in the context of promotional events and advertising for products and services.

Information relating to the actions taken to manage the above matters is reported annually to the Board of Directors in the context of the Annual Report provided by the Compliance Function.
The scope of the actions implemented corresponds to the scope of application of the Risk Culture Policy of the Mediolanum Group (see GI-I DP 7 MDR-P b).
The development actions, defined as a result of the project activities relating to the Framework for the Parent Company, aimed at the dissemination and promotion of Risk Culture, are ongoing and will be completed by 2025; while the actions relating to the identification, prevention or management of conflicts of interest, as well as those relating to consumer protection, including the greenwashing phenomenon, are applied continuously.

IRO: Risk of failure to prevent the offences provided for in Legislative Decree No. 231/2001

Updating and adaptation of the models for exemption from corporate administrative liability
In 2024, the exemption models for certain Companies from "corporate administrative liability" were updated and adjusted. The competent corporate bodies approved them in order to transpose into them the offences governed by law, with respect to the previous versions of the models and the organisational changes that have taken place in the meantime. The updated documents were adequately publicised through dissemination on company databases in which the corporate documentation is available to employees and contract staff. At the same time, training was updated and provided on "corporate administrative liability", which constitutes a mandatory training pathway for employees and contractors, including Family Bankers, accompanied by final assessment tests. The scope of the actions implemented corresponds to the scope of application of Organisational Model 231/01. The training plan is a periodic process, as is the dissemination of the Model among the Group's stakeholders.

IRO: Inadequate consideration of scenario variables, sustainability priorities and stakeholder expectations in strategic planning, decision-making and operational processes

Stakeholder engagement
The Mediolanum Group organises occasions for discussion with and listening to its stakeholders regarding the context of sustainability and the topics considered most important, in line with the objectives that the Group aims to achieve and with the aim of adequately taking into account the expectations of stakeholders in strategic planning and decision-making and operational processes (cf. ESRS 2 SBM-2 Interests and views of stakeholders, for further details).

IRO: Risk of non-compliance with obligations/deadlines established by legislation on sustainability

Ex ante and ex post Compliance Function activities

With specific reference to the risk of non-compliance with the obligations/deadlines established by the legislation on sustainability, the Compliance Function, in line with a risk-based approach, carries out both ex ante and ex post supervisory activities to safeguard against the risk linked to sustainability matters, with particular regard to the areas that affect customers or potential customers. In detail, the Compliance Function, in the area of ESG, as is the case for the other types of risks monitored by the Function:

- monitors regulatory developments and consequent regulatory alerting activities relating to climate-related risks;
- provides ex ante advisory support to the structures that own the Bank's processes in relation to the areas and regulations not directly covered by the Risk Management Function and relating to the distribution of products by the Bank with possible impacts on customers or potential customers (e.g. greenwashing).

In the context of product governance systems, products are also checked before they are marketed, also with regard to the requirements established by the reference legislation for the distribution of sustainable products.
The Function carries out ex post control activities on the same areas/regulations as described in the ex ante activity, highlighting any mitigation actions and providing information to the Bank's bodies as part of the Function's ordinary reporting activity.

Updating of the Sustainability Policy of the Mediolanum Group

In 2024, the Board of Directors of Banca Mediolanum approved the new version of the Sustainability Policy of the Mediolanum Group, in order to implement the main contents introduced by Directive 2022/2464 (CSRD) and Legislative Decree No. 125/2024. The scope of the actions implemented corresponds to the scope of application of the Sustainability Policy of the Mediolanum Group (see GI-I DP 7 MDR-P b). Activities related to the Mediolanum Group's Sustainability Policy, such as, for example, stakeholder engagement and the management of ESG ratings, are carried out annually and represent a cyclical and recurring process.

IRO: Improvement in the reputation of the Mediolanum Group through maintenance and/or improvement of rating scores and ESG indices

Management of ESG ratings

In 2024, in accordance with the provisions of the Mediolanum Group's Sustainability Policy on the management of ratings and ESG indices, with a view to greater transparency on sustainability matters, and in the light of the importance given to sustainability performance assessments by stakeholders, investors and others, Banca Mediolanum has responsibly chosen to measure business decisions, analysing all the impacts (economic and non-economic) that they determine for each ESG factor. These decisions are then made public by the individual international sustainability raters. The ratings are assigned at the end of a process of analysing and evaluating ESG policies and performance and are a valid tool for the Group's stakeholders, offering summary, independent and comparable information on the performance and level achieved by Banca Mediolanum in non-financial areas related to governance, ethics and integrity, social and the environment.

IRO: Granting of loans/investments vis-a-vis undertakings implementing practices that potentially violate human rights; Investment risk not in line with the Sustainability Policy of the Mediolanum Group; Risk of non-fulfilment of the requirements/deadlines provided by the legislation on sustainability in the area of investments

Actions relating to finance/investment to companies engaging in practices that potentially violate human rights

With regard to the credit area, from 2021 onwards, some ESG safeguards were introduced, which are based on an assessment of the ESG factors of the corporate credit portfolio. In particular, when granting the credit, all credit investigations relating to the corporate sector were accompanied by the ESG score of the counterparty (cf. ESRS E1-3 Actions and resources in relation to climate change policies for further details). The actions taken by the Mediolanum Group extend to all counterparties incorporated any legal form, domiciled in Italy or abroad. The actions of integrating sustainability factors into the investment and financing process described, such as, by way of example, monitoring and due diligence activities, are carried out periodically and continuously over time. With regard to the scope of investments, Mediolanum Group Companies that carry out investment activities have adopted several measures, including monitoring of the negative effects deriving from investment decisions. In fact, in order to assess the negative effects on sustainability factors generated through their activities, they take into account 16 mandatory PAI indicators against which all investment products offered to customers are measured.

These PAI indicators are divided into three main categories: environmental, social and governance. Some of the indicators directly address human rights matters, such as respect for working conditions and combating discrimination. In this regard, among the mandatory indicators, the Group Companies selected "PAI 13 - Board gender diversity" as a priority PAI in the social area.

In addition to the mandatory indicators, the Group Companies also take into account some optional indicators. In particular, with regard to "additional indicators on social, human rights and anti-bribery and corruption matters", PAI 9 was selected, relating to the "Lack of a human rights policy".

In addition to the above, MIFL has specific safeguards in place relating to human rights. MIFL supports the UN's view that gender equality is not only a fundamental human right, but also a necessary basis for a peaceful, prosperous and sustainable world. Accordingly, as highlighted in its Responsible Investment Policy, the Company, among the SDGs that it has prioritised, has formally adopted SDG 5 (Gender equality), aimed at ensuring the full and effective participation of women and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

Furthermore, as part of its ESG self-assessment process for all delegated managers, MIFL grades each manager based on both qualitative elements, deriving from the responses that the managers provide to the ESG questionnaire (approximately 60 ESG questions), and quantitative elements provided by an information provider. In 2024, MIFL added specific human rights questions to the ESG questionnaire.

A further safeguard on human rights established by MIFL is the daily screening of all securities held within Article 8 and Article 9 funds, comparing them with the "Norges Index Check", an exclusion list used by Norges Bank (the Central Bank of Norway). This list helps to ensure the sustainable management of the Norwegian Government Pension Fund, also focusing on reducing the financial risks associated with the practices of the companies in the portfolio, with a focus on respect for human rights. MIFL uses the list to support its own monitoring activities.

Information flows to ensure that the management body has full oversight of organisational safeguards and to verify compliance with the prohibition on financing companies producing anti-personnel mines, cluster munitions and sub-munitions

The Bank and the Companies covered by the Policy on Combating the Financing of Companies Producing Anti-personnel Mines, Cluster Munitions and Sub-munitions of the Mediolanum Group have adequate information flows, aimed at ensuring that the management body with strategic oversight functions is fully aware of and governed by the organisational controls adopted to verify compliance with the prohibition on financing, as well as timely knowledge of any breaches of the prohibition. In this regard, the Control Functions of the Bank and its Subsidiaries establish appropriate information flows with the organisational structures responsible for first-level controls, in order to accurately report on the activities carried out in the context of their periodic reports, while

the Control Functions of the Subsidiaries to which the Policy applies establish appropriate information flows to the Bank's Control Functions.
The scope of the actions implemented corresponds to the scope of application of the Policy on Combating the Financing of Companies Producing Anti-personnel Mines, Cluster Munitions and Sub-munitions of the Mediolanum Group.
Since any financial support to the producing companies, regardless of its nature or function, is prohibited, the Bank and the Group Subsidiaries, on an ongoing basis, adopt control procedures for both the risk capital and the debt capital of the producing companies with regard to both the primary and secondary markets.

4.1.2 Protection of whistleblowers

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Protection of whistleblowers			
Presence of whistleblowing procedures and protection of whistleblowers	Actual positive impact	Own operations	Short term

The Group's approach and policies

The subject of whistleblowing is addressed by the Mediolanum Group in a context of increasing regulatory complexity and transparency requirements. The whistleblowing system enables employees and third parties to report breaches safely, with protection of their identity and protection against any form of retaliation. Managed by the Internal Audit Function and overseen by the Supervisory Body, the process ensures that reports are treated with confidentiality and regulatory compliance. This approach not only strengthens internal trust, but also strengthens the Group's commitment to transparent and sustainable management, helping to prevent unlawful conduct and protect stakeholders.

[GI-1 DP 7]

IRO: Presence of whistleblowing procedures and protection of whistleblowers

Whistleblowing Policy

The Parent Company's Policy, the last update of which was approved in 2024, aims to describe the principles of the model defined in order to enable "whistleblowers" to report potential and/or actual violations of the principles contained in Model 231 (specific to Italy), as well as national or European Union legislation and other legislation that requires the adoption of reporting systems. An effective whistleblowing system is an important tool for the constant respect of the principles of transparency and integrity of the Company and a useful "alert" for the adoption of timely and appropriate measures in the event of any breaches, with the aim of mitigating the impact also in terms of reputational risks. The Whistleblowing System adopted provides for:

- specific, autonomous and independent channels that differ from the ordinary reporting lines and ensure the confidentiality and protection of the personal data of the whistleblower and the person reported on;
- specific procedures for the receipt, processing and management of reports that guarantee the independence of assessment as well as complete transparency and traceability of the procedure followed;
- protection of the whistleblower against the risk of direct or indirect retaliatory or otherwise unfair conduct resulting from the report;

- protection of the confidentiality of the content of the report and of the identity of the whistleblower and the person reported on, in compliance with the applicable local legislation, also on the protection of personal data, without prejudice to any measures of the Authorities in relation to the events reported on.

In this regard, it should be noted that, if the person reported on is found to be liable, he/she is protected against any further negative repercussions other than those provided for by the disciplinary measures adopted and is also held harmless if the checks resulting from the report do not reveal any anomalies for which he/she is responsible.

The covered persons of the Policy are potential whistleblowers, who may be, pursuant to the legislation:

- workers in various forms, including, with regard to Italy, workers whose employment relationship is governed by Legislative Decree No. 81/2015 (e.g. part-time, intermittent, fixed-term, temporary, apprenticeship, incidental work); occasional workers; and self-employed workers carrying out their own work;
- workers or contract staff carrying out their work;
- contract staff of the Sales Network who have been granted an agency mandate;
- Family Bankers;
- the self-employed and consultants carrying out their own activities;
- volunteers and trainees, both paid and unpaid, who perform their own activities;
- candidates taking part in the selection process or in pre-contractual negotiations;
- third-party service providers;
- the shareholders;
- persons with administrative, management, control, supervision or representation functions, even if such functions are performed on a purely de facto basis.

Reports may also be made by whistleblowers: when the legal relationship has not yet begun, whether information on the breaches was acquired during the selection process or in other pre-contractual phases; during the probationary period; and after termination of the employment relationship, if the information on the breaches was acquired during the course of the employment relationship. In addition, in order to make the report, it is not necessary for the whistleblower to have evidence of the breach; however, he/she must have sufficiently detailed information which makes it reasonable to send it.

The subject matter of reports may concern:

- significant unlawful conduct pursuant to Legislative Decree No. 231 of 8 June 2001 or failure to comply with the control measures provided for in Model 231 (for Italy);
- reports of a potential or actual breach of the provisions laid down to prevent money laundering and terrorist financing;
- reports concerning acts or events that may constitute breaches of rules governing banking, financial, insurance and antitrust legislation and provisions on market abuse;
- offences committed in breach of the European Union legislation indicated in Annex I to Legislative Decree No. 24 of 10 March 2023 and all national provisions implementing it;
- acts or omissions affecting the financial interests of the European Union as identified in the European Union regulations, directives, decisions, recommendations and opinions;
- acts or omissions concerning the internal market; - further acts or conduct that frustrate the object or purpose of the provisions of the acts of the European Union;
- violations of internal codes of conduct and other internal regulations for which the Whistleblowing System is expressly provided as a communication channel.

The following are excluded from the scope of reports: disputes, claims or demands of a personal nature relating exclusively to individual employment relationships or relationships with hierarchically superior persons or with colleagues. In relation to the latter, reference must be made to the applicable regulations and practices at the local level; and reports of matters of a purely commercial nature.

The document of the Parent Company is approved by the Board of Directors of Banca Mediolanum S.p.A. and applies directly within the Bank. The Policy is sent to the Companies belonging to the Mediolanum Group to which the legislation applies, so that they can adapt their own internal regulations, according to the specific characteristics of each Company and on the basis of the proportionality criteria. The Board of Directors approves the Policy and appoints the Whistleblowing Manager who, in the case of the Italian and Irish Companies, is identified within the Internal Audit Function, while in the case of the Spanish Subsidiaries, it consists of a collegiate body made up of the Heads of the Internal Audit and Compliance Functions. The Whistleblowing Manager is responsible for implementing the reporting system and sends the information on an ad hoc basis for more serious breaches in addition to periodic reporting (at least once a year). Proposals to update the document are the responsibility of the said Whistleblowing Manager, with the support of the competent structures for any impacts relating to operating and corporate processes.

As the Parent Company, Banca Mediolanum developed a Whistleblowing Policy pursuant to Legislative Decree No. 24/2023 and its Annex I, implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down provisions on the protection of persons reporting breaches of national regulatory provisions. This Policy was transmitted and appropriately considered by the Mediolanum Group's Subsidiaries, which have adopted their own specific Policies in this regard, in line with the content outlined by the Parent Company and in accordance with their local specific characteristics.

Information is provided on the use of the internal and external channel, with particular regard to the conditions for making reports and the competent persons responsible for handling reports, as well as the procedures. This information is also made accessible to persons who, although not attending the workplace, are entitled to submit a report. Finally, the Group Companies publish this information in a specific section of their website (where present) as well as on the company intranet.

The Mediolanum Group's Whistleblowing Policy was updated in 2024 and the new version was promptly made available on the website of each Company (where present) and on the company intranet (for persons within the company). A new update of the Policy (for Italy) is also expected during 2025 with the publication of the new document when convenient.

[GI-I DP 10 c]

The Group has adopted specific procedures, including IT procedures, to enable whistleblowing. Dedicated initiatives are planned to ensure the training and dissemination of knowledge among covered persons for access to the channels provided. These ensure confidentiality in whistleblowing management, as well as forms of protection for the informant. Sanction systems are in place, to be applied if retaliation occurs against whistleblowers or if confidentiality measures are breached.

Whistleblowers benefit from protection measures provided that they have had reasonable grounds to believe that the information reported was true at the time of the report and that the information fell within the scope of the rules. It should also be noted that the protection measures also apply: to facilitators, i.e. natural persons who assist the whistleblower in the reporting process, and who operate within the same working environment and whose assistance must be kept confidential (e.g. the facilitator may be a colleague from an office other than that of the whistleblower who assists the latter in the reporting process on a confidential basis, i.e. without disclosing the information disclosed. The facilitator may be a colleague who also qualifies as a trade union member if he/she assists the whistleblower in his/her name and on his/her behalf, without using the trade union acronym); persons in the same working environment as the whistleblower who operate, or have operated in the past, in the

same working environment as the whistleblower (e.g. colleagues, former colleagues, contract staff) and are connected to them through a stable affective relationship or family tie up to the fourth degree; work colleagues of the whistleblower who work in the same working environment and who have a normal and current relationship with that person; and corporate entities of the whistleblower or for which that person works, as well as entities operating in the same working environment as the aforementioned persons.
The Mediolanum Group prohibits retaliation, i.e. any behaviour, act or omission, even if only attempted or threatened, carried out as a result of the report, that causes or may cause unjust harm to the whistleblower, directly or indirectly. Whistleblowers who believe that they have suffered discrimination/retaliation inform the external parties appointed (e.g. ANAC for Italy), which will carry out the investigations that the country's law assigns to them and may impose a sanction on the person responsible. The reporting of any retaliation must be as detailed and clear as possible. It should be noted that there must be a prior report of offences on the part of the whistleblower subject to the retaliatory measure. Once the whistleblower declares that he/she has made a report and suffered retaliation/harm, the burden of proving that such conduct or actions are justified due to reasons unrelated to the report lies with the person who carried them out. The latter is therefore required to demonstrate that the measures taken against the whistleblower are in no way linked to the report. The retaliatory acts are null and void. A whistleblower who has been dismissed as a result of the report or complaint has the right to be reinstated to his/her position. In addition, it should be noted that the activities of receiving and analysing the report are recorded, tracked, monitored and managed, taking into account the principles of impartiality and confidentiality, also with respect for the dignity of the worker, the regulations in force at the local level regarding the protection of personal data and employment, and the contractual regulations of the sector. The persons responsible for receiving, reviewing and assessing reports are identified to ensure that they are not hierarchically or functionally subject to any report, are not themselves the persons allegedly responsible for the breach and do not have a potential interest related to the report. Specific training is provided on the Whistleblowing System for everybody at the Head Office and in the Commercial Network.

[GI-I DP 10 e]

As part of the management of whistleblowing reports, the Mediolanum Group has defined an independent and confidential investigation process within the Whistleblowing Policy, which, if necessary, also allows the involvement of corporate structures for the purposes of the investigation.

Actions

[MDR-A 68 a; 68 b; 68 c]

IRO: Presence of whistleblowing procedures and protection of whistleblowers

Whistleblowing training course

The Mediolanum Group provides appropriate whistleblowing training through the provision of a specific training course at least once a year and at the start of the employment relationship. It aims to provide information on the main regulatory requirements, the protective procedures activated and the operating procedures of the corporate whistleblowing system, and includes a final test. The training course is updated whenever this is necessary due to organisational changes and/or regulatory additions; the training course will also be updated in 2025 (for Italy).

4.1.3 Management of relationships with suppliers, including payment practices

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Management of relationships with suppliers, including payment practices			
Improvement of suppliers' ESG performance by means of selection criteria that take into account social and environmental aspects	Actual positive impact	Value chain	Short term
Developing a relationship of fairness and mutual trust with suppliers and adherence to payment practices	Actual positive impact	Value chain	Medium term

The Group's approach and policies

Managing relations with suppliers is essential to ensure a system based on transparency, sustainability and social responsibility. The Mediolanum Group selects its suppliers on the basis of quality, ethics and compliance criteria and environmental and social standards, promoting long-term relationships based on trust. Responsible management also involves timely and transparent payment practices, which ensure balance in business relationships and support the financial soundness of partners. The Mediolanum Group pays particular attention to this aspect, aware of the impact that problems with payments may have on the production chain, particularly for small and medium-sized suppliers. In this regard, the Bank is committed to respecting the agreed timescales. This approach reflects Mediolanum's commitment to creating a sustainable and responsible supply chain, in line with its corporate values.

IRO: Improvement of suppliers' ESG performance by means of selection criteria that take into account social and environmental aspects

[GI-1 DP 7]

Over the years, the Group has developed several Policies with the aim of integrating ESG criteria into the process of selecting, assessment and engaging suppliers. The various policies include the Supplier Code of Conduct and the Mediolanum Group's Purchasing Policy (cf. ESRS S2 Workers in the value chain, Section S2-1, DP 16 for more detailed information on the two Policies).

IRO: Developing a relationship of fairness and mutual trust with suppliers and adherence to payment practices

[GI-2 DP 14]

The Parent Company also adopted a specific operating procedure with the aim of formalising operations in the area of managing expenditure. This procedure describes, for this scope of reference, the actors and their roles and responsibilities, the control points, the IT tools used and any reports produced. The Administration, Accounting and Financial Reporting Division, through the Active and Passive Invoicing Office, oversees all activities related to the registration and payment of supplier invoices in accordance with the contractual agreements signed by the Company. To ensure compliance with the agreed payment terms, the process is computerised, with automatic payments being made twice a month. If contractual agreements provide for payment terms that differ from the standard, the Active and Passive Invoicing Office enters a manual payment mandate to meet the invoice deadline. The foreign Subsidiaries have adopted an operating procedure in order to better manage invoices received, in particular with regard to their authorisation, accounting registration and payment. Banco Mediolanum has also launched a process of digitising invoices.

Actions

[GI-2 DP 15 a]

The Mediolanum Group, due to the materiality of the matter relating to responsible procurement policies, has developed specific Policies over the years and improved supplier assessment criteria by integrating an analysis of the social and environmental impacts of the products and services provided (cf. ESRS S2 Workers in the value chain for further details on policies, actions and objectives relating to workers in the value chain).

[GI-2 DP 15 b]

In Italy, the "full" supplier selection process also takes into account the assessment of ESG and financial performance (cf. ESRS S2-4 Workers in the value chain, supplier selection process, DP 32a, for further details on how Mediolanum Group takes into account social and environmental criteria for the selection of its suppliers). The foreign Subsidiaries have initiated a process of alignment with the Parent Company's practices.

4.1.4 Bribery and corruption

[SBM-3 DP 48 a]

IRO description	IRO category	Connection with value chain	Prevailing time horizon
Bribery and corruption			
Damage to the market and the community caused by money laundering	Potential negative impact	Own operations	Short term
Damage to the market and the community caused by corruption	Potential negative impact	Own operations	Short term

The Group's approach and policies

Corporate conduct is one of the key aspects of maintaining trust in the markets and among stakeholders, and is particularly relevant in the context of combating bribery and corruption. At Mediolanum, the management of this area reflects an approach based on a solid internal control system and a rigorous organisational model aimed at preventing unlawful conduct. Anti-corruption, both public and private, is an integral part of corporate policies, in line with national regulations and international conventions. The Bank prohibits any attempt to provide or accept benefits that do not conform to market practices, by adopting internal procedures to monitor and manage the risks associated with such activities. This system is supported by a corporate culture that places ethics and integrity at the heart of business and institutional relationships, creating an environment that significantly reduces the risk of corrupt behaviour and enhances transparency. These measures not only protect against potential legal implications, but strengthen the Bank's reputation as a responsible player in the economic landscape. The scrupulous management of payment practices, regulated by precise internal regulations, is an additional protective factor, ensuring that every transaction complies with the highest standards of fairness and lawfulness.

[GI-1 DP 7]

Over the years, the Group has developed various Policies to ensure the effective management of the impacts identified in relation to bribery and corruption and money laundering, specifically the Anti-Corruption Policy of the Mediolanum Group and the Policy on Anti-Money Laundering and Combating Terrorist Financing of Banca Mediolanum.

IRO: Damage to the market and the community caused by corruption

Anti-Corruption Policy of the Mediolanum Group

The Anti-Corruption Policy of the Mediolanum Group, approved by the Board of Directors of Banca Mediolanum on 12 December 2024 and disclosed to the Subsidiaries for adoption, defines the principles on the management of corruption risk defined for the Mediolanum Group. The Group promotes a culture of zero tolerance, according to which corruption is never allowed, and is committed to combating it in all its forms. The Policy identifies the main corporate activities that, by their nature, are more exposed to the risk of corruption, and defines the principles to be followed in order to prevent corruption. The Group also implements a structured and comprehensive Anti-Corruption Programme, involving all the Group Companies, in order to monitor and avoid incidents of corruption. The programme includes a whistleblowing mechanism for reporting incidents of corruption, according to which the internal structures are required to report such incidents to their Compliance Function and trigger the whistleblowing process. The Compliance Function and the Supervisory Body (or similar body at the foreign Subsidiaries) of each Group Company, in the relevant annual reports, prepare an update on the state of compliance with the requirements regulated by the Policy, on the state of implementation and on the effectiveness of the Anti-Corruption Programme.

The Policy applies to all members of the Management Bodies, employees, persons in the Sales Networks authorised to sell via the indirect sales channel and Group contract staff, and is sent to all Companies belonging to the Mediolanum Group, for their adoption, without prejudice to any specific provisions of local jurisdictions and their respective Supervisory Authorities.

The Parent Company's Board of Directors defines the Group's anti-corruption policies, creates and disseminates the culture of corruption risk management within the Group, oversees the required conduct and raises awareness about compliance with the standards of conduct described in the Policy.

The Policy is in line with the principles of the Global Compact promoted by the United Nations, and with the EBA Guidelines on internal governance of 2 July 2021 (EBA/GL/2021/05). The Policy is designed to disseminate a culture of zero tolerance towards corruption and to guide day-to-day activities and decision-making consistent with the same, in order to avoid damage to the reputation of the Group Company and to the Group itself, as well as to customer confidence in its integrity. The interests of stakeholders are taken into account through a process of indirect customer engagement, as well as through the implementation of safeguards and controls to intercept incorrect conduct and ensure that the information provided is clear, understandable and accessible. The Policy must also be made available to external interested parties, in order to inform them of the anti-corruption principles followed by the Mediolanum Group. These parties are expressly requested to adhere to the fundamental values of integrity, transparency and responsibility in accordance with what is defined by the Group. The Parent Company therefore undertakes to publish the Policy on the company website, in order to provide external interested parties with knowledge and understanding of the rules contained therein.

IRO: Damage to the market and the community caused by money laundering

Policy on Anti-Money Laundering and Terrorist Financing of Banca Mediolanum

In accordance with the provisions in force, the Board of Directors of Banca Mediolanum has approved a specific policy, the latest update of which was resolved upon in 2024, aimed at preventing Group Companies from becoming involved, including unwittingly, in money laundering or terrorist financing. In particular, the purpose of the documents is to define:

- the actual decisions taken with regard to organisational structures, procedures and internal controls, due diligence and data retention;
- the rules of governance and the roles and responsibilities for combating money laundering risks to be adopted within the Group;

- the Group guidelines for combating money laundering risks, as well as the principles for managing relations with customers classed as high risk.

In accordance with the above Policy, the duties and responsibilities relating to the mitigation of the risk of any involvement of the Group in money laundering or terrorist financing are primarily assigned to the corporate bodies. In particular, the Board of Directors is responsible for identifying policies to regulate money-laundering risk that are appropriate for the extent and type of risk profiles to which the activities of the Group Companies are actually exposed. From this perspective, the Parent Company's Board of Directors performs its duties with reference not only to the Bank's business situation, but also assessing the Group's overall operations and the risks to which it is exposed. The Anti-Money Laundering Officer, who is appointed by the Board of Directors of each Group Company, continuously verifies, with the support of the respective Anti-Money Laundering Function, the suitability of the above procedures, in order to ensure adequate oversight of money-laundering risk, coordinating with the other corporate control functions. The Internal Audit Function continuously monitors the adequacy of the corporate organisational structure and its compliance with the relevant regulations and oversees the functionality of the overall internal control system. The Policy is aimed at Group staff, including Family Bankers. The Group Policy is approved by the Board of Directors of Banca Mediolanum and is sent for transposition, in accordance with the principle of proportionality and taking into account local regulations and specificities, to the Strategic Supervisory Bodies of the Companies/corporate bodies belonging to the Group. The Chief Executive Officer defines the Policy submitted for the approval of the Board of Directors and oversees its implementation. The Anti-Money Laundering Officer monitors the adequacy and proportionality of the Policy over time, taking into account the characteristics of the company and the risks to which it is exposed. The Anti-Money Laundering Function assists with the updating and periodic review of this Policy. Through the implementation of the rules, the Group Companies undertake to ensure compliance with specific EU and national regulations in this area, as well as with the secondary regulations issued by the competent national authorities, which implement the more general recommendations of the Financial Action Task Force (FATF), which is the main international coordinating body in this area. The Group Companies adopt ongoing training and professional development programmes for staff, aimed at correctly applying the provisions of the relevant legislation, recognising transactions relating to money laundering and terrorist financing and adopting the conduct and procedures to be adopted. Particular attention is paid to the Sales Network advisors, where present, employees involved in the remote onboarding process and employees of the operational structures that administer and manage customer transactions in practice, as well as employees involved in the suspicious transactions reporting process. Specific training programmes are implemented for staff belonging to the Anti-Money Laundering Function. Specific Board induction sessions are also organised, during which the corporate bodies are updated on the main changes and evolution in the regulatory environment. The Policy is made available to stakeholders through the publication and dissemination of the document within the Mediolanum Group, as well as through publication on the Banca Mediolanum website.

[GI-I DP 10 e]

In order to quickly, independently and objectively investigate incidents concerning the undertaking's conduct, for corruption cases, the Group has adopted an Anti-Corruption Programme, a structured and complete tool, involving all the Companies of the Group. The programme provides for a reporting mechanism whereby, in the event of the detection of information likely to suggest the possible existence of corruption, the internal structures are required to report these circumstances to the Compliance Function of the respective Group Company, and to trigger the whistleblowing reporting process.

[GI-I DP 10 h]

The Special Section of the Organisation, Management and Control Model, which corresponds to Model 231 in Italy, includes specific Protocols containing principles of conduct and control for the prevention of risks of corruption. The Protocols are detailed for activities where this risk is potentially present: relations with the public administration and public supervisory authorities, cases in which public entities assume the status of customers/investors, staff recruitment processes, relations with suppliers and dispute management have been taken into account. Further safeguards exist in relation to the management of commercial exemptions, charitable donations, gifts and presents. Similarly, the Criminal Compliance Model adopted at the Spanish Companies includes measures to prevent risks of corruption. The Functions within the Company that are at the highest risk of bribery or corruption are: Commercial Network, Tax Advisory, Personnel Department, Banking Products and Services Department and Purchasing Department. These Functions have been identified through the analysis and reassessment of criminal risks carried out annually, which enables exposure to a higher or lower risk of corruption and other offences to be identified in certain units.
The Irish Companies implement the Policies defined at Group level with adaptations deriving from local legislation.

Actions

[MDR-A 68 a; 68 b; 68 c]

IRO: Damage to the market and the community caused by corruption; Damage to the market and the community caused by money laundering

The Mediolanum Group has adopted various initiatives in relation to anti-corruption and anti-money laundering. In particular, for 2024, the main action plans implemented provide for:

- with regard to the implementation of organisational models and policies for the prevention of offences, periodic controls, examination and analysis of operating processes are carried out, in order to prevent, among other risks, cases of corruption; Similar safeguards are in place for the implementation of the Code of Ethics and the Code of Conduct;
- the structures responsible for conduct-related cases that could present corruption profiles may be alerted through specific reporting channels;
- in the area of anti-corruption, training courses are delivered to covered persons. Case studies, the sanctions provided for and the main regulatory references in the area of public and private corruption are addressed during these courses. Covered persons are also informed of the organisational safeguards provided for by the procedures and Policies in force. During 2024, the Group Companies updated and provided the covered persons with specific training.

In addition, in 2024, the Anti-Money Laundering Function of each Group company duly performed its activities, overseeing the evolution of the reference regulatory framework, providing support and advice to the various business areas for the purposes of correct application of the legislation and ensuring the delivery of the scheduled training and continuing professional development plan for employees and contract staff of the sales network, where provided for. Checks were carried out on the correct functioning of the first-level safeguards, at the same time fulfilling the obligations of active collaboration by analysing reports of possible suspicious transactions originating from the Sales Network, where provided for, from the operational structures and from transaction monitoring systems, for the purposes of possible submission to the suspicious transactions reporting manager of each company for the relevant assessments. During the year, the Parent Company carried out important planning measures, such as the transition to the new version of the transaction monitoring system (GIANOS EVO 5.9) and the implementation of specific due diligence questionnaires, to be submitted to customers when they invest in Group products and open current accounts. The scope of the actions implemented corresponds to the scope of application of the Policy.

The training plan represents a cyclical and recurring process that takes place on an annual basis. The plan for disseminating the Policy to the Group's stakeholders is implemented whenever the Policy is updated.

[GI-3 DP 18 a]

The organisation, management and control models implemented to prevent the "administrative liability of entities" are aimed at combating corruption in an effective way, in order to promote the social and economic development of an organised community of people. Corrupt practices have a negative impact on the relationship of trust that must be maintained at all levels, both with public institutions and among the economic operators themselves, and create a system that distorts the positive effects of a market economy oriented towards the protection of the interests and fundamental rights of the community. The Mediolanum Group's Anti-Corruption Policy establishes that, in the context of specific risk management, with reference to both corruption risk and reputational risks associated with breaches of these rules, the material processes are identified and monitored by the individual corporate areas of the Bank within the scope of its specific activities through a system of controls mainly provided for the implementation of the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001.

Another level of detail to prevent corruption risks was obtained through a specific assessment of the risks of offences and the organisational safeguards present in corporate processes through specific "231 risk assessments". Using this method, the following are identified: organisational units, methods of potential perpetration of offences, "231-risk" factors and control points maintained by the second-level control functions, which are considered effective in mitigating the risks related to the "administrative liability of entities". The corporate bodies responsible for supervising the above models are periodically updated on the results of these controls. Specific information flows were also created to inform the Supervisory Board of cases in which employees, contract staff or Senior Management are involved in the initiation of investigations or proceedings for the liability provided for by Legislative Decree No. 231/2001, which may directly or indirectly concern the Companies. Furthermore, in order to prevent and combat corruption effectively, the Mediolanum Group, in the context of its Anti-Corruption Policy, has adopted an Anti-Corruption Programme, a structured and complete tool that involves all the Group Companies. The programme is based on four principles:

- internal regulations;
- staff training;
- controls and organisational framework;
- recording and archiving of transactions.

The Subsidiaries, both Italian and foreign, implement the Policies defined at Group level with adaptations deriving from specific or local regulations.

[GI-3 DP 18 b]

For the Italian Companies, pursuant to Legislative Decree No. 231/200, an internal body is identified, vested with autonomous powers of initiative and control (Article 6, paragraph 1(b), which must be entrusted with the task of supervising the functioning, effectiveness and observance of the Model and ensuring that it is constantly and promptly updated. In view of the specific nature of its tasks and the Company's organisational structure, the powers and responsibilities of the Supervisory Body are granted to a collegial body consisting of members with proven professionalism and experience, identified as the members of the Board of Statutory Auditors. The duties of the Supervisory Board are therefore performed by the Board of Statutory Auditors in accordance with the combined reading of both the Decree and the banking supervisory regulations. The above structure is guaranteed the characteristics of autonomy, independence, professionalism and continuity of action that the Decree requires for this delicate function. The Board of Directors appoints the Supervisory Board by means of a specific Board resolution. The Administrative Body is also responsible for periodically assessing the adequacy of the Supervisory Body in terms of organisational structure and powers conferred, making the amendments and/or additions deemed necessary by Board resolution. The Supervisory Body, in a specific document notified to the Board of

Directors, sets out its operating rules and the procedures for managing the necessary information flows that it will be required to receive and send. The Subsidiaries, both Italian and foreign, implement the Policies defined at Group level with adaptations deriving from specific or local regulations.

[GI-3 DP 18 c]

For the Italian Companies, the Supervisory Body reports annually, by means of a specific report, to the Board of Directors in order to disclose the work done during the year and the results achieved, as well as any need to update Model 231. If necessary, the Supervisory Body may submit information "by event" to the Board of Directors, if it considers that a breach of Model 231 or risk behaviours is taking place in the context of "corporate administrative liability". The Subsidiaries, both Italian and foreign, implement the Policies defined at Group level with adaptations deriving from specific or local regulations.

[GI-3 DP 20]

The Boards of Directors of the various Companies of the Mediolanum Group are involved in the process of approving documentation to oversee the matter of anti-corruption (e.g. for Italy, the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/01) and therefore become aware of management practices on the subject. Model 231 is published in the database of corporate procedures, which can be accessed by employees and contract staff, as they are covered persons vis-a-vis the internal regulations. An extract of the Model is also made available to third parties through the Bank's website, where there is a section dedicated to the Supervisory Body. The commitment to compliance with Model 231 is expressly referred to in clauses in contracts with suppliers and in agency mandates relating to relations between the Bank and members of the Sales Network. In addition, Banca Mediolanum, in its capacity as Parent Company, publishes the Mediolanum Group's Anti-Corruption Policy on official websites so that the external parties concerned are guaranteed knowledge and understanding of its rules. The foreign Subsidiaries implement the policies defined at Group level with adaptations deriving from specific or local regulations.

[GI-3 DP 21 a]

The administrative liability regime provided for in the Decree and the adoption of Model 231 by the Bank are a system to which there must be a consistent and effective response in the operational conduct of the covered persons of the Model. In this regard, it is essential to provide information and training aimed at facilitating the dissemination of what is established by the Decree and the Model adopted, so that knowledge of the matter and compliance with the rules that derive from it are an integral part of the professional culture of each employee. This activity involves the Board of Directors, Senior Management and all executive personnel of the Company. For the purposes of implementing the Model, information and training for the covered persons of the Model is coordinated and updated by the Supervisory Body with the support of the 231 Unit. The training on "corporate administrative liability" was updated in 2024; the training courses for employees and contract staff that are integrated, both with regard to the amendments made by the legislature to the matter referred to in Legislative Decree No. 231/2001 and to propose cases of particular interest based on the most relevant case law. Both a basic course and a series of "mini-training" updates on the most recent offences or for the examination of the salient features of particularly significant sentences are provided. The matter of corruption is addressed both in the basic course and in the "training pills" accompanied by a final assessment test. A "mini-training course" on the subject of "Legislative Decree No. 231/2001 and the evolution of the offence of corruption from public to private". In this course, corruption as an international phenomenon is first examined, followed by offences in the public and private spheres, with numerous examples. The training process on "corporate administrative liability" is constantly monitored by the Supervisory Body, through information flows and meetings with the corporate structures responsible for training staff and members of the Sales Network. The Subsidiaries, both Italian and foreign, implement the Policies defined at Group level with adaptations deriving from specific or local regulations.

[GI-3 DP 21 b]

Banca Mediolanum identifies and assesses the functions most exposed to the risk of corruption. Specific anti-corruption training is provided for these functions. The Irish Group Companies and Banco Mediolanum, although they do not identify the functions most at risk of corruption, provide anti-corruption training to all employees.

[GI-3 DP 21 c]

For the Group's Italian Companies, company representatives receive special training sessions on various subjects relating to banking and regulation. Periodically, the matter of " Legislative Decree No. 231/2001", which includes the risks of corruption, is also addressed. In 2024, the Board of Directors approved the update of Model 231, thus also being informed about the Protocols with the principles of conduct and control for the prevention of risks of corruption. For Banco Mediolanum, general training on criminal compliance and the Code of Ethics is provided to all employees, the Commercial Network and also to all members of the Board of Directors. There is no specific anti-corruption training for Board members in the Irish Group Companies, but all Board members are subject to the annual Board self-assessment, based on their mix of expertise, the composition of the Board and their level of expertise in all aspects of corporate management. Specific training was provided to Banco Mediolanum for directors only, designed to meet their specific needs. In addition to addressing common topics, mainly focusing on the importance of compliance, corporate criminal liability and the entity's specific criminal compliance model, a specific section has been included to explain the individual criminal liability of managers and directors arising from actions and omissions committed in the performance of their functions. This training was delivered by external consultants, which subsequently issued the corresponding registered training certificates. All the directors of the Mediolanum Group Companies in Spain have successfully completed this training.

4.1.5 Metrics

Confirmed incidents of bribery and corruption

[GI-4 DP 24 a; 24 b]

No incidents occurred during 2024 that could be classed as incidents of corruption that involved the Group, whether directly or indirectly; therefore, it was not necessary to take specific action to manage such situations.

[MDR-M 75]

Metrics relating to corruption and bribery are used to assess performance in relation to the impact "Damage to the market and community due to incidents of bribery".

Payment practices

[GI-6 DP 33 a]

For the Mediolanum Group, the average time taken to pay an invoice, from its due date to the date of actual payment, is:

- 7 days for the Group's Italian Companies;
- 14 days for Banco Mediolanum;
- 27.5 days for the Group's Irish Companies.

[GI-6 DP 33 b]

In Italy, the standard payment terms to suppliers are generally between 30 and 120 days from the invoice date; payments made within the standard payment terms amount to approximately 90% of the total[56].

In Spain, the standard payment terms to suppliers are 30 days from the invoice date (60 days in the case of a specific agreement between the parties); payments made within the standard payment terms amount to approximately 90% of the total.

In Ireland, the standard payment terms to suppliers are 30 days from the invoice date; payments made within the standard payment terms amount to approximately 90% of the total.

The table below shows the average percentage of payments aligned with the standard payment conditions established by Banca Mediolanum. The percentage was calculated by aggregating data from Italy, Spain and Ireland:

Overview of payment practices	Unit of measurement	2024
Total number of payments made	n	40,790
Number of payments aligned with the standard payment conditions	n	36,917
Percentage of payments aligned with the standard payment conditions	%	90.51

[56] The standard payment terms for suppliers of the Italian Companies of the Mediolanum Group vary according to contractual agreements, which may be 30, 60, 90 or 120 days from the date of invoice or the end of the month in which the invoice is issued. Any payments with different conditions, such as payment on receipt of the invoice, while not falling within the standard terms, are nevertheless contractually defined.

[GI-6 DP 33 c]

No Mediolanum Group Companies have legal proceedings pending due to delays in payments to suppliers; therefore, the total value of legal proceedings relating to payments to suppliers is zero.

[GI-6 DP 33 d; MDR-M DP 77 a]

The calculation of the average time taken to pay an invoice from the due date to the actual payment date was made on all the invoices accounted for and paid during the reporting year. The average time, in days, to pay an invoice was calculated by applying the arithmetic mean of the days between the due date of the invoice and the actual date of payment of each individual invoice accounted for and paid in the year 2024.

[MDR-M 75]

The metrics related to payment practices are used to assess performance with respect to the impact of "developing a relationship of fairness and mutual trust with suppliers and adherence to payment practices".

[MDR-M DP 77 b]

In relation to payment practices metrics, no external entities, other than the entity issuing the certificate of compliance, are involved for data validation.

5. Entity-specific disclosures

5.1 Management of the distribution network

The Mediolanum Group reports disclosures related to the management of the distribution network as specific topics of the entity in the social disclosures.
As specified in the request for disclosures on the value chain (cf. ESRS 2 SBM-1), the Group's distribution activity is located in the downstream value chain, developed on three specific channels for the purposes of providing advice to its customers:

- the Family Banker Network in Italy and Spain, composed of more than 6,400 Family Bankers in total;
- Prexta agents in Italy, approximately 60 direct agents and 600 contract staff;
- digital channels, mainly apps and the website.

As required by specific disclosure requirements (cf. ESRS 1 AR 2), significant information is presented with reference to the areas of governance, strategy, impact management and risks and opportunities, as well as metrics and objectives.

5.5.1 Governance

The Family Banker is a professional that represents the connection point between Banca Mediolanum and the customer.
The Family Banker Network in Italy and Spain focuses on offering a personalised financial service. Its members act as independent consultants specialising in financial planning, asset management and the design of solutions tailored to customers' needs. The Family Bankers have an independent contractual relationship with the Bank, which allows them to independently manage the assigned customer portfolio, again within the set of controls put in place by the Bank, which provides them with support in key aspects such as continuous training, thus ensuring the quality of the service offered.
Prexta, a subsidiary of the Mediolanum Group, also makes use of an extensive Sales Network composed of financial agents duly registered in the Register of Financial Agents, in accordance with applicable legislation, under a single-mandate agency contract.
The Prexta Sales Network is dedicated to the promotion and placement of credit and insurance products, the latter as a supplement to personal loans and brokered on behalf of partner Companies. In particular, the activities carried out by the Financial Agents include:

- the identification and acquisition of customers interested in taking out products;
- helping to guide customers towards the financial solutions most suited to their needs;
- the collection, verification and forwarding of the information and documentation necessary for the investigation of loan applications.

The contractual relationship between the Financial Agents and Prexta is based on an agency mandate that assigns to the Financial Agent the responsibility of promoting and placing the financial and insurance products offered.
Prexta's Sales Network therefore operates within the Mediolanum Group, contributing to the achievement of corporate objectives through a business model consistent with the Group's guidelines. This synergy allows Prexta to maintain the appropriate degree of operational autonomy, while remaining in line with the Group's principles and strategies.

5.5.2 Strategy

Human relations are the principle on which the Mediolanum Group bases its relationship with the customer. The Family Banker is a key figure in the model and implements the values of the Mediolanum Group, strengthening the relationship of trust with customers and their families and becoming a point of reference in their lives.

The Family Banker Network actively contributes to the Mediolanum Group's sustainability strategy. Thanks to the Family Bankers, the Mediolanum Group offers its customers targeted, personalised advice that turns into financial education over time, to assist customers with the most important decisions, with the expertise and flexibility needed to respond most effectively to the constant economic and financial changes of our time. In addition, the network of Family Bankers in Italy and Spain actively contributes to the Group's social commitment to communities through a role of support and communication of the initiatives undertaken in the region. For example, the "Mediolanum Insieme" project allows Family Bankers to report non-profit entities in the region with which they have a connection, with the aim of supporting them financially (see ESRS S3 for further information).

Finally, the Family Bankers are central to the dissemination of virtuous behaviour in customers on ESG matters. In this regard, the Sales Network in Italy is offered, on a voluntary basis, a training course for EFPA certification at the ESG level. In addition, training pills on the subject of sustainability are periodically delivered both in Italy and in Spain, and are constantly assigned to the new Family Bankers, in order to ensure a constant level of knowledge on the topic.

In line with the Mediolanum Group's sustainability strategy, Prexta also incorporates ESG principles into its corporate evolution, adopting an approach oriented towards creating value for all stakeholders.

As part of its activities, Prexta has launched initiatives aimed at promoting sustainability in both the short and long term. The main lines of action and certifications obtained are as follows:

- Digitisation of credit granting processes: Prexta has for some time been implementing fully digital processes in the operating procedures for granting credit, in the context of both salary-backed loans and personal loans. The use by the Sales Network of this paperless technology is well and consistently above 95%, with a clear reduction in the environmental impact, including the reduction in CO_2 emissions, thanks to the elimination of paper documentation;
- Support for fragile and vulnerable groups:
  - European Disability Charter (2024): Prexta adheres to the Memorandum of Understanding between the ABI and the Council of Ministers - Department for Policies for Persons with Disabilities, in order to offer the holders of the European Disability Card preferential interest rate conditions on Prexta personal loans;
  - Memorandum of Understanding to encourage the repayment of loans by female victims of gender-based violence (2024): Prexta participates in a Memorandum of Understanding with ABI and the trade unions to support female victims of violence who are on protective pathways. The initiative provides for the possibility of suspending the payment of the principal on personal loans for a maximum of 18 months, with a corresponding extension of the repayment plan.

As part of the double materiality process, the Mediolanum Group identified impacts and opportunities related to the management of the distribution network, with specific reference to the Family Banker network in Italy and Spain, in the light of size materiality, widespread presence in the region and centrality within the business model.

5.5.3 Impact, risk and opportunity management

IRO description	IRO category	Connection with value chain
Family Banker satisfaction thanks to appropriate training programmes, performance appraisal systems and career development plans	Actual positive impact	Downstream value chain
Improved attraction and retention of talent, involvement and productivity thanks to the valorisation of the Mediolanum Group's Family Bankers	Opportunities	Downstream value chain

[MDR-P DP 65]

5.5.4 Policies

The regulations on the process of training the Sales Network and employees of Banca Mediolanum are designed to develop and grow the various professionals within the Bank.
The Network Training Section, within the Network Training, Regional Services Division of the Commercial Network Department, is responsible for the entire training process aimed at the Banca Mediolanum Sales Network and, specifically:

- an analysis of the training requirements expressed by the Commercial Network Department and the other corporate departments, in collaboration with the Training, Learning & Empowerment Unit;
- the design and delivery of training activities, including in-depth education and training programmes activities relating to the offering and services of the Bank;
- the identification of trainers/speakers, selected from a pool of faculty speakers and leading third-party training companies;
- the delivery to the identified target of the planned activities, after identifying the dates and spaces (physical and digital) suitable for the purpose;
- verification of the knowledge acquired by administering, where provided for, an end-of-course test, on completion of which a training certificate is issued;
- monitoring of the training provided, with particular attention to the presence of learners, the accessing of courses, the quality of the materials used and the speakers providing the training.

5.5.5 Actions

[MDR-A DP 68]

Actions on training and professional development, with reference to the Sales Network in Italy, are planned and delivered through Mediolanum Corporate University, the educational institution created by Banca Mediolanum in 2009. In performing its function, Mediolanum Corporate University adopts an integrated model of teaching methods and tools to make learning more effective and practical, according to a lifelong learning approach that accompanies Family Bankers in their professional and personal growth over time.
In 2024, Banca Mediolanum implemented various training initiatives through Mediolanum Corporate University (MCU). The main actions are listed below:

- Family Banker Academy: a training course designed to generate, enhance and structure awareness of the role of the Family Banker, enhancing technical and behavioural skills from the first months of activity, in order to achieve qualification as soon as possible. The Family Banker Academy is a course divided into three different stages (Smart, Advanced and Excellence), which takes place over three years, starting with the Family Banker's entry into Banca Mediolanum;

- Executive Master's in Banking Consulting (EMBC): a six-month specialist training course dedicated to young recent graduates who wish to become Financial Advisors. In 2024, six classes were formed, each with a maximum capacity of 50 aspiring Banker Consultants;
- Mediolanum Innovative Training: ongoing business training for the entire network of Family Bankers, with two events per month lasting around three hours, on market scenarios, business strategies, products and services;
- Life Planning: training dedicated to all Family Bankers with the aim of enriching the commercial narrative, through the use of the new Life Planning advisory platform, through theoretical moments, the sharing of concrete experiences and group work on significant case histories. To this end, numerous in-person and remote sessions have been carried out and online training media have been produced, with the launch of operational laboratories, which will continue throughout 2025;
- EFPA certification: training courses for the achievement of EFPA certification at EIP, EFA, EFP, EIS and ESG levels. The training courses for the achievement of EFPA certification involved approximately 120 Family Bankers in 2024, with the intention of maintaining the same trend in the coming years;
- IVASS and CONSOB training for certification and maintenance: mandatory regulatory pathways aimed at both obtaining and maintaining certification in the respective professional registers. In 2024, seven professional refresher courses were delivered, with access monitored, totalling 30 hours of training, as required by applicable legislation. In addition, a 60-hour initial professional training course is being provided for new Family Bankers for registration in the IVASS Register.

The training actions are intended for all the Italian geographical areas in which the Banca Mediolanum Financial Advisors Network is present, with an offering that includes both digital training that can be accessed from anywhere (i.e. online courses and webinars), and a training offering delivered directly in the various regional offices distributed throughout Italy, as well as in classrooms on the MCU Campus at the Head Office in Basiglio (MI). The training is intended for all groups of stakeholders (Family Bankers, managers and faculty speakers) and covers the entire career pathway, from integration to the development of specific skills.
In 2024, MCU continued to monitor and improve its training initiatives, using tools to detect the quality of the service provided.
Mediolanum Corporate University is constantly engaged in the analysis and assessment of its training activities, adopting a continuous improvement approach. For this purpose, tools have been set up to record the quality of the service provided, including the administration of satisfaction questionnaires and the analysis of the correlations between training initiatives and business data. In addition, dashboards were developed to analyse the various levels of educational assessment according to Kirkpatrick's rating scale for most of the courses being delivered. These analyses, combined with the constant recording of the training needs expressed by the Family Banker Network, and the requirements of the Commercial Network Department, allow MCU to take action in a timely and effective manner on any training gaps or even to anticipate problems relating to regulatory, technical, commercial, behavioural and tool use matters.
In 2024, a total of 700,974 training hours were delivered to the Sales Network (distributed as follows: classroom 95,088; webinar 323,436; online courses 282,450), an increase of 22.4% compared with the previous year.
In addition to the tools already available for communication and use of the training offer, the following are available on the intranet portal for the Family Bankers:

- FormaMente: a broad "showcase" of the main courses and pathways to support the Family Bankers in all phases of their professional growth, both as advisory professionals and as managers. Each course is described in a detailed sheet with information on the content, teaching, professional targets, delivery methods and thematic areas concerned;

- MedBrain: a training platform (i.e. learning management system) containing the courses profiled for the specific availability of individual users who can access the courses and how much they are accessed, both on a voluntary basis and on a mandatory basis, with tracking of access and tests for certification, collected according to SCORM standards.

In 2024, to strengthen the communication on the training activities of MCU, a section called "YoUniversity" was introduced in the monthly newsletter, which Banca Mediolanum sends to the Family Bankers. This section promotes dedicated focus and support tools (e.g. articles, informative and educational videos, podcasts, interviews, etc.), and gives visibility to events, meetings and activities carried out in MCU, keeping the Network updated on corporate topics of interest.

With reference to Banco Mediolanum in Spain, training programmes for Family Bankers were carried out in 2024, in line with the matters and methods carried out at the Italian level (e.g. training programmes for new Family Bankers to obtain and/or maintain the necessary certifications). These include the Empodérate programme dedicated to the 91 Family Bankers who have recorded less strong economic performances, with the aim of sharing tools and skills that allow them to grow professionally.

Satisfaction surveys are also carried out periodically at Banco Mediolanum after the training activities have been completed.

IRO description	IRO category	Connection with value chain
Ensuring the job stability and the well-being at work of the Group's Family Bankers	Actual positive impact	Downstream value chain
Gender inequality in senior positions and/or in corporate career development processes	Negative actual impact	Downstream value chain
Inequality in gender and/or pay for equal work	Potential negative impact	Downstream value chain
Failure to integrate workers with disabilities	Potential negative impact	Downstream value chain
Insecurity of workers due to incidents of harassment and/or lack of measures to protect workers and/or awareness-raising initiatives	Potential negative impact	Downstream value chain

Policies

[MDR-P DP 65]

Over the years, the Mediolanum Group has developed various Group Policies intended to ensure the correct management of the impacts described above. In addition to the Mediolanum Group's Code of Ethics and Sustainability Policy, which set out its approach and general guidelines, the main policies for managing impacts related to respect for labour rights and diversity and inclusion are the Mediolanum Group's Diversity and Inclusion Policy, the Whistleblowing Policy, the Mediolanum Group's Policy for the Prevention of Sexual Harassment and the Policy for the Protection of Human Rights.

The Mediolanum Group's Diversity and Inclusion Policy (see ESRS SI – Policies related to own workforce for details of the minimum reporting requirements) is also directly applicable to the Group's Sales Network. With regard to the impact connected to the job stability and the well-being at work of the Family Bankers, the Policy specifies the Group's commitment to promoting the continuous inclusion of young people and their professional development through programmes also aimed at the Family Bankers Network. At the same time, through the Employability & Empowerment Centre programmes, it guides the reskilling of all generations on the basis of the evolution of the skills required in the various fields.
However, regarding areas related to gender and disability gaps, the Policy sets out specific principles and commitments, with reference to the valorisation of each person's specific characteristics, including in relation to the Sales Network.
The Whistleblowing Policy (see GI-1 Corporate culture and business conduct policies for details of the minimum reporting requirements) includes in the definition of whistleblower (i.e. a natural person who is entitled to report internally or externally information on potential and/or actual breaches of which he or she becomes aware due to the functions performed within the Bank) employees of the Sales Network who have been given an agency assignment (i.e. Family Bankers).

Actions

[MDR-A DP 68]

The principles of diversity and inclusion are shared and supported by the management of the Commercial Network. Communication initiatives towards employees and the Commercial Network continued in 2024.
Furthermore, although the work of increasing awareness and internalisation of diversity is mainly carried out within the Company, the Group is also committed externally to speaking up for the key values necessary for the creation of free and inclusive spaces. For example, in the planning and production of events for the Family Bankers Network and for customers, Mediolanum is committed to promoting adequate gender representation in the selection of speakers.
In fact, in 2024, the figures from the previous year were analysed and some experimental actions were carried out in order to refine our activities in 2025. In particular, in the context of the sustainability plan, Network Training has been tasked with designing a training course to raise the awareness of the entire Network of issues related to the evolution of gender equality, which will be delivered during 2025-2026.

5.5.6 Metrics and targets

[MDR-M D 75]

The following are the entity-specific metrics used to assess performance and effectiveness with specific reference to the impacts linked to ensuring the job stability and the well-being at work of the Family Bankers and gender inequality in senior positions and/or in corporate career development processes and opportunities related to the improvement of talent attraction and retention, involvement and productivity thanks to the development of the Mediolanum Group's Family Bankers.
The Family Banker network in Italy is spread throughout the country, offering an extensive presence that is close to customer requirements. Overall, it has 254 Family Banker Offices, 248 traditional offices and 3 branches. In Spain, also, the Family Banker network is spread across the country, with a total of 82 offices.

Office distribution by region - Italy	Family Banker Office	Traditional offices	Branches	Total offices
Abruzzo	6	8	0	14
Basilicata	0	2	0	2
Calabria	3	10	0	13
Campania	2	17	0	19
Emilia-Romagna	34	21	0	55
Friuli-Venezia Giulia	6	8	0	14
Lazio	19	12	1	32
Liguria	4	5	0	9
Lombardy	41	26	2	69
Marche	15	3	0	18
Molise	4	1	0	5
Piedmont	16	18	0	34
Apulia	5	6	0	11
Sardinia	2	3	0	5
Sicily	17	38	0	55
Tuscany	26	12	0	38
Trentino-South Tyrol	6	7	0	13
Umbria	5	6	0	11
Valle d'Aosta	2	0	0	2
Veneto	41	45	0	86
Total offices	**254**	**248**	**3**	**505**

Office distribution by region - Spain	Total offices
Andalucía-Extremadura	10
Cataluña-Aragón-Islas	21
Comunidad Valenciana-Castilla Mancha-Murcia	19
Galicia-Asturias	18
Madrid-Castilla León	5
País Vasco-Navarra-La Rioja-Cantabria	10
Total offices	**83**

Breakdown of Family Bankers by role and gender - Italy	Men	Women	Total
Managers	593	43	636
Consultants	3,225	940	4,165
Total	**3,818**	**983**	**4,801**

Breakdown of Family Bankers by role and gender - Spain	Men	Women	Total
Managers	70	18	88
Consultants	1,054	472	1,526
Total	**1,124**	**490**	**1,614**

In the reporting year, the number of Family Bankers in Italy with EFPA ESG certification was 311. This figure represents a significant milestone, as it demonstrates the commitment of the Network of Advisors to equip themselves with specialist expertise to meet the challenges of sustainable investment and effectively respond to growing customer sustainability needs.

[MDR-M DP 77a]

The Mediolanum Group actively involved the competent corporate structures in the information collection process. The data reported above was taken from internal management systems.

[MDR-M DP 77 b]

In relation to the metrics, no external entities, other than the entity issuing the certificate of compliance, were involved in the data validation.

[MDR-T DP 81]

With regard to impacts and opportunities related to the management of the distribution network, the Group has not set measurable objectives. However, with regard to the impacts related to the training and development of the skills of the Family Bankers, it monitors, with quantitative and qualitative analyses, the support that the training can give to the Family Bankers Network in terms of professional growth and operating results. In particular, the effectiveness of the training provided is constantly monitored, through questionnaires that assess aspects such as satisfaction with the courses, the quality of the teaching and the perceived and concrete usefulness for the profession.

Impairment testing - Goodwill

The goodwill recorded in the consolidated financial statements, already present in the previous year, referred to the Spain and Italy "cash generating units" (CGUs).
In particular, as in previous years, impairment testing at the level of the consolidated financial statements was performed on the following CGUs:

- Spain CGU: the goodwill allocated to the CGU includes goodwill relating to Banco Mediolanum of €102.8 million;
- CGU Italy: the total goodwill allocated to the CGU amounted to €22.7 million;

The assistance of an independent expert was requested for impairment testing for the period ended 31 December 2024. Valuations were therefore made on the basis of estimated future cash flows and up-to-date projections, using methodology criteria from those proposed by the prevailing doctrine and used in professional practice that were deemed most suitable for the purpose and applicable to the case in question, taking into account the recommendations of the relevant accounting standards.
The impairment process was specifically approved by the Board.
The report produced by the independent expert and adopted by the Bank states that, in the light of the results obtained, no write-down is necessary.
For completeness, it should be noted that with regard to the Italy CGU, a recoverability test was performed with reference to the fair value, i.e., the market capitalisation of the Banca Mediolanum share, comparable to the test performed in 2023.

Shareholding in German subsidiary August Lenz

With regard to the equity investment in the German subsidiary, August Lenz, it should be recalled that, with effect from 7 November 2022, the company – which, on 12 October 2022, gave up its banking licences pursuant to Section 32 of the German Banking Act –was struck out by the Mediolanum Banking Group.
It should also be recalled that on 1 July 2023, the company began the liquidation process and produced its first liquidation financial statements.
At 31 December 2024, the costs incurred by the company to meet disposal costs were €2.3 million. These were absorbed by the provision for risk and charges, the remainder of which was €10.1 million at 31 December 2024, which is consistent with the hypothetical scenarios.

Tax dispute

With reference to the Mutual Agreement Procedure under the Convention of 23 July 1990 No. 90/436/EEC on the elimination of double taxation in connection with the adjustment of profits of associated enterprises (i.e. tax years 2014-2016) and Article 24 of the Convention between Italy and Ireland for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (tax years 2010 - 2013), already referred to in the Annual Consolidated Financial Report 2023, it is reported that at the end of April 2024 Banca Mediolanum S.p.A. and Mediolanum International Funds received the letters from the Italian and Irish competent authorities for the tax periods 2010 - 2016, through which the two companies were informed of the outcome of the procedure. In addition, during the year 2024, the following were closed for both

Banca Mediolanum S.p.A. and Mediolanum Vita S.p.A, by means of assessment with adhesion, the tax years 2017 (April 2024) and 2018 (December 2024): these acts are prodromal to the subsequent request for the corresponding credit to the Irish Tax Authority for the elimination of double taxation that will be made in 2025, by means of the procedure set forth in Convention No. 90/436/EEC of 23 July 1990 for the former, and by means of the procedure set out in Article 24 of the Convention between Italy and Ireland for the avoidance of double taxation. The agreement signed with the Italian competent authority would provide for a rate of retrocession of management fees to Banca Mediolanum of 59.65% and a rate of retrocession of performance fees to Banca Mediolanum of 7.7%. It should be noted that the same agreement structure should also be applied to Mediolanum Vita SpA, except for the recognition of performance fees. In particular, under the settlement proposal, the Group paid higher corporation tax (IRES) and regional business tax (IRAP) totalling €16.7 million, in respect of the Adhesion Proposals. Therefore, in light of the foregoing, the Group updated its estimate of the liability recognised for the aforementioned tax risk based on the conditions set out in the above-described MAP and the resulting charges, accounting for an economic effect in the year of -€0.7 million.
It should also be noted that in the light of the above, the Group has adjusted the economic conditions of the contracts in place between the 2 Italian companies and the Irish entity with effect from 1 July 2024.

Pillar Two disclosure

It should be noted that the Mediolanum Group applied the temporary exemption provided for in the amendment to IAS 12, issued by the International Accounting Standards Board (IASB) on 23 May 2023, concerning the recognition and related disclosure to be provided in the consolidated financial statements of deferred tax assets and liabilities deriving from the application of the minimum level of tax (Global Minimum Tax) provided for by Directive (EU) No. 2022/2523 of 14 December 2022 (the "Directive"), within the framework of the Model of Global Anti-Base Erosion Rules (Pillar Two).
In this regard, on 28 December 2023, Legislative Decree No. 209 of 27 December 2023, implementing the international tax reform, was published in the Official Gazette, which entered into force on 29 December 2023, containing the Italian provisions relating to Pillar Two, effective 1 January 2024.
According to this legislation, the parent entity of a multinational group (and the intermediate participants) located in the territory of the Italian State will (be) eventually required to pay a minimum top-up tax ("IIR") on the profits accrued by its subsidiaries in States with an effective tax rate lower than 15% ("Aliquota Minima di Imposta") unless the individual States in which the subsidiaries operate have adopted the national minimum tax ("Qualified Domestic Minimum Top-up Tax" or "Qdmtt").
The said tax may, depending on its characteristics, be deducted from the minimum supplementary IIR tax or result in its non-application to the countries in question.
On the basis of its current composition, in addition to Italy, the Mediolanum Banking Group operates in Spain through its subsidiary, Banco Mediolanum, and in Ireland through subsidiaries Mediolanum International Funds and Mediolanum International Life.
Spain implemented the Pillar Two provisions as well as a national minimum tax Qdmtt scheme by Law 7 of 20 December 2024, which is applicable as of 1 January 2024. Ireland also transposed the Pillar Two legislation into its legal system by means of the Finance (No. 2) Act 2023, Section 94 of 15 May 2024, also effective from 1 January 2024, and implemented the Qdmtt.
In light of the above, the Group has identified Ireland as the only jurisdiction that does not currently - and on the basis of the preliminary analyses performed - benefit from the temporary exemption known as the "transitional safe harbour", and is therefore subject to supplementary local taxation, implemented through the Qdmtt.
Accordingly, the Group recognised a higher supplementary tax charge for the 2024 financial year of approximately €22.1 million.

Guarantee Fund for Life Insurance Policies

It should be recalled that the Budget Law 2024 (Law No. 213 of 30 December 2023), passed on 30 December 2023, had introduced a new Chapter VI-bis to the Private Insurance Code establishing and regulating the Guarantee Fund for Life Insurance Policies (the "Guarantee Fund" or "Fund"), the function of which will be to intervene to protect beneficiaries and those entitled to insurance benefits deducted in life insurance policies in the event that the insurance company is subject to insolvency proceedings. To this end, the Guarantee Fund will have an independent endowment, which will be financed by the insurance undertakings and member intermediaries on the basis of the amount of their technical provisions.

Article 274-quater, paragraph 1, provides that the Fund will have a financial endowment proportionate to its liabilities, and in all cases equal to at least 0.4 per cent of the amount of the technical reserves of the life classes (i.e. Class C and Class D life policies) - calculated on the basis of the Solvency II prudential rules (sum of the best estimate and the risk margin) - held by the member companies, as at 31 December of the previous year. This is to be achieved gradually by 31 December 2035, with the option for an extension according to the provisions of the Ministry of Economy and Finance.

Article 274-quinquies, paragraph 1, provides that the said endowment will be made up of ordinary contributions paid at least annually in the amount determined by the Fund and communicated to the members from year to year. Contributions are paid and commitments are made until the target level of the fund's budget is reached.

When applied for the first time, the contributions payable by the member companies are 0.4 per mille of the amount of the life insurance reserves calculated in accordance with the methodology outlined above.

In 2024, the Minister of Economy and Finance appointed a three-person Board of Trustees to convene the Fund's Founding Shareholder's Meeting. The Shareholders' Meeting was held on 13 December 2024 and subsequently the Management Committee was appointed to define its Statutes.

With regard to the contribution levied on insurance intermediaries, contributions are determined in relation to the total volume of life insurance products distributed and the revenues associated with them, it being understood that the contribution levied on them shall not exceed one-fifth of the annual contribution. However, upon first application, contributions due by intermediaries registered in section D of the RUI amount to 0.1 per mille of the amount of intermediated life technical reserves, while those due by other participating intermediaries amount to 0.1 per mille of intermediated life premium income in the previous year.

Partly on the basis of what emerged during convocation of the Shareholders' Meeting to establish the Fund which enabled the identification of the member companies, the Mediolanum Group considered both Compagnie Mediolanum Vita S.p.A. and Banca Mediolanum, as intermediary, to be within the scope of interest, and therefore recorded a charge of €16.2 million in 2024.

Stamp duty on life insurance policies

Budget Law 2025 (Law 207/2024) introduced a change to the way stamp duty is paid on class III and V life insurance policies.

It should be noted that a proportional tax of 2 per mille per annum calculated on the value of the policies as at 31 December of each year already applies. Although calculated on that date, under the regime in force until 2024, stamp duty was only paid at the time of redemption or redemption.

Instead, the provision introduced with the 2025 Finance Act provides for the payment of the tax each year, it being understood that the amount corresponding to the stamp duty paid annually by the insurance company is computed and attributed to the policyholder as a reduction of the benefit paid upon maturity or surrender of the policy.

A transitional regulation is then established, according to which the stamp duty calculated for each year until 2024 will be paid:

- 50% by 30.6.2025;
- 20% by 30.6.2026;
- 20% by 30.6.2027;
- the remaining 10% by 30.6.2028.

The theoretical tax accrued as at 31 December 2024 on the affected products issued by both companies operating in the Group's life insurance business amounts to approximately €217.8 million.
Although this rule took effect as of 1 January 2025, it had accounting effects as of the 2024 financial year and is therefore reflected in these consolidated financial statements. In particular, for insurance contracts valued in accordance with IFRS 17, the determination of the various components of insurance liabilities took into account the expected outlay for the payment of tax and the recovery of this tax from policyholders at the time of contract closure in accordance with the contractual provisions and technical assumptions already adopted for the purpose of projecting technical flows.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

With regard to the tax dispute, it should be noted that on 10 February 2025, the Lombardy Regional Directorate – Large Taxpayers Sector, served on Banca Mediolanum and Mediolanum Vita a number of "Questionnaires" on corporation tax (IRES) and regional business tax (IRAP), in preparation for the closure of the bilateral procedures on the transfer pricing issue for the years 2019 to 2023. It should be noted that the companies have already provided these documents and are awaiting the next communications from the tax authorities.

Regarding the contribution for the Life Insurance Fund, it is reported that on 21 February 2025 a letter was received from the Fund, in which the Provisional Management Committee requested that the contribution as calculated by the member companies be paid within 10 working days from the date of the letter. The Group proceeded to pay the amount allocated.
Apart from the foregoing, no other events occurred after 31 December 2024 that could have a material impact on the Group's financial position and results of operations.

BUSINESS OUTLOOK

Global economic growth is expected to remain broadly stable at around 3.3% in 2025, according to the forecasts of leading international economic organisations. On the Euro-area side, it is reasonable to expect a moderate recovery driven by consumption, real wages and the support of monetary easing. In the US, growth is expected to remain resilient, albeit less impressive than in 2024. China is expected to grow slightly below 5%, thanks to an expected economic stimulus.
In particular, the evolution of political and geopolitical issues, first and foremost the return of Donald Trump to the White House, which could significantly influence the financial markets given the expectations regarding trade protectionism, tax policy and the management of migration flows, must be watched. Moreover, the evolution of inflationary dynamics and monetary policies will continue to play a crucial role, given expectations of a more cautious approach to monetary easing, especially by the Federal Reserve, in light of the resilience of the economy and inflation.
In this context, the level of interest rates and bond yields should remain higher for longer.

The stock market should be supported by this environment of global growth, which could be supported by monetary policy easing by central banks. However, adjustments and corrections cannot be ruled out in light of the high valuations recorded in the 2024 financial year and the euphoric sentiment, as well as the political and geopolitical risks mentioned above.

Against this backdrop, the Banca Mediolanum Group confirms that it has adopted an integrated customer service strategy as a critical success factor for achieving a growing level of customer satisfaction and loyalty, with the aim of increasing new customer acquisition and the share of wallet of existing customers. Moreover, the diversified business model is capable of producing positive results in a variety of market conditions. Banca Mediolanum has a market share of the financial assets held by Italian households of 3% (Q3 2024 –Mediolanum processing of Prometeia data).

The Group will therefore continue to pursue its strategy based on improving its position in the competitive environment through the quality of its services and the efficiency of its processes. In this regard, mention should be made of (i) initiatives to reinforce the Family Banker network (the NEXT Project) through the creation of a new generation of professionals – Banker Consultants – that will enable a further level of improvement in the service of Senior Private Bankers and Wealth Advisors, and (ii) the creation of the Life Planning Programme, designed to define a holistic and integrated approach to managing customer needs throughout their lives.

Accordingly, in the light of the macroeconomic scenario described and given the risks typical of the sector to which it belongs, and barring the occurrence of exceptional events that are dependent on variables that are essentially beyond the control of Directors and management (and which are presently unforeseeable), a positive operating performance is expected for 2025.

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

Assets

€/000		31/12/2024	31/12/2023
10.	Cash and cash equivalents	684,440	188,134
20.	Financial assets at fair value through profit or loss	42,531,431	36,196,039
	a) financial assets held for trading	416,218	999,295
	b) financial assets designated at fair value	41,904,095	34,990,416
	c) other financial assets mandatorily measured at fair value	211,118	206,328
30.	Financial assets measured at fair value through other comprehensive income	2,305,833	2,033,758
40.	Financial assets measured at amortised cost	37,863,887	36,920,252
	a) loans to banks	811,382	160,702
	b) loans to customers	37,052,505	36,759,550
50.	Hedging derivatives	-	53
80.	Insurance assets	70,997	78,227
	b) reinsurance cessions that are classified as assets	70,997	78,227
90.	Tangible assets	209,693	212,514
100.	Intangible assets	212,914	206,869
	of which:		
	- goodwill	125,625	125,625
110.	Tax assets	834,297	663,588
	a) current	664,392	501,782
	b) prepaid	169,905	161,806
120.	Non-current assets and disposal groups	823	56
130.	Other assets	1,439,957	1,331,361
TOTAL ASSETS		**86,154,272**	**77,830,851**

Liabilities and shareholders' equity

€/000		31/12/2024	31/12/2023
10.	Financial liabilities measured at amortised cost	35,528,900	35,225,709
	a) payables to banks	717,433	1,184,872
	b) payables to customers	34,497,838	33,727,721
	c) debt securities in issue	313,629	313,116
20.	Financial liabilities held for trading	3	8,458
30.	Financial liabilities designated at fair value	18,740,436	15,011,219
40.	Hedging derivatives	-	3,605
60.	Tax liabilities	410,923	309,931
	a) current	307,087	229,608
	b) deferred	103,836	80,323
80.	Other liabilities	1,289,681	1,094,079
90.	Employee severance benefits	12,228	11,876
100.	Provisions for risk and charges	342,336	309,958
	a) commitments and guarantees given	930	1,490
	b) pensions and similar obligations	105	109
	c) other provisions for risk and charges	341,301	308,359
110.	Insurance liabilities	25,804,045	22,401,276
	a) insurance contracts written that are classified as liabilities	25,804,045	22,401,276
120.	Valuation reserves	119,833	39,315
150.	Reserves	2,526,734	2,213,256
155.	Interim dividends	(272,832)	(207,519)
160.	Issue premiums	9,082	7,035
170.	Capital	600,688	600,564
180.	Treasury shares (-)	(77,414)	(19,781)
200.	Net income for the year (+/-)	1,119,629	821,870
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**86,154,272**	**77,830,851**

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

INCOME STATEMENT

€/000		31/12/2024	31/12/2023
10.	Interest income and similar income	1,464,258	1,331,765
	of which: interest income calculated using the effective interest method	1,361,831	1,233,451
20.	Interest expense and similar expenses	(589,333)	(505,771)
30.	**Net interest income**	**874,925**	**825,994**
40.	Commission income	2,350,217	1,746,045
50.	Commission expenses	(883,132)	(722,829)
60.	**Net commission income**	**1,467,085**	**1,023,216**
70.	Dividends and similar income	36,125	28,340
80.	Net gains (losses) from trading	8,794	37,157
90.	Net gains (losses) from hedging	10	(666)
100.	Gains (losses) from disposal or repurchase of:	304	(107)
	a) financial assets measured at amortised cost	5	(11)
	b) financial assets measured at fair value through other comprehensive income	299	(96)
110.	Net gain (loss) from other financial assets and liabilities at fair value through profit or loss	2,689,820	1,848,408
	a) financial assets and liabilities designated at fair value	2,682,486	1,849,043
	b) other financial assets mandatorily measured at fair value	7,334	(635)
120.	**Operating income**	**5,077,063**	**3,762,342**
130.	Credit-risk induced net value adjustments/write-backs relating to:	(30,628)	(32,746)
	a) financial assets measured at amortised cost	(31,437)	(33,136)
	b) financial assets measured at fair value through other comprehensive income	809	390
150.	**Net gain (loss) from financial operations**	**5,046,435**	**3,729,596**
160.	Result of insurance services	192,095	168,844
	a) insurance revenues deriving from insurance contracts written	441,959	379,927
	b) costs of insurance services deriving from insurance contracts written	(236,060)	(212,222)
	c) insurance revenues deriving from reinsurance cessions	26,913	40,082
	d) costs of insurance services deriving from reinsurance cessions	(40,717)	(38,943)
170.	Balance of revenues and financial costs relating to insurance management	(2,883,237)	(2,029,233)
	a) net financial costs/revenues relating to insurance contracts written	(2,883,382)	(2,030,437)
	b) net financial revenues/costs relating to reinsurance cessions	145	1,204
180.	**Net gain (loss) from financial and insurance operations**	**2,355,293**	**1,869,207**
190.	Administrative expenses:	(789,914)	(710,422)
	a) staff costs	(328,727)	(286,396)
	b) other administrative expenses	(461,187)	(424,026)
200.	Net provisions for risk and charges	(64,367)	(28,848)
	a) commitments and guarantees given	560	(818)
	b) other net provisions	(64,927)	(28,030)
210.	Net value adjustments/write-backs of tangible assets	(24,146)	(26,771)
220.	Net value adjustments/write-backs of intangible assets	(35,091)	(39,877)
230.	Other operating income/expenses	6,794	3,116
240.	**Operating costs**	**(906,724)**	**(802,802)**
280.	Gains (losses) on disposal of investments	2,125	763
290.	**Net income from continuing operations before tax**	**1,450,694**	**1,067,168**
300.	Taxes on income from continuing operations	(331,065)	(245,316)
310.	**Net income from continuing operations after tax**	**1,119,629**	**821,852**
320.	Profit (loss) on discontinued operations after tax	-	18
330.	**Net income for the year**	**1,119,629**	**821,870**
340.	Profit (loss) attributable to minority interests	-	-
350.	**Net income attributable to the Parent Company**	**1,119,629**	**821,870**

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

STATEMENT OF COMPREHENSIVE INCOME

€/000		31/12/2024	31/12/2023
10.	**Net income for the year**	**1,119,629**	**821,870**
	Other income net of taxes without reversal to the income statement	**78,856**	**61,900**
20.	Equity securities designated at fair value through other comprehensive income	78,231	61,969
70.	Defined benefit plans	625	(69)
90.	Share of valuation reserves of equity investments measured at equity		
100.	Financial revenues or costs relating to insurance contracts written		
	Other income net of taxes with reversal to the income statement	**1,662**	**7,592**
150.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	15,272	39,157
170.	Share of valuation reserves of equity investments measured at equity		
180.	Financial revenues or costs relating to insurance contracts written	(13,197)	(32,542)
190.	Financial revenues or costs relating to reinsurance cessions	(413)	977
200.	**Total other income net of taxes**	**80,518**	**69,492**
210.	**Comprehensive income (Item 10+200)**	**1,200,147**	**891,362**
220.	Consolidated comprehensive income attributable to minority interests		
230.	**Consolidated comprehensive income attributable to the Parent Company**	**1,200,147**	**891,362**

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 DECEMBER 2024

€/000	Balances at 31/12/2023	Change in opening balances	Balances at 01/01/2024	Allocation of previous year's result		Changes during the year								Shareholders' equity at 31/12/2024
							Transactions on shareholders' equity						Comprehensive income at 31/12/2024	
				Reserves	Dividends and other destinations	Changes in reserves	Issue of new shares	Share buybacks	Extraordinary dividend distribution	Change in equity instruments	Derivatives on treasury shares	Stock options and performance shares		
Capital:														
- ordinary shares	600,564	-	600,564	-	-	-	124	-	-	-	-	-	-	600,688
- other shares	-	-		-	-	-	-	-	-	-	-	-	-	-
Issue premiums	7,035	-	7,035	-	-	-	2,047	-	-	-	-	-	-	9,082
Reserves:														
- earnings	2,143,371	-	2,143,371	302,101	-	-	-	-	-	-	-	-	-	2,445,472
- other	69,885	-	69,885	-	-	1,342	-	-	-	-	-	10,035	-	81,262
Valuation reserves	39,315	-	39,315	-	-	-	-	-	-	-	-	-	80,518	119,833
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interim dividends	(207,519)	-	(207,519)	-	207,519	-	-	-	(272,832)	-	-	-	-	(272,832)
Treasury shares	(19,781)	-	(19,781)	-	-	-	8,294	(65,927)	-	-	-	-	-	(77,414)
Net profit (loss) for the year	821,870	-	821,870	(302,101)	(519,769)	-	-	-	-	-	-	-	1,119,629	1,119,629
Shareholders' equity attributable to the Group	**3,454,740**	**-**	**3,454,740**	**-**	**(312,250)**	**1,342**	**10,465**	**(65,927)**	**(272,832)**	**-**	**-**	**10,035**	**1,200,147**	**4,025,720**
Shareholders' equity attributable to minorities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 DECEMBER 2023

€/000	Balances at 31/12/2022	Change in opening balances*	Balances at 01/01/2023	Allocation of previous year's result		Changes during the year									Shareholders' equity at 31/12/2023
				Reserves	Dividends and other destinations	Changes in reserves	Transactions on shareholders' equity							Comprehensive income at 31/12/2023	
							Issue of new shares	Share buybacks	Interim dividends	Extraordinary dividend distribution	Change in equity instruments	Derivatives on treasury shares	Stock options and performance shares		
Capital:															
- ordinary shares	600,452		600,452				112								600,564
- other shares	-														-
Issue premiums	5,297		5,297				1,738								7,035
Reserves:															
- earnings	1,989,434	16,653	2,006,087	137,284											2,143,371
- other	69,781	-	69,781			(1,613)							1,717		69,885
Valuation reserves	(41,109)	10,932	(30,177)											69,492	39,315
Equity instruments	-		-												-
Interim dividends	(177,133)		(177,133)		177,133				(207,519)						(207,519)
Treasury shares	(33,146)		(33,146)				13,365	-							(19,781)
Net profit (loss) for the year	521,803	(14,974)	506,829	(137,284)	(369,545)									821,870	821,870
Shareholders' equity attributable to the Group	**2,935,379**	**12,611**	**2,947,990**	**-**	**(192,412)**	**(1,613)**	**15,215**	**-**	**(207,519)**	**-**	**-**	**-**	**1,717**	**891,362**	**3,454,740**
Shareholders' equity attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* The balances have been restated due to the adoption of IFRS 17.

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

CONSOLIDATED STATEMENT OF CASH FLOWS

Indirect method

€/000	31/12/2024	31/12/2023
A. OPERATING ACTIVITIES		
1. Management	**1,504,060**	**1,267,591**
- profit (loss) for the year (+/-)	1,119,629	821,870
- capital gains (losses) on financial assets held for trading and on other assets/liabilities at fair value through profit or loss (-/+)	(2,401,140)	(1,659,829)
- capital gains (losses) on hedging activities (-/+)	(121)	339
- credit-risk induced net value adjustments/write-backs (+/-)	30,628	32,746
- net value adjustments/write-backs of tangible and intangible assets (+/-)	59,237	66,648
- net provisions for risks and charges and other costs/revenues (+/-)	64,367	28,848
- net revenues and costs of insurance contracts written and reinsurance cessions (-/+)	2,691,142	1,860,389
- unpaid taxes, duties and tax credits (+/-)	(69,717)	114,863
- other adjustments (+/-)	10,035	1,717
2. Cash generated by/utilised for financial assets	**(3,455,073)**	**(3,543,958)**
- financial assets held for trading	582,606	173,859
- financial assets designated at fair value	(2,733,186)	(1,561,406)
- other assets mandatorily measured at fair value	2,557	(19,623)
- financial assets measured at fair value through other comprehensive income	(177,138)	(271,856)
- financial assets measured at amortised cost	(975,072)	(1,428,521)
- other assets	(154,840)	(436,411)
3. Cash generated by/utilised for financial liabilities	**2,397,952**	**(100,667)**
- financial liabilities measured at amortised cost	303,191	(1,072,180)
- financial liabilities held for trading	(8,455)	(3,494)
- financial liabilities designated at fair value	1,943,041	798,797
- other liabilities	160,175	176,210
4. Cash generated by/utilised for insurance contracts written and reinsurance cessions	**705,247**	**623,002**
- insurance contracts written that are classified as liabilities/assets (+/-)	712,089	628,802
- reinsurance cessions that are classified as assets/liabilities (+/-)	(6,842)	(5,800)
Net cash generated by/utilised for operating activities	**1,152,186**	**(1,754,032)**
B. INVESTMENT ACTIVITIES		
1. Cash generated by	**40,958**	**28,340**
- sales of equity investments		
- dividends received on equity investments	36,125	28,340
- sales of tangible assets	4,833	
- sales of intangible assets		
- sales of business units		
2. Cash utilised for	**(56,479)**	**(52,269)**
- purchases of equity investments		
- purchases of tangible assets	(15,558)	(13,276)
- purchases of intangible assets	(40,921)	(38,993)
- purchases of business units		
Net cash generated by/utilised for investment activities	**(15,521)**	**(23,929)**
C. FINANCING ACTIVITIES		
- issues/purchases of treasury shares	(57,633)	13,477
- issues/purchases of equity instruments	2,171	1,738
- dividend distribution and other purposes	(584,897)	(400,861)
- third-party controlling sale/purchase		
Net cash generated by/utilised for financing activities	**(640,359)**	**(385,646)**
NET CASH GENERATED/UTILISED DURING THE YEAR	**496,306**	**(2,163,607)**

RECONCILIATION TABLE

€/000	31/12/2024	31/12/2023
Line items		
Cash and cash equivalents at beginning of year	188,134	2,351,741
Total net cash generated/utilised during the year	496,306	(2,163,607)
Cash and cash equivalents: effect of changes in exchange rates		
Cash and cash equivalents at end of year	**684,440**	**188,134**

Legend: (+) generated (-) utilised

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

The Notes to the financial statements are divided into the following parts:
Part A - Accounting policies
Part B - Information on the consolidated statement of financial position
Part C - Information on the consolidated income statement
Part D - Consolidated comprehensive income
Part E - Information on risks and the relative hedging policies
Part F - Information on consolidated capital
Part G - Business combinations involving businesses or business units
Part H - Related party transactions
Part I - Share-based payment agreements
Part L - Segment reporting
Part M – Lease reporting

PART A – ACCOUNTING POLICIES

A.1 – GENERAL PART

SECTION 1 – Declaration of Compliance with International Accounting Standards

The consolidated financial statements of the Mediolanum Group at 31 December 2024 have been compiled in application of Legislative Decree No. 38 of 28 February 2005, in accordance with the IFRS accounting standards issued by the International Accounting Standards Board and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and adopted by the European Union, as set forth in Regulation (EU) No. 1606 of 19 July 2002 and subsequent updates.

The Mediolanum Group, in accordance with the provisions of Legislative Decree No. 142 of 30 May 2005, is a financial conglomerate primarily engaged in banking.
These financial statements of the Mediolanum Group for the year ended 31 December 2024 have been produced on the basis of the "Instructions for the preparation of the financial statements of banks and financial parent companies of banking groups" issued by the Bank of Italy in the exercise of the powers established in Article 9 of Legislative Decree No. 38/2005, with Circular No. 262 of 22 December 2005 as amended, in particular the 8th update to the Bank of Italy Circular which introduced new formats and supplemented consolidated financial reporting to take account of the adoption of the new IFRS 17 international accounting standard.
These instructions set out in a binding manner the formats of the financial statements and the methods for compiling them, as well as the contents of the notes.
The IFRS accounting standards issued by the International Accounting Standards Board endorsed and in force as at 31 December 2024 (including the SIC and IFRIC interpretative documents) were applied in compiling the Financial Statements.

SECTION 2 – General basis of preparation

The consolidated financial statements consist of the statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders' equity, statement of cash flows and notes to the financial statements. They are also accompanied by a directors' Report on Operations.
In accordance with the provisions of Article 5 of Legislative Decree No. 38 of 28 February 2005, the consolidated financial statements have been compiled using the Euro as the reporting currency.

The accounting policies used to compile these consolidated financial statements, with reference to the phases of classification, recognition, measurement and derecognition of assets and liabilities, as well as the methods of recognising revenues and costs and the consolidation criteria, are consistent with those used to prepare the consolidated financial statements as of 31 December 2023 of the Banca Mediolanum Group. See the section "A2 – Part relating to the main balance sheet items" below for more details.

The financial statements and notes include figures for the period under review as well as comparative data at 31 December 2023.

The consolidated financial statements have been compiled in accordance with the following general principles:

- going concern: the consolidated financial statements have been prepared on a going concern basis. In light of key economic and financial indicators, the directors have the reasonable expectation that the Group will continue to operate in the foreseeable future;
- accrual basis accounting: the financial statements have been prepared according to the accrual principle;
- relevance and aggregation: the balance sheet and income statement consist of items, sub-items and further details. The schedules comply with those defined by the Bank of Italy in Circular No. 262 of 22 December 2005 as updated. New items may be added to these formats if their content is not attributable to any of the items already covered by the formats and only if they consist of significant amounts. The balance sheet, income statement and statement of comprehensive income do not include accounts with zero amounts, either for the year to which the financial statements refer or for the previous year;
- presentation: the classification of balance sheet items is constant over the years, unless there are changes that may occur as a result of a new standard or interpretation that require an amendment for which specific information is provided in the notes. For each balance sheet and income statement account, comparative information relating to the previous year is provided, unless an accounting standard or interpretation does not allow it or provides otherwise;
- prevalence of substance over form: operations and other events are recognised and represented in accordance with their substance and economic reality.

The Directors of Banca Mediolanum S.p.A. believe that they may reasonably expect that the Company, as well as the companies belonging to the Group in question, will continue to operate as a going concern for the foreseeable future, and therefore the consolidated financial statements for 2024 have been prepared on a going concern basis. They also specify that they have not found any cause for doubt regarding the going concern principle in the Group's financial position or operating performance.

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of financial position and income statement

The statement of financial position and the income statement consist of items, sub-items and more detailed information (the "of which" within items and sub-items). With respect to the formats defined by the Bank of Italy, items with zero amounts have not been presented, either for the year to which the financial statements relate or for the previous year. In the income statement, revenues are indicated with no sign, whereas costs are shown in parentheses.

Consolidated statement of comprehensive income

The statement of comprehensive income consists of items that show the changes in the value of the assets recorded during the year as balancing items of the valuation reserves, net of the relevant tax effect. Negative amounts are presented in parentheses.

Consolidated statement of changes in shareholders' equity

The table shows the breakdown of and changes in the shareholders' equity accounts during the reporting year and the previous year, broken down into share capital, capital reserves, earnings reserves and reserves from the valuation of assets or liabilities in the statement of financial position and the income statement. No equity instruments other than ordinary and savings shares were issued.

Consolidated statement of cash flows

The statement of cash flows for the reporting year and the previous year has been prepared using the indirect method, whereby cash flows from operating activities are represented by the net result for the year adjusted for the effects of non-monetary transactions. Cash flows are divided between operating activities, investment activities and financing activities. The table shows the flows generated during the year with no sign, while utilised flows are shown in parentheses.

Contents of the notes to the financial statements

The notes include the information required by the international accounting standards and Circular No. 262/2005 of the Bank of Italy, as updated. With respect to the formats defined by the Bank of Italy, the headings of the sections relating to financial statement items with zero amounts have not been presented, for either the year to which the financial statements relate or for the previous year. In the tables relating to the income statement items, revenues are indicated with no sign, whereas costs are shown in parentheses.

SECTION 3 – Scope and methods of consolidation

The consolidated financial statements include Banca Mediolanum S.p.A. and its direct or indirect subsidiaries, pursuant to IFRS 10. The control requirement, as defined by the standard, underpins the consolidation of all types of entities and occurs when at the same time an investor:

- has the power to decide on the entity's significant activities;
- is exposed to or benefits from variable returns arising from their relationship with the entity;
- has the ability to exert their power to influence the amount of their returns (link between power and returns).

IFRS 10 therefore establishes that in order to hold control, investors must have the ability to direct the entity's significant activities, as a result of a legal right or simply de facto, and also be exposed to the variability of results that arise from that power. The following table shows the equity investments included in the scope of consolidation:

1. List of equity investments in Group companies owned directly by Banca Mediolanum S.p.A., included in the consolidation on a line-by-line basis:

Company	Share capital (€/000)	Share of ownership	Registered office/Operational HQ	Type of relationship*	Business
Mediolanum Vita S.p.A.	207,720	100.00%	Basiglio	1	Life insurance
Mediolanum Comunicazione S.p.A.	775	100.00%	Basiglio	1	Audiovisual production
PI Servizi S.p.A.	517	100.00%	Basiglio	1	Real estate activity
Mediolanum International Life dac	1,395	100.00%	Dublin	1	Life insurance
Mediolanum Assicurazioni S.p.A.	25,800	100.00%	Basiglio	1	Non-life insurance
Mediolanum Gestione Fondi SGR p.A.	5,165	100.00%	Basiglio	1	Mutual fund management
Mediolanum International Funds Ltd**	165	95.46%	Dublin	1	Mutual fund management
Mediolanum Fiduciaria S.p.A.	240	100.00%	Basiglio	1	Trust management
Prexta S.p.A.	2,040	100.00%	Basiglio	1	Financial intermediation
FloWe S.p.A. – SB	10.000	100.00%	Basiglio	1	Payment services
August Lenz & Co. AG***	20,000	100.00%	Munich	1	Residual assets
Banco Mediolanum S.A.	86,032	100.00%	Valencia/Barcelona	1	Banking

(**) The remaining 4.54% interest is held indirectly by Banca Mediolanum through Banco Mediolanum.
(***) The German subsidiary reissued its banking licence on 7 November 2022. For more information, see the relevant section of the Report on Operations.

2. List of equity investments in Group companies owned indirectly by Banca Mediolanum S.p.A., through Banco Mediolanum S.A., included in the consolidation on a line-by-line basis:

Company	Share capital (€/000)	Ownership %	Registered office/ Operational HQ	Type of relationship*	Business
Mediolanum Gestión S.A. S.G.I.I.C.	2,506	100.00%	Valencia/Barcelona	1	Mutual fund management
Fibanc S.A.	301	100.00%	Valencia/Barcelona	1	Financial advice
Mediolanum Pensiones S.A. S.G.F.P.	902	100.00%	Valencia/Barcelona	1	Pension fund management
Mediolanum International Funds Ltd**	165	4.54%	Dublin	1	Mutual fund management

(*) Type of relationship: 1 = majority of voting rights at the ordinary shareholders' meeting
2 = dominant influence at the ordinary shareholders' meeting
3 = agreements with other shareholders
4 = other forms of control
5 = single management pursuant to Article 39, paragraph 1, of "Legislative Decree No. 136/2015"
6 = single management pursuant to Article 39, paragraph 2, of "Legislative Decree No. 136/2015"

(**) The remaining 4.54% interest is held indirectly by Banca Mediolanum through Banco Mediolanum.

Consolidation methods

Equity investments in subsidiaries are consolidated on a line-by-line basis.

Line-by-line consolidation

The subsidiaries are consolidated as of the date on which control is acquired, according to the purchase method, and cease to be consolidated when the situation of control no longer exists.
Full consolidation is the line-by-line acquisition of the aggregates of the subsidiaries' statements of financial position and income statements. Following the allocation to minority shareholders of their interests, where present, in a specific item, in equity and in the result for the year, the value of the equity investment is eliminated against the residual value of the subsidiary's equity. Any resulting difference, if positive – after allocation to the assets or liabilities of the subsidiary, where applicable – is recognised as goodwill under intangible assets or fair value differences on assets and liabilities still carried on the date of initial consolidation and under other reserves thereafter. Negative differences on the date of initial consolidation are taken to the income statement.
Assets, liabilities, income and expenses between consolidated companies are fully eliminated.

To prepare the consolidated financial statements for the year ended 31 December 2024, all the exclusively controlled subsidiaries prepared a balance sheet and income statement in accordance with the Group's accounting principles.

Significant valuations and assumptions for determining the scope of consolidation

A summary of the main assessments performed in determining the scope of consolidation is provided below.
The Mediolanum Group does not believe that it controls the "unit-linked" internal insurance funds (of which it holds 100% of the outstanding units) and the promoted funds (investment, real estate and SICAVs) because not all the conditions provided by IFRS 10 are simultaneously met. With regard to the unit-linked funds, the Mediolanum Group believes that:

- it does not exercise full power over the unit-linked entity as it is limited by the requirements of the fund regulations in terms of asset allocation and management policies;
- it is not significantly exposed to the variable returns of the investee entity.

In fact, the gains or losses relating to the valuation of assets in the unit-linked funds are fully attributed to policyholders through the change in the relevant liabilities, with the only change still attributable to the Group being the related impact on commissions (impact related to the variability of the flows of the entity and assessed as insignificant).

With regard to the funds, the Mediolanum Group believes that:

- it does not own the majority of the outstanding units and does not bear their investment risk (e.g. unit funds holding units in managed funds the risk of which is borne by policyholders);
- it does not exercise full power over the investee entity (the funds) as it is limited by the requirements of the fund regulations in terms of asset allocation and management policies;
- it is not significantly exposed to the variable returns of the investee entity as it does not hold, or holds only marginal units of the funds, or holds units the risk of which it does not bear.

The exposure to changes in the value of the funds, i.e. gains or losses relating to the valuation of the assets, is attributable to the investors, while the Group remains solely responsible for the change in the related impact on commissions. In particular, the Group is exposed to the risk of fluctuations in entry fees and premium loading related to inflow performance, management fees relating to assets under management and incentive fees associated with the performance of the funds under management, as well as operational, compliance and reputational risks typical of the sector in which the Group operates.

Business Combinations

Business combinations are accounted for using the purchase method.
Goodwill acquired in a business combination is initially measured at cost, represented by the excess of the cost of the business combination (consideration) over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities (of the acquiree).
The consideration includes the monetary elements that express the fair value of the equity investment/business on the date on which control was acquired. The consideration may also include a contingent component related to events and circumstances that may occur in the future (contingent consideration). Contingent considerations are measured at fair value on the date of acquisition of control and may be changed on the basis of additional information relating to events and circumstances existing at the purchase date and which are known within one year from that date (purchase price allocation). After initial recognition, goodwill is measured at cost net of cumulative impairment. In order to verify the presence of impairment, goodwill acquired in a business combination is allocated, at the acquisition date, to the individual cash generating units of the Group or to the groups of cash generating units that should benefit from the synergies of the combination, regardless of whether other assets or liabilities of the acquiree are assigned to such units or groups of units.
When goodwill forms part of a cash generating unit (or group of cash generating units) and part of the asset within that unit is transferred, the goodwill associated with this asset is included in the carrying amount of the asset in order to determine the gain or loss on the sale. The goodwill transferred in these circumstances is measured on the basis of the respective values of the asset transferred and the portion of the unit retained.
The earnings results of a subsidiary acquired during the period are included in the consolidated financial statements from the date of its acquisition. Conversely, the earnings results of a transferred subsidiary are included in the consolidated financial statements until the date on which control ceases. The difference between the consideration for the transfer and the carrying amount at the disposal date is recognised in the income statement. The financial statements of the Parent Company and the other companies used to prepare the consolidated financial statements refer to the same date. Where necessary, any financial statements of the consolidated companies prepared on the basis of different accounting policies are brought into compliance with the Group's accounting principles.

SECTION 4 – Events after the reporting date

With regard to the tax dispute, it should be noted that on 10 February 2025, the Lombardy Regional Directorate – Large Taxpayers Sector, served on Banca Mediolanum a number of "Questionnaires" on corporation tax (IRES) and regional business tax (IRAP), in preparation for the closure of the bilateral procedures on the *transfer pricing* issue for the years 2019 to 2023. It should be noted that the company has already provided these documents and is awaiting the next communications from the tax authorities.

Regarding the contribution for the Life Insurance Fund, it is reported that on 21 February 2025 a letter was received from the Fund, in which the Provisional Management Committee requested that the contribution as calculated by the member companies be paid within 10 working days from the date of the letter. Banca Mediolanum proceeded to pay the allocated amount.

No events that could have a material effect on the Group's financial position and earnings results took place after 31 December 2024.

SECTION 5 – Other aspects

Use of estimates

These consolidated financial statements entailed the use of complex valuations and estimates which had an impact on the assets, liabilities, costs and revenues recognised and on the identification and quantification of potential assets and liabilities.
The production of such estimates involved the use of the available information and the adoption of subjective assessments, also based on historical experience, which was used to make reasonable assumptions for the recognition of events during the year. By their nature, the estimates and assumptions used may vary from one year to the next and, it cannot be ruled out that in subsequent years the values recognised in the financial statements may also vary significantly as a result of changes in the subjective assessments used.
If there are more significant uncertainties and/or activities subject to measurement of particular materiality, the valuation is supported by external experts.
The main circumstances in which subjective assessments are most required are:

- the quantification of impairment losses on loans, equity investments and other financial assets in general;
- the use of valuation models to recognise the fair value of financial instruments not listed on active markets;
- the assessment of the appropriateness of the value of goodwill and other intangible assets;
- The quantification of staff provisions and provisions for other risk and charges;
- the estimate of tax liabilities and the assessment of the related risk of an unfavourable outcome;
- estimates and assumptions regarding the recoverability of deferred tax assets;
- the non-financial assumptions (e.g. demographic assumptions related to the prospective mortality of the insured population, expected evolution of claims) and financial assumptions (deriving from the possible evolution of the financial markets) used to value insurance products in accordance with IFRS 17.

For some of the cases listed above, the main factors that are estimated by the Group and therefore are involved in determining the carrying value of assets and liabilities may be identified.
It should be noted that:

- for the determination of the fair value of financial instruments not listed on active markets, if it is necessary to use parameters that cannot be inferred from the market, the main estimates concern trends in future financial flows (or income flows, in the case of shares), possibly contingent on future events, as well as the level of certain input parameters not listed on active markets;
- for allocation to the three credit risk stages provided for by IFRS 9 of receivables and debt securities classified among financial assets at amortised cost and financial assets measured at fair value, with an impact on comprehensive income and calculation of the relevant expected losses, the main estimates concern: either determination of the parameters for a significant increase in credit risk, based essentially on models for measuring the probability of default (PD) at the origination of financial assets and the reporting date; the inclusion of forward-looking factors, including macroeconomic factors, for the determination of the PD and LGD "lifetime"; or determination of the probability of the sale of impaired financial assets;
- for the determination of the estimates of future cash flows from non-performing loans, certain elements are taken into account: expected recovery times, the presumed realisable value of any guarantees and the costs that are expected to be incurred for recovery of the credit exposure;
- for the determination of the value in use of intangible assets with an indefinite useful life in relation to the cash generating units (CGUs) of which the Group is composed, separate and appropriately discounted estimates are made of future cash flows in the analytical forecast period and the flows used to determine the "terminal value" generated by the CGU. The cost of capital is included among the items assessed;
- for appraisals of real estate, rents, sale prices, discount rates and capitalisation rates are estimated;
- for the quantification of provisions for risk and charges– where possible – the estimate process includes the amount of the disbursements required to fulfil the obligations, as well as the relative probability and timing of their occurrence;
- for the determination of the items relating to deferred taxation, the probability of actual future tax liability (taxable temporary differences) is estimated, along with the degree of reasonable certainty – if any – of future taxable amounts at the time tax deductibility applies (deductible temporary differences and tax losses carried forward).
- with reference to the insurance companies included in the consolidation, information on the main methodological options and estimates used to determine the insurance contracts and the release of the contractual margin, for consistency of treatment, is provided in the Accounting Policies A.2 - part relating to the main balance sheet items under Insurance Assets and Liabilities, where the methodologies used to define the discount rates, to adjust for non-financial risk and to estimate the future cash flows required to fulfil the insurance contracts are illustrated, among others.

The directors periodically monitor the estimates and assessments made on the basis of historical performance, the current macroeconomic and geopolitical environment and other factors considered to be reasonable. Due to the uncertainty inherent in these financial statement items, the actual values may differ from estimates made due to unexpected factors not known at the time the estimates were produced.

A.2 – PART RELATING TO THE MAIN BALANCE SHEET ITEMS

Accounting principles

The accounting policies followed in the compilation of these consolidated financial statements, with reference to the classification, recognition, measurement and derecognition of financial assets and liabilities, as well as for the recognition of revenues and costs, consolidation criteria and the relevant disclosure, are consistent with those used in the compilation of the consolidated 2023 financial statements of the Banca Mediolanum Group.

The following section describes:

- IFRS accounting standards, amendments and interpretations applicable as of 1 January 2024;
- the IFRS and IFRIC accounting standards, amendments and interpretations endorsed by the European Union not yet mandatorily applicable that had not been adopted early by the Group as at 31 December 2024;
- the IFRS accounting standards, amendments and interpretations not yet endorsed by the European Union.

IFRS accounting standards, amendments and interpretations applicable as of 1 January 2024.

The following table shows the new international accounting standards or amendments to accounting standards that came into force in 2024.

Title of document issued by the IASB	Date of publication of the IASB document	Number and date of EU approval regulation	Date of effect	Date of publication in the OJEU
Lease liabilities in a sale and leaseback transaction (Amendments to IFRS 16)	September 2022	(EU) 2023/2579 20 November 2023	1 January 2024	21 November 2023
Classification of liabilities as current and non-current (Amendments to IAS 1) and non-current liabilities with clauses (Amendments to IAS 1)	January 2020 October 2022	(EU) 2023/2822 19 December 2023	1 January 2024	20 December 2023
Financing agreements for supplies / (Amendments to IAS 7 and IFRS 7)	May 2023	(EU) 2024/1317 15 May 2024	1 January 2024	16 May 2024

In terms of new accounting requirements applicable from 1 January 2024, the following amendments to IFRS should be noted:

Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback;

The amendment to the standard aims to provide clarification on how an entity should book a sale and leaseback in the periods following the transaction.
The adoption of this amendment had no impact on the Group's financial statements, as no sale and leaseback transactions were conducted.

Amendments to IAS 1 – Non-current liabilities with covenants;

The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current, but the company is required to provide adequate disclosure on covenants in the notes to the financial statements.

The adoption of this amendment had no effect on the Group's consolidated financial statements.

Amendments to IAS 7 and IFRS 7 – Supplier finance arrangements;

The amendments introduced by the amendment respond to a request from investors to provide more information on supplier finance arrangements in order to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.

The adoption of this amendment had no effect on the Group's financial statements, as there are no financing agreements in place with suppliers.

IFRS and IFRIC accounting standards, amendments and interpretations endorsed by the European Union not yet mandatorily applicable that had not been adopted early by the Group as at 31 December 2024

The following IFRS accounting standards, amendments and interpretations have been approved by the European Union but are not yet mandatorily applicable and had not been adopted in advance by the Group at 31 December 2024.

Accounting standards or amendments	Date of IASB publication	Number and date of EU approval regulation	Date of effect	Date of publication in the OJEU
Impossibility of change (Amendments to IAS 21)	15 August 2023	(EU) 2024/2862 12 November 2024	1 January 2025	13 November 2024

The Group has assessed and verified the absence of any impact of the amendment to IAS 21 in relation to situations where a currency is not tradable in regulated markets or mechanisms. This amendment will have no impact on the Group's consolidated financial statements.

IFRS accounting standards, amendments and interpretations not yet endorsed by the European Union

Below are the interpretations of the IFRS Interpretations Committee, which have not yet been endorsed by the European Union and will be effective in the future.

Accounting standards and impacts	'Final agenda decisions'	Date of approval of the IASB
IAS 27 - applicable to parent companies that prepare separate financial statements in accordance with IAS 27 and must account for a merger with a subsidiary in their separate financial statements.	*Merger between a parent and its subsidiary in separate financial statements*	23 January 2024
IFRS 3 - accounting for payments due to the seller as part of a business combination when they are contingent upon the continued employment of the sellers during a post-acquisition handover period	*Payments contingent on continued employment during handover periods.*	29 April 2024
IAS 37 - applicable to companies entering into transition commitments with zero net emissions and the accounting or non-accounting for bonds in line with the provisions of IAS 37	*Climate-related commitments*	29 April 2024
IFRS 8 - clarifies certain aspects of the disclosures to be made under IFRS 8	*Disclosure of revenues and expenses for reportable segments*	29 April 2024

The IFRS changes and Agenda decisions have been analysed and it can be affirmed that, given the nature of the business and the group's capital structure, these new changes will have very limited, if any, impact on the consolidated financial statements.

Finally, the following table shows the new international accounting standards and amendments to accounting standards that have not yet been endorsed by the European Union but will be effective in the future.

Accounting standards or amendments	Date of IASB publication	Date of effect
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	30 May 2024	1 January 2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	18 December 2024	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	9 April 2024	1 January 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	9 May 2024	1 January 2027

The Group will adopt these standards and amendments on the basis of their expected date of application and assess their potential impact before their adoption, following their endorsement by the European Union.

1 –Financial assets at fair value through profit or loss

Classification criteria

Item "20. Financial assets measured at fair value through profit or loss" includes:

- Financial assets held for trading;
- Financial assets designated at fair value;
- Other financial assets mandatorily measured at fair value.

This category includes debt securities or loans with an "other" business model, i.e. a method of managing financial assets not intended to collect contractual cash flows ("held to collect") or to collect contractual cash flows and sell financial assets ("held to collect and sell"), debt securities, loans and UCI units that do not pass the SPPI (Solely Payments of Principal and Interest) test and non-qualifying equity instruments for exclusive control, connection and joint control, held for trading purposes or for which, on initial recognition, no option was exercised to classify them as "financial assets measured at fair value through other comprehensive income".
"Financial assets designated at fair value" also includes financial assets designated at fair value through profit or loss connected with index-linked and unit-linked insurance or investment contracts written by the undertaking that fall within the scope of IFRS 17.

Financial assets held for trading

A financial asset is recognised under this item if it is acquired primarily with the aim of realising cash flows from its sale (the "Other" business model) in order to take advantage of profit opportunities. The item also includes derivative contracts with a positive fair value that are not designated in the context of an accounting hedging relationship.

Financial assets designated at fair value

Financial assets (debt securities and loans) can be designated at fair value with the results of the valuation recognised in the income statement on the basis of the option Fair Value Option granted by IFRS 9. Designation at fair value is only permitted if it significantly eliminates or reduces the accounting asymmetry that would result from the valuation/recognition of gains (losses) on different bases for assets or liabilities that are linked on a management basis.

Other financial assets mandatorily measured at fair value

A financial asset (debt security, UCI units and loans) is recognised under this item if it is a financial instrument where the return is measured on the basis of fair value and, in contractual terms, has no cash flows on pre-established dates that represent solely payments of capital and interest on the capital to be repaid, i.e. if it fails the Solely Payment of Principal and Interest (SPPI) SPPI test) is failed.

Recognition criteria

Such instruments are initially recognised at the time of settlement if they are debt securities, equity securities or loans. The initial value is equal to the fair value of the instrument (generally the same as the consideration paid), without considering any transaction costs or income directly attributable to the instruments.

Measurement criteria

After initial recognition, the valuation is made at fair value with the relevant changes recognised in the income statement. In particular:

- in Item "80. Net gains (losses) from trading" for financial assets recognised in item "20.a Financial assets held for trading";
- in item "110. a) Net gain (loss) from other financial assets and liabilities measured at fair value through profit or loss: financial assets and liabilities designated at fair value for financial assets recognised in Item "20.b) Financial assets designated at fair value";
- in Item "110. b) Net result of other financial assets and liabilities at fair value through profit or loss: other financial assets mandatorily measured at fair value", for financial assets recognised in Item "20. c) Other financial assets mandatorily measured at fair value".

The fair value of financial assets is determined based on prices recorded in active markets or on internal valuation models generally used in financial practice as described in more detail in Part A.4 "Fair value reporting".

Derecognition criteria

Financial assets are derecognised when the contractual rights to the cash flows from the assets expire or when the financial assets are sold with the transfer of substantially all the associated risks and benefits.

Reclassification criteria

Financial assets measured at fair value through profit or loss other than equity securities may be reclassified to "Financial assets measured at fair value through other comprehensive income" and "Financial assets measured at amortised cost". Reclassification may occur in the rare event that the entity decides to change its business model for the management of financial assets. The Transfer value is represented by the fair value on the reclassification date, with forward-looking effects as of that date.

2 - Financial assets measured at fair value through other comprehensive income (FVOCI)

Classification criteria

This item includes financial assets with contractual terms that provide for cash flows on pre-established dates that represent only payments of capital and interest on the capital to be repaid, and which have therefore passed the SPPI test, and with the Held to Collect and Sell business model, the aim of which is to manage short-term financial instruments solely to meet liquidity needs.

This category also includes equity securities not held for trading purposes and not qualifying as being under exclusive control, connection or joint control, to which the option to classify them among financial assets measured at fair value through other comprehensive income applies. This option, which may be exercised at the time of initial recognition of the individual financial instrument, is irrevocable.

Recognition criteria

Initial recognition takes place on the settlement date for debt securities and equities and on the disbursement date for loans. Initial recognition takes place only when the Company becomes a party to the contractual clauses of the instrument, i.e. at the time of settlement. The carrying value is equal to the fair value, generally the same as the cost of the instrument including directly attributable transaction costs/revenues.

Measurement criteria

After initial recognition, these assets continue to be measured at fair value, with changes in value recognised in Item "I20. Valuation reserves".

Value adjustments are recognised in the income statement in item "I30. Credit-risk induced net value adjustments/write-backs", balancing item "I20. Valuation reserves". Write-backs are recognised when there is an improvement in the creditworthiness of the asset. For the methods of determining fair value, see the criteria described above for "Financial assets measured at fair value through profit or loss" and "Part A.4 –Fair value reporting" below.

Derecognition criteria

Financial assets are derecognised when the contractual rights to the cash flows from the assets expire or when the financial assets are sold with the transfer of substantially all the associated risks/benefits. If it is not possible to ascertain the transfer of risks and rewards, financial assets are derecognised where no control over them is retained. Lastly, transferred assets are derecognised if the contractual right to receive the cash flows from the assets is maintained, but at the same time a contractual obligation is undertaken to pay only such flows received to a third party without delay.

Reclassification criteria

Financial assets measured at fair value through other comprehensive income other than equity securities may be reclassified to the accounting categories "Financial assets measured at fair value through profit or loss" and "Financial assets measured at amortised cost". Reclassification may take place in the very rare circumstances in which a decision is made to change the business model. The transfer value is the fair value as at the reclassification date.

In the event of reclassification to "Financial assets measured at amortised cost", the gain/loss accumulated in the valuation reserve is eliminated against an adjustment of the fair value of the financial asset as at the reclassification date.

In the event of reclassification to "Financial assets measured at fair value through profit or loss", the gain (loss) accumulated in the valuation reserve is reclassified from shareholders' equity to the income statement.

3 - Financial assets measured at amortised cost

Classification criteria

Item "40. Financial assets measured at amortised cost" includes financial assets (debt securities and loans) whose contractual terms include cash flows on pre-established dates that represent only payments of capital and interest on the capital to be repaid, and which have therefore passed the SPPI test held with the aim of collecting financial cash flows in the medium to long term ("Held To Collect" - HTC Business Model).

In particular, the following are recognised under this item:

a)loans to banks;

b)loans to customers.

Loans to customers include both loans granted to customers and investments in securities - mainly government securities - as part of the management of the Group's banking book.

Recognition criteria

Initial recognition of the financial asset takes place on the settlement date for debt securities and on the disbursement date for loans.

Upon initial recognition, financial assets are recognised at fair value, which corresponds to the consideration paid, including any costs and income directly attributable to the instrument.

Measurement criteria

After initial recognition, the financial assets in question are measured at amortised cost. Such financial instruments are measured by using the effective interest rate criterion, i.e. the rate that exactly discounts future payments or receipts estimated over the expected life of the financial instrument. In order to determine the effective interest rate, cash flows must be measured taking into account all the contractual terms of the financial instrument.

The carrying value is adjusted to take into account any provision to cover expected losses at each annual or interim reporting date. Such assets are tested for impairment to estimate the expected losses recognised through the income statement in item "130. Net credit risk-induced adjustments/write-backs".

The impairment model involves three separate stages based on changes to the borrower's creditworthiness, corresponding to different criteria for measuring expected losses:

- Stage 1: includes performing financial assets for which there has been no significant decrease in credit risk since the date of initial recognition or whose credit risk is considered low. Impairment is based on the estimated expected loss with a time horizon of one year;
- Stage 2: includes performing financial assets that have suffered a significant deterioration in credit risk since initial recognition. Impairment is based on an estimate of the expected loss over a time horizon representing the entire residual life of the financial asset;
- Stage 3: includes non-performing financial assets to be measured on the basis of an estimate of the expected loss over the entire life of the instrument.

For stage 1 and 2 assets, expected losses are determined according to a process that takes into account certain risk parameters consisting of the probability of default (PD), the loss rate in the event of default (LGD) and the exposure value (EAD), deriving from internal regulatory credit risk calculation models that take into account the specific requirements of accounting regulations.

For level 3 assets, impairment is quantified on the basis of a measurement process - analytical or lump-sum based on homogeneous risk categories - aimed at determining the present value of expected recoverable future flows, discounted on the basis of the original effective interest rate or a reasonable approximation thereof, where the original rate is not directly available. Non-performing assets include exposures classified as doubtful, unlikely to pay or past due by more than 90 days, according to the definitions established by the relevant supervisory legislation and cited in Bank of Italy Circular 262.

Derecognition criteria

Financial assets are derecognised when the contractual rights to the cash flows from the assets expire or when the financial assets are sold with the transfer of substantially all the associated risks and benefits. Where it is not possible to ascertain the substantial transfer of risks and rewards, financial assets are derecognised where no control over them is retained.

Value adjustments

In accordance with IFRS 9, financial assets at amortised cost, financial assets measured at fair value with an impact on comprehensive income (other than equity securities) and off-balance sheet exposures are subject to an "impairment" assessment. In particular, the standard provides for these instruments to be classified in stages 1, 2 or 3 depending on their credit quality with respect to their initial recognition, as described above.

The Group has adopted specific models to calculate the expected loss at one year for stage 1 and lifetime for stage 2 and 3 exposures. These models are based on the following parameters:

- PD: Probability of Default – probability of a default on the credit exposure in a specific time period;
- LGD: Loss Given Default – percentage estimated loss on occurrence of the default event;
- EAD: Exposure at Default – exposure at the time of the default of the credit position.

For further details on how to determine value adjustments, see Part E - Risks section.

4 - Hedging transactions

It should be noted that, in accordance with the provisions of IFRS 9, the Group opted to continue to apply all of the provisions of IAS 39 on hedge accounting.

Classification criteria

Assets and liabilities include hedging financial derivatives that have a positive and negative fair value at the reporting date or interim period respectively.

The purpose of hedging transactions is to neutralise changes in fair value or cash flows on a certain financial instrument or group of items due to a certain risk, in the event that this particular risk actually occurs.

For the hedges put in place, the Company uses fair value hedging, the purpose of which is to hedge exposure to changes in the fair value of a financial statement item due to a particular risk. In particular, the Company has hedged the fair value of a portfolio of fixed-rate mortgages against interest rate risk.

Only instruments that involve an external counterparty can be designated as hedging instruments. Net amounts resulting from imbalances between financial assets and liabilities may not be hedged.

Recognition criteria

Hedging derivatives are recognised at fair value on the date the related contracts are entered into.

Measurement criteria

Hedging derivatives are measured at fair value. As they are accounted for as fair value hedges, changes in the fair value of the hedged item are offset by changes in the fair value of the hedging instrument. Hedge accounting recognises the offsetting effects on profit or loss of changes in the fair values of the hedging instrument and the hedged item (in relation to changes generated by the underlying risk factor).

Any resulting difference, which represents the partial ineffectiveness of the hedge, is the net effect on profit or loss. Fair value is determined on the basis of quoted prices in an active market, prices quoted by market participants or internal valuation models commonly used in financial practice, which take into account all risk factors associated with the instruments and are based on market information.

A derivative instrument is designated as a hedging derivative if there is formal documentation of the hedging relationship between the hedged item and the hedging instrument and if it is effective at the inception of the hedge and, prospectively, throughout the term of the hedge. The effectiveness of a hedging relationship depends on the extent to which changes in the fair value of the hedged item are offset by changes in the hedging instrument. Hedging relationships are generally regarded as effective if, at the inception of the hedge and in subsequent periods, changes in the fair value of the financial hedging instrument are offset by changes in the fair value of the hedged item and if the actual results fall within a defined range (80%-125%).

Effectiveness is assessed at each year-end reporting date or when interim statements are prepared, using:

- prospective tests, which justify the application of hedge accounting as they prove expected effectiveness;
- retrospective tests, which highlight the degree of effectiveness of the hedge in the period to which they refer. In other words, they measure to what extent the actual results differ from the perfect hedge.

If the tests performed do not confirm the effectiveness of the hedge, from that moment on hedge accounting is discontinued, the derivative hedging contract is reclassified to trading instruments and the hedged financial instrument again acquires the measurement criterion corresponding to its classification in the financial statements, and the changes in fair value recognised on the hedged instrument until the date of discontinuation of the hedge are subsequently amortised using the effective interest rate method.

Derecognition criteria

If the tests do not confirm the effectiveness of the hedge, either retrospectively or prospectively, the hedge accounting is discontinued. Subsequently, the hedging derivative contract is reclassified to "Financial assets measured at fair value through profit or loss" and, in particular, to financial assets held for trading. In addition, the hedging relationship ceases when the derivative or hedged item expires, is extinguished or exercised or it is no longer highly likely that the future hedged transaction will be put in place.

6 - Tangible assets

Classification criteria

Tangible assets include land, operating properties, property investments, technical plant, furniture, fixtures and equipment of any kind.

These are tangible items that are held for use in the production or supply of goods or services, to be leased to third parties, or for administrative purposes and are expected to be used for more than one period.

Tangible assets held for investment refers to investment property as defined in IAS 40, i.e. property held in order to obtain rent and/or generate capital appreciation.

Any assets used in the context of finance leases are also recorded under this item, although their legal ownership remains with the leasing company.

As of 1 January 2019, the rights of use acquired with a lease relating to the use of a tangible asset (for lessees), operating lease assets (for lessors) and the improvements and incremental expenses incurred on owned assets and rights of use on tangible assets under leases, are also included.

Recognition criteria

Tangible assets are initially recognised at cost, which includes not only the purchase price but also any ancillary costs directly attributable to purchasing and commissioning the asset.

Extraordinary maintenance expenses that increase the future economic benefits associated with the asset are added to the carrying value of the asset, while the costs of day-to-day servicing are recognised in the income statement.

Improvements and incremental expenses incurred on third party assets arising from lease agreements pursuant to IFRS 16 that are expected to deliver future benefits are recognised if they are individually identifiable and separable in item "90. Tangible assets" in the most appropriate category and provided they are not individually identifiable and separable in item "90. Tangible assets", to increase the right of use, recognised in accordance with IFRS 16, to which they refer.

Measurement criteria

Tangible assets, including non-operating properties, are valued at cost, less any depreciation and amortisation. Assets are systematically depreciated over their useful life, using the straight-line method as the depreciation criterion, with the exception of land, whether acquired individually or incorporated into the value of buildings, since they have an indefinite useful life. Where the value of land is incorporated into the value of the building due to application of the component approach, it is regarded as an asset that can be separated from the building; the subdivision between the value of the land and the value of the building takes place on the basis of appraisals by independent experts, only in the case of self-contained buildings.

At each interim or year-end reporting date, if there is any evidence that an asset may be impaired, a comparison is made between the carrying value of the asset and its recoverable value, equal to the greater of the fair value, net of any costs to sell, and the relative value in use of the asset, understood as the present value of future flows generated by the asset. Any adjustments are recognised in the income statement. If the grounds for impairment cease to apply, a write-back is recognised, which may not exceed the value that the asset would have had, net of depreciation calculated in the absence of previous impairment.

Derecognition criteria

A tangible asset is derecognised on disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Tangible assets represented by the right to use assets under leases

Pursuant to IFRS 16, a lease is a contract or part of it which, in exchange for a consideration, transfers the right to use an asset (the underlying asset) for a period of time. A finance "lease" agreement essentially transfers to the lessee all the risks and benefits of ownership of the asset. Otherwise, the agreement is an operating "lease". The lease agreement starts from the date on which the lessee is authorised to exercise their right to use the leased asset and corresponds to the date of initial recognition of the lease. On that date, the lessee takes on:

- an activity that consists of the right to use the leased asset. The asset is recognised at cost and determined by the sum of a financial liability for the lease, the lease payments paid before or on the start date of the lease, the initial direct costs and any costs incurred to restore the asset underlying the lease or to dismantle it;
- a financial liability corresponding to the present value of lease payments due. The discount rate used is, if determinable, the implicit interest rate; otherwise, the lessee's marginal loan interest rate is used.

The asset consists of the right of use. The right of use acquired through the lease is recognised as the sum of the present value of the future lease payments to be paid for the contractual term, the lease payments paid on or before the lease inception date, any incentives received, the initial direct costs and any estimated costs for the dismantling or restoration of the asset underlying the lease. The financial liability recognised corresponds to the present value of lease payments due.

The financial liability recognised corresponds to the present value of lease payments due.
The term of the lease is determined taking into account periods covered by an extension option and/or periods covered by a lease termination option, if reasonably certain.
During the term of the lease agreement, the lessee must:

- assess the right of use at cost, net of accumulated depreciation and cumulative value adjustments determined and recognised in accordance with IAS 36 "Impairment of assets", adjusted to take account of any recalculations of the lease liability;
- increase the liability arising from the lease transaction due to the accrual of interest expenses calculated at the implicit interest rate of the lease or at the marginal loan rate and reduce it for payments of principal and interest.

In the event of changes in lease payments, the liability must be recalculated; the impact of the recalculation of the liability is recognised as a balancing item of the asset consisting of the right of use.
Based on the requirements of IFRS 16, the Group uses the implicit discount rate for each lease, where available.

Derecognition criteria

The right of use deriving from lease agreements is eliminated from the financial statements at the end of the term of the lease.
For more information, see the relevant section of the notes (Part M – Leasing).

7 - Intangible assets

Classification criteria

Intangible assets include goodwill and application software to be used for several years, as well as intangible assets generated during the acquisition of a business. Goodwill is the positive difference between the acquisition cost and the fair value of the assets and liabilities acquired. Other intangible assets are recognised as such if they are identifiable and arise from legal or contractual rights. An intangible asset can be recognised as goodwill when the positive difference between the fair value of the net assets acquired and the acquisition cost of the equity investment (including ancillary costs) represents the equity investment's future income-generating potential. If the difference is negative (badwill), it is recognised directly in the income statement, if it is not due to provisions for risks not reflected in the accounts of the business being acquired.

Recognition criteria

Intangible assets are recognised at purchase cost, including direct costs incurred to prepare the asset for use, and increased by any subsequent expenses incurred to increase its initial economic functionality, net of accumulated amortisation and any impairment losses recorded.

Measurement criteria

The cost of intangible assets is amortised on a straight-line basis over their useful life (defined mainly as a flat rate of 3 years for software where there are no conclusive elements that can be used to define useful life). If their useful life is indefinite, the assets are not depreciated, but only periodically tested for impairment.
The asset's recoverable amount is estimated at each reporting date. The impairment loss, which is recognised in the income statement, is equal to the difference between the carrying amount of the asset and its recoverable value.
If there is objective evidence that an individual asset may have become impaired, the book value of the asset and its recoverable amount, which is equal to the greater of its fair value less the costs of sale and its value in use, understood as the present value of the future cash flows that are expected to arise from the asset, are compared. Any adjustments are recognised in item 220 "Charges/write-backs on impairment of intangible assets" in the income statement.
If the value of an intangible asset previously written down is restored, the new book value may not exceed the net book value that would have been determined if no impairment loss had been recognised in the previous years.
Intangible assets include goodwill, which may be recognised as part of a business combination when the positive difference between the consideration transferred and any recognition at fair value of the minority interest and the fair value of the assets acquired is representative of future earning capacity.
The carrying amount of assets with an indefinite useful life, such as goodwill, are not subject to straight-line amortisation, but periodically tested for impairment.
In relation to the requirements of the accounting standard, "trigger events" are defined for the purposes of such testing, i.e. Indicators from external/internal information sources, which are monitored at least every six months and lead to the impairment testing of equity investments and goodwill. Goodwill is tested for impairment annually (or whenever there is evidence of impairment).

To this end, the cash generating unit to be allocated the goodwill is identified. The amount of any impairment loss is determined on the basis of the difference between the carrying amount and the recoverable amount, if lower, and is charged to the income statement in Item 270 "Goodwill impairment". The recoverable amount is understood as the greater of the fair value of the cash-generating unit, net of any selling charges, and its value in use, represented by the present value of the estimated cash flows for the operating years of the cash-generating unit and deriving from its disposal at the end of its useful life, or by applying the market multiples methodology.
The booking of any subsequent recoveries in value is not permitted.

Derecognition criteria

An intangible asset is derecognised from the statement of financial position on disposal or when no additional future economic benefits are envisaged from its use or disposal, and any difference between its disposal value or recoverable value and its book value is recognised in the income statement in item 280 "Gains (losses) on disposal of investments".

8 - Non-current assets and disposal groups

Classification criteria

These non-current assets and liabilities and disposal groups of assets and liabilities, whose carrying amount will presumably be recovered through sale rather than ongoing use, must be immediately available for sale to be classified in items 120 in assets and 70 in liabilities in the statement of financial position, and active and concrete programmes must be identified to make their disposal highly likely within a year from their classification as assets held for sale.
It should be noted that for the purposes of classification, the significance of the assets and liabilities being transferred is also assumed. Therefore, if this requirement is not met, any disposal transactions will be represented under the relevant items.

Measurement criteria

These assets or liabilities are measured at the lower of their carrying amount and their fair value net of disposal costs. Gains and losses attributable to disposal groups of assets and liabilities are recognised in the income statement in item "320. Net income from discontinued operations after tax". Gains and losses attributable to individual assets held for sale are recognised under the most appropriate item in the income statement.

Derecognition criteria

Non-current assets and groups of assets held for sale are derecognised from the balance sheet at the time of sale.

9 – Current and deferred taxation

The Italian companies of the Mediolanum Group participate in "national tax consolidation" for IRES purposes, governed by Articles 117-129 of the TUIR, introduced into the tax legislation by Legislative Decree No. 344/2003. This is an optional scheme under which the taxable profits or tax loss of each subsidiary participating in the tax consolidation – together with withholdings, deductions and tax credits – are consolidated into the Parent Company, for which a single taxable income or single tax loss amount is determined that can be carried forward (given by the algebraic sum of own income/losses and that of the participating subsidiaries and, consequently, a single tax debit/credit).

Under this option, Group companies that are members of the tax consolidation scheme calculate their own tax charge and the corresponding taxable income is consolidated into the Parent Company. In case of tax losses of one or more Group companies against which consolidated taxable profit for the current year is available or against which there is a high probability that future taxable profits will be available, those tax losses are also consolidated into the Parent Company. The Group recognises current and deferred taxes applying the tax rates in effect in the countries where the consolidated subsidiaries are incorporated.

Income taxes, calculated in accordance with current tax legislation, are accounted for on the basis of the expenses and revenues that generated them. They therefore represent the tax charge, equal to the balance between current and deferred taxation, relating to income for the year.

Income taxes are recognised in the income statement, except for items which are credited/charged directly to shareholders' equity.

Provisions for income taxes are calculated on the basis of an estimate of the current, prepaid and deferred tax expense. Prepaid and deferred taxes are calculated in respect of the temporary differences - with no time limit - arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recorded to the extent that it is probable that they will be recovered, i.e. to the extent that the Company – or the Parent Company under Italy's tax consolidation regime – is likely to continue to generate positive taxable income.

Prepaid and deferred taxes are not netted, and are recognised separately in the statement of financial position under "Tax assets" and "Tax liabilities" respectively.

Deferred taxes are calculated using the liability method based on the temporary differences recognised at the reporting date between the tax values used for the assets and liabilities and the values reported in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences and for tax assets and liabilities carried forward, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the tax assets and liabilities can be utilised, unless:

- the deferred tax asset associated with the deductible temporary differences arises from initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, has no effect on the profit for the year calculated for financial reporting purposes or on the profit or loss calculated for tax purposes;
- with regard to taxable temporary differences associated with equity investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that deductible temporary differences will reverse in the immediate future and that there are adequate tax profits against which temporary differences can be utilised.

Assets and liabilities recognised for prepaid and deferred taxes are systematically measured to take account of any changes in the rules or rates and of any subjectively different situations of the Group companies.

Any tax disputes fall within the scope of IAS 12, which does not include specific valuation principles for the associated tax liabilities. The valuation of tax disputes was therefore carried out on the basis of IAS 37, without prejudice to the presentation principles of IAS 12.

10 - Provisions for risk and charges

Commitments and guarantees given

Provisions for risk and charges in respect of commitments and guarantees given are recognised for all commitments and guarantees, whether revocable or irrevocable, in accordance with both IFRS 9 and IAS 37. This item includes an estimate of the expected loss calculated on these instruments resulting from the valuation process, as described in the section Value Adjustments.
The provision for the period is recorded in item "200. Net provisions for risk and charges: a) commitments and guarantees given".
For these cases, the same methods of allocation between credit risk stages and calculation of the expected loss are adopted as shown with regard to financial assets measured at amortised cost or at fair value through other comprehensive income.

Pensions and similar obligations

Pension provisions include employee benefit provisions that will be paid after employment is terminated and may be classified as defined-contribution or defined-benefit plans. In particular:

- Defined benefit plan: this ensures benefits that depend on different elements, such as age, years of service and remuneration policies. In this case the actuarial risk and the investment risk ultimately fall on the company;
- Defined contribution plan: for this type of plan, the company pays pre-determined contributions. The benefit is the accumulated amount represented by the contributions and their return. The provider has no actuarial and/or investment risk linked to this type of plan as it has no legal or implicit obligation to pay additional contributions if the fund does not have sufficient assets to pay benefits to all employees.

The contributions made in each financial year are considered as separate units, recognised and valued individually for the purposes of determining the final obligation. Actuarial gains and losses (i.e. changes in the present value of the obligation arising from changes in actuarial assumptions and adjustments based on past experience) are recognised in the statement of comprehensive income.

Other funds

Provisions for risk and charges are liabilities of uncertain maturity or amount. A contingent liability is defined as such when:

- the company has a current obligation as a result of a past event;
- it is probable that an outlay of resources to produce economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount arising from fulfilment of the obligation.

The amounts set aside are determined so as to represent the best estimate of the expenditure required to meet the obligations. Risks and uncertainties relating to the facts and circumstances at issue are considered in determining this estimate. Provisions set aside are periodically reviewed and may be adjusted to reflect the best current estimate. Provisions are released when it becomes unlikely that resources capable of yielding economic benefits will be expended in order to discharge the obligation or when the obligation is extinguished.

"Other funds" include, inter alia, obligations concerning benefits payable to agents and in particular supplementary client benefits, portfolio and structure benefits and manager promoter benefits, relating to agents carrying out assistance and coordination activities whose remuneration is based on specific commercial parameters and is granted on the achievement of an old-age pension - conditional on the requirement not to carry out competitive activities in the two-year period following the end of their period in office - or in cases of permanent total disability or death. The provision for unlawful risks of promoters is also included, established to cover the risk of liabilities for losses not covered by the insurance policy to cover damage caused to customers by unlawful conduct on the part of financial promoters and potential liabilities arising from legal disputes.

11 - Financial liabilities measured at amortised cost

Classification criteria

The item "Financial liabilities measured at amortised cost" includes the sub-items "Due to banks", "Due to customers" and "Debt securities issued". Payables entered by the lessee in the context of lease transactions, as well as repurchase agreements for funding and securities lent with the receipt of money guarantees that are fully available to the lender, are also included. Finally, operating payables associated with the provision of financial services are included.

Recognition criteria

The value at which they are initially recognised is equal to their fair value, usually equal to the consideration received or the issue price including costs/income directly attributable to the transaction. Lease payables are recognised on the basis of the present value of future lease payments still to be paid for the contractual term.

Measurement criteria

After initial recognition, medium/long-term financial liabilities are measured at amortised cost using the effective interest rate method as defined above.
Short-term liabilities, for which the time factor is not significant, remain recorded at the value collected.
Lease payables must be restated in the event of a change in the payments due (lease modification). The impact of the redetermination will be recorded as a balancing item to the right of use asset.

Derecognition criteria

Financial liabilities are derecognised in the annual or interim financial statements when they expire or are extinguished. The difference between the carrying amount of the liability and the amount paid to purchase it is recorded in the income statement.

12 - Financial liabilities held for trading

Classification criteria

Financial liabilities held for trading include:

- trading derivatives with a negative value;
- uncovered short positions on securities trading.

Recognition criteria

Such financial liabilities are initially recognised on receipt of the sums collected or on settlement of the financial instruments underlying the transaction. The fair value of any financial liabilities issued below market value is subject to appraisal and the difference from the market value is directly recognised in the income statement. After initial recognition, financial liabilities are measured at fair value.

Measurement criteria

After initial recognition, the financial instruments in question are measured at fair value, with changes in value recognised in item "80. Net gains (losses) from trading".

Derecognition criteria

Financial liabilities held for trading are derecognised when the contractual rights to the related cash flows expire or when financial liabilities are transferred with the substantial transfer of all the risks and rewards of ownership.

13 - Financial liabilities designated at fair value

Classification criteria

Financial liabilities designated at fair value may be recognised on the basis of the option (the Fair Value Option) granted by IFRS 9, i.e. when a hybrid contract contains one or more embedded derivatives and the embedded derivative significantly modifies the cash flows that would otherwise be provided by the contract or when the fair value designation recognised in the income statement allows for better reporting. This item includes liabilities related to unit-linked products classified as financial in accordance with accounting standards.

Recognition criteria

Financial liabilities designated at fair value, accounted for in accordance with the Fair Value Option, are recognised at the issue date. The initial recognition value is at the fair value of the instrument.
The option to designate a liability at fair value is irrevocable, is made on an individual financial instrument, and does not require the same application to all instruments with similar characteristics.

Measurement criteria

These instruments are measured at fair value, allocating changes in value to item "110. a) Net gain (loss) from other financial assets and liabilities measured at fair value through profit or loss: financial assets and liabilities designated at fair value".

Derecognition criteria

Financial liabilities are derecognised in the annual or interim financial statements when they expire or are extinguished.

14 - Foreign-currency transactions

Assets and liabilities denominated in foreign currencies are recorded, at initial recognition, in the reporting currency, by applying the exchange rate in force on the transaction date to the foreign currency amount.
At each interim or year-end reporting date, financial statement items in foreign currencies are valued as follows:

- monetary financial assets and liabilities are converted at the exchange rate at the reporting date;
- non-monetary items measured at historical cost are translated at the exchange rate in force at the transaction date;
- non-monetary assets measured at fair value are converted using the exchange rates in force at the reporting date.

Foreign exchange differences resulting from the settlement of monetary items or the conversion of monetary items at rates other than the initial conversion rates or the conversion rates in the previous financial statements are recognised in the income statement for the period in which they arise.
When a gain or loss relating to a non-monetary item is recognised in shareholders' equity, the foreign exchange difference relating to that item is also recognised in equity. Conversely, when a gain or loss is recognised in the income statement, the relevant foreign exchange difference is also recognised in the income statement.

15 - Insurance assets and liabilities

Insurance assets and liabilities

For a more immediate reading, an explanation of the insurance assets and liabilities recognised as of last year is provided, applying IFRS 17 and the main methodological options adopted by the Group in this regard.

Classification and measurement criteria

This category includes insurance assets and liabilities falling within the scope of IFRS 17 – Insurance Contracts. Specifically, insurance assets and liabilities comprise assets and liabilities that transfer an insurance risk assessed as material, including term life policies, certain types of unit-linked policies and non-life policies, as well as reinsurance components. Also included are liabilities recognised for investment products with discretionary participation features (separate management) as well as Class V capitalisation policies. Classification depends on the net balance of the portfolio to which the contracts belong. Insurance contracts with a positive balance are classified as insurance liabilities, while reinsurance cession contracts have a positive balance and are therefore classified as insurance assets.

IFRS 17 provides for the following measurement models:

- the General Model - applicable in principle to all contracts;
- the Variable Fee Approach ("VFA"): mandatorily applicable to contracts with direct participation features.
- There is also an optional simplified model (Premium Allocation Approach – PAA) for the valuation of the Liability for Remaining Coverage (LRC) for contracts with a hedging period of one year or less and for all contracts where the valuation is not materially different from that resulting from the application of the General Model.

The Mediolanum Group does not apply the PPA model. More specifically, the accounting models applied are:

- the General Model for the non-life business and products purely at the risk of the life business;
- the Variable Fee Approach for direct participating products (i.e. linked products and products with discretionary profit-sharing). In view of the products offered by the Companies, this is the main model used in the Insurance Group.

Initial recognition and accounting models

Insurance assets and liabilities issued are initially recognised on the first of the following dates:

- the date of the beginning of the period of coverage of the group of contracts
- the date on which the first payment by an insured holder of a contract included in the group is due
- in the case of a group of onerous contracts, the date on which the group becomes onerous.

The value at initial recognition of the insurance assets and liabilities is equal to the algebraic sum of the fulfilment cash flows and the contractual service margin (CSM), where fulfilment cash flows are the estimated discounted Present Value Future Cash Flow –PVFCF), including the explicit risk adjustment (RA) component, to account for non-financial risks, while the CSM represents the present value of expected future profits arising from the contract.

All contracts are grouped in order to identify "portfolios" that have similar risks and can be managed together. Each portfolio is then divided into groups of contracts:

- groups of contracts that are onerous at the time of initial recognition
- groups of contracts that, at the time of initial recognition, have no significant possibility of subsequently becoming onerous; and
- the group comprising the other contracts in the portfolio.

Measurement

IFRS 17 requires an update of the insurance liability in each reporting period to verify the consistency of the estimates made with market conditions, to reflect the changes arising from the insurance services provided and the recognition of any liabilities for claims incurred.

The effects of any updates recorded are included in the income statement if the changes refer to current or past events or to a reduction in the contractual service margin if the changes are due to future events.

With regard to financial assumptions, the standard gives the option of representing the effects of the changes in the income statement or shareholders' equity (OCI option).

The standard requires the profitability generated by the policies over their life to be presented in the income statement "by margins", i.e. a representation of the effect of the expected margins of insurance contracts through the initial quantification of the CSM and its release over the life of the underlying contracts. Accordingly, it does not require the recognition of premiums as revenues at the time of the signing of the contract and claims as costs. This marginality is included in the schedule of items I60. Result of insurance services and I70. Balance of revenues and financial costs relating to insurance management that include both insurance revenues and costs for insurance services arising from insurance contracts issued. However, it should be noted that in the case of onerous contracts, the loss is recognised directly in profit or loss.

Summary of the main methodological options adopted by the Group

This section provides a summary of the Group's main methodological decisions.

Level of aggregation

The level of aggregation for IFRS 17 purposes provides for a distinction between the non-life and life businesses and a further aggregation in groups of contracts that takes into account:

- for the life business, the types of products (pure risk products, linked products and products with discretionary profit-sharing) and, for the linked business, the main contractual features of the products (aggregation into families of linked products) and, where relevant, the reference market.
- for the non-life business, the ministerial class and business line values defined according to Solvency II.

The annual cohort requirement is applied to all IFRS 17 portfolios, with the exception of contracts characterised by inter-generational mutuality, in application of the option introduced by Regulation (EU) 2021/2036. In particular, the contracts pertaining to Mediolanum Vita's Medinvest Separate Account portfolio represent a single group of contracts for IFRS 17 (carve-out) purposes.

Coverage Units

For the purposes of representing profitability profiles over time ("amortisation pattern"), the following values have been identified ("Coverage Units"):

- Life business: sums insured (pure risk products) or commitments to policyholders (direct participating products);
- Non-life business: expected claims.

These values were defined on the basis of the specific nature of the business analysed, in order to represent consistently as possible the "provision of the service" by Group companies over time.

Financial margin

The Mediolanum Group has opted for the application of the "accounting choice" that allows the recognition in Other Comprehensive Income (the OCI option) of:

- any mismatches arising from the revaluation of assets and liabilities (IFRS 17, para. 89) – for products within the scope of the Variable Fee Approach;
- changes in liabilities related to the updating of financial conditions over time (IFRS 17, para. 88) – for products within the scope of the General Model.

Based on the defined methodology, the financial result for insurance products is represented:

- for contracts within the scope of the VFA, by an equal and opposite amount ("mirroring") to the booked financial result of the underlying assets;
- for contracts within the scope of the General Model, by an amount equal to the change in the insurance liability deriving from the application of the discount curve at the date of first valuation of the group of contracts (locked-in curve).

Discount curve

The Mediolanum Group identified a *bottom-up* approach for calculating the IFRS 17 discount curve, which requires the adjustment of the risk free curve for an illiquidity premium.
This adjustment was determined for the separate account of Mediolanum Vita on the basis of the securities used to cover the reserves of the separate account and the market data relating to them.
For the remaining businesses, reference was made to a European portfolio considered to be substantially representative.

Risk adjustment

The approach identified by the Mediolanum Group to define the *risk adjustment* involves the value at risk (VaR) risk measure as an estimation technique with a confidence level of the 80th percentile. With regard to the life business and the definition of stresses, the approach makes reference to the shocks used in the Standard Formula, recalibrated on the percentile identified.

Other aspects

With regard to the estimated liabilities to policyholders and the contractual service margin, in accordance with the business model adopted by the Group, which provides that the insurance companies pay the distribution companies (Banca Mediolanum and Banco Mediolanum) remuneration for sales and maintenance of the insurance portfolio, while the distribution companies, in exchange for this remuneration, incur direct costs to the sales network, for the purposes of preparing the consolidated financial statements of the financial conglomerate, to determine cash flows and therefore the contractual service margin, the part of the remuneration of the network closely associated with insurance products was taken into account, rather than the remuneration between the Companies and distribution companies.

With reference to points of contact with the prudential Solvency II regulations, it should be noted that the undiscounted cash flows used to estimate fulfilment cash flows do not differ significantly from those used to estimate best estimate liabilities according to the prudential framework.
It should be noted, in particular, that the main differences between the two frameworks for the measurement of insurance liabilities relate to:

- the identification of contract boundaries, i.e. the determination of whether a contractual option should be included in the projected cash flows from the issue of the contract or whether its exercise entails the generation of a new group of contracts;
- the determination of the discount curve;
- the determination of the risk margin under the Solvency regime and the risk adjustment in the IFRS 17 accounting standard.

16 - Other information

Other assets – Other liabilities

This item includes assets and liabilities that cannot be allocated to other asset and liability items in the statement of financial position.
Other assets mainly include receivables associated with the provision of non-financial goods or services and tax payables other than those recorded in item "100. Tax assets" and other assets for transit items that will close at the beginning of the following year.
Other liabilities mainly include transit items, payables associated with the payment of the supply of non-financial goods and services and miscellaneous tax credit items other than those recognised in item "60. Tax liabilities".

Severance benefits

Employee severance benefits are recorded on the basis of the actuarial value calculated in line with the rules for "defined benefit" plans. The estimate of future disbursements is made on the basis of historical statistical analyses (for example turnover and retirements) and the demographic curve, including the salary increase assumptions provided for by Article 2120 of the Italian Civil Code (application of a fixed rate of 1.5% and 75% of the ISTAT inflation index where applicable). These flows are then discounted using the projected unit credit method. The discounting rate is determined on the basis of the market rates of high-quality bonds, in line with the estimated residual maturity of the commitments. The values thus determined entail recognition in the income statement of the cost components relating to work and net financial expenses, as well as the recognition of actuarial gains and losses deriving from the remeasurement of liabilities in other comprehensive income. The amounts accrued from 1 January 2007 allocated to the supplementary pension plan or the INPS treasury fund are classified as a "defined contribution" plan, since the company's obligation to the employee ceases with payment of the amounts accrued to the fund. These amounts are booked on the basis of the contributions accrued during the year.

Employee pension funds

Defined contribution plans for pension funds for which the company, through payment of contributions, does not assume any further obligation towards the fund members, entail recognition in the income statement of the benefits accrued during the year.

Share-based payments

These are payments to employees or similar persons as consideration for work or other services/goods received based on shares which may consist in the allocation of:

- rights to subscribe for paid capital increases (stock options);
- rights to receive shares when the qualitative/quantitative targets settled with equity instruments are met (performance shares);
- rights to receive shares when the quantitative/qualitative targets settled by cash are met (phantom shares).

For such cases, the cost of the transaction, together with the corresponding increase on the balance sheet (shareholders' equity or liabilities), is recognised in relation to the fair value of the benefits at the grant date, which is recognised during the vesting period.

For stock option plans, the fair value of the option was calculated using a model that took into account not only information such as the exercise price and life of the option, the current price of the shares and their expected volatility, the expected dividends and the risk-free interest rate, but also the specific characteristics of the plan in place. The option and the probability of realising market conditions are valued separately in the pricing model. The combination of the two values provides the fair value of the granted instrument. The cumulative costs recognised at each reporting date until the vesting date are commensurate with the maturity of the vesting period and the best available estimate of the number of participating instruments that will actually be exercised on vesting.

The reversal of the cost recognised in the income statement in each year represents the change in the cumulative cost between what is recognised at the end of the year and the cumulative cost at the end of the previous year. No cost is recognised for rights that do not reach full accrual. Incentive schemes are also provided for key staff that are based on group share-based payments in accordance with the rules on the remuneration of such staff.

Capital and treasury shares

The capital item includes the amount of shares issued net of any capital subscribed but not yet paid up as at the reporting date. This item is shown gross of the treasury shares held by the Bank. These are recognised in the financial statements under a specific item as a negative component of shareholders' equity.
The original cost of repurchased treasury shares and the gains or losses arising from their subsequent sale are recognised as changes in shareholders' equity.
Dividends on ordinary shares are recognised as a reduction in shareholders' equity in the year in which the Shareholders' Meeting resolved to distribute them. Any interim dividends are recognised in the "Interim dividends" liability item of the balance sheet with a negative sign.

Tax credits related to the "Cure Italy" and "Relaunch" decrees acquired due to transfer by direct beneficiaries or previous acquirers (such as the "Ecobonus")

The credits introduced by Decree No. 18/2020 ("Cure Italy") and Decree No. 34/2020 ("Relaunch") acquired following disposal by direct beneficiaries or previous purchasers refer to tax incentive measures related to investment expenditure (e.g. the Ecobonus and the Sismabonus).
These tax incentives, applicable to households or businesses, are commensurate with a percentage of the expenditure incurred and are paid in the form of tax credits or tax deductions.
The main features of the tax credits introduced by the decrees are:

- the option of offsetting over a limited period of time;
- the possibility of transfer to third-party buyers; and
- no refunding by the tax authorities.

The accounting treatment of the above credits is not governed by any IAS/IFRS accounting standard and it is therefore necessary to refer to the provisions of IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, which require that a specific accounting policy be defined that ensures a faithful representation of the entity's financial position, income and cash flows and reflects the economic substance.
Also under the guidelines set forth by the Supervisory Bodies in the joint document published by them, taking into account that the tax credits referred to in the decrees are substantially more similar to a financial asset, as they may be used to offset a debt usually extinguished in cash (tax payables), and may be exchanged for other financial assets under conditions that might potentially be favourable to the entity and can be framed in a business model, it is believed that the accounting model based on IFRS 9 represents the accounting policy of reference.

In order to define the accounting treatment to be adopted for the tax credits in question, reference was therefore made to certain provisions of the IFRS 9 accounting standard for financial instruments. In particular, the acquisition price of the tax credits is affected by:

- the time value of money;
- the ability to use it within the relevant timeframe.

This price meets the condition of IFRS 9, according to which financial assets and liabilities are initially recognised at fair value and regarded as being at Level 3 of the fair value hierarchy provided for by IFRS 13, as there are currently no active markets or comparable transactions. At the time of initial recognition, the tax credit must therefore be recognised at the transaction price. In order to subsequently measure financial assets at amortised cost, the following must be considered:

- the time value of money;
- the use of an effective interest rate;
- the flows of the use of the tax credit through offsetting.

The effective interest rate used is therefore the rate determined at the outset so that the discounted cash flows associated with the expected future offsetting estimated over the projected duration of the tax credit are equal to the acquisition price. It is therefore necessary to estimate the expected offsetting taking into account all the terms of the tax credit, including the fact that any tax credit not used in each offsetting period will be lost.

Using the amortised cost method, pursuant to paragraph B5.4.6 of IFRS 9, it is necessary to periodically review the estimates of cash flows and to adjust the gross book value of the financial asset to reflect actual and restated cash flows.
Applying IFRS 9 as the best approximation of the accounting standard that should be adopted, it is therefore necessary to define the correct portfolio among those covered by this standard, i.e. the held-to-collect (HTC) business model, in accordance with the classification currently adopted by the Group, according to which this is the reference portfolio for loans to customers, also considering the aim of holding these loans and using them for future offsetting.
With regard to presentation, given that the tax credits obtained do not represent, pursuant to the international accounting standards, tax assets, public contributions, intangible assets or financial assets, the most appropriate classification for the purposes of presentation in the financial statements is the residual classification of "other assets" in the balance sheet in line with IAS I.
Income and expenses (interest and other valuation aspects such as adjustments for impairment and gains (losses) on disposal) are recognised in the income statement, in line with the HTC business model selected.

INCOME STATEMENT

Revenues

Revenues are gross flows of economic benefits arising from the company's ordinary business and are recognised when the control of goods or services is transferred to the client, for an amount that represents the consideration to which it considers it is entitled. Specifically, revenue is recognised through the application of a model that must meet the following criteria:

- the parties to the contract approved the contract and undertook to fulfil their respective obligations;
- the entity can identify the rights of each of the parties with regard to the goods or services to be transferred;
- determination of the expected consideration for the transfer of the goods or services to the client (transaction price);
- recognition of revenues when the obligation to perform is fulfilled by transferring the good or service to the customer.

Interest income and expense

Interest income and expense and similar income and expense comprise cash and cash equivalents and financial instruments classified under IFRS 9 (financial assets held for trading, designated at fair value or mandatorily measured at fair value, measured at fair value with an impact on comprehensive income, measured at amortised cost and financial liabilities at amortised cost).
Interest income and expense is recognised in the income statement for all instruments valued according to the amortised cost criterion, using the effective interest rate method.

Commission income and other income

Commission income and other operating income is recognised in the income statement in accordance with IFRS 15: Revenue from contracts with customers. In particular:

- if the obligation to perform is fulfilled at a certain time, the relevant revenue is recognised in the income statement at the time the service is provided;
- if the obligation to perform is fulfilled over time, the relevant revenue is recognised in the income statement in such a way as to reflect the degree of fulfilment of the obligation.

The amount of revenue recognised on commission income and other operating income is measured according to the contractually established amounts.

Dividends

Dividends are recognised in the income statement in the financial year in which the resolution to distribute them is approved.

Costs

Costs are recognised when they are incurred in accordance with the principle of the correlation of costs and revenues. Costs that cannot be associated with revenue are immediately recognised in the income statement. Costs directly attributable to financial instruments measured at amortised cost are recorded in the income statement using the effective interest rate.
The effective interest method is the method of allocating interest income or expense over the duration of a financial asset or liability. The effective interest rate is the rate that exactly discounts future payments or receipts expected over the life of the financial instrument to the net book value of the financial asset or liability.
Impairment is recognised in the income statement in the financial year in which it is recognised.

A.3 – REPORTING OF TRANSFERS OF FINANCIAL ASSETS BETWEEN PORTFOLIOS

A.3.1 Reclassified financial assets: change in business model, carrying amount and interest income

Type of financial instrument (1)	Reclassified from (2)	Reclassified to (3)	Date of reclassification (4)	Reclassified carrying amount (5)	Interest income recorded in the year (before tax) (6)
Debt securities	Financial assets measured at fair value through other comprehensive income	Financial assets measured at amortised cost	01/10/2018	1,192,542	N.A.

The above value, in euro, represents the carrying amount of the residual securities at the end of 2024.
It should be noted that the reclassification date is the date of the accounting effect of the change of business model.

A.3.3 Reclassified financial assets: change in business model and effective interest rate

As reported in previous years, following a change in the business model by the Parent Company, which allowed the risk profile to be maintained unchanged with respect to the risk appetite assumed by the corporate governance bodies, the Held to Collect (HTC) portfolio is the portfolio in which financial instruments have a significant position compared with the HTCS portfolio, in which financial instruments continue to have a very marginal position. It should therefore be noted that all variable-rate securities and medium/long-term fixed-rate securities are assigned to the HTC portfolio as, according to the Bank, they are more consistent with stable funding.
2024 confirmed the choice of the prevalence of the HTC portfolio, following which the relative importance of the exposure to securities classified in the HTC portfolio and the substantial absence of sales of securities classified in this portfolio should be noted.

A.4 – FAIR VALUE REPORTING

QUALITATIVE INFORMATION

Fair value is defined as the price that would be received for the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants, under current conditions in the main or most advantageous market at the measurement date (exit price). Underlying the measurement of fair value is the presumption that the entity is a going concern. IFRS 13 establishes a fair value hierarchy according to the degree of observability of the inputs and parameters applied to the measurements. Three levels are envisaged:

- Level I: the FV of the instruments classified at this level is determined on the basis of list prices observed in active markets;
- Level 2: the FV of the instruments classified at this level is determined on the basis of valuation models that mainly use inputs observable in active markets;
- Level 3: the FV of the instruments classified at this level is determined on the basis of valuation models that mainly use significant inputs not observable in active markets.

The Group adopts a policy for recognising the fair value level of individual positions which contains the rules both for the definition of an "active market" and for the consequent operating procedure for valuing portfolios, in order to remove any discretionary power in identifying levels.

Securities not belonging to either of the above two categories are regarded as belonging to a "non-active market". Securities covering Class III policies for which the issuer has a repurchase agreement are excluded from this definition. As part of coordination activities for all Group companies, the Risk Management function provides methodology and/or operational support to the corresponding risk structures of the companies in the Conglomerate, including with regard to the definition of an active market.

The following are deemed to be listed on an active market:

- securities traded on Italian and foreign regulated markets (e.g. MTS (electronic government securities market) and MOT (electronic bond and government securities market);
- securities traded on organised exchange systems authorised or recognised by Consob (multilateral trading facilities) for which the materiality of the price has been determined by the procedure described below;

- securities for which an executable list price is available that meets the following criteria:
  - the reference time series is complete;
  - the bid-ask price tolerance thresholds differ according to the financial instrument;
  - significant variability in the daily price in the reference month;
  - maximum monthly price variation limit;
  - maximum limit of the price deviation from a benchmark quotation.

Securities that meet the above criteria are classified as listed on an active market and their fair value is determined according to the type of financial instrument, as follows:

- for equity securities listed on the Italian stock exchange Borsa Italia and/or foreign stock exchanges, the closing price on the last trading day of the reference month;
- debt securities will be valued at the bid price (for long positions) and the ask price (for short positions) from an executable source.

Financial instruments that are not in active markets are measured by assigning them to fair value Level 2 or Level 3.

A.4.1 Fair value levels 2 and 3: measurement techniques and inputs used

The Group's Level 2 instruments comprise bonds and some derivative instruments. Securities in this category are valued on the basis of directly or indirectly observable market data.
The fair value of the bonds is calculated as the sum of the present values at the end of the financial year of the cash flows deriving from them. The discount rate is determined as the sum of the following components:

- the risk-free rate
- the credit spread
- any illiquidity spread.

The risk-free rate is inferred from the implicit value in IRS (interest rate swap) contracts, while the credit spread is inferred from the price of bonds of the same issuer with a fixed coupon and maturity comparable to the security being valued. Where there are no securities from the same issuer, and for own bonds, an estimated credit spread is used through the use of issuers with similar characteristics.

If the values of coupon flows are not fixed, but variable and indexed to market interest rates, they are identified on the basis of:

- the forward rates implicit in the risk-free rates for the various maturities;
- in the event that future flows have implicit optionality, then implicit volatilities in the prices of cap and floor options are used in the estimate. Expected flows are determined based on implied volatilities (where relevant) using the Black-Scholes model.

In the case of Level 2 derivative financial instruments on rates (amortising interest rate swaps and interest rate options) with collateralisation activities, the present value is determined taking into account the rates deducted from the values implicit in the OIS (overnight interest swap) contracts.

Potential Level 3 assets fall into the following asset classes:

- units of real estate funds;
- unlisted equity securities positions;
- securities positions relating to index-linked policies;
- unlisted bond positions;
- units of closed-end UCI funds;

With regard to real estate fund units, the rationale behind real estate valuations is to determine a fair value through a mark to model. The starting point for determining the fair value of real estate (included in the real estate funds) is the (contractually fixed) rents that the tenant of the property undertakes to pay the property owner for an agreed number of years. These fees are discounted and capitalised using the valuation practice adopted by independent third-party valuers. In accordance with current legislation, the assets in real estate funds are valued by independent experts every six months.

With reference to the other types of funds in the portfolio managed by leading asset management companies, the NAV of the fund's share is assumed as an approximation of the fair value, provided that it can actually be considered an approximation of the FV.

For some of the most significant equities, the Group has determined the fair value of these instruments on the basis of established academic valuation methods (DCF).

Less significant unlisted equity securities were assumed to be equal to their historical cost in the absence of facts and information deemed sufficiently reliable to determine fair value reliably, such as recent transactions that could be taken as a reference or the presence of inherent characteristics of the company that enable it to be compared with other listed players.

A position of a structured debt security with a fair value level of 3 is recorded in the portfolio of the subsidiary, Mediolanum Vita. The price of this instrument is provided directly by its issuer and since the quantities are not observable on the market, the fair value level is 3. A framework was developed involving validation by the Risk Management Function.

Index-linked policy assets – the volumes of which are residual as a percentage of total assets held by the Irish life insurance company – consist of bonds and derivative contracts traded outside regulated markets and characterised by low liquidity and complex financial structures. They are measured on the basis of appropriately validated assessments of their counterparties or internal stochastic models.

With regard to unlisted bonds, the FV estimation method presupposes the use of input parameters derived from market values and adjusted according to liquidity premium or other variables.

Fair value Level 3 relating to assets and liabilities not measured at fair value on a recurring basis includes receivables and payables from/to customers and banks and real estate assets.

For short-term receivables and payables from/to customers and banks the fair value was assumed to be equal to the carrying amount, as this was considered a good approximation.
For medium/long-term performing and non-performing exposures (past due by more than 90 days and unlikely to pay), mainly consisting of loans to customers for mortgage contracts, the measurement of fair value took into account the discounting of contractual flows.
A fair value corresponding to the carrying amount was assumed for non-performing exposures (non-performing loans). The assumptions underlying the determination of fair value, which are specific to the model and not observable in the market, determine classification at Level 3.
The fair value of real properties directly owned by the Company and Group companies has generally been determined using the "comparative" method.

A.4.2 Valuation processes and sensitivity

This section includes disclosure on fair value as required by IFRS 13. Fair value is defined as the consideration that could be received to sell an asset or paid to transfer a liability, in an ordinary transaction between counterparties on the reference market on the measurement date. A financial instrument is considered quoted on an active market if the quoted prices are readily and regularly available on the regulated market (understood as a trading platform, dealer or broker) and such prices represent actual market transactions that take place regularly in normal trading.

Alternative valuation models (mark to model) are used if market prices or other observable inputs are not available.

The Group uses valuation methods in line with methods generally accepted and used by the market. The valuation models include techniques based on discounting future cash flows (and estimated volatility) and are reviewed periodically to ensure full consistency with the valuation objectives.

As required by IFRS 13, 93 (h), for securities with fair value level 3, the sensitivity to inputs is reported (reference date 31/12/2024):

	Fair value hierarchy IFRS 13.93 (b)	Sensitivity
Assets	**Level 3 (EUR/000)**	**Level 3 (EUR/000)**
Financial assets held for trading (Equity instruments)	8,811	88
Non-trading financial assets mandatorily at fair value through profit or loss (Funds instruments)	179,733	1,797
Financial assets at fair value through other comprehensive income (Equity instruments)	8,497	85

Sensitivities follow the definitions described in the CRR in force in Article 325r 3(a), the numerator of which is shown in the table. In the specific case of perimeter shares, sensitivity is defined as follows:

$$S_k = \frac{V_i(1{,}01\ EQ_k, x, y, \ldots) - V_i(EQ_k, x, y, \ldots)}{0{,}01}$$

The sensitivity of debt securities belonging to the subsidiary Mediolanum Vita is shown below.

	Fair value hierarchy IFRS 13.93 (b)	Sensitivity
Assets	**Level 3 (EUR/000)**	**Level 3 (EUR/000)**
Financial assets at fair value through other comprehensive income		
Debt Instruments	47,315	
Interest Rate		(41.8)
6M		(0.1)
1Y		(0.1)
2Y		(0.4)
3Y		(0.9)
5Y		(3.2)
10Y		(32.3)
15Y		(4.9)
Credit Spread		(41.8)
6M		(0.1)
1Y		(0.3)
3Y		(1.0)
5Y		(3.2)
10Y		(37.2)

In the specific case of perimeter debt instruments, sensitivity is defined as follows for the interest rate risk factor:

$$s_{r_{kt}} = \frac{V_i(r_{kt} + 0{,}0001, x, y \ldots) - V_i(r_{kt}, x, y \ldots)}{0{,}0001}$$

The sensitivity of debt instruments to the credit spread risk factor is defined as follows:

$$S_{CS_{kt}} = \frac{V_i(CS_{kt} + 0{,}0001,\ x,\ y \ldots) - V_i(CS_{kt},\ x,\ y \ldots)}{0{,}0001}$$

The reference nodes considered for the calculation of sensitivity are as set out in Articles 325 terdecies and 325 quaterdecies respectively.

A.4.3 Fair value hierarchy

For the fair value hierarchy, see the description in the paragraph: Fair value reporting – qualitative disclosures.

Description of migrations between asset valuation levels

The Mediolanum Group has a policy in place for the recognition of the fair value level of individual positions. The policy establishes the rules applied by the individual Company for both the definition of an "active market" and the consequent operating procedure for valuing portfolios in order to avoid any discretion in the identification of levels. In 2024, as a result of the controls performed by the Risk Management Function in

compliance with internal policies, there were no changes in the fair value level for any of the securities in the portfolios of Group Companies.

A.4.4 Other information

There are no situations within the Mediolanum Group in which the maximum and best use of a non-financial asset differs from its current use. Moreover, there are no situations in which financial assets and liabilities managed on a net basis relating to market risks or credit risk are measured at fair value on the basis of the price that could be received from the sale of a net long position or the transfer of a net short position.

A.4.5 Fair value hierarchy

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by fair value level

€/000	31/12/2024			31/12/2023		
Financial assets/liabilities measured at fair value	**L1**	**L2**	**L3**	**L1**	**L2**	**L3**
1. Financial assets at fair value through profit or loss	41,978,334	295,716	257,381	35,781,572	159,467	255,000
a) Financial assets held for trading	407,025	303	8,890	991,747	552	6,996
b) Financial assets designated at fair value	41,539,923	295,413	68,759	34,759,934	158,915	71,567
c) Other financial assets mandatorily measured at fair value	31,386	-	179,732	29,891	-	176,437
2. Financial assets measured at fair value through other comprehensive income	2,250,021	-	55,812	1,975,750	5,137	52,871
3. Hedging derivatives	-	-	-	-	53	-
4. Tangible assets	-	-	-	-	-	-
5. Intangible assets	-	-	-	-	-	-
TOTAL	**44,228,355**	**295,716**	**313,194**	**37,757,322**	**164,657**	**307,871**
1. Financial liabilities held for trading	-	3	-	-	8,453	5
2. Financial liabilities designated at fair value	18,732,071	8,365	-	15,005,819	5,400	-
3. Hedging derivatives	-	-	-	-	3,605	-
TOTAL	**18,732,071**	**8,368**	**-**	**15,005,819**	**17,458**	**5**

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

A.4.5.2 Changes during the year in assets measured at fair value on a recurring basis (Level 3)

€/000	Financial assets at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Tangible assets	Intangible assets
	Total	of which: a) financial assets held for trading	of which: b) financial assets designated at fair value	of which: c) other financial assets mandatorily measured at fair value				
1. Opening balances	**255,000**	**6,996**	**71,567**	**176,437**	**52,871**	**-**	**-**	**-**
2. Increases	**68,572**	**4,449**	**16,865**	**47,259**	**2,941**	**-**	**-**	**-**
2.1. Purchases	39,729	2,448	16,865	20,417	-	-	-	-
2.2. Profits booked to:	14,996	1,864	-	13,132	2,285	-	-	-
2.2.1. Income statement	14,996	1,864	-	13,132	-	-	-	-
- of which, capital gains	14,935	1,857	-	13,078	-	-	-	-
2.2.2. Shareholders' equity	-	X	X	X	2,285	-	-	-
2.3. Transfers from other levels	-	-	-	-	-	-	-	-
2.4. Other increases	13,847	137	-	13,710	656	-	-	-
3. Decreases	**(66,191)**	**(2,555)**	**(19,673)**	**(43,964)**	**-**	**-**	**-**	**-**
3.1. Sales	(22,649)	(2,483)	(1,872)	(18,294)	-	-	-	-
3.2. Redemptions	(459)	-	-	(459)	-	-	-	-
3.3. Losses charged to:	(25,206)	(72)	(17,801)	(7,333)	-	-	-	-
3.3.1. Income statement	(25,206)	(72)	(17,801)	(7,333)	-	-	-	-
- of which, capital losses	(25,003)	(33)	(17,801)	(7,169)	-	-	-	-
3.3.2. Shareholders' equity	-	X	X	X	-	-	-	-
3.4. Transfers from other levels	-	-	-	-	-	-	-	-
3.5. Other decreases	(17,877)	-	-	(17,878)	-	-	-	-
4. Closing balances	**257,381**	**8,890**	**68,759**	**179,732**	**55,812**	**-**	**-**	**-**

A.4.5.3 Annual changes in liabilities measured at fair value (Level 3)

€/000	Financial liabilities held for trading	Financial liabilities designated at fair value	Hedging derivatives
1. Opening balances	**5**	**-**	**-**
2. Increases	**-**	**-**	**-**
2.1. Emissions	-	-	-
2.2. Losses charged to:	-	-	-
2.2.1. Income statement	-	-	-
- of which, capital losses	-	-	-
2.2.2. Shareholders' equity	X	-	-
2.3. Transfers from other levels	-	-	-
2.4. Other increases	-	-	-
3. Decreases	**(5)**	**-**	**-**
3.1. Redemptions	-	-	-
3.2. Repurchases	(5)	-	-
3.3. Profits booked to:	-	-	-
3.3.1. Income statement	-	-	-
- of which, capital gains	-	-	-
3.3.2. Shareholders' equity	X	-	-
3.4. Transfers to other levels	-	-	-
3.5. Other decreases	-	-	-
4. Closing balances	**-**	**-**	**-**

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value level

€/000	31/12/2024				31/12/2023			
	CA	L1	L2	L3	CA	L1	L2	L3
1. Financial assets measured at amortised cost	37,863,887	18,482,860	280,249	20,968,454	36,920,252	18,884,914	-	19,354,964
2. Tangible assets held for investment purposes	53,339	-	-	58,200	58,695	-	-	63,960
3. Non-current assets and disposal groups	823	-	-	823	56	-	-	56
TOTAL	**37,918,049**	**18,482,860**	**280,249**	**21,027,477**	**36,979,003**	**18,884,914**	**-**	**19,418,980**
1. Financial liabilities measured at amortised cost	35,528,900	306,378	-	35,215,271	35,225,709	322,880	-	34,912,593
2. Liabilities associated with assets held for sale	-	-	-	-	-	-	-	-
TOTAL	**35,528,900**	**306,378**	**-**	**35,215,271**	**35,225,709**	**322,880**	**-**	**34,912,593**

Key:

CA = Carrying amount

L1 = Level 1

L2 = Level 2

L3 = Level 3

A.5 – INFORMATION ON THE SO-CALLED DAY ONE PROFIT/LOSS

The Group has not entered into any transactions resulting in the recognition of a "day one profit/loss".

PART B – INFORMATION ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

Section 1 - Cash and cash equivalents - Item 10

1.1 Cash and cash equivalents: breakdown

€/000	31/12/2024	31/12/2023
a) Cash	2,818	3,065
b) Current accounts and demand deposits with central banks	583,016	27,154
Current accounts and demand deposits with banks	98,606	157,915
TOTAL	**684,440**	**188,134**

Section 2 - Financial assets measured at fair value through profit or loss – Item 20

2.1 Financial assets held for trading: breakdown by type

€/000	31/12/2024			31/12/2023		
	L1	L2	L3	L1	L2	L3
A. On-balance sheet assets						
1. Debt securities	367,346	-	79	935,572	-	173
1.1 Structured notes	-	-	30	-	-	-
1.2 Other debt securities	367,346	-	49	935,572	-	173
2. Equity securities	39,676	-	8,811	56,175	-	6,823
3. Units in investment funds (UCIs)	3	-	-	-	-	-
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
TOTAL (A)	**407,025**	**-**	**8,890**	**991,747**	**-**	**6,996**
B. Derivative instruments						
1. Financial derivatives	-	303	-	-	552	-
1.1 for trading	-	303	-	-	552	-
1.2 associated with the fair value option	-	-	-	-	-	-
1.3 other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 For trading	-	-	-	-	-	-
2.2 Associated with the fair value option	-	-	-	-	-	-
2.3 Other	-	-	-	-	-	-
TOTAL (B)	**-**	**303**	**-**	**-**	**552**	**-**
TOTAL (A+B)	**407,025**	**303**	**8,890**	**991,747**	**552**	**6,996**

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

Fair value 1 equity securities include the NEXI security for €39,608 thousand.

The decrease in this item in the comparison period is due to the reduction in the stock of debt securities in this portfolio.

2.2 Financial assets held for trading: breakdown by borrower/issuer/counterparty

€/000	31/12/2024	31/12/2023
A. ON-BALANCE SHEET ASSETS		
1. Debt securities	367,425	935,745
a) Central banks	-	-
b) General government	258,075	935,594
c) Banks	109,282	126
d) Other financial corporations	68	25
of which: insurance companies	-	-
e) Non-financial corporations	-	-
2. Equity securities	48,487	62,998
a) Banks	-	-
b) Other financial corporations	48,421	62,994
of which: insurance companies	-	-
c) Non-financial corporations	66	4
d) Other issuers	-	-
3. Units of UCIs	3	-
4. Loans	-	-
a) Central banks	-	-
b) General government	-	-
c) Banks	-	-
d) Other financial corporations	-	-
of which: insurance companies	-	-
e) Non-financial corporations	-	-
f) Households	-	-
TOTAL (A)	**415,915**	**998,743**
B. DERIVATIVE INSTRUMENTS		
a) Central counterparties	-	-
b) Other	303	552
TOTAL (B)	**303**	**552**
TOTAL (A+B)	**416,218**	**999,295**

2.3 Financial assets designated at fair value: breakdown by type

€/000	31/12/2024			31/12/2023		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**419,937**	**247**	**68,759**	**1,224,160**	**4,702**	**71,567**
1.1 Structured notes	419,937	247	68,759	1,224,160	4,702	71,567
1.2 Other debt securities	-	-	-	-	-	-
2. Loans	**41,119,986**	**295,166**	**-**	**33,535,774**	**154,213**	**-**
2.1 Structured	-	-	-	-	-	-
2.2 Other	41,119,986	295,166	-	33,535,774	154,213	-
TOTAL	**41,539,923**	**295,413**	**68,759**	**34,759,934**	**158,915**	**71,567**

Key:
L1 = Level 1
L2=Level 2
L3=Level 3

2.4 Financial assets designated at fair value: breakdown by borrower/issuer

€/000	31/12/2024	31/12/2023
1. Debt securities	**488,943**	**1,269,346**
a) Central banks	-	-
b) General government	142,963	199,488
c) Banks	103,083	153,340
d) Other financial corporations	86,829	294,664
of which: insurance companies	1,166	5,557
e) Non-financial corporations	156,068	621,854
2. Loans	**41,415,152**	**33,721,070**
a) Central banks	-	-
b) General government	-	-
c) Banks	65,810	49,821
d) Other financial corporations	41,349,342	33,671,249
of which: insurance companies	-	-
e) Non-financial corporations	-	-
f) Households	-	-
TOTAL	**41,904,095**	**34,990,416**

2.5 Other financial assets mandatorily measured at fair value: breakdown by type

€/000	31/12/2024			31/12/2023		
	L1	L2	L3	L1	L2	L3
1. Debt securities	-	-	-	-	-	-
1.1 Structured notes	-	-	-	-	-	-
1.2 Other debt securities	-	-	-	-	-	-
2. Equity securities	-	-	-	-	-	-
3. Units in investment funds (UCIs)	31,386	-	179,732	29,891	-	176,437
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
TOTAL	31,386	-	179,732	29,891	-	176,437

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

2.6 Other financial assets mandatorily measured at fair value: breakdown by borrower/issuer

€/000	31/12/2024	31/12/2023
1. Equity securities	-	-
of which: banks	-	-
of which: other financial corporations	-	-
of which: non-financial corporations	-	-
2. Debt securities	-	-
a) Central banks	-	-
b) General government	-	-
c) Banks	-	-
d) Other financial corporations	-	-
of which: insurance companies	-	-
e) Non-financial corporations	-	-
3. Units in investment funds (UCIs)	211,118	206,328
4. Loans	-	-
a) Central banks	-	-
b) General government	-	-
c) Banks	-	-
d) Other financial corporations	-	-
of which: insurance companies	-	-
e) Non-financial corporations	-	-
f) Households	-	-
TOTAL	211,118	206,328

Section 3 – Financial assets at fair value through other comprehensive income – Item 30

3.1 Financial assets at fair value through other comprehensive income: breakdown by type

€/000	31/12/2024			31/12/2023		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**1,840,468**	**-**	**47,315**	**1,649,707**	**5,137**	**45,030**
1.1 Structured notes	-	-	-	-	-	-
1.2 Other debt securities	1,840,468	-	47,315	1,649,707	5,137	45,030
2. Equity securities	**409,553**	**-**	**8,497**	**326,043**	**-**	**7,841**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**2,250,021**	**-**	**55,812**	**1,975,750**	**5,137**	**52,871**

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

3.2 Financial assets measured at fair value through other comprehensive income: breakdown by borrower/issuer

€/000	31/12/2024	31/12/2023
1. Debt securities	**1,887,783**	**1,699,874**
a) Central banks	-	-
b) General government	1,658,890	1,364,593
c) Banks	124,444	211,756
d) Other financial corporations	88,687	104,705
of which: insurance companies	26,451	30,786
e) Non-financial corporations	15,762	18,820
2. Equity securities	**418,050**	**333,884**
a) Banks	409,513	326,013
b) Other issuers:	8,537	7,871
- other financial corporations	1,190	534
of which: insurance companies	-	-
- non-financial corporations	7,322	7,313
- other	25	24
3. Loans	**-**	**-**
a) Central banks	-	-
b) General government	-	-
c) Banks	-	-
d) Other financial corporations	-	-
of which: insurance companies	-	-
e) Non-financial corporations	-	-
f) Households	-	-
TOTAL	**2,305,833**	**2,033,758**

3.3 Financial assets measured at fair value through other comprehensive income: gross value and overall adjustments

€/000		Gross value					Overall value adjustments				
		Stage 1	of which: Instruments with low credit risk	Stage 2	Stage 3	Purchased or originated impaired	Stage 1	Stage 2	Stage 3	Purchased or originated impaired	Overall partial write-offs*
Debt securities		1,888,963	1,888,963	-	-	-	(1,180)	-	-	-	-
Loans		-	-	-	-	-	-	-	-	-	-
TOTAL	**31/12/2024**	**1,888,963**	**1,888,963**	**-**	**-**	**-**	**(1,180)**	**-**	**-**	**-**	**-**
TOTAL	**31/12/2023**	**1,702,605**	**1,702,605**	**-**	**-**	**-**	**(2,731)**	**-**	**-**	**-**	**-**

Section 4 - Financial assets measured at amortised cost - Item 40

4.1 Financial assets measured at amortised cost: breakdown by type of loans to banks (Part 1 of 2)

€/000	31/12/2024					
	Carrying amount			Fair value		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3
A. Loans to central banks	**282,338**	**-**	**-**	**-**	**-**	**282,338**
1. Deposits at notice	-	-	-	X	X	X
2. Mandatory reserve	282,338	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X
4. Other	-	-	-	X	X	X
B. Loans to banks	**529,044**	**-**	**-**	**51,266**	**280,249**	**198,911**
1. Loans	198,910	-	-	-	-	198,911
1.1 Current accounts	-	-	-	X	X	X
1.2. Deposits at notice	193,031	-	-	X	X	X
1.3. Other loans:	5,879	-	-	X	X	X
- Reverse repurchase agreements	-	-	-	X	X	X
- Leasing loans	-	-	-	X	X	X
- Other	5,879	-	-	X	X	X
2. Debt securities	330,134	-	-	51,266	280,249	-
2.1 Structured notes	-	-	-	-	-	-
2.2 Other debt securities	330,134	-	-	51,266	280,249	-
TOTAL	**811,382**	**-**	**-**	**51,266**	**280,249**	**481,249**

4.1 Financial assets measured at amortised cost: breakdown by type of loans to banks (Part 2 of 2)

€/000	31/12/2023					
	Carrying amount			Fair value		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3
A. Loans to central banks	**26,645**	**-**	**-**	**-**	**-**	**26,645**
1. Deposits at notice	-	-	-	X	X	X
2. Mandatory reserve	26,645	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X
4. Other	-	-	-	X	X	X
B. Loans to banks	**134,057**	**-**	**-**	**46,172**	**-**	**88,308**
1. Loans	88,307	-	-	-	-	88,308
1.1 Current accounts	-	-	-	X	X	X
1.2. Deposits at notice	50,175	-	-	X	X	X
1.3. Other loans:	38,132	-	-	X	X	X
- Reverse repurchase agreements	-	-	-	X	X	X
- Leasing loans	-	-	-	X	X	X
- Other	38,132	-	-	X	X	X
2. Debt securities	45,750	-	-	46,172	-	-
2.1 Structured notes	-	-	-	-	-	-
2.2 Other debt securities	45,750	-	-	46,172	-	-
TOTAL	**160,702**	**-**	**-**	**46,172**	**-**	**114,953**

4.2 Financial assets measured at amortised cost: breakdown of loans to customers by type (Part 1 of 2)

€/000	31/12/2024					
	Carrying amount			Fair value		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3
1. Loans	**18,578,064**	**137,576**	**3,025**	**-**	**-**	**20,487,205**
1. Current accounts	457,696	7,631	377	X	X	X
2. Reverse repurchase agreements	90,148	-	-	X	X	X
3. Mortgages	12,445,133	65,267	-	X	X	X
4. Credit cards, personal loans and salary-backed loans	3,195,167	37,807	2,546	X	X	X
5. Leasing loans	-	-	-	X	X	X
6. Factoring	-	-	-	X	X	X
7. Other loans	2,389,920	26,871	102	X	X	X
2. Debt securities	**18,333,840**	**-**	**-**	**18,431,594**	**-**	**-**
1. Structured notes	-	-	-	-	-	-
2. Other debt securities	18,333,840	-	-	18,431,594	-	-
TOTAL	**36,911,904**	**137,576**	**3,025**	**18,431,594**	**-**	**20,487,205**

4.2 Financial assets measured at amortised cost: breakdown of loans to customers by type (Part 2 of 2)

€/000	31/12/2023					
	Carrying amount			Fair value		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3
1. Loans	**17,707,579**	**133,120**	**2,919**	**-**	**-**	**19,240,011**
1. Current accounts	493,362	5,257	389	X	X	X
2. Reverse repurchase agreements	-	-	-	X	X	X
3. Mortgages	12,047,317	64,999	-	X	X	X
4. Credit cards, personal loans and salary-backed loans	3,027,503	32,403	2,441	X	X	X
5. Leasing loans	-	-	-	X	X	X
6. Factoring	-	-	-	X	X	X
7. Other loans	2,139,397	30,461	89	X	X	X
2. Debt securities	**18,915,932**	**-**	**-**	**18,838,742**	**-**	**-**
1. Structured notes	-	-	-	-	-	-
2. Other debt securities	18,915,932	-	-	18,838,742	-	-
TOTAL	**36,623,511**	**133,120**	**2,919**	**18,838,742**	**-**	**19,240,011**

4.3 Financial assets measured at amortised cost: breakdown of loans to customers by borrower/issuer

€/000	31/12/2024			31/12/2023		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	Stages 1 and 2	Stage 3	Purchased or originated impaired
1. Debt securities	**18,333,840**	**-**	**-**	**18,915,932**	**-**	**-**
a) General government	18,323,635	-	-	18,903,200	-	-
b) Other financial corporations	10,205	-	-	12,732	-	-
of which: insurance companies	2,702	-	-	2,733	-	-
c) Non-financial corporations	-	-	-	-	-	-
2. Loans to:	**18,578,064**	**137,576**	**3,025**	**17,707,579**	**133,120**	**2,919**
a) General government	1,632	1,437	-	1,937	435	-
b) Other financial corporations	1,126,684	165	-	827,343	345	-
of which: insurance companies	4,001	153	-	3,196	-	-
c) Non-financial corporations	664,220	24,668	-	677,695	28,490	-
d) Households	16,785,528	111,306	3,025	16,200,604	103,850	2,919
TOTAL	**36,911,904**	**137,576**	**3,025**	**36,623,511**	**133,120**	**2,919**

4.4 Financial assets measured at amortised cost: gross value and overall value adjustments

€/000		Gross value					Overall value adjustments				
		Stage 1	of which: Instruments with low credit risk	Stage 2	Stage 3	Purchased or originated impaired	Stage 1	Stage 2	Stage 3	Purchased or originated impaired	Overall partial write-offs*
Debt securities		18,676,063	18,676,063	-	-	-	(12,089)	-	-	-	-
Loans		18,400,450	-	716,320	259,265	4,900	(27,357)	(30,101)	(121,689)	(1,875)	(242)
TOTAL	**31/12/2024**	**37,076,513**	**18,676,063**	**716,320**	**259,265**	**4,900**	**(39,446)**	**(30,101)**	**(121,689)**	**(1,875)**	**(242)**
TOTAL	**31/12/2023**	**36,204,007**	**18,975,705**	**644,870**	**245,592**	**4,395**	**(36,993)**	**(27,669)**	**(112,474)**	**(1,476)**	**(171)**

Section 5 – Hedging derivatives – Item 50

5.1 Hedging derivatives: breakdown by type of hedge and level

€/000	31/12/2024				31/12/2023			
	Fair value			NV	Fair value			NV
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives								
1. Fair value	-	-	-	-	-	53	-	3,556
2. Cash flows	-	-	-	-	-	-	-	-
3. Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives								
1. Fair value	-	-	-	-	-	-	-	-
2. Cash flows	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**53**	**-**	**3,556**

Key:
NV: Notional value
L1 = Level 1
L2 = Level 2

Changes in the carrying amount of reinsurance cessions - GMM – asset for remaining coverage and for claims incurred – Aggregation Base 1

€/000	Asset for remaining coverage 31/12/2024		Asset for incurred claims 31/12/2024	Total 31/12/2024	Asset for remaining coverage 31/12/2023		Asset for incurred claims 31/12/2023	Total 31/12/2023
	Net of loss recovery component	Loss recovery component			Net of loss recovery component	Loss recovery component		
A. Initial carrying amount	43,475	-	2,942	46,417	47,180	-	2,530	49,710
I. Reinsurance cessions that are classified as assets	43,475	-	2,942	46,417	47,180	-	2,530	49,710
2. Reinsurance cessions that are classified as liabilities	-	-	-	-	-	-	-	-
3. Net carrying amount at 1 January	43,475	-	2,942	46,417	47,180	-	2,530	49,710
B. Economic effects related to reinsurance cessions								
I. Cost of reinsurance	(23,090)	-	-	(23,090)	(24,093)	-	-	(24,093)
2. Claims and other costs recovered	-	-	14,463	14,463	-	-	14,403	14,403
3. Changes in the asset for incurred claims	-	-	2,496	2,496	-	-	412	412
4. Reinsurance cessions covering onerous contracts	-	-	-	-	-	-	-	-
4.1 Revenues related to the recognition of onerous underlying insurance contracts	-	-	-	-	-	-	-	-
4.2 Releases of the loss recovery component other than changes in the cash flows of reinsurance contracts	-	-	-	-	-	-	-	-
4.3 Changes in cash flows of reinsurance cessions deriving from onerous underlying insurance contracts	-	-	-	-	-	-	-	-
5. Effects of changes in the risk of default on the part of reinsurers	-	-	-	-	-	-	-	-
6. Total	(23,090)	-	16,959	(6,131)	(24,093)	-	14,815	(9,278)
C. Result of insurance services (Total B)	(23,090)	-	16,959	(6,131)	(24,093)	-	14,815	(9,278)
D. Net financial revenues/costs						-	-	
I. Relating to reinsurance cessions	15	-	-	15	1,699	-	-	1,699
I.1. Recognised in profit or loss	282	-	-	282	207	-	-	207
I.2. Recognised in other comprehensive income	(267)	-	-	(267)	1,492	-	-	1,492
2. Effects related to exchange rate fluctuations	-	-	-	-		-	-	
3. Total	15	-	-	15	1,699	-	-	1,699
E. Investment components					-	-	-	-
F. Total amount recognised in profit or loss and in comprehensive income (C+D+E)	(23,075)	-	16,959	(6,116)	(22,394)			(7,579)
G. Other changes	-	-	-	-	-	-	-	-
H. Cash movements								
I. Premiums paid net of amounts not related to claims recovered from reinsurers	19,358	-	-	19,358				
2. Amount of claims recovered by reinsurers	-	-	(14,463)	(14,463)	18,689			18,689
3. Other movements	-	-	-	-	-	-	(14,403)	(14,403)
4. Total	19,358	-	(14,463)	4,895	18,689	-	(14,403)	4,286
I. Net carrying amount at 31 December (A.3+F+G+H.3)	39,758	-	5,438	45,196	43,475	-	2,942	46,417
L. Closing carrying amount								
I. Reinsurance cessions that are classified as assets	39,758	-	5,438	45,196	43,475	-	2,942	46,417
2. Reinsurance cessions that are classified as liabilities	-	-	-	-	-	-	-	-
3. Net carrying amount at 31 December	39,758	-	5,438	45,196	43,475	-	2,942	46,417

Key
Aggregation Base 1 = Life segment
Aggregation Base 2 = Non-life segment

Changes in the carrying amount of reinsurance cessions - GMM asset for remaining coverage and for claims incurred – Aggregation Base 2

€/000	Asset for remaining coverage 31/12/2024		Asset for incurred claims 31/12/2024	Total 31/12/2024	Asset for remaining coverage 31/12/2023		Asset for incurred claims 31/12/2023	Total 31/12/2023
	Net of loss recovery component	Loss recovery component			Net of loss recovery component	Loss recovery component		
A. Initial carrying amount	20,335	-	11,475	31,810	14,133	-	5,264	19,397
I. Reinsurance cessions that are classified as assets	20,335	-	11,475	31,810	14,133	-	5,264	19,397
2. Reinsurance cessions that are classified as liabilities	-	-	-	-	-	-	-	-
3. Net carrying amount at 1 January	**20,335**	**-**	**11,475**	**31,810**	**14,133**	**-**	**5,264**	**19,397**
B. Economic effects related to reinsurance cessions								
I. Cost of reinsurance	(17,434)	-	(184)	(17,618)	(14,526)	-	(282)	(14,808)
2. Claims and other costs recovered	-	-	17,531	17,531	96	-	19,701	19,797
3. Changes in the asset for incurred claims	-	-	(7,587)	(7,587)	-	-	5,427	5,427
4. Reinsurance cessions covering onerous contracts	-	-	-	-	-	-	-	-
4.1 Revenues related to the recognition of onerous underlying insurance contracts	-	-	-	-	-	-	-	-
4.2 Releases of the loss recovery component other than changes in the cash flows of reinsurance contracts	-	-	-	-	-	-	-	-
4.3 Changes in cash flows of reinsurance cessions deriving from onerous underlying insurance contracts	-	-	-	-	-	-	-	-
5. Effects of changes in the risk of default on the part of reinsurers	-	-	-	-	-	-	-	-
6. Total	**(17,434)**	**-**	**9,760**	**(7,674)**	**(14,430)**	**-**	**24,846**	**10,416**
C. Result of insurance services (Total B)	**(17,434)**	**-**	**9,760**	**(7,674)**	**(14,430)**	**-**	**24,846**	**10,416**
D. Net financial revenues/costs								
I. Relating to reinsurance cessions	(138)	-	(334)	(472)	(466)	-	1,065	599
1.1. Recognised in profit or loss	202	-	(338)	(136)	57	-	940	997
1.2. Recognised in other comprehensive income	(340)	-	4	(336)	(523)	-	125	(398)
2. Effects related to exchange rate fluctuations	-	-	-	-	-	-	-	-
3. Total	**(138)**	**-**	**(334)**	**(472)**	**(466)**	**-**	**1,065**	**599**
E. Investment components	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
F. Total amount recognised in profit or loss and in comprehensive income (C+D+E)	**(17,572)**	**-**	**9,426**	**(8,146)**	**(14,896)**	**-**	**25,911**	**11,015**
G. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
H. Cash movements								
I. Premiums paid net of amounts not related to claims recovered from reinsurers	19,668	-	-	19,668	21,123	-	-	21,123
2. Amount of claims recovered by reinsurers	-	-	(17,531)	(17,531)	(26)	-	(19,701)	(19,727)
3. Other movements	-	-	-	-	-	-	-	-
4. Total	**19,668**	**-**	**(17,531)**	**2,137**	**21,097**	**-**	**(19,701)**	**1,396**
I. Net carrying amount at 31 December (A.3+F+G+H.3)	**22,431**	**-**	**3,370**	**25,801**	**20,334**	**-**	**11,474**	**31,808**
L. Closing carrying amount								
I. Reinsurance cessions that are classified as assets	22,431	-	3,370	25,801	20,335	-	11,475	31,810
2. Reinsurance cessions that are classified as liabilities	-	-	-	-	-	-	-	-
3. Net carrying amount at 31 December	**22,431**	**-**	**3,370**	**25,801**	**20,335**	**-**	**11,475**	**31,810**

Key

Aggregation Base 1 = Life segment

Aggregation Base 2 = Non-life segment

Changes in the carrying amount of reinsurance cessions broken down by underlying elements of measurement – Aggregation Base 1

Items/elements underlying the measurement	Elements underlying the measurement of the carrying amount of reinsurance cessions							
	Present value of cash flows 31/12/2024	Adjustment for non-financial risks 31/12/2024	Contractual service margin 31/12/2024	Total 31/12/2024	Present value of cash flows 31/12/2023	Adjustment for non-financial risks 31/12/2023	Contractual service margin 31/12/2023	Total 31/12/2023
A. Initial carrying amount	11,509	7,852	27,056	46,417	14,647	5,161	29,902	49,710
I. Reinsurance cessions that are classified as assets	11,509	7,852	27,056	46,417	14,647	5,161	29,902	49,710
2. Reinsurance cessions that are classified as liabilities	-	-	-	-	-	-	-	-
3. Net carrying amount at 1 January	11,509	7,852	27,056	46,417	14,647	5,161	29,902	49,710
B. Changes related to current services								
I. Contractual service margin recorded in profit or loss	-	-	(1,288)	(1,288)	(1,027)	-	(1,027)	-
2. Change due to overdue non-financial risks	-	(409)	-	(409)	-	(357)	-	(357)
3. Experience-related changes	(6,930)	-	-	(6,930)	(8,306)	-	-	(8,306)
4. Total	**(6,930)**	**(409)**	**(1,288)**	**(8,627)**	**8,306**	**357**	**1,027**	**9,690**
C. Changes related to future services								
I. Changes in estimates adjusting the contractual service margin	(327)	782	(455)	-	(905)	2,995	(2,090)	-
2. Effects of contracts entered into during the year	(953)	68	885	-	(347)	53	294	-
3. Adjustment of contractual service margin linked to recoveries related to the initial recognition of onerous underlying insurance contracts	-	-	-	-	-	-	-	-
4. Releases of the loss recovery component other than changes in the cash flows of reinsurance contracts	-	-	-	-	-	-	-	-
5. Changes in cash flows of reinsurance cessions deriving from onerous underlying insurance contracts	-	-	-	-	-	-	-	-
6. Total	**(1,280)**	**850**	**430**	**-**	**(1,252)**	**3,048**	**(1,796)**	**-**
D. Changes related to past services	**2,496**	**-**	**-**	**2,496**	**412**	**-**	**-**	**412**
I. adjustments to the asset for incurred claims	2,496	-	-	2,496	412	-	-	412
E. Effects of changes in reinsurers' default risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
F. Result of insurance services (B+C+D+E)	**(5,714)**	**441**	**(858)**	**(6,131)**	**(9,146)**	**2,691**	**(2,823)**	**(9,278)**
G. Net financial revenues/costs								
I. Relating to reinsurance cessions	(159)	-	174	15	1,722	-	(23)	1,699
I.1 Recognised in profit or loss	108	-	174	282	230	-	(23)	207
I.2. Recognised in other comprehensive income	(267)	-	-	(267)	1,492	-	-	1,492
2. Effects related to exchange rate fluctuations	-	-	-	-	-	-	-	-
3. Total	**(159)**	**-**	**174**	**15**	**1,722**	**-**	**(23)**	**1,699**
H. Total amount recognised in profit or loss and in comprehensive income (F+G)	**(5,873)**	**441**	**(684)**	**(6,116)**	**(7,424)**	**2,691**	**(2,846)**	**(7,579)**
I. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
L. Cash movements								
I. Premiums paid net of amounts not related to claims recovered from reinsurers	19,358	-	-	19,358	18,689	-	-	18,689
2. Amounts recovered from reinsurers	(14,463)	-	-	(14,463)	(14,403)	-	-	(14,403)
3. Other movements	-	-	-	-	-	-	-	-
4. Total	4,895		-	4,895	4,286	-	-	4,286
M. Net carrying amount at 31 December (A.3+H+I+L.3)	**10,531**	**8,293**	**26,372**	**45,196**	**11,509**	**7,852**	**27,056**	**46,417**
N. Closing carrying amount								
I. Reinsurance cessions that are classified as assets	10,531	8,293	26,372	45,196	11,507	7,852	27,056	46,417
2. Reinsurance cessions that are classified as liabilities	-	-	-	-	-	-	-	-
3. Net carrying amount at 31 December	**10,531**	**8,293**	**26,372**	**45,196**	**11,507**	**7,852**	**27,056**	**46,417**

Key
Aggregation Base 1 = Life segment
Aggregation Base 2 = Non-life segment

Changes in the carrying amount of reinsurance cessions broken down by underlying elements of measurement – Aggregation Base 2

Items/elements underlying the measurement	Elements underlying the measurement of the carrying amount of reinsurance cessions							
	Present value of cash flows 31/12/2024	Adjustment for non-financial risks 31/12/2024	Contractual service margin 31/12/2024	Total 31/12/2024	Present value of cash flows 31/12/2023	Adjustment for non-financial risks 31/12/2023	Contractual service margin 31/12/2023	Total 31/12/2023
A. Initial carrying amount	**14,280**	**971**	**16,559**	**31,810**	**4,416**	**824**	**14,157**	**19,397**
I. Reinsurance cessions that are classified as assets	14,280	971	16,559	31,810	4,416	824	14,157	19,397
2. Reinsurance cessions that are classified as liabilities	-	-	-	-	-	-	-	-
3. Net carrying amount at 1 January	**14,280**	**971**	**16,559**	**31,810**	**4,416**	**824**	**14,157**	**19,397**
B. Changes related to current services								
I. Contractual service margin recorded in profit or loss	-	-	(8,293)	(8,293)	-	-	(8,361)	(8,361)
2. Change due to overdue non-financial risks	-	(304)	-	(304)	-	(361)	-	(361)
3. Experience-related changes	8,510	-	-	8,510	13,711	-	-	13,711
4. Total	**8,510**	**(304)**	**(8,293)**	**(87)**	13,711	(361)	(8,361)	4,989
C. Changes related to future services								
I. Changes in estimates adjusting the contractual service margin	24,061	(577)	(23,484)	-	22,035	(818)	(21,217)	-
2. Effects of contracts entered into during the year	(30,473)	924	29,549	-	(32,309)	511	31,799	1
3. Adjustment of contractual service margin linked to recoveries related to the initial recognition of onerous underlying insurance contracts	-	-	-	-	-	-	-	-
4. Releases of the loss recovery component other than changes in the cash flows of reinsurance contracts	-	-	-	-	-	-	-	-
5. Changes in cash flows of reinsurance cessions deriving from onerous underlying insurance contracts	-	-	-	-	-	-	-	-
6. Total	**(6,412)**	**347**	**6,065**	-	(10,274)	(307)	10,582	1
D. Changes related to past services	**(7,587)**	**-**	**-**	**(7,587)**	5,427	-	-	5,427
I. adjustments to the asset for incurred claims	(7,587)	-	-	(7,587)	5,427	-	-	5,427
E. Effects of changes in reinsurers' default risk	-	-	-	-	-	-	-	-
F. Result of insurance services (B+C+D+E)	**(5,489)**	**43**	**(2,228)**	**(7,674)**	8,864	(668)	2,221	10,417
G. Net financial revenues/costs								
I. Relating to reinsurance cessions	(494)	(485)	507	(472)	(494)	816	181	601
I.1 Recognised in profit or loss	(158)	(485)	507	(136)	(158)	816	181	998
I.2. Recognised in other comprehensive income	(336)	-	-	(336)	(336)	-	-	(397)
2. Effects related to exchange rate fluctuations	-	-	-	-	-	-	-	-
3. Total	**(494)**	**(485)**	**507**	**(472)**	(494)	816	181	601
H. Total amount recognised in profit or loss and in comprehensive income (F+G)	**(5,983)**	**(442)**	**(1,721)**	**(8,146)**	**8,468**	**148**	**2,402**	**11,018**
I. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
L. Cash movements								
I. Premiums paid net of amounts not related to claims recovered from reinsurers	19,668	-	-	19,668	21,123	-	-	21,123
2. Amounts recovered from reinsurers	(17,531)	-	-	(17,531)	(19,727)	-	-	(19,727)
3. Other movements	-	-	-	-	-	-	-	-
4. Total	2,137	-	-	2,137	1,396	-	-	1,396
M. Net carrying amount at 31 December (A.3+H+I+L.3)	**10,434**	**529**	**14,838**	**25,801**	**14,280**	**972**	**16,560**	**31,812**
N. Closing carrying amount								
I. Reinsurance cessions that are classified as assets	10,434	529	14,838	25,801	14,280	971	16,559	31,810
2. Reinsurance cessions that are classified as liabilities	-	-	-	-	-	-	-	-
3. Net carrying amount at 31 December	**10,434**	**529**	**14,838**	**25,801**	14,280	971	16,559	31,810

Key
Aggregation Base 1 = Life segment
Aggregation Base 2 = Non-life segment

Changes in the contractual service margin of reinsurance cessions broken down on the basis of contracts existing at the time of transition to IFRS 17 – Aggregation Base 1

	31/12/2024					31/12/2023				
	New contracts and contracts measured at the transition date with the full retroactive application method	Contracts measured at the transition date with the modified retroactive application method	Contracts measured at the transition date with the fair value method	Carve-out contracts	Total	New contracts and contracts measured at the transition date with the full retroactive application method	Contracts measured at the transition date with the modified retroactive application method	Contracts measured at the transition date with the fair value method	Carve-out contracts	Total
Contractual service margin – Opening balances	**9,885**	**-**	**17,171**	**-**	**27,056**	**8,425**	**-**	**21,477**	**-**	**29,902**
Changes related to current services	**(330)**	**-**	**(958)**	**-**	**(1,288)**	**(208)**	**-**	**(819)**	**-**	**(1,027)**
- Contractual service margin recognised in profit or loss to reflect services received	**(330)**	**-**	**(958)**	**-**	**(1,288)**	(208)	-	(819)	-	(1,027)
Changes related to future services	**1,271**	**-**	**(841)**	**-**	**430**	**1,668**	**-**	**(3,464)**	**-**	**(1,796)**
- Changes in estimates adjusting the contractual service margin	386	-	(841)	-	(455)	**1,374**	-	(3,464)	-	(2,090)
- Effects of contracts initially recognised in the reporting year	885	-	-	-	885	**294**	-	-	-	294
Net financial revenues/costs										
1. Relating to reinsurance cessions	157	-	17	-	174	-	-	(23)	-	(23)
2. Effects related to exchange rate fluctuations	-	-	-	-	-	-	-	-	-	-
3. Total	**157**	**-**	**17**	**-**	**174**	**-**	**-**	**(23)**	**-**	**(23)**
Other movements	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total changes recognised in profit or loss and in comprehensive income	1,098	-	(1,782)	-	(684)	1,460	-	(4,306)	-	(2,846)
Contractual service margin – Closing inventories	10,983	-	15,389	-	26,372	9,885	-	17,171	-	27,056

Key
Aggregation Base 1 = Life segment
Aggregation Base 2 = Non-life segment

Changes in the contractual service margin of reinsurance cessions broken down on the basis of contracts existing at the time of transition to IFRS 17 – Aggregation Base 2

	31/12/2024					31/12/2023				
	New contracts and contracts measured at the transition date with the full retroactive application method	Contracts measured at the transition date with the modified retroactive application method	Contracts measured at the transition date with the fair value method	Carve-out contracts	Total	New contracts and contracts measured at the transition date with the full retroactive application method	Contracts measured at the transition date with the modified retroactive application method	Contracts measured at the transition date with the fair value method	Carve-out contracts	Total
Contractual service margin – Opening balances	16,979	-	(420)	-	16,559	3,393	-	10,765	-	14,158
Changes related to current services	(7,531)	-	(762)	-	(8,293)	(5,260)	-	(3,100)	-	(8,360)
- Contractual service margin recognised in profit or loss to reflect services received	(7,531)	-	(762)	-	(8,293)	(5,260)	-	(3,100)	-	(8,360)
Changes related to future services	(1,420)	-	7,485	-	6,065	18,649	-	(8,069)	-	10,580
- Changes in estimates adjusting the contractual service margin	(30,969)	-	7,485	-	(23,484)	(13,150)	-	(8,069)	-	(21,219)
- Effects of contracts initially recognised in the reporting year	29,549	-	-	-	29,549	31,799	-	-	-	31,799
Net financial revenues/costs										
1. Relating to reinsurance cessions	502	-	5	-	507	197	-	(16)	-	181
2. Effects related to exchange rate fluctuations	-	-	-	-	-	-	-	-	-	-
3. Total	502	-	5	-	507	**197**	-	**(16)**	-	**181**
Other movements	-	-	-	-	-	-	-	-	-	-
Total changes recognised in profit or loss and in comprehensive income	(8,449)	-	6,728	-	(1,721)	13,586	-	(11,185)	-	2,403
Contractual service margin – Closing inventories	8,530	-	6,308	-	14,838	16,979	-	(420)	-	16,559

Key
Aggregation Base 1 = Life segment
Aggregation Base 2 = Non-life segment

Elements underlying the measurement of reinsurance cessions recognised in financial year– Aggregation Base 1

€/000	Originated contracts			Originated contracts		
	31/12/2024			31/12/2023		
Items/contract groups	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total
A. Estimated present value of future cash inflows	(2,237)	-	(2,237)	(1,781)	-	(1,781)
of which: Cash flows associated with the acquisition of contracts	-	-	-	-	-	-
B. Estimated present value of cash inflows	(1,284)	-	(1,284)	(1,434)	-	(1,434)
C. Estimated net present value of future cash flows (A-B)	(953)	-	(953)	(347)	-	(347)
D. Estimated net present value of future cash flows (A-B)	68	-	68	53	-	53
E. Derecognition of previously recognised cash flows	-	-	-	-	-	-
F. Contractual service margin	885	-	885	294	-	294
G. Increase in assets for reinsurance cessions recorded during the year due to the signing of new contracts (C+D+E+F)				-	-	-

Key
Aggregation Base 1 = Life segment
Aggregation Base 2 = Non-life segment

Elements underlying the measurement of reinsurance cessions recognised in financial year – Aggregation Base 2

€/000	Originated contracts			Originated contracts		
	31/12/2024			31/12/2023		
Items/contract groups	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total
A. Estimated present value of future cash inflows	(73,030)	-	(73,030)	(39,841)	-	(39,841)
of which: Cash flows associated with the acquisition of contracts	-	-	-	-	-	-
B. Estimated present value of cash inflows	(42,557)	-	(42,557)	(7,532)	-	(7,532)
C. Estimated net present value of future cash flows (A-B)	(30,473)	-	(30,473)	(32,309)	-	(32,309)
D. Estimated net present value of future cash flows (A-B)	924	-	924	511	-	511
E. Derecognition of previously recognised cash flows	-	-	-	-	-	-
F. Contractual service margin	29,549	-	29,549	31,799	-	31,799
G. Increase in assets for reinsurance cessions recorded during the year due to the signing of new contracts (C+D+E+F)	-	-	-	1	-	1

Key
Aggregation Base 1 = Life segment
Aggregation Base 2 = Non-life segment

Reinsurance cessions - Contractual service margin broken down by expected timing of recognition in profit or loss

The table below is broken down by life and non-life segments:

(€ thousands)

Bases of aggregation/expected timeframe	Up to 1 year	Over 1 year to 2 years	Over 2 years to 3 years	Over 3 years to 4 years	Over 4 years to 5 years	Over 5 years to 10 years	Over 10 years to 20 years	Over 20 years	Total
Life segment	1,353	1,389	1,419	1,429	1,443	6,778	9,005	3,556	**26,372**
Non-life segment	3,912	1,249	1,223	1,197	1,170	3,903	1,612	572	**14,838**

Section 9 – Tangible assets – Item 90

9.1 Tangible assets for business use: breakdown of assets measured at cost

€/000	31/12/2024	31/12/2023
1. Own assets	**91,723**	**95,146**
a) land	46,301	50,625
b) buildings	31,308	34,531
c) furniture	3,137	3,048
d) electronic equipment	4,858	3,873
e) other	6,119	3,069
2. Rights of use acquired through leasing	**64,631**	**58,673**
a) land	-	-
b) buildings	64,222	58,364
c) furniture	-	-
d) electronic equipment	-	-
e) other	409	309
TOTAL	**156,354**	**153,819**

9.2 Investment property: breakdown of assets measured at cost

€/000	31/12/2024				31/12/2023			
	Carrying amount	Fair value			Carrying amount	Fair value		
		L1	L2	L3		L1	L2	L3
1. Own assets	**53,339**	**-**	**-**	**58,200**	**58,695**	**-**	**-**	**63,960**
a) land	30,272	-	-	32,487	33,647	-	-	35,735
b) buildings	23,067	-	-	25,713	25,048	-	-	28,225
2. Rights of use acquired through leasing	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-	-	-
TOTAL	**53,339**	**-**	**-**	**58,200**	**58,695**	**-**	**-**	**63,960**
of which: obtained through the realisation of collateral	-	-	-	-	-	-	-	-

Key:
NV: Notional value
L1 = Level 1
L2 = Level 2
L3 = Level 3

9.6 Tangible assets for business use: changes during the year

€/000	Land	Buildings	Furniture	Electronic equipment	Other	TOTAL
A. Gross opening balances	**56,895**	**206,176**	**33,191**	**44,612**	**10,710**	**351,584**
A.1 Total net impairment losses	6,270	113,281	30,143	40,739	7,332	197,765
A.2 Net opening balances	**50,625**	**92,895**	**3,048**	**3,873**	**3,378**	**153,819**
B. Increases:	**-**	**18,216**	**1,350**	**3,157**	**8,281**	**31,004**
B.1 Purchases	-	14,991	1,350	3,147	8,148	27,636
- of which business combinations	-	-	-	-	-	-
B.2 Capitalised improvement costs	-	-	-	10	-	10
B.3 Write-backs	-	-	-	-	-	-
B.4 Increases in fair value recognised in	-	-	-	-	-	-
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
B.5 Foreign exchange gains	-	-	-	-	-	-
B.6 Transfers from investment property	-	-	X	X	X	-
B.7 Other changes	-	3,225	-	-	133	3,358
C. Decreases:	**4,324**	**15,581**	**1,261**	**2,172**	**5,131**	**28,469**
C.1 Sales	2,774	1,695	-	-	-	4,469
- of which business combinations	-	-	-	-	-	-
C.2 Depreciation & amortization	-	13,324	1,261	2,057	1,221	17,863
C.3 Impairment losses recognised in	1,550	245	-	1	-	1,796
a) shareholders' equity	-	-	-	-	-	-
b) income statement	1,550	245	-	1	-	1,796
C.4 Decreases in fair value recognised in	-	-	-	-	-	-
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.5 Foreign exchange losses	-	-	-	-	-	-
C.6 Transfers to:	-	-	-	-	-	-
a) tangible assets held for investment purposes	-	-	X	X	X	-
b) non-current assets and disposal groups	-	-	-	-	-	-
C.7 Other changes	-	317	-	114	3,910	4,341
D. Net closing balances	**46,301**	**95,530**	**3,137**	**4,858**	**6,528**	**156,354**
D.1 Total net impairment losses	10,594	128,860	31,404	42,911	12,463	226,232
D.2 Gross closing balances	**56,895**	**224,390**	**34,541**	**47,769**	**18,991**	**382,586**
E. Valuation at cost	-	-	-	-	-	-

9.7 Tangible assets held for investment purposes: changes during the year

€/000	Land	Buildings
A. Opening balances	**33,647**	**25,048**
B. Increases	**-**	**2,818**
B.1 Purchases	-	-
- of which business combinations	-	-
B.2 Capitalised improvement costs	-	308
B.3 Increases in fair value	-	-
B.4 Write-backs	-	-
B.5 Foreign exchange gains	-	-
B.6 Transfers from property for business use	-	-
B.7 Other changes	-	2,510
C. Decreases	**(3,375)**	**(4,801)**
C.1 Sales	(185)	(179)
- of which business combinations	-	-
C.2 Depreciation & amortization	-	(748)
C.3 Decreases in fair value	-	-
C.4 Impairment losses	-	(3,739)
C.5 Foreign exchange losses	-	-
C.6 Transfers to:	(690)	(133)
a) properties for business use	-	-
b) non-current assets and disposal groups	(690)	(133)
C.7 Other changes	(2,500)	-
D. Closing balances	**30,272**	**23,067**
E. Measurement at fair value	**-**	**-**

Section 10 – Intangible assets - Item 10

10.1 Intangible assets: breakdown by type of asset

€/000	31/12/2024		31/12/2023	
	Definite life	Indefinite life	Definite life	Indefinite life
A.1 Goodwill	X	**125,625**	X	**125,625**
A.1.1 attributable to the group	X	125,625	X	125,625
A.1.2 attributable to minority interests	X	-	X	-
A.2 Other intangible assets	**87,289**	**-**	**81,244**	**-**
of which: software	81,412	**-**	**77,482**	**-**
A.2.1 Assets measured at cost:	87,289	-	81,244	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	87,289	-	81,244	-
A.2.2 Assets measured at fair value:	-	-	-	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	-	-	-	-
TOTAL	**87,289**	**125,625**	**81,244**	**125,625**

10.2 Intangible assets: changes during the year

€/000	Goodwill	Other intangible assets: generated internally		Other intangible assets: other		TOTAL
		DEF	INDEF	DEF	INDEF	
A. Opening balances	**125,625**	**-**	**-**	**107,446**	**-**	**233,071**
A.1 Total net impairment losses	-	-	-	26,202	-	26,202
A.2 Net opening balances	**125,625**	**-**	**-**	**81,244**	**-**	**206,869**
B. Increases	**-**	**-**	**-**	**41,136**	**-**	**41,136**
B.1 Purchases	-	-	-	40,920	-	40,920
- of which business combinations	-	-	-	-	-	-
B.2 Increases in internal intangible assets	X	-	-	-	-	-
B.3 Write-backs	X	-	-	-	-	-
B.4 Increases in fair value	-	-	-	-	-	-
- in shareholders' equity	X	-	-	-	-	-
- in the income statement	X	-	-	-	-	-
B.5 Foreign exchange gains	-	-	-	-	-	-
B.6 Other changes	-	-	-	216	-	216
C. Decreases	**-**	**-**	**-**	**(35,091)**	**-**	**(35,091)**
C.1 Sales	-	-	-	-	-	-
- of which business combinations	-	-	-	-	-	-
C.2 Value adjustments	-	-	-	(35,091)	-	(35,091)
- Depreciation & amortization	X	-	-	(31,024)	-	(31,024)
- Write-downs	-	-	-	(4,067)	-	(4,067)
+ shareholders' equity	X	-	-	-	-	-
+ income statement	-	-	-	(4,067)	-	(4,067)
C.3 Decreases in fair value:	-	-	-	-	-	-
- in shareholders' equity	X	-	-	-	-	-
- in the income statement	X	-	-	-	-	-
C.4 Transfers to non-current assets held for sale	-	-	-	-	-	-
C.5 Foreign exchange losses	-	-	-	-	-	-
C.6 Other changes	-	-	-	-	-	-
D. Net closing balances	**125,625**	**-**	**-**	**87,289**	**-**	**212,914**
D.1 Total net value adjustments	-	-	-	(61,294)	-	(61,294)
E. Gross closing balances	**125,625**	**-**	**-**	**148,583**	**-**	**274,208**
F. Valuation at cost	-	-	-	-	-	-

In accordance with IAS 36 and taking into account the recommendations of the joint Bank of Italy/Consob/ISVAP document of 3 March 2010, the reporting on the impairment testing performed on the Cash Generating Units (CGUs) in place at 31 December 2024 is provided below.

The impairment process aims to verify that the carrying amount of the CGUs does not exceed the recoverable amount, i.e. the greater of the value in use and the possible sale price on the market (fair value net of selling costs or exchange value) of the CGUs.

In order to carry out the impairment testing on goodwill, the directors of Banca Mediolanum were assisted by a company with specific experience in company valuations (the independent expert).

The impairment testing was conducted on the basis of the methods and assumptions described below.

10.3 Other information

Definition of the CGUS and allocation of goodwill

At 31 December 2024, total goodwill was €125.6 million (31.12.2023: €125.6 million). Of this amount, €102.8 million was allocated to the Spain CGU and €22.7 million to the Italy CGU.
In accordance with the business reporting system adopted by the Group and as in previous years, the CGUs are identified on the basis of the geographical area in question.
Impairment testing was therefore performed taking the following CGUs into account:

€/m	Description	Allocated goodwill*
Spain CGU	Banco Mediolanum S.A.	102.8
Italy CGU	Gamax Management AG - Italy Division	22.7

* The values shown are pre-impairment testing

Valuation methods

As in previous years, the recoverable amount of the CGUs has been determined, unless otherwise indicated, by reference to their value in use.
For the determination of value in use, IAS 36 provides for the possibility of using the financial method known as the Discounted Cash Flow (DCF) method. This method identifies the value in use of a CGU, or company, by estimating the future (operational) cash flows it generates, discounted to reflect the explicit time frame over which it is assumed that these will be achieved. In operating practice, when credit companies are valued, the Free Cash Flow to Equity (FCFE) approach, known as the Dividend Discount Model (DDM) in the Excess Capital version, is used. This determines the value of a company on the basis of future cash flows that it will be able to distribute to its shareholders, without affecting the assets necessary to sustain expected development and in accordance with the capital regulations imposed by the supervisory authority, discounted at a rate that expresses the specific risk. It should also be noted that although the phrase "Dividend Discount Model" contains the word "dividend", the cash flows considered by the model are not the dividends that are expected to be distributed to shareholders, but the cash flows that a shareholder could potentially benefit from within the limits of the capital resources required by company operations.

Spain CGU

The recoverable value of Banco Mediolanum was estimated considering the value in use obtained from the application of the Excess Capital version of the Dividend Discount Model valuation methodology, in accordance with the prevailing principles, on the basis of the latest business plan approved by the directors of Banco Mediolanum and Banca Mediolanum S.p.A. and updated with the most recent projections.
The approved plan was developed on the basis of reasonable and consistent assumptions, which constitute the best estimate currently available to management of Banco Mediolanum's future economic performance. In particular, the objective of developing Banca Mediolanum's typical business model in Spain has been confirmed, based on the experience and track record of the management of the Mediolanum Group, with sustained development of the sales network and a consequent increase in net funding and assets under management. The plan incorporates an update of the most recent expectations concerning the trend in interest rates in the forecasting period, the expected evolution of funding based on volumes and the sales network in place at 31 December 2024 and the forecast of the profitability of assets under management. The main figures and parameters considered when determining the recoverable value of the equity investment are described below:

- expected cash flows from the latest approved plan and the most recent projections;
- growth in the Family Banker sales network, from 1,610 to 1,805;
- an increase in assets under administration at an average annual rate of 11.2%;

- the discount rate for future cash flows (Ke) is estimated at 12.23% based on the Capital Asset Pricing Model and considering the following parameters:
  - a risk-free rate of 3.00%, based on the average historical half-yearly return on 10-year bonds issued by the Spanish government;
  - the beta coefficient of 1.20, which indicates the risk level of a specific equity with respect to the equity market as a whole, estimated on the basis of the average value of a sample of companies operating in the Spanish banking sector;
  - a market premium, i.e. the difference in the return required by investors for an investment in equity securities compared with a risk-free investment, quantified at 6%, in line with the most common professional practice;
  - a specific risk premium, estimated conservatively at 2.0% to take into account the volatility underlying the achievement of the plan.

At the end of the explicit planning horizon, Banco Mediolanum's value was estimated on the basis of the available flow in 2027, conservatively excluding the contribution of institutional cash, and considering a long-term growth rate of 2.0%, in line with long-term inflation expectations. Particularly stressed sensitivity analyses were carried out, which concerned, separately:

- the discount rate;
- the long-term growth rate;
- net profitability.

Sensitivity analysis:

A sensitivity analysis was carried out on the values obtained on changes to:

- the cost of equity capital (+/- 0.25%) – there was a change to value in use of around +/- 2%;
- the reduction to zero of the long-term growth rate – 2% there was a change in the value in use of around -9%;
- the achievement of the economic objectives contained in the plan – 5% net income entails a reduction of approximately 5% in the recoverable amount, while a – 10% net income implies a reduction of approximately 11% of the recoverable amount.

In light of the analyses that was conducted, the Directors did not find any evidence of impairment.

Italy GCU

The goodwill allocated to the CGU is €22.8 million.

The recoverable amount of the CGU has been assumed to be greater than its carrying amount. The comparison between the market capitalisation of Banca Mediolanum S.p.A. (€8.5 billion at 31 December 2024) and shareholders' equity or tangible shareholders' equity reveals an implied multiple of 2.2x and 2.3x respectively (balance sheet figures as of 30 September 2024). There is therefore no evidence to suggest that the goodwill allocated to the Italian CGU is impaired.

In conclusion, the higher market capitalisation than shareholders' equity led the Directors to conclude that there was no evidence of impairment at either the individual CGU or the group level.

Section 11 – Tax assets and tax liabilities – Item 110 of assets and Item 60 of liabilities

11.1 Deferred tax assets: breakdown

€/000	31/12/2024	31/12/2023
Balancing item in the income statement	94,716	91,887
Balancing item in shareholders' equity	75,189	69,919
TOTAL	**169,905**	**161,806**

11.2 Deferred tax liabilities: breakdown

€/000	31/12/2024	31/12/2023
Balancing item in the income statement	42,879	31,585
Balancing item in shareholders' equity	60,957	48,738
TOTAL	**103,836**	**80,323**

11.3 Changes in prepaid taxes (balancing item of the income statement)

€/000	31/12/2024	31/12/2023
1. Initial amount	**91,887**	**83,154**
2. Increases	**29,955**	**32,140**
2.1 Prepaid taxes recognised during the year	29,955	32,140
a) relating to previous years	-	-
b) due to the change in accounting policies	-	4,383
c) write-backs	-	-
d) other	29,955	27,757
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	**(27,126)**	**(23,407)**
3.1 Prepaid taxes cancelled during the year	(27,126)	(22,916)
a) reversals	(5,197)	(2,795)
b) write-downs due to non-recoverability	-	-
c) due to the change in accounting policies	-	-
d) other	(21,929)	(20,121)
3.2 Reductions in tax rates	-	-
3.3 Other decreases:	-	(491)
a) conversion into tax credits pursuant to Law 214/2011	-	(490)
b) other	-	(1)
4. Final amount	**94,716**	**91,887**

11.4 Changes in prepaid taxes pursuant to Law 214/2011

€/000	31/12/2024	31/12/2023
1. Initial amount	**2,603**	**4,370**
2. Increases	**-**	**-**
3. Decreases	**(1,206)**	**(1,767)**
3.1 Reversals	(1,206)	(1,277)
3.2 Transformation into tax credits	-	(490)
a) deriving from operating losses	-	-
b) deriving from tax losses	-	(490)
3.3 Other decreases	-	-
4. Final amount	**1,397**	**2,603**

11.5 Changes in deferred taxes (balancing item of the income statement)

€/000	31/12/2024	31/12/2023
1. Initial amount	**31,585**	**23,265**
2. Increases	**27,008**	**18,232**
2.1 Deferred taxes recognised in the year	24,590	14,561
a) relating to previous years	-	-
b) due to the change in accounting policies	-	-
c) other	24,590	14,561
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	2,418	3,671
3. Decreases	**(15,714)**	**(9,912)**
3.1 Deferred taxes cancelled during the year	(14,625)	(9,912)
a) reversals	-	-
b) due to the change in accounting policies	-	-
c) other	(14,625)	(9,912)
3.2 Reductions in tax rates	-	-
3.3 Other decreases	(1,089)	-
4. Final amount	**42,879**	**31,585**

11.6 Changes in prepaid taxes (balancing item of shareholders' equity)

€/000	31/12/2024	31/12/2023
1. Initial amount	**69,919**	**69,174**
2. Increases	**5,675**	**1,138**
2.1 Prepaid taxes recognised during the year	5,675	1,138
a) relating to previous years	-	-
b) due to the change in accounting policies	-	-
c) other	5,675	1,138
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	**(405)**	**(393)**
3.1 Prepaid taxes cancelled during the year	(253)	(393)
a) reversals	-	-
b) write-downs due to non-recoverability	-	-
c) due to the change in accounting policies	-	-
d) other	(253)	(393)
3.2 Reductions in tax rates	-	-
3.3 Other decreases	(152)	-
4. Final amount	**75,189**	**69,919**

11.7 Changes in deferred taxes (balancing item of shareholders' equity)

€/000	31/12/2024	31/12/2023
1. Initial amount	**48,738**	**42,156**
2. Increases	**12,500**	**6,953**
2.1 Deferred taxes recognised in the year	12,500	6,953
a) relating to previous years	-	-
b) due to the change in accounting policies	-	-
c) other	12,500	6,953
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	**(281)**	**(371)**
3.1 Deferred taxes cancelled during the year	(281)	(371)
a) reversals	-	-
b) due to the change in accounting policies	-	-
c) other	(281)	(371)
3.2 Reductions in tax rates	-	-
3.3 Other decreases	-	-
4. Final amount	**60,957**	**48,738**

Tax dispute

With reference to the Mutual Agreement Procedure under the Convention of 23 July 1990 No. 90/436/EEC on the elimination of double taxation in connection with the adjustment of profits of associated enterprises (i.e. tax years 2014-2016) and Article 24 of the Convention between Italy and Ireland for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (tax years 2010 - 2013), already referred to in the Annual Consolidated Financial Report 2023 , it should be noted that at the end of April 2024 Banca Mediolanum S.p.A. and Mediolanum International Funds received the letters from the Italian and Irish competent authorities for the tax periods 2010-2016, through which the two companies were informed of the outcome of the procedure. In addition, during the year 2024, the following were closed for both Banca Mediolanum S.p.A. and Mediolanum Vita S.p.A, by means of assessment with adhesion, the tax years 2017 (April 2024) and 2018 (December 2024): these acts are prodromal to the subsequent request for the corresponding credit to the Irish Tax Authority for the elimination of double taxation that will be made in 2025, by means of the procedure set forth in Convention No. 90/436/EEC of 23 July 1990 for the former, and by means of the procedure set out in Article 24 of the Convention between Italy and Ireland for the avoidance of double taxation. The agreement signed with the Italian competent authority would provide for a rate of retrocession of management fees to Banca Mediolanum of 59.65% and a rate of retrocession of performance fees to Banca Mediolanum of 7.7%. It should be noted that the same agreement structure should also be applied to Mediolanum Vita SpA, except for the recognition of performance fees. In particular, in respect of the Adhesion Proposals, the Group paid higher corporation tax (IRES) and regional business tax (IRAP) taxes totalling €16.7 million. Therefore, in the light of the above, the Group has updated the estimate of the liability recognised for the aforementioned tax risk based on the conditions provided for in the Mutual Agreement Procedure described above and the consequent expenses, booking an economic effect in the period of € 0.7 million.
It should also be noted that in the light of the above, the Group has adjusted the economic conditions of the contracts in place between the 2 Italian companies and the Irish entity with effect from 1 July 2024.

Section 12 – Non-current assets and disposal groups
Associated liabilities – Item 120 of Assets and item 70 of Liabilities

12.1 Non-current assets and disposal groups: breakdown by type of asset

€/000	31/12/2024	31/12/2023
A. Assets held for sale		
A.1 Financial assets	-	-
A.2 Equity investments	-	-
A.3 Tangible assets	823	56
of which: obtained through the realisation of collateral	-	56
A.4 Intangible assets	-	-
A.5 Other non-current assets	-	-
Total A	**823**	**56**
of which measured at cost	-	-
of which measured at fair value Level 1	-	-
of which measured at fair value Level 2	-	-
of which measured at fair value Level 3	823	56
B. Discontinued operations		
B.1 Financial assets measured at fair value through profit or loss	-	-
- Financial assets held for trading	-	-
- Financial assets designated at fair value	-	-
- Other financial assets mandatorily measured at fair value	-	-
B.2 Financial assets measured at fair value through other comprehensive income	-	-
B.3 Financial assets measured at amortised cost	-	-
B.4 Equity investments	-	-
B.5 Tangible assets	-	-
of which: obtained through the realisation of collateral	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total B	**-**	**-**
of which measured at cost	-	-
of which measured at fair value Level 1	-	-
of which measured at fair value Level 2	-	-
of which measured at fair value Level 3	-	-
C. Liabilities associated with assets held for sale		
C.1 Payables	-	-
C.2 Securities	-	-
C.3 Other liabilities	-	-
Total C	**-**	**-**
of which measured at cost	-	-
of which measured at fair value Level 1	-	-
of which measured at fair value Level 2	-	-
of which measured at fair value Level 3	-	-
D. Liabilities associated with discontinued operations		
D.1 Financial liabilities measured at amortised cost	-	-
D.2 Financial liabilities held for trading	-	-
D.3 Financial liabilities designated at fair value	-	-
D.4 Provisions	-	-
D.5 Other liabilities	-	-
Total D	**-**	**-**
of which measured at cost	-	-
of which measured at fair value Level 1	-	-
of which measured at fair value Level 2	-	-
of which measured at fair value Level 3	-	-

Section 13 – Other assets – Item 130

13.1 Other assets: breakdown

€/000	31/12/2024	31/12/2023
Receivables for commission income	4,236	9,149
Receivables from the tax authorities	872,217	895,504
Receivables from financial advisors	5,360	973
Advances to suppliers and professionals	15,631	18,305
Security deposits	23,419	21,762
Receivables from employees	248	224
Other receivables	347,985	223,544
Assets for transit items	99,471	98,061
Accrued income	10,471	6,170
Prepaid expenses	35,828	30,508
Receivables for collection	-	1,000
Other sundry assets	25,091	26,161
TOTAL	**1,439,957**	**1,331,361**

Other assets amounted to €1,440.0 million, a year-on-year increase of +€108.6 million. The change is due to the increase in other receivables due to the recognition of the substitute tax due from supplementary and individual pension schemes on capital gains accrued in 2024.

SECTION 1 – FINANCIAL LIABILITIES MEASURED AT AMORTISED COST – ITEM 10

1.1 Financial liabilities measured at amortised cost: breakdown of payables to banks by type

€/000	31/12/2024				31/12/2023			
	CA	Fair Value			CA	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Payables to central banks	**-**	X	X	X	**-**	X	X	X
2. Payables to banks	**717,433**	X	X	X	**1,184,872**	X	X	X
2.1 Current accounts and demand deposits	717	X	X	X	83,556	X	X	X
2.2 Term deposits	-	X	X	X	3,030	X	X	X
2.3 Loans	713,157	X	X	X	1,092,810	X	X	X
2.3.1 Repurchase agreements	713,157	X	X	X	1,092,810	X	X	X
2.3.2 Other	-	X	X	X	-	X	X	X
2.4 Payables for commitments to repurchase own shares	-	X	X	X	-	X	X	X
2.5 Lease liabilities	784	X	X	X	915	X	X	X
2.6 Other payables	2,775	X	X	X	4,561	X	X	X
TOTAL	**717,433**	**-**	**-**	**717,433**	**1,184,872**	**-**	**-**	**1,184,872**

Key:

CA = Carrying amount

L1 = Level 1

L2 = Level 2

L3 = Level 3

Payables to banks came to €717.4 million, down €467.4 million compared with 31 December 2023. This change was primarily due to the decrease in repurchase agreements of €379.7 million and the increase in current accounts of €82.8 million.

1.2 Financial liabilities measured at amortised cost: breakdown of payables to customers by type

€/000	31/12/2024				31/12/2023			
	CA	Fair Value			CA	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Current accounts and demand deposits	24,892,832	X	X	X	24,318,416	X	X	X
2. Deposits at notice	3,445,935	X	X	X	2,027,515	X	X	X
3. Loans	5,837,342	X	X	X	7,072,112	X	X	X
3.1 Repurchase agreements	5,823,922	X	X	X	7,062,375	X	X	X
3.2 Other	13,420	X	X	X	9,737	X	X	X
4. Payables for commitments to repurchase own shares	-	X	X	X	-	X	X	X
5. Lease liabilities	69,044	X	X	X	62,230	X	X	X
6. Other payables	252,685	X	X	X	247,448	X	X	X
TOTAL	**34,497,838**	**-**	**-**	**34,497,838**	**33,727,721**	**-**	**-**	**33,727,721**

Key:

CA = Carrying amount

L1 = Level 1

L2 = Level 2

L3 = Level 3

Payables to customers came to €34,497.8 million, up €770.1 million compared with 31 December 2023. While repurchase agreements decreased by -€1,238.5 million, term deposits and current accounts increased by €1,418.4 million and €574.4 million, respectively.

1.3 Financial liabilities measured at amortised cost: breakdown of securities in issue by type

€/000	31/12/2024				31/12/2023			
	CA	Fair Value			CA	Fair Value		
		L1	L2	L3		L1	L2	L3
A. Securities								
1. Bonds	**313,629**	306,378	-	-	**313,116**	322,880	-	-
1.1 structured	-	-	-	-	-	-	-	-
1.2 other	313,629	306,378	-	-	313,116	322,880	-	-
2. Other securities	-	-	-	-	-	-	-	-
2.1 structured	-	-	-	-	-	-	-	-
2.2 Other	-	-	-	-	-	-	-	-
TOTAL	**313,629**	**306,378**	**-**	**-**	**313,116**	**322,880**	**-**	**-**

Key:
CA = Carrying amount
L1=Level 1
L2=Level 2
L3=Level 3

Financial liabilities measured at amortised cost amounted to €313.6 million.
It should be recalled that in November 2022, Banca Mediolanum issued a "Green Senior Preferred" Bond in the amount of €300,000,000, with a transaction that came under the €1 billion EMTN plan approved by the Bank, maturing on 22/01/2027, and a "BBB" rating assigned by Fitch and S&P.

The issued bond provides for an early coupon at a fixed rate of 5.035%, an option of early redemption at 22/01/2026 and no repricing mechanisms. The proceeds collected are used to finance or refinance loans or projects included in the ESG Bond Framework issued in July 2022.

Due to the characteristics of the issue, the bond was classified among financial liabilities measured at amortised cost and has a carrying amount of €313.6 million.

1.6 Lease liabilities

€/000	31.12.2024	
Breakdown of the contractual flows of lease agreements based on contractual term	**Payables to banks**	**Payables to customers**
Up to 1 year		2,901
1 to 5 years		27,887
Over 5 years	784	38,256
Overall total	**784**	**69,044**

For further information, see Section M – Leasing.

SECTION 2 – FINANCIAL LIABILITIES HELD FOR TRADING – ITEM 20

2.1 Financial liabilities held for trading: breakdown by type

€/000	31/12/2024					31/12/2023				
	NV	Fair Value			Fair Value*	NV	Fair Value			Fair Value*
		L1	L2	L3			L1	L2	L3	
A. On-balance sheet liabilities										
1. Payables to banks	-	-	-	-	-	-	-	-	-	-
2. Payables to customers	-	-	-	-	-	-	-	-	5	5
3. Debt securities	-	-	-	-	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
TOTAL (A)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5**	**5**
B. Derivative instruments										
1. Financial derivatives	-	-	3	-	-	-	-	8,453	-	-
1.1 For trading	X	-	3	-	X	X	-	8,453	-	X
1.2 Associated with the fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit derivatives	-	-	-	-	-	-	-	-	-	-
2.1 For trading	X	-	-	-	X	X	-	-	-	X
2.2 Associated with the fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
TOTAL (B)	**X**	**-**	**3**	**-**	**X**	**X**	**-**	**8,453**	**-**	**X**
TOTAL (A+B)	**X**	**-**	**3**	**-**	**X**	**X**	**-**	**8,453**	**5**	**X**

Key:
NV= Nominal or notional value
L1=Level 1
L2=Level 2
L3=Level 3
Fair value*= Fair value calculated excluding changes in value due to a change in the issuer's credit rating since the issue date

SECTION 3 – FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE – ITEM 30

3.1 Financial liabilities designated at fair value: breakdown by type

€/000	31/12/2024					31/12/2023				
	NV	Fair value			Fair value*	NV	Fair value			Fair value*
		L1	L2	L3			L1	L2	L3	
1. Payables to banks	-	-	-	-	-	-	-	-	-	-
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	-	-	-	-	X	-	-	-	-	X
of which:	-	-	-	-	-	-	-	-	-	-
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
2. Payables to customers	**18,740,436**	**18,732,071**	**8,365**	**-**	**18,740,436**	**15,011,219**	**15,005,819**	**5,400**	**-**	**15,011,219**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	18,740,436	18,732,071	8,365	-	X	15,011,219	15,005,819	5,400	-	X
of which:	-	-	-	-	-	-	-	-	-	-
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
3. Debt securities	-	-	-	-	-	-	-	-	-	-
3.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
TOTAL	**18,740,436**	**18,732,071**	**8,365**	**-**	**18,740,436**	**15,011,219**	**15,005,819**	**5,400**	**-**	**15,011,219**

Key:
NV= Nominal value
L1=Level 1
L2=Level 2
L3=Level 3
Fair value*= Fair value calculated excluding changes in value due to a change in the issuer's credit rating since the issue date

The item amounts to €18,740.4 thousand (31 December 2023: €15,011.2 thousand) and includes financial liabilities associated with unit-linked and index-linked investment contracts that do not present a significant insurance risk and are therefore measured in accordance with IFRS 9.

SECTION 4 – HEDGING DERIVATIVES – ITEM 40

4.1 Hedging derivatives: breakdown by type of hedge and level

€/000	31/12/2024				31/12/2023			
	Fair value			NV	Fair value			NV
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives	**-**	**-**	**-**	**-**	**-**	**3,605**	**-**	**47,365**
1) Fair value	-	-	-	-	-	3,605	-	47,365
2) Cash flows	-	-	-	-	-	-	-	-
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**3,605**	**-**	**47,365**

Key:
NV= Notional value
L1 = Level 1
L2 = Level 2
L3 = Level 3

SECTION 6 – TAX LIABILITIES – ITEM 60

For tables containing the quantitative data, see Section 11 of the assets section.

SECTION 8 – OTHER LIABILITIES – ITEM 80

8.1 Other liabilities: breakdown

€/000	31/12/2024	31/12/2023
Provision for agency termination indemnities	8,552	7,820
Payables to promoters, producers and mediators	64,228	41,249
Trade payables	114,883	107,548
Payables to the tax authorities	435,736	200,447
Social security contributions	10,656	11,648
Payables to employees	46,308	35,713
Payables to professionals, directors and statutory auditors	5,777	5,101
Security deposits	42	42
Transit items	288,896	391,556
Deferred income	1,156	1,673
Accrued expenses	3,185	2,604
Other sundry liabilities	302,970	283,425
Escrow accounts	5,868	4,014
Tax payables from policyholders	1,424	1,239
TOTAL	**1,289,681**	**1,094,079**

Payables for transit items include direct debit payment instructions, bank transfers arranged by customers and settled on the Interbank Network in the early days of 2025 and other items in processing that are regularly closed during the early days of the new year.
Trade payables refer to goods and services received and not yet settled at the reporting date. Payables to promoters, producers and mediators mainly include commissions to be paid to the network.
Other sundry liabilities primarily consist of taxes to be paid on behalf of customers through F24 tax forms.

SECTION 9 – EMPLOYEE TERMINATION BENEFITS – ITEM 90

9.1 Employee severance benefits: changes during the year

€/000	31/12/2024	31/12/2023
A. Opening balances	**11,876**	**11,657**
B. Increases	**12,729**	**10,507**
B.1 Provision for the year	12,180	9,790
B.2 Other changes	549	717
- of which business combinations	-	-
C. Decreases	**(12,377)**	**(10,288)**
C.1 Settlement payments	(476)	(787)
C.2 Other changes	(11,901)	(9,501)
- of which business combinations	-	-
D. Closing balances	**12,228**	**11,876**
TOTAL	**12,228**	**11,876**

9.2 Other information

As described in "Part A – Accounting Policies", as a result of the supplementary pension scheme reform, post-employment benefits are recognised under this balance sheet item, and for companies with an average of at least 50 employees during 2006, refer to the portion accrued until 31 December 2006 only.
The provision therefore does not include portions which, as a result of the aforementioned reform, are paid to supplementary pension schemes or to the INPS treasury fund. Employee severance benefits accrued from 1 January 2007 are in fact a "defined contribution plan" and are recognised under personnel costs on the basis of the contributions due without the application of actuarial calculation methods.
The main assumptions used for Banca Mediolanum were as follows:

- Mortality rate: table RG48;
- Inflation rate: 2%;
- Frequency of early severance pay: 3.7%;
- Turnover rate: 6%.

SECTION 10 – PROVISIONS FOR LIABILITIES AND CHARGES – ITEM 100

10.1 Provisions for risk and charges: breakdown

€/000	31/12/2024	31/12/2023
1. Provisions for credit risk relating to commitments and financial guarantees given	454	716
2. Provisions on other commitments and guarantees given	476	774
3. Company pension funds	105	109
4. Other provisions for risk and charges	341,301	308,359
4.1 legal and tax disputes	13,937	13,390
4.2 staff costs	-	-
4.3 Other	327,364	294,969
TOTAL	**342,336**	**309,958**

10.2 Provisions for risk and charges: changes during the year

€/000	Provisions on other commitments and guarantees given	Pension funds	Other provisions for risk and charges	TOTAL
A. Opening balances	**774**	**109**	**308,359**	**309,242**
B. Increases	**81**	**80**	**75,301**	**75,462**
B.1 Provision for the year	81	80	59,102	59,263
B.2 Changes due to the passage of time	-	-	8,891	8,891
B.3 Changes due to changes in the discount rate	-	-	7,223	7,223
B.4 Other changes	-	-	85	85
- of which business combinations	-	-	-	-
C. Decreases	**(379)**	**(84)**	**(42,359)**	**(42,882)**
C.1 Utilisation during the year	-	(84)	(32,082)	(32,166)
C.2 Changes due to changes in the discount rate	-	-	(118)	(118)
C.3 Other changes	(379)	-	(10,159)	(10,538)
- of which business combinations	-	-	-	-
D. Closing balances	**476**	**105**	**341,301**	**341,882**

10.3 Provisions for credit risk relating to commitments and financial guarantees given

€/000	31/12/2024				
	Stage 1	Stage 2	Stage 3	Impaired, acquired or originated	Total
Commitments to disburse funds	185	6	-	-	191
Financial guarantees given	247	-	16	-	263
Total	**432**	**6**	**16**	**-**	**454**

10.6 Provisions for risk and charges: other provisions

€/000	Balance as of 31/12/2023	Allocations in the period 0	Other changes 0	Utilisations in the period 0	Balance as of 31/12/2024
Provision name:					
- legal disputes	13,390	5,337	(2,804)	(1,986)	**13,937**
- other:					
Managers' allowance	78,368	12,259	(2,051)	(7,170)	**81,406**
Risk of misconduct by financial advisors	7,259	3,049	(2,986)	(951)	**6,371**
Additional customers' allowance	154,698	28,971	(1,101)	(3,737)	**178,831**
Portfolio and structure allowance	23,966	11,363	(481)	(3,416)	**31,432**
Future expenses on distributed products	-	-	-	-	**-**
Sundry provisions	30,678	13,533	(65)	(14,822)	**29,324**
TOTAL	**308,359**	**74,512**	**(9,488)**	**(32,082)**	**341,301**

The above table shows the breakdown of, and changes in, the provisions in question.

The **provision for legal disputes** mainly includes legal liabilities (litigation and pre-litigation) relating to the Company.

The **additional customers' allowance** comprises the accrued provision for financial advisors. This was calculated according to whether retirement age was reached and on the basis of a calculation of probability determined on the basis of the Bank's historical trend, in accordance with IAS 37.

In addition to the benefits due contractually under its own voluntary, unilateral and discretionary rules, the Bank recognises additional and bonus allowances for its financial advisors. These allowances, consisting of the manager advisors' allowance and the portfolio and structure allowance, are described below.

The **manager advisor's allowance** is paid to agents providing assistance and coordination, whose compensation is based on specific commercial parameters and is granted upon the achievement of an old-age pension – provided that no competing activities have been performed in the two years following the end of the mandate – or in cases of total permanent disability or death. As with the portfolio and structure allowance, the manager advisors' allowance is paid within three years of the end of the agency mandate. The actuarial calculation, based on the estimate of the probability of pension payments of the manager advisors present at the end of the financial year, as well as the risk of death or total permanent disability, took into account the ratio of the length of service of the MA at the calculation date to the length of service at the date of occurrence of the events determining payment (so-called pro-rata application), with the application of a discount rate.

The **portfolio and structure allowance** consists, depending on the case, of remuneration related to the value of the customer portfolio or the agent structure managed by a financial advisor. The regulations adopted govern the transfer between financial advisors of responsibility for managing the portfolios of bank customers or the support and assistance of a financial advisors' structure. Transfers may take place during the relationship, due to a reduction in the customers or agents portfolio, or when financial advisors leave due to the termination of the agency relationship and are succeeded by another financial advisor. The Bank continues to play an active role in identifying the incoming financial advisor.

At the time of transfer, the regulations provide for:

- payment to the transferring financial advisor - provided that he or she meets certain subjective requirements and does not perform competing activities in the next two years - of an allowance deriving from the valuation of the transferred portfolio or structure, according to predetermined criteria; and
- the relative charging to the incoming financial advisor of an equivalent amount, equal to the value of the portfolio and/or structure acquired under management.

The Bank liaises between the transferor and successor, paying the transferor directly and exercising its right of recourse in respect of the successor.
In the course of the activity of the transferring agent, the compensation will be paid in a maximum of 60 equal monthly instalments in arrears from the time of transfer, will be recovered from the successor agent in the same period. In the event of termination of the relationship by the transferring agent, the payment of the indemnity will be made on the basis of the agent's age, from the following two months until the end of the third year. Neither of these cash flows provides for the application of an interest rate in operations currently in progress. It is understood that if no successor is identified, no allowance is paid to the transferring advisor. The actuarial calculation took account of the effect of any future cash-flow mismatches (due to the different timing between payment and collection and no interest being applied), and also of counterparty risk through the application of a discount rate.
The **provision for misconduct by financial advisors** covers the risk of future liabilities for claims below the excess of the insurance policy taken out to cover losses suffered by customers as a result of misconduct on the part of the Bank's financial advisors. The provision is estimated on the basis of updated historical trends and takes into account the situation of claims reported to the Bank at the reporting date.

Section 11 – INSURANCE LIABILITIES – Item 110

This item includes "Insurance liabilities" determined on the basis of the new IFRS 17 and amounts to €25,804 million. In particular, it includes the "Liability for remaining coverage - LRC" line, which breaks down as follows:

- Present Value Future Cash Flows (PVFCF) i.e. all expected future cash flows associated with discounted insurance contracts adjusted for time value and risk;
- the contractual service margin (CSM), which represents the expected profit of the group of contracts released over the life of the contracts;
- the risk adjustment to take account of "non-financial" risks.

The following table shows the changes in the Contractual Service Margin – CSM that occurred during the 2024 financial year.

€/million	
Initial CSM 01/01/2024	**2,191**
Movements	645
Release	(198)
Final CSM 31/12/2024	**2,638**

The information provided below, in accordance with IFRS 17, paragraphs 98, 99, 101, 104 and 105, is provided by aggregation base.
It should be noted that in accordance with Appendix I (Instructions) of ISVAP Regulation No. 7 and subsequent updates in the direct business tables, the Group has made use of the right to display, within Base I – Insurance contracts issued with direct participation features (life segment), also investment contracts written with discretionary participation features (life segment), in Aggregation Base 2 the details of insurance contracts written without direct participation features of the life segment are reported and in Aggregation Base 4 the details of insurance contracts written without direct participation features of the Non-Motor non-life segment are reported.

It should also be noted that this takes into account the effect of the provisions of the Budget Law 2025 on stamp duty.

Changes in the carrying amount of insurance contracts written - GMM or VFA - liability for remaining coverage and for claims incurred- Aggregation Base 1

Items/liabilities	Liability for remaining coverage 31.12.2024		Liability for incurred claims	Total	Liability for remaining coverage 31.12.2023		Liability for incurred claims	Total
	Net of loss	Loss	31/12/2024	31/12/2024	Net of loss	Loss	31/12/2023	31/12/2023
A. Initial carrying amount								
I. Insurance contracts issued that constitute liabilities	21,999,930	234	72,348	22,072,512	19,522,546	225	62,524	19,585,295
2. insurance contracts written that are classified as assets	-	-	-	-	-	-	-	-
3. Net carrying amount at 1 January	**21,999,930**	**234**	**72,348**	**22,072,512**	**19,522,546**	**225**	**62,524**	**19,585,295**
B. Insurance revenues	**(293,263)**	**(2)**	**-**	**(293,265)**	**(255,279)**	**(3)**	**-**	**(255,282)**
C. Costs of insurance services								
I. Incurred claims and other directly attributable costs	-	-	130,441	130,441	-	-	110,105	110,105
2. Changes in liabilities for incurred claims	-	-	(428)	(428)	-	-	774	774
3. Losses and related recoveries on onerous contracts	-	(149)	-	(149)	-	15	-	15
4. Amortisation of contract acquisition costs	17,578	-	-	17,578	14,221	-	-	14,221
5. Total	**17,578**	**(149)**	**130,013**	**147,442**	**14,221**	**15**	**110,879**	**125,115**
D. Result of insurance services (B+C)	**(275,685)**	**(151)**	**130,013**	**(145,823)**	**(241,058)**	**12**	**110,879**	**(130,167)**
E. Financial costs/revenues								
I. Related to insurance contracts written	2,899,447	-	-	2,899,447	2,074,164	-	-	2,074,164
I.I Recognised in profit or loss	2,879,997	-	-	2,879,997	2,027,128	-	-	2,027,128
I.2 Recognised in other comprehensive income	19,450	-	-	19,450	47,036	-	-	47,036
2. Effects related to exchange rate fluctuations	-	-	-	-	-	-	-	-
3. Total	**2,899,447**	**-**	**-**	**2,899,447**	**2,074,164**	**-**	**-**	**2,074,164**
F. Investment components	**(2,173,591)**	**(2)**	**2,173,593**	**-**	**(1,403,041)**	**(3)**	**1,403,043**	**(1)**
G. Total amount recognised in profit or loss and in comprehensive income (D+E+F)	**450,171**	**(153)**	**2,303,606**	**2,753,624**	**430,065**	**9**	**1,513,922**	**1,943,996**
H. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
I. Cash movements								
I. Premiums received	2,970,595	-	-	2,970,595	2,082,665	-	-	2,082,665
2. Payments related to the costs of acquiring contracts	(50,285)	-	-	(50,285)	(35,346)	-	-	(35,346)
3. Claims paid and other cash outflows	-	-	(2,298,034)	(2,298,034)	-	-	(1,504,098)	(1,504,098)
4. Other movements	-	-	-	-	-	-	-	-
5. Total	**2,920,310**	**-**	**(2,298,034)**	**622,275**	**2,047,319**	**-**	**(1,504,098)**	**543,221**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**25,370,411**	**81**	**77,920**	**25,448,411**	**21,999,930**	**234**	**72,348**	**22,072,512**
M. Closing carrying amount								
I. Insurance contracts issued that constitute liabilities	**25,370,411**	**81**	**77,920**	**25,448,411**	21,999,930	234	72,348	22,072,512
2. insurance contracts written that are classified as assets	-	-	-	-	-	-	-	-
3. Net carrying amount at 31 December	**25,370,411**	**81**	**77,920**	**25,448,411**	**21,999,930**	**234**	**72,348**	**22,072,512**

Key:

Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Changes in the carrying amount of insurance contracts written - GMM or VFA - liability for remaining coverage and for claims incurred- Aggregation Base 2

Items/liabilities	Liability for remaining coverage 31.12.2024		Liability for incurred claims	Total	Liability for remaining coverage 31.12.2023		Liability for incurred claims	Total
	Net of loss	Loss	45,657	45,657	Net of loss	Loss	31/12/2023	31/12/2023
A. Initial carrying amount								
1. Insurance contracts issued that constitute liabilities	103,692	-	6,060	109,752	96,701	-	5,266	101,967
2. insurance contracts written that are classified as assets	-	-	-	-	-	-	-	-
3. Net carrying amount at 1 January	**103,692**	**-**	**6,060**	**109,752**	**96,701**	**-**	**5,266**	**101,967**
B. Insurance revenues	**(36,777)**	**-**	**-**	**(36,777)**	**(33,187)**	**-**	**-**	**(33,187)**
C. Costs of insurance services								
1. Incurred claims and other directly attributable costs	-	-	12,950	12,950	-	-	11,192	11,192
2. Changes in liabilities for incurred claims	-	-	2,833	2,833	-	-	794	794
3. Losses and related recoveries on onerous contracts	-	-	-	-	-	-	-	-
4. Amortisation of contract acquisition costs	701	-	-	701	1,152	-	-	1,152
5. Total	**701**	**-**	**15,783**	**16,484**	**1,152**	**-**	**11,986**	**13,138**
D. Result of insurance services (B+C)	**(36,076)**	**-**	**15,783**	**(20,293)**	**(32,035)**	**-**	**11,986**	**(20,049)**
E. Financial costs/revenues								
1. Related to insurance contracts written	(1,169)	-	-	(1,169)	(1,972)	-	-	(1,972)
1.1 Recognised in profit or loss	441	-	-	441	2	-	-	2
1.2 Recognised in other comprehensive income	(1,610)	-	-	(1,610)	(1,974)	-	-	(1,974)
2. Effects related to exchange rate fluctuations	-	-	-	-	-	-	-	-
3. Total	**(1,169)**	**-**	**-**	**(1,169)**	**(1,972)**	**-**	**-**	**(1,972)**
F. Investment components	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
G. Total amount recognised in profit or loss and in comprehensive income (D+E+F)	**(37,245)**	**-**	**15,783**	**(21,462)**	**(34,007)**	**-**	**11,986**	**(22,021)**
H. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
I. Cash movements								
1. Premiums received	47,342	-	-	47,342	46,518	-	-	46,518
2. Payments related to the costs of acquiring contracts	(4,202)	-	-	(4,202)	(5,520)	-	-	(5,520)
3. Claims paid and other cash outflows	-	-	(12,950)	(12,950)	-	-	(11,192)	(11,192)
4. Other movements	-	-	-	-	-	-	-	-
5. Total	**43,140**	**-**	**(12,950)**	**30,190**	**40,998**	**-**	**(11,192)**	**29,806**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**109,587**	**-**	**8,893**	**118,480**	**103,692**	**-**	**6,060**	**109,752**
M. Closing carrying amount								
1. Insurance contracts issued that constitute liabilities	**109,587**	**-**	**8,893**	**118,480**	103,692	-	6,060	109,752
2. insurance contracts written that are classified as assets	-	-	-	-	-	-	-	-
3. Net carrying amount at 31 December	**109,587**	**-**	**8,893**	**118,480**	**103,692**	**-**	**6,060**	**109,752**

Key:

Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Changes in the carrying amount of insurance contracts written - GMM or VFA - liability for remaining coverage and for claims incurred – Aggregation Base 4

Items/liabilities	Liability for remaining coverage 31.12.2024		Liability for incurred claims	Total	Liability for remaining coverage 31.12.2023		Liability for incurred claims	Total
	Net of loss	Loss	45,657	45,657	Net of loss	Loss	31/12/2023	31/12/2023
A. Initial carrying amount								
I. Insurance contracts issued that constitute liabilities	168,036	-	50,975	219,011	152,549	-	37,388	189,938
2. insurance contracts written that are classified as assets	-	-	-	-	-	-	-	-
3. Net carrying amount at 1 January	**168,036**	**-**	**50,975**	**219,011**	**152,549**	**-**	**37,388**	**189,938**
B. Insurance revenues	**(111,888)**	**-**	**-**	**(111,888)**	**(91,458)**	**-**	**-**	**(91,458)**
C. Costs of insurance services								
I. Incurred claims and other directly attributable costs	-	-	56,163	56,163	-	-	49,093	49,093
2. Changes in liabilities for incurred claims	-	-	56	56	-	-	10,632	10,632
3. Losses and related recoveries on onerous contracts	-	-	-	-	-	-	-	-
4. Amortisation of contract acquisition costs	15,893	-	-	15,893	14,244	-	-	14,244
5. Total	**15,893**	**-**	**56,219**	**72,112**	**14,244**	**-**	**59,725**	**73,969**
D. Result of insurance services (B+C)	**(95,995)**	**-**	**56,219**	**(39,776)**	**(77,214)**	**-**	**59,725**	**(17,489)**
E. Financial costs/revenues								
I. Related to insurance contracts written	2,743	-	1,437	4,180	2,315	-	2,955	5,270
I.1 Recognised in profit or loss	2,180	-	764	2,944	484	-	2,808	3,292
I.2 Recognised in other comprehensive income	563	-	673	1,236	1,831	-	147	1,978
2. Effects related to exchange rate fluctuations	-	-	-	-	-	-	-	-
3. Total	**2,743**	**-**	**1,437**	**4,180**	**2,315**	**-**	**2,955**	**5,270**
F. Investment components	**480**	**-**	**(480)**	**-**	**(4,169)**	**-**	**4,169**	**-**
G. Total amount recognised in profit or loss and in comprehensive income (D+E+F)	**(92,772)**	**-**	**57,176**	**(35,596)**	**(79,068)**	**-**	**66,849**	**(12,219)**
H. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
I. Cash movements								
I. Premiums received	133,512	-	-	133,512	115,537	-	-	115,537
2. Payments related to the costs of acquiring contracts	(24,090)	-	-	(24,090)	(20,982)	-	-	(20,982)
3. Claims paid and other cash outflows	-	-	(55,683)	(55,683)	-	-	(53,262)	(53,262)
4. Other movements	-	-	-	-	-	-	-	-
5. Total	**109,422**	**-**	**(55,683)**	**53,739**	**94,555**	**-**	**(53,262)**	**41,293**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**184,686**		**52,468**	**237,154**	**168,036**	**-**	**50,975**	**219,011**
M. Closing carrying amount								
I. Insurance contracts issued that constitute liabilities	**184,686**		**52,468**	**237,154**	168,036	-	50,975	219,011
2. insurance contracts written that are classified as assets	-	-	-	-	-	-	-	-
3. Net carrying amount at 31 December	**184,686**		**52,468**	**237,154**	**168,036**	**-**	**50,975**	**219,011**

Key:

Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Changes in the carrying amount of insurance contracts written broken down by elements underlying the measurement- Aggregation Base 1

	Elements underlying the measurement of the carrying amount of insurance contracts written							
Items/elements underlying the measurement	**Present value of cash flows 31/12/2024**	**Adjustment for non-financial risks 31/12/2024**	**Contractual service margin 31/12/2024**	**Total 31/12/2024**	**Present value of cash flows 31/12/2023**	**Adjustment for non-financial risks 31/12/2023**	**Contractual service margin 31/12/2023**	**Total 31/12/2023**
A. Initial carrying amount								
1. Insurance contracts issued that constitute liabilities	20,128,688	55,921	1,887,903	22,072,512	17,891,970	61,200	1,632,125	19,585,295
2. insurance contracts written that are classified as assets	-	-	-	-				
3. Net carrying amount at 1 January	**20,128,688**	**55,921**	**1,887,903**	**22,072,512**	17,891,970	61,200	1,632,125	19,585,295
B. Changes related to current services								
1. Contractual service margin recorded in profit or loss	-	-	(135,452)	(135,452)			(109,490)	(109,490)
2. Change due to overdue non-financial risks	-	(3,644)	-	(3,644)		(3,650)		(3,650)
3. Experience-related changes	(6,150)	-	-	(6,150)	(17,814)			(17,814)
4. Total	**(6,150)**	**(3,644)**	**(135,452)**	**(145,246)**	**(17,814)**	**(3,650)**	**(109,490)**	**(130,954)**
C. Changes related to future services								
1. Changes in the contractual service margin	2,540,864	11,304	(2,552,168)	-	1,830,385	(3,915)	(1,826,471)	(1)
2. Losses on onerous contract groups and related recoveries	2	-	(151)	(149)	3		12	15
3. Effects of contracts initially recognised in the reporting year	(226,522)	5,478	221,044	-	(119,848)	2,286	117,563	1
4. Total	**2,314,344**	**16,782**	**(2,331,275)**	**(149)**	**1,710,540**	**(1,629)**	**(1,708,896)**	**15**
D. Changes related to past services								
1. Adjustments to the liability for claims incurred	(428)	-	-	(428)	774	-	-	774
E. Result of insurance services (B+C+D)	**2,307,766**	**13,138**	**(2,466,727)**	**(145,823)**	**1,693,500**	**(5,279)**	**(1,818,386)**	**(130,165)**
F. Financial costs/revenues								
1. Related to insurance contracts written	-	-	2,899,447	2,899,447	-	-	2,074,164	2,074,164
1.1 Recognised in profit or loss	-	-	2,879,997	2,879,997	-	-	2,027,128	2,027,128
1.2 Recognised in other comprehensive income	-	-	19,450	19,450	-	-	47,036	47,036
2. Effects related to exchange rate fluctuations								
3. Total	-	-	**2,899,447**	**2,899,447**	-	-	**2,074,164**	**2,074,164**
G. Total amount of changes recognised in profit or loss and in OCI (E+F)	**2,307,766**	**13,138**	**432,720**	**2,753,624**	**1,693,500**	**(5,279)**	**255,778**	**1,943,999**
H. Other changes								
I. Cash movements								
1. Premiums received	2,970,595	-	-	2,970,595	2,082,662	-	-	2,082,662
2. Payments related to the costs of acquiring contracts	(50,285)	-	-	(50,285)	(35,346)	-	-	(35,346)
3. Claims paid and other cash outflows	(2,298,035)	-	-	(2,298,035)	(1,504,098)	-	-	(1,504,098)
4.Other movements	-	-	-	-	-	-	-	-
5. Total	**622,275**	**-**	**-**	**622,275**	**543,218**	-	-	**543,218**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**23,058,729**	**69,059**	**2,320,623**	**25,448,411**	**20,128,688**	**55,921**	**1,887,903**	**22,072,512**
M. Closing carrying amount								
1. Insurance contracts issued that constitute liabilities	**23,058,729**	**69,059**	**2,320,623**	**25,448,411**	20,128,688	55,921	1,887,903	22,072,512
2. insurance contracts written that are classified as assets								
3. Net carrying amount at 31 December	**23,058,729**	**69,059**	**2,320,623**	**25,448,411**	**20,128,688**	**55,921**	**1,887,903**	**22,072,512**

Key:

Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Changes in the carrying amount of insurance contracts written broken down by elements underlying the measurement –Aggregation Base 2

	Elements underlying the measurement of the carrying amount of insurance contracts written							
Items/elements underlying the measurement	Present value of cash flows 31/12/2024	Adjustment for non-financial risks 31/12/2024	Contractual service margin 31/12/2024	Total 31/12/2024	Present value of cash flows 31/12/2023	Adjustment for non-financial risks 31/12/2023	Contractual service margin 31/12/2023	Total 31/12/2023
A. Initial carrying amount								
I. Insurance contracts issued that constitute liabilities	(83,219)	8,780	184,191	109,752	(60,449)	7,451	154,965	101,967
2. insurance contracts written that are classified as assets	-	-	-	-				
3. Net carrying amount at 1 January	**(83,219)**	**8,780**	**184,191**	**109,752**	(60,449)	7,451	154,965	101,967
B. Changes related to current services								
I. Contractual service margin recorded in profit or loss	-	-	(16,844)	(16,844)			(14,957)	(14,957)
2. Change due to overdue non-financial risks	-	(682)	-	(682)		(606)		(606)
3. Experience-related changes	(5,600)	-	-	(5,600)	(5,280)			(5,280)
4. Total	**(5,600)**	**(682)**	**(16,844)**	**(23,126)**	**(5,280)**	**(606)**	**(14,957)**	**(20,843)**
C. Changes related to future services								
I. Changes in the contractual service margin	2,563	53	(2,616)	-	(16,230)	549	15,681	
2. Losses on onerous contract groups and related recoveries	-	-	-	-				
3. Effects of contracts initially recognised in the reporting year	(29,655)	1,415	28,240	-	(29,566)	1,386	28,180	
4. Total	**(27,092)**	**1,468**	**25,624**	**-**	**(45,796)**	**1,935**	**43,861**	
D. Changes related to past services								
I. Adjustments to the liability for claims incurred	2,833	-	-	2,833	794			794
E. Result of insurance services (B+C+D)	**(29,859)**	**786**	**8,780**	**(20,293)**	**(50,282)**	**1,329**	**28,904**	**(20,049)**
F. Financial costs/revenues								
I. Related to insurance contracts written	(2,903)	-	1,734	(1,169)	(2,294)		322	(1,972)
1.1 Recognised in profit or loss	(1,293)	-	1,734	441	(320)		322	2
1.2 Recognised in other comprehensive income	(1,610)	-	-	(1,610)	(1,974)			(1,974)
2. Effects related to exchange rate fluctuations								
3. Total	**(2,903)**	**-**	**1,734**	**(1,169)**	**(2,294)**		**322**	**(1,972)**
G. Total amount of changes recognised in profit or loss and in OCI (E+F)	**(32,762)**	786	**10,514**	**(21,462)**	**(52,576)**	**1,329**	**29,226**	**(22,021)**
H. Other changes								
I. Cash movements								
I. Premiums received	47,342	-	-	47,342	46,518			46,518
2. Payments related to the costs of acquiring contracts	(4,202)	-	-	(4,202)	(5,520)			(5,520)
3. Claims paid and other cash outflows	(12,950)	-	-	(12,950)	(11,192)			(11,192)
4.Other movements								
5. Total	**30,190**	**-**	**-**	**30,190**	**29,806**			**29,806**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**(85,791)**	**9,566**	**194,705**	**118,480**	**(83,219)**	**8,780**	**184,191**	**109,752**
M. Closing carrying amount								
I. Insurance contracts issued that constitute liabilities	**(85,791)**	**9,566**	**194,705**	**118,480**	(83,219)	8,780	184,191	109,752
2. insurance contracts written that are classified as assets								
3. Net carrying amount at 31 December	**(85,791)**	**9,566**	**194,705**	**118,480**	**(83,219)**	**8,780**	**184,191**	**109,752**

Key:

Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Changes in the carrying amount of insurance contracts written broken down by elements underlying the measurement –Aggregation Base 4

	Elements underlying the measurement of the carrying amount of insurance contracts written							
Items/elements underlying the measurement	Present value of cash flows 31/12/2024	Adjustment for non-financial risks 31/12/2024	Contractual service margin 31/12/2024	Total 31/12/2024	Present value of cash flows 31/12/2023	Adjustment for non-financial risks 31/12/2023	Contractual service margin 31/12/2023	Total 31/12/2023
A. Initial carrying amount								
1. Insurance contracts issued that constitute liabilities	92,362	7,875	118,774	219,011	65,207	6,025	118,706	189,938
2. insurance contracts written that are classified as assets	-	-	-	-				
3. Net carrying amount at 1 January	92,362	7,875	118,774	219,011	65,207	6,025	118,706	189,938
B. Changes related to current services								
1. Contractual service margin recorded in profit or loss	-	-	(45,972)	(45,972)			(41,145)	(41,145)
2. Change due to overdue non-financial risks	-	(3,290)	-	(3,290)		(2,864)		(2,864)
3. Experience-related changes	9,430	-	-	9,430	15,895			15,895
4. Total	**9,430**	**(3,290)**	**(45,972)**	**(39,832)**	**15,895**	**(2,864)**	**(41,145)**	**(28,114)**
C. Changes related to future services								
1. Changes in the contractual service margin	13,259	(13)	(13,246)	-	22,689	(598)	(22,090)	1
2. Losses on onerous contract groups and related recoveries								
3. Effects of contracts initially recognised in the reporting year	(65,692)	4,789	60,903	-	(66,709)	4,221	62,488	
4. Total	**(52,433)**	**4,776**	**47,657**	**-**	**(44,020)**	**3,623**	**40,398**	**1**
D. Changes related to past services								
1. Adjustments to the liability for claims incurred	(1,074)	1,130	-	56	12,247	(1,623)		10,624
E. Result of insurance services (B+C+D)	**(44,077)**	**2,616**	**1,685**	**(39,776)**	**(15,878)**	**(864)**	**(747)**	**(17,489)**
F. Financial costs/revenues								
1. Related to insurance contracts written	1,755	-	2,425	4,180	1,741	2,714	815	5,270
1.1 Recognised in profit or loss	519	-	2,425	2,944	(237)	2,714	815	3,292
1.2 Recognised in other comprehensive income	1,236	-	-	1,236	1,978			1,978
2. Effects related to exchange rate fluctuations								
3. Total	**1,755**	**-**	**2,425**	**4,180**	**1,741**	**2,714**	**815**	**5,270**
G. Total amount of changes recognised in profit or loss and in OCI (E+F)	**(42,322)**	**2,616**	**4,110**	**(35,596)**	**(14,137)**	**1,850**	**68**	**(12,219)**
H. Other changes								
I. Cash movements								
1. Premiums received	133,512	-	-	133,512	115,536			115,536
2. Payments related to the costs of acquiring contracts	(24,090)	-	-	(24,090)	(20,982)			(20,982)
3. Claims paid and other cash outflows	(55,683)	-	-	(55,683)	(53,262)			(53,262)
4.Other movements								
5. Total	**53,739**	**-**	**-**	**53,739**	**41,292**			**41,292**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**103,779**	**10,491**	**122,884**	**237,154**	**92,362**	**7,875**	**118,774**	**219,011**
M. Closing carrying amount								
1. Insurance contracts issued that constitute liabilities	**103,779**	**10,491**	**122,884**	**237,154**	92,362	7,875	118,774	219,011
2. insurance contracts written that are classified as assets								
3. Net carrying amount at 31 December	**103,779**	**10,491**	**122,884**	**237,154**	**92,362**	**7,875**	**118,774**	**219,011**

Key:

Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Changes in the insurance revenues and the contractual service margin of insurance contracts written, broken down on the basis of contracts existing at the time of transition to IFRS 17 in financial year T – Aggregation Base 1

	31/12/2024				
	New contracts and contracts measured at the transition date with the full retroactive application method	Contracts measured at the transition date with the modified retroactive application method	Contracts measured at the transition date with the fair value method	Carve-out contracts	Total
Insurance revenues	**(32,266)**	**-**	**(86,053)**	**(17,133)**	**(135,452)**
Contractual service margin – Opening balances	**521,581**	**-**	**1,115,676**	**250,646**	**1,887,903**
Changes related to current services	**(32,266)**	**-**	**(86,053)**	**(17,133)**	**(135,452)**
- Contractual service margin recognised in profit or loss to reflect services provided	(32,266)	-	(86,053)	(17,133)	(135,452)
Changes related to future services	**(171,897)**	**-**	**(2,134,984)**	**(24,394)**	**(2,331,275)**
- Changes in estimates adjusting the contractual service margin	(392,941)	-	(2,134,984)	(24,394)	(2,552,319)
- Effects of contracts initially recognised in the reporting year	221,044	-	-	-	221,044
Financial revenues/costs	-	-	-	-	-
I. Related to insurance contracts written	543,746	-	2,303,961	51,740	2,899,447
2. Effects related to exchange rate fluctuations	-	-	-	-	-
3. Total	543,746	-	2,303,961	51,740	2,899,447
Other movements					
Total changes recognised in profit or loss and in comprehensive income	**339,583**	**-**	**82,924**	**10,213**	**432,720**
Contractual service margin – Closing inventories	**861,164**	**-**	**1,198,600**	**260,859**	**2,320,623**

Changes in the insurance revenues and the contractual service margin of insurance contracts written, broken down on the basis of contracts existing at the time of transition to IFRS 17 in financial year T-1 Aggregation Base 1

	31/12/2023				
	New contracts and contracts measured at the transition date with the full retroactive application method	Contracts measured at the transition date with the modified retroactive application method	Contracts measured at the transition date with the fair value method	Carve-out contracts	Total
Insurance revenues	**18,479**	**-**	**73,903**	**17,109**	**109,491**
Contractual service margin – Opening balances	**305,991**	**-**	**1,039,273**	**286,861**	**1,632,125**
Changes related to current services	**(18,479)**	**-**	**(73,903)**	**(17,109)**	**(109,491)**
- Contractual service margin recognised in profit or loss to reflect services provided	(18,479)	-	(73,903)	(17,109)	(109,491)
Changes related to future services	**(30,298)**	**-**	**(1,579,817)**	**(98,783)**	**(1,708,898)**
- Changes in estimates adjusting the contractual service margin	(147,861)	-	(1,579,817)	(98,783)	(1,826,461)
- Effects of contracts initially recognised in the reporting year	117,563	-	-	-	117,563
Financial revenues/costs					
I. Related to insurance contracts written	264,367	-	1,730,123	79,677	2,074,167
2. Effects related to exchange rate fluctuations	-	-	-	-	-
3. Total	264,367	-	1,730,123	79,677	2,074,167
Other movements					
Total changes recognised in profit or loss and in comprehensive income	**215,590**	**-**	**76,403**	**(36,215)**	**255,778**
Contractual service margin – Closing inventories	**521,581**	**-**	**1,115,676**	**250,646**	**1,887,903**

Key:

Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Changes in the insurance revenues and the contractual service margin of insurance contracts written, broken down on the basis of contracts existing at the time of transition to IFRS 17 in financial year T – Aggregation Base 2

	31/12/2024				
	New contracts and contracts measured at the transition date with the full retroactive application method	Contracts measured at the transition date with the modified retroactive application method	Contracts measured at the transition date with the fair value method	Carve-out contracts	Total
Insurance revenues	**(5,441)**	**(11,403)**	**-**	**-**	**(16,844)**
Contractual service margin – Opening balances	**64,099**	**120,092**	**-**	**-**	**184,191**
Changes related to current services	**(5,441)**	**(11,403)**	**-**	**-**	**(16,844)**
- Contractual service margin recognised in profit or loss to reflect services provided	**(5,441)**	**(11,403)**	**-**	**-**	**(16,844)**
Changes related to future services	**26,836**	**(1,212)**	**-**	**-**	**25,624**
- Changes in estimates adjusting the contractual service margin	(1,404)	(1,212)	-	-	(2,616)
- Effects of contracts initially recognised in the reporting year	28,240	-	-	-	28,240
Financial revenues/costs					
1. Related to insurance contracts written	1,639	95	-	-	1,734
2. Effects related to exchange rate fluctuations	-	-	-	-	-
3. Total	1,639	95	-	-	1,734
Other movements					
Total changes recognised in profit or loss and in comprehensive income	**23,034**	**(12,520)**	**-**	**-**	**10,514**
Contractual service margin – Closing inventories	**87,133**	**107,572**	**-**	**-**	**194,705**

Changes in the insurance revenues and the contractual service margin of insurance contracts written, broken down on the basis of contracts existing at the time of transition to IFRS 17 in financial year T-1 – Aggregation Base 2

	31/12/2023				
	New contracts and contracts measured at the transition date with the full retroactive application method	Contracts measured at the transition date with the modified retroactive application method	Contracts measured at the transition date with the fair value method	Carve-out contracts	Total
Insurance revenues	**3,591**	**11,367**	**-**	**-**	**14,958**
Contractual service margin – Opening balances	**33,388**	**121,576**	**-**	**-**	**154,964**
Changes related to current services	**(3,591)**	**(11,367)**	**-**	**-**	**(14,958)**
- Contractual service margin recognised in profit or loss to reflect services provided	(3,591)	(11,367)	-	-	(14,958)
Changes related to future services	**33,762**	**10,098**	**-**	**-**	**43,860**
- Changes in estimates adjusting the contractual service margin	5,582	10,098	-	-	15,680
- Effects of contracts initially recognised in the reporting year	28,180	-	-	-	28,180
Financial revenues/costs					
1. Related to insurance contracts written	540	(215)	-	-	325
2. Effects related to exchange rate fluctuations	-	-	-	-	-
3. Total	540	(215)	-	-	325
Other movements					
Total changes recognised in profit or loss and in comprehensive income	**30,711**	**(1,484)**	**-**	**-**	**29,227**
Contractual service margin – Closing inventories	**64,099**	**120,092**	**-**	**-**	**184,191**

Key:

Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Changes in the insurance revenues and the contractual service margin of insurance contracts written , broken down on the basis of contracts existing at the time of transition to IFRS 17 in financial year T– Aggregation Base 4

	31/12/2024				
	New contracts and contracts measured at the transition date with the full retroactive application method	Contracts measured at the transition date with the modified retroactive application method	Contracts measured at the transition date with the fair value method	Carve-out contracts	Total
Insurance revenues	**(40,605)**	**-**	**(5,367)**	**-**	**(45,972)**
Contractual service margin – Opening balances	**82,030**	**-**	**36,744**	**-**	**118,774**
Changes related to current services	**(40,605)**	**-**	**(5,367)**	**-**	**(45,972)**
- Contractual service margin recognised in profit or loss to reflect services provided	**(40,605)**	**-**	**(5,367)**	**-**	**(45,972)**
Changes related to future services	**60,260**	**-**	**(12,603)**	**-**	**47,657**
- Changes in estimates adjusting the contractual service margin	(643)	-	(12,603)	-	(13,246)
- Effects of contracts initially recognised in the reporting year	60,903	-	-	-	60,903
Financial revenues/costs					
I. Related to insurance contracts written	2,400	-	25	-	2,425
2. Effects related to exchange rate fluctuations	-	-	-	-	-
3. Total	2,400	-	25	-	2,425
Other movements					
Total changes recognised in profit or loss and in comprehensive income	**22,055**	**-**	**(17,945)**	**-**	**4,110**
Contractual service margin – Closing inventories	**104,085**	**-**	**18,799**	**-**	**122,884**

Changes in the insurance revenues and the contractual service margin of insurance contracts written, broken down on the basis of contracts existing at the time of transition to IFRS 17 in financial year T-1 – Aggregation Base 4

	31/12/2023				
	New contracts and contracts measured at the transition date with the full retroactive application method	Contracts measured at the transition date with the modified retroactive application method	Contracts measured at the transition date with the fair value method	Carve-out contracts	Total
Insurance revenues	**30,892**	**-**	**10,253**	**-**	**41,145**
Contractual service margin – Opening balances	**56,074**	**-**	**62,631**	**-**	**118,705**
Changes related to current services	**(30,892)**	**-**	**(10,253)**	**-**	**(41,145)**
- Contractual service margin recognised in profit or loss to reflect services provided	(30,892)	-	(10,253)	-	(41,145)
Changes related to future services	**55,943**	**-**	**(15,546)**	**-**	**40,397**
- Changes in estimates adjusting the contractual service margin	(6,545)	-	(15,546)	-	(22,091)
- Effects of contracts initially recognised in the reporting year	62,488	-	-	-	62,488
Financial revenues/costs					
I. Related to insurance contracts written	904	-	(89)	-	815
2. Effects related to exchange rate fluctuations	-	-	-	-	-
3. Total	904	-	(89)	-	815
Other movements					
Total changes recognised in profit or loss and in comprehensive income	**25,955**	**-**	**(25,888)**	**-**	**67**
Contractual service margin – Closing inventories	**82,029**	**-**	**36,743**	**-**	**118,772**

Key:

Aggregation Base I = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Elements underlying the measurement of insurance contracts written recognised in financial year T - Aggregation Base 1

	Originated contracts		
	31/12/2024		
Items/contract groups	Onerous contracts	Non-onerous contracts	Total
A. Estimated present value of future cash inflows			
I. Contract acquisition costs	-	56,665	56,665
2. Amount of claims and other directly attributable costs	-	2,600,510	2,600,510
3. Total	-	2,657,175	2,657,175
B. Estimated present value of future cash inflows	**-**	**2,883,697**	**2,883,697**
C. Estimated net present value of future cash flows (A-B)	**-**	**(226,522)**	**(226,522)**
D. Estimated net present value of future cash flows (A-B)	**-**	**5,478**	**5,478**
E. Derecognition of assets/liabilities previously recognised for cash flows associated with insurance contracts written	**-**	**-**	**-**
F. Contractual service margin	**-**	**221,044**	**221,044**
G. Increase included in the liability for insurance contracts written during the year (C+D+E+F)	**-**	**-**	**-**

Elements underlying the measurement of insurance contracts written recognised in financial year T-1 - Aggregation Base 1

	Originated contracts		
	31/12/2023		
Items/contract groups	Onerous contracts	Non-onerous contracts	Total
A. Estimated present value of future cash inflows			
I. Contract acquisition costs	-	34,133	34,133
2. Amount of claims and other directly attributable costs	-	1,446,285	1,446,285
3. Total	-	1,480,418	1,480,418
B. Estimated present value of future cash inflows	**-**	**1,600,266**	**1,600,266**
C. Estimated net present value of future cash flows (A-B)	**-**	**(119,848)**	**(119,848)**
D. Estimated net present value of future cash flows (A-B)	**-**	**2,285**	**2,285**
E. Derecognition of assets/liabilities previously recognised for cash flows associated with insurance contracts written	**-**	**-**	**-**
F. Contractual service margin	**-**	**117,563**	**117,563**
G. Increase included in the liability for insurance contracts written during the year (C+D+E+F)	**-**	**-**	**-**

Key:

Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Elements underlying the measurement of insurance contracts written recognised in financial year T - Aggregation Base 2

Items/contract groups	Originated contracts		
	31/12/2024		
	Onerous contracts	Non-onerous contracts	Total
A. Estimated present value of future cash inflows			
I. Contract acquisition costs	-	4,783	4,783
2. Amount of claims and other directly attributable costs	-	35,406	35,406
3. Total	-	40,189	40,189
B. Estimated present value of future cash inflows	**-**	**69,844**	**69,844**
C. Estimated net present value of future cash flows (A-B)	**-**	**(29,655)**	**(29,655)**
D. Estimated net present value of future cash flows (A-B)	**-**	**1,415**	**1,415**
E. Derecognition of assets/liabilities previously recognised for cash flows associated with insurance contracts written	**-**	**-**	**-**
F. Contractual service margin	**-**	**28,240**	**28,240**
G. Increase included in the liability for insurance contracts written during the year (C+D+E+F)	**-**	**-**	**-**

Elements underlying the measurement of insurance contracts written recognised in financial year T-1 - Aggregation Base 2

Items/contract groups	Originated contracts		
	31/12/2023		
	Onerous contracts	Non-onerous contracts	Total
A. Estimated present value of future cash inflows			
I. Contract acquisition costs	-	5,295	5,295
2. Amount of claims and other directly attributable costs	-	34,731	34,731
3. Total	-	40,026	40,026
B. Estimated present value of future cash inflows	**-**	**69,592**	**69,592**
C. Estimated net present value of future cash flows (A-B)	**-**	**(29,566)**	**(29,566)**
D. Estimated net present value of future cash flows (A-B)	**-**	**1,386**	**1,386**
E. Derecognition of assets/liabilities previously recognised for cash flows associated with insurance contracts written	**-**	**-**	**-**
F. Contractual service margin	**-**	**28,180**	**28,180**
G. Increase included in the liability for insurance contracts written during the year (C+D+E+F)	**-**	**-**	**-**

Key:

Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Elements underlying the measurement of insurance contracts written recognised in financial year T - Aggregation Base 4

Items/contract groups	Originated contracts		
	31/12/2024		
	Onerous contracts	Non-onerous contracts	Total
A. Estimated present value of future cash inflows			
I. Contract acquisition costs	-	24,063	24,063
2. Amount of claims and other directly attributable costs	-	52,752	52,752
3. Total	-	76,815	76,815
B. Estimated present value of future cash inflows	**-**	**142,507**	**142,507**
C. Estimated net present value of future cash flows (A-B)	**-**	**(65,692)**	**(65,692)**
D. Estimated net present value of future cash flows (A-B)	**-**	**4,789**	**4,789**
E. Derecognition of assets/liabilities previously recognised for cash flows associated with insurance contracts written	**-**	**-**	**-**
F. Contractual service margin	**-**	**60,903**	**60,903**
G. Increase included in the liability for insurance contracts written during the year (C+D+E+F)	**-**	**-**	**-**

Elements underlying the measurement of insurance contracts written recognised in financial year T-1 - Aggregation Base 4

Items/contract groups	Originated contracts		
	31/12/2023		
	Onerous contracts	Non-onerous contracts	Total
A. Estimated present value of future cash inflows			
I. Contract acquisition costs	-	20,540	20,540
2. Amount of claims and other directly attributable costs	-	44,657	44,657
3. Total	-	65,197	65,197
B. Estimated present value of future cash inflows	**-**	**131,906**	**131,906**
C. Estimated net present value of future cash flows (A-B)	**-**	**(66,709)**	**(66,709)**
D. Estimated net present value of future cash flows (A-B)	**-**	**4,221**	**4,221**
E. Derecognition of assets/liabilities previously recognised for cash flows associated with insurance contracts written	**-**	**-**	**-**
F. Contractual service margin	**-**	**62,488**	**62,488**
G. Increase included in the liability for insurance contracts written during the year (C+D+E+F)	**-**	**-**	**-**

Key:
Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Insurance contracts written - Contractual service margin broken down by expected timing of recognition in profit and loss

The table below is broken down by life and non-life segments:

(€ thousands)

Bases of aggregation/expected timeframe	Up to 1 year	Over 1 year to 2 years	Over 2 years to 3 years	Over 3 years to 4 years	Over 4 years to 5 years	Over 5 years to 10 years	Over 10 years to 20 years	Over 20 years	Total
Life segment	(162,469)	(154,839)	(148,921)	(142,839)	(136,613)	(588,772)	(721,568)	(459,309)	**(2,515,328)**
Non-life segment	(35,816)	(10,520)	(9,875)	(9,284)	(8,727)	(27,822)	(16,590)	(4,249)	**(122,884)**

Insurance contracts written - Claims development gross of reinsurance (non-life segment)

Claims/time bands (€ thousands)	Year 31.12.2015	Year 31.12.2016	Year 31.12.2017	Year 31.12.2018	Year 31.12.2019	Year 31.12.2020	Year 31.12.2021	Year 31.12.2022	Year 31.12.2023	Year 31.12.2024	Total
A. Cumulative claims paid and other directly attributable costs paid											
1 At the end of the year incurred	(3,449)	(3,130)	(3,556)	(4,519)	(6,298)	(7,981)	(11,895)	(14,782)	(21,664)	(20,032)	X
2. One year later	(6,927)	(7,340)	(9,121)	(9,298)	(12,952)	(16,921)	(22,496)	(28,457)	(42,749)	X	X
3. Two years later	(8,601)	(10,626)	(9,787)	(10,771)	(15,392)	(18,876)	(26,454)	(33,973)	X	X	X
4. Three years later	(8,965)	(10,866)	(9,991)	(11,520)	(15,652)	(19,744)	(28,391)	X	X	X	X
5. Four years later	(8,991)	(10,994)	(10,172)	(11,559)	(15,934)	(19,914)	X	X	X	X	X
6. Five years later	(9,012)	(10,994)	(10,385)	(11,640)	(15,959)	X	X	X	X	X	X
7. Six years later	(9,012)	(10,994)	(10,404)	(11,672)	X	X	X	X	X	X	X
8. Seven years later	(9,072)	(11,182)	(10,410)	X	X	X	X	X	X	X	X
9. Eight years later	(9,074)	(11,197)	X	X	X	X	X	X	X	X	X
10. Nine years later	(9,074)	X	X	X	X	X	X	X	X	X	X
Total accumulated claims paid and other directly attributable costs paid (Total A)	(9,074)	(11,197)	(10,410)	(11,672)	(15,959)	(19,914)	(28,391)	(33,973)	(42,749)	(20,032)	(203,373)
B. Estimated final cost of cumulative claims (amount gross of reinsurance cessions and not discounted)											
1 At the end of the year incurred	(3,626)	(12,625)	(11,904)	(13,759)	(15,245)	(21,430)	(30,605)	(38,514)	(54,717)	(51,428)	X
2. One year later	(10,305)	(13,266)	(11,814)	(12,671)	(17,411)	(20,336)	(28,985)	(38,040)	(54,261)	X	X
3. Two years later	(9,614)	(11,279)	(10,556)	(12,405)	(16,334)	(20,715)	(29,488)	(36,811)	X	X	X
4. Three years later	(9,736)	(11,223)	(10,525)	(12,052)	(16,470)	(20,324)	(29,443)	X	X	X	X
5. Four years later	(9,583)	(11,385)	(10,383)	(11,852)	(16,320)	(20,191)	X	X	X	X	X
6. Five years later	(9,262)	(11,298)	(10,447)	(11,781)	(16,298)	X	X	X	X	X	X
7. Six years later	(9,196)	(11,292)	(10,469)	(11,738)	X	X	X	X	X	X	X
8. Seven years later	(9,186)	(11,353)	(10,462)	X	X	X	X	X	X	X	X
9. Eight years later	(9,093)	(11,325)	X	X	X	X	X	X	X	X	X
10. Nine years later	(9,093)	X	X	X	X	X	X	X	X	X	X
Estimated final cost of cumulative claims (amount gross of reinsurance cessions and not discounted)	(9,093)	(11,325)	(10,462)	(11,738)	(16,298)	(20,191)	(29,443)	(36,811)	(54,261)	(51,428)	(251,050)
C. Liabilities for undiscounted gross claims incurred - year incurred from T to T-9 (Total B – Total A)	(18)	(127)	(52)	(65)	(339)	(277)	(1,052)	(2,837)	(11,512)	(31,397)	(47,677)
D. Liabilities for undiscounted gross claims incurred - years prior to T-9	X	X	X	X	X	X	X	X	X	X	(1,892)
E. Discounting effect	X	X	X	X	X	X	X	X	X	X	1,634
F. Effect of adjustment for non-financial risks	X	X	X	X	X	X	X	X	X	X	(4,533)
G. Liabilities for gross claims incurred of insurance contracts written	X	X	X	X	X	X	X	X	X	X	(52,468)

Insurance contracts written - Claims development net of reinsurance (non-life segment)

Claims/time bands (€ thousands)	Year 31.12.2015	Year 31.12.2016	Year 31.12.2017	Year 31.12.2018	Year 31.12.2019	Year 31.12.2020	Year 31.12.2021	Year 31.12.2022	Year 31.12.2023	Year 31.12.2024	Total
A. Cumulative claims paid and other directly attributable costs paid											
1 At the end of the year incurred	(3,045)	(2,864)	(3,081)	(4,037)	(5,127)	(5,885)	(7,102)	(9,246)	(12,626)	(17,738)	X
2. One year later	(6,243)	(6,707)	(8,382)	(8,363)	(10,806)	(11,813)	(15,030)	(19,652)	(27,727)	X	X
3. Two years later	(7,871)	(9,620)	(8,985)	(9,624)	(13,001)	(13,512)	(18,574)	(24,771)	X	X	X
4. Three years later	(8,191)	(9,857)	(9,157)	(10,300)	(13,237)	(14,350)	(20,258)	X	X	X	X
5. Four years later	(8,216)	(9,812)	(9,336)	(10,320)	(13,508)	(14,497)	X	X	X	X	X
6. Five years later	(8,237)	(9,812)	(9,508)	(10,389)	(13,527)	X	X	X	X	X	X
7. Six years later	(8,237)	(9,812)	(9,526)	(10,415)	X	X	X	X	X	X	X
8. Seven years later	(8,297)	(10,000)	(9,533)	X	X	X	X	X	X	X	X
9. Eight years later	(8,300)	(10,015)	X	X	X	X	X	X	X	X	X
10. Nine years later	(8,300)	X	X	X	X	X	X	X	X	X	X
Total accumulated claims paid and other directly attributable costs paid (Total A)	(8,300)	(10,015)	(9,533)	(10,415)	(13,527)	(14,497)	(20,258)	(24,771)	(27,727)	(17,738)	(156,780)
B. Estimated final cost of cumulative claims (amount gross of reinsurance cessions and not discounted)				-							
1 At the end of the year incurred	(3,222)	(11,525)	(10,846)	(12,337)	(13,388)	(16,040)	(22,283)	(28,797)	(37,407)	(46,693)	X
2. One year later	(9,454)	(12,185)	(10,884)	(11,404)	(14,779)	(14,933)	(20,989)	(28,296)	(38,138)	X	X
3. Two years later	(8,841)	(10,257)	(9,686)	(10,960)	(13,863)	(15,200)	(21,126)	(27,743)	X	X	X
4. Three years later	(8,960)	(10,168)	(9,674)	(10,708)	(13,993)	(14,890)	(21,324)	X	X	X	X
5. Four years later	(8,809)	(10,117)	(9,534)	(10,525)	(13,861)	(14,787)	X	X	X	X	X
6. Five years later	(8,487)	(10,044)	(9,568)	(10,496)	(13,884)	X	X	X	X	X	X
7. Six years later	(8,410)	(10,037)	(9,580)	(10,492)	X	X	X	X	X	X	X
8. Seven years later	(8,405)	(10,106)	(9,586)	X	X	X	X	X	X	X	X
9. Eight years later	(8,319)	(10,167)	X	X	X	X	X	X	X	X	X
10. Nine years later	(8,319)	X	X	X	X	X	X	X	X	X	X
Estimated final cost of cumulative claims (amount gross of reinsurance cessions and not discounted)	(8,319)	(10,167)	(9,586)	(10,492)	(13,884)	(14,787)	(21,324)	(27,743)	(38,138)	(46,693)	(201,132)
C. Liabilities for undiscounted gross claims incurred - year incurred from T to T-9 (Total B – Total A)	(19)	(152)	(53)	(76)	(357)	(290)	(1,066)	(2,972)	(10,412)	(28,955)	(44,352)
D. Liabilities for undiscounted net claims incurred - years prior to T-9	X	X	X	X	X	X	X	X	X	X	(1,890)
E. Discounting effect	X	X	X	X	X	X	X	X	X	X	1,515
F. Effect of adjustment for non-financial risks	X	X	X	X	X	X	X	X	X	X	(4,370)
G. Liabilities for net claims incurred of insurance contracts written	X	X	X	X	X	X	X	X	X	X	(49,097)

SECTION 12 – REDEEMABLE SHARES – ITEM 130

Item not applicable to Group.

SECTION 13 – GROUP EQUITY – ITEMS 120 150 155 160 170 and 180

13.1 "Share capital" and "treasury shares": breakdown

At 31 December 2024, the share capital amounted to €600,688 thousand (31.12.2023: €600,564 thousand) divided into 745,278,391 shares with no par value. The number of treasury shares in the portfolio was 7,893,303, of an equivalent value of €77.4 million at 31 December 2024.

13.2 Share capital – Number of parent company shares: changes during the year

Units	Ordinary	Other
A. Shares existing at the beginning of the year	**744,040,141**	**-**
- fully paid-up	744,040,141	-
- not fully paid-up	-	-
A.1 Treasury shares (-)	(2,899,295)	-
A.2 Shares in issue: opening balances	741,140,846	-
B. Increases	**2,467,550**	**-**
B.1 New issues	1,238,250	-
- for payment	1,238,250	-
- business combinations	-	-
- bond conversion	-	-
- exercise of warrants	-	-
- other	1,238,250	-
- free of charge	-	-
- for employees	-	-
- for directors	-	-
- other	-	-
B.2 Sale of treasury shares	1,229,300	-
B.3 Other changes		-
C. Decreases	**(6,223,308)**	**-**
C.1 Cancellation	-	-
C.2 Share buybacks	(6,223,308)	-
C.3 Transactions involving the sale of companies	-	-
C.4 Other changes	-	-
D. Shares in issue: closing balances	**737,385,088**	**-**
D.1 Treasury shares (+)	7,893,303	-
D.2 Shares existing at the end of the year	745,278,391	-
- fully paid-up	745,278,391	-
- not fully paid-up	-	-

13.3 Share capital: other information

There is no other information to report on the above points.

13.4 Earnings reserves: other information

The Group reserves included in item 150 total €2,526.7 million (31.12.2032: €2,213.3 million).

For changes in reserves, see the "Consolidated statement of changes in shareholders' equity" and the table included in the notes to Banca Mediolanum's financial statements for the year for the information required by Article 2427 of the Italian Civil Code.

13.6 Other information

There is no other information to report on the above points.

OTHER INFORMATION

1. Financial commitments and guarantees given (other than those designated at fair value)

€/000	Nominal value of financial commitments and guarantees given				Total	Total
	Stage 1	Stage 2	Stage 3	Impaired, acquired or originated	31/12/2024	31/12/2023
1. Commitments to disburse funds	**859,188**	**14,708**	**4,639**	**-**	**878,535**	**864,492**
a) Central banks	-	-	-	-	-	-
b) General government	-	-	-	-	-	-
c) Banks	-	-	-	-	-	-
d) Other financial corporations	221,308	908	-	-	222,216	217,787
e) Non-financial corporations	196,473	5,183	24	-	201,680	194,988
f) Households	441,407	8,617	4,615	-	454,639	451,717
2. Financial guarantees given	**90,901**	**-**	**-**	**-**	**90,901**	**75,448**
a) Central banks	-	-	-	-	-	-
b) General government	-	-	-	-	-	-
c) Banks	90,772	-	-	-	90,772	75,324
d) Other financial corporations	-	-	-	-	-	-
e) Non-financial corporations	129	-	-	-	129	124
f) Households	-	-	-	-	-	-

2. Other commitments and guarantees given

€/000	31/12/2024	31/12/2023
1. Other guarantees given	**90,088**	**107,471**
of which: non-performing credit exposures	350	446
a) Central banks	-	-
b) General government	-	-
c) Banks	57	57
d) Other financial corporations	1,066	11,030
e) Non-financial corporations	29,206	26,197
f) Households	59,759	70,187
2. Other commitments	**56,960**	**66,956**
of which: non-performing credit exposures	-	33
a) Central banks	-	-
b) General government	-	-
c) Banks	-	-
d) Other financial corporations	49,420	58,677
e) Non-financial corporations	2,753	3,423
f) Households	4,787	4,856

3. Assets pledged as collateral for liabilities and commitments

€/000	31/12/2024	31/12/2023
1. Financial assets at fair value through profit or loss	130,580	81,611
2. Financial assets measured at fair value through other comprehensive income	-	-
3. Financial assets measured at amortised cost	6,530,769	8,408,493
4. Tangible assets	-	-
of which: tangible assets constituting inventories	-	-

4. Breakdown of investments for unit-linked and index-linked policies

€/000	Services in relation to investment funds and market indices	Services in relation to pension fund management	TOTAL 2024
Assets on the balance sheet	41,904,095	-	41,904,095
Intra-group activities*	373,630	-	373,630
Total Assets	**42,277,725**	**-**	**42,277,725**
Financial liabilities on the balance sheet	18,740,436	-	18,740,436
Insurance liabilities	25,804,045	-	25,804,045
Intragroup liabilities*	-	-	-
Total Liabilities	**44,544,481**	**-**	**44,544,481**

(*) Assets and liabilities eliminated in the consolidation process

5. Asset management and trading on behalf of third parties

€/000	31/12/2024
1. Execution of orders on behalf of customers	
a) purchases	3,571,328
1. settled	3,571,328
2. not settled	-
b) sales	2,097,159
1. settled	2,097,159
2. not settled	-
2. Portfolio management	
a) individual	5,734,405
b) collective	41,612,497
3. Securities custody and administration	
a) third-party securities in custody: connected to custodian bank operations (excluding portfolio management)	385,849
1. securities issued by the companies included in the consolidation	-
2. other securities	385,849
b) third-party securities in custody (excluding portfolio management): other	29,474,111
1. securities issued by the companies included in the consolidation	4,030
2. other securities	29,470,081
c) third-party securities held with third parties	29,379,082
d) own securities held with third parties	57,020,722
4. Other transactions	**17,204,281**

PART C –INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

SECTION 1 – INTEREST– ITEMS 10 AND 20

1.1 Interest income and similar income: breakdown

€/000	Debt securities	Loans	Other transactions	Total 31/12/2024	Total 31/12/2023
1. Financial assets at fair value through profit or loss:	**61,096**	**-**	**-**	**61,096**	**57,924**
1.1 Financial assets held for trading	12,904	-	-	12,904	11,941
1.2 Financial assets designated at fair value	48,192	-	-	48,192	45,983
1.3 Other financial assets mandatorily measured at fair value	-	-	-	-	-
2. Financial assets measured at fair value through other comprehensive income	**58,977**	**-**	**X**	**58,977**	**46,523**
3. Financial assets measured at amortised cost:	**606,093**	**696,761**	**-**	**1,302,854**	**1,185,939**
3.1 Loans to banks	6,477	14,209	X	20,686	22,659
3.2 Loans to customers	599,616	682,552	X	1,282,168	1,163,280
4. Hedging derivatives	**X**	**X**	**271**	**271**	**2,051**
5. Other assets	**X**	**X**	**39,720**	**39,720**	**38,339**
6. Financial liabilities	**X**	**X**	**X**	**1,340**	**989**
TOTAL	**726,166**	**696,761**	**39,991**	**1,464,258**	**1,331,765**
of which: interest income on impaired financial assets	-	9,844	-	9,844	9,262
of which: interest income on finance leases	X	-	X	-	-

1.2 Interest income and similar income: other information

1.2.1 Interest income on foreign-currency financial assets

€/000	31/12/2024	31/12/2023
Interest income on foreign-currency financial assets	1,966	2,278
TOTAL	**1,966**	**2,278**

1.3 Interest expense and similar expenses: breakdown

€/000	Payables	Securities	Other transactions	Total 31/12/2024	Total 31/12/2023
1. Financial liabilities measured at amortised cost	(569,970)	(15,618)	X	(585,588)	(502,740)
1.1 Payables to central banks	-	X	X	-	-
1.2 Payables to banks	(55,144)	X	X	(55,144)	(25,146)
1.3 Payables to customers	(514,826)	X	X	(514,826)	(462,083)
1.4 Debt securities in issue	X	(15,618)	X	(15,618)	(15,511)
2. Financial liabilities held for trading	-	-	-	-	-
3. Financial liabilities designated at fair value	-	-	-	-	-
4. Other liabilities and provisions	X	X	(3,484)	(3,484)	(588)
5. Hedging derivatives	X	X	(261)	(261)	(2,333)
6. Financial assets	X	X	X	-	(110)
TOTAL	**(569,970)**	**(15,618)**	**(3,745)**	**(589,333)**	**(505,771)**
of which: interest expense relating to lease liabilities	(1,477)	X	X	(1,477)	(1,342)

1.4 Interest expense and similar expenses: other information

1.4.1 Interest expense on foreign-currency liabilities

€/000	31/12/2024	31/12/2023
Interest expense on foreign-currency financial assets	(2,940)	(2,852)
TOTAL	**(2,940)**	**(2,852)**

1.5 Differentials relating to hedging transactions

€/000	31/12/2024	31/12/2023
A. Positive differentials relating to hedging transactions	271	2,051
B. Negative differentials relating to hedging transactions	(261)	(2,333)
C. Balance (A-B)	**10**	**(282)**

SECTION 2 – COMMISSIONS – ITEMS 40 AND 50

2.1 Commission income: breakdown

€/000	Total 31/12/2024	Total 31/12/2023
a) Financial instruments	92,019	89,828
1. Placement of securities	55,990	60,730
1.1 With an underwriting commitment and/or based on an irrevocable commitment	-	-
1.2 Without irrevocable commitment	55,990	60,730
2. Receipt and transmission of orders and execution of orders on behalf of clients	14,151	11,738
2.1 Receipt and transmission of orders for one or more financial instruments	1,294	1,222
2.2 Execution of orders on behalf of clients	12,857	10,516
3. Other fees for activities associated with financial instruments	21,878	17,360
of which: own-account trading	-	-
of which: management of individual portfolios	21,878	17,360
b) Corporate finance	-	-
1. Merger and acquisition advisory	-	-
2. Treasury services	-	-
3. Other fees related to corporate finance services	-	-
c) Investment advisory activities	3,024	2,047
d) Clearing and settlement	-	-
e) Collective portfolio management	1,954,283	1,407,248
f) Custody and administration	6,427	4,937
1. Custodian bank	-	-
2. Other custody and administration fees	6,427	4,937
g) Central administrative services for collective portfolio management	-	-
h) Trust activity	576	527
i) Payment services	91,404	75,264
1. Current account	31,431	29,148
2. Credit cards	44,755	26,276
3. Debit and other payment cards	6,846	12,735
4. Wire transfers and other payment orders	4,533	3,455
5. Other payment service fees	3,839	3,650
j) Distribution of third-party services	77,653	59,213
1. Collective portfolio management	72,691	53,196
2. Insurance products	1,643	1,382
3. Other products	3,319	4,635
of which: management of individual portfolios	-	-
k) Structured finance	-	-
l) Servicing of securitisation operations	-	-
m) Commitments to disburse funds	-	-
n) Financial guarantees given	869	800
of which: derivatives on receivables	-	-
o) Financing transactions	17,272	17,431
of which: for factoring transactions	-	-
p) Foreign exchange trading	6	7
q) Goods	-	-
r) Other commission income	106,684	88,743
of which: for management of multilateral trading facilities	-	-
of which: management of organised trading systems	191	237
TOTAL	**2,350,217**	**1,746,045**

2.2 Commission expense: breakdown

€/000	Total 31/12/2024	Total 31/12/2023
a) Financial instruments	(1,287)	(1,260)
of which: trading of financial instruments	(1,287)	(1,260)
of which: placement of financial instruments	-	-
of which: management of individual portfolios	-	-
- Own	-	-
- Delegated to third parties	-	-
b) Clearing and settlement	-	-
c) Collective portfolio management	(89,566)	(74,576)
1. Own	(83,800)	(70,358)
2. Delegated to third parties	(5,766)	(4,218)
d) Custody and administration	(2,588)	(2,025)
e) Collection and payment services	(84,344)	(67,548)
of which: credit cards, debit cards and other payment cards	(62,781)	(42,174)
f) Securitisation servicing services	-	-
g) Commitments to receive funds	-	-
h) Financial guarantees received	-	-
of which: derivatives on receivables	-	-
i) Financial solicitation	(605,293)	(618,691)
j) Foreign exchange trading	-	-
k) Other commission expenses	(100,054)	41,271
TOTAL	**(883,132)**	**(722,829)**

SECTION 3 – DIVIDENDS AND SIMILAR INCOME – ITEM 70

3.1 Dividends and similar income: breakdown

€/000	Total 31/12/2024		Total 31/12/2023	
	Dividends	Similar income	Dividends	Similar income
A. Financial assets held for trading	68	-	45	-
B. Other financial assets mandatorily measured at fair value	-	4,864	-	3,556
C. Financial assets measured at fair value through other comprehensive income	31,193	-	24,739	-
D. Equity investments	-	-	-	-
TOTAL	**31,261**	**4,864**	**24,784**	**3,556**

SECTION 4 – NET GAINS (LOSSES) FROM TRADING – ITEM 80

4.1 Net gains (losses) from trading: breakdown

€/000	Capital gains (A)	Gains from trading (B)	Capital losses (C)	Losses from trading (D)	Net result [(A+B)-(C+D)]
1. Financial assets held for trading	**5,293**	**10,782**	**(15,560)**	**(332)**	**183**
1.1 Debt securities	2,860	10,722	(441)	(282)	12,859
1.2 Equity securities	2,433	60	(15,119)	(50)	(12,676)
1.3 Units in investment funds (UCIs)	-	-	-	-	-
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	-	-
2. Financial liabilities held for trading	**-**	**10**	**-**	**(4)**	**6**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	10	-	(2)	8
2.3 Other	-	-	-	(2)	(2)
3. Financial assets and liabilities: foreign exchange gains and losses	**X**	**X**	**X**	**X**	**607**
4. Derivative instruments	**10,202**	**5,425**	**(407)**	**(13,974)**	**7,998**
4.1 Financial derivatives:	10,202	5,425	(407)	(13,974)	7,998
- On debt securities and interest rates	10,202	5,405	(407)	(13,974)	1,226
- On equity instruments and equity indices	-	20	-	-	20
- On currencies and gold	X	X	X	X	6,752
- Other	-	-	-	-	-
4.2 Credit derivatives	-	-	-	-	-
of which: natural hedges associated with the fair value option	X	X	X	X	-
TOTAL	**15,495**	**16,217**	**(15,967)**	**(14,310)**	**8,794**

SECTION 5 – NET GAINS (LOSSES) FROM HEDGING – ITEM 90

5.1 Net gains (losses) from hedging: breakdown

€/000	31/12/2024	31/12/2023
A. Income relating to:		
A.1 Fair value hedging derivatives	1,125	210
A.2 Hedged financial assets (fair value)	871	1,444
A.3 Hedged financial liabilities (fair value)	-	-
A.4 Financial derivatives hedging cash flows	-	-
A.5 Assets and liabilities in foreign currencies	-	-
Total income from hedging (A)	**1,996**	**1,654**
B. Expenses relating to:		
B.1 Fair value hedging derivatives	(244)	(2,320)
B.2 Hedged financial assets (fair value)	(1,742)	-
B.3 Hedged financial liabilities (fair value)	-	-
B.4 Financial derivatives hedging cash flows	-	-
B.5 Assets and liabilities in foreign currencies	-	-
Total hedging expenses (B)	**(1,986)**	**(2,320)**
C. Net gains (losses) from hedging (A - B)	**10**	**(666)**
of which: result of hedges on net positions	-	-

SECTION 6 – GAINS (LOSSES) FROM DISPOSAL/REPURCHASE – ITEM 100

6.1 Gains (losses) from disposal/repurchase: breakdown

€/000	31/12/2024			31/12/2023		
	Gains	Losses	Net result	Gains	Losses	Net result
A. Financial assets						
1. Financial assets measured at amortised cost	5	-	5	13	(24)	(11)
1.1 Loans to banks	-	-	-	1	-	1
1.2 Loans to customers	5	-	5	12	(24)	(12)
2. Financial assets measured at fair value through other comprehensive income	478	(179)	299	25	(121)	(96)
2.1 Debt securities	478	(179)	299	25	(121)	(96)
2.2 Loans	-	-	-	-	-	-
TOTAL ASSETS (A)	**483**	**(179)**	**304**	**38**	**(145)**	**(107)**
B. financial liabilities measured at amortised cost						
1. Payables to banks	-	-	-	-	-	-
2. Payables to customers	-	-	-	-	-	-
3. Debt securities in issue	-	-	-	-	-	-
TOTAL LIABILITIES (B)	**-**	**-**	**-**	**-**	**-**	**-**

SECTION 7 – NET GAIN (LOSS) FROM OTHER FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS – ITEM 110

7.1 Net change in the value of other financial assets and liabilities at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value

€/000	Capital gains (A)	Gains from disposals (B)	Capital losses (C)	Losses on disposals (D)	Net result [(A+B)-(C+D)]
1. Financial assets	**4,236,549**	**609,522**	**(56,109)**	**(321,300)**	**4,468,662**
1.1 Debt securities	34,947	62,241	(8,145)	(35,060)	53,983
1.2 Loans	4,201,602	547,281	(47,964)	(286,240)	4,414,679
2. Financial liabilities	**175**	**-**	**(1,786,351)**	**-**	**(1,786,176)**
2.1 Debt securities in issue	-	-	-	-	-
2.2 Payables to banks	-	-	-	-	-
2.3 Payables to customers	175	-	(1,786,351)	-	(1,786,176)
3. Foreign-currency financial assets and liabilities: foreign exchange gains and losses	X	X	X	X	**-**
TOTAL	**4,236,724**	**609,522**	**(1,842,460)**	**(321,300)**	**2,682,486**

7.2 Net change in the value of other financial assets and liabilities at fair value through profit or loss: breakdown of other financial assets mandatorily measured at fair value

€/000	Capital gains (A)	Gains from disposals (B)	Capital losses (C)	Losses on disposals (D)	Net result [(A+B)-(C+D)]
1. Financial assets	**10,823**	**45**	**(3,477)**	**(57)**	**7,334**
1.1 Debt securities	-	-	(137)	-	(137)
1.2 Equity securities	-	-	-	-	-
1.3 Units in investment funds (UCIs)	10,823	45	(3,340)	(57)	7,471
1.4 Loans	-	-	-	-	-
2. Financial assets: foreign exchange gains and losses	**X**	**X**	**X**	**X**	**-**
TOTAL	**10,823**	**45**	**(3,477)**	**(57)**	**7,334**

SECTION 8 – CREDIT-RISK INDUCED NET ADJUSTMENTS/WRITE-BACKS – ITEM 130

8.1 Credit-risk induced net value adjustments relating to financial assets measured at amortised cost: breakdown

€/000	Value adjustments (1)						Write-backs (2)				Total	Total
	Stage 1	Stage 2	Stage 3		Purchased or originated impaired		Stage 1	Stage 2	Stage 3	Purchased or originated impaired	31/12/2024	31/12/2023
			Write-offs	Other	Write-offs	Other						
A. Loans to banks	**(103)**	**-**	**-**	**-**	**-**	**-**	**48**	**-**	**-**	**-**	**(55)**	**(25)**
- Loans	-	-	-	-	-	-	-	-	-	-	-	(22)
- Debt securities	(103)	-	-	-	-	-	48	-	-	-	(55)	(3)
B. Loans to customers	**(5,906)**	**(2,936)**	**(1,825)**	**(40,153)**	**-**	**-**	**3,061**	**786**	**15,575**	**16**	**(31,382)**	**(33,111)**
- Loans	(5,649)	(2,936)	(1,825)	(40,153)	-	-	961	786	15,575	16	(33,225)	(33,293)
- Debt securities	(257)	-	-	-	-	-	2,100	-	-	-	1,843	182
TOTAL	**(6,009)**	**(2,936)**	**(1,825)**	**(40,153)**	**-**	**-**	**3,109**	**786**	**15,575**	**16**	**(31,437)**	**(33,136)**

8.2 Credit risk-induced net value adjustments relating to financial assets at fair value through other comprehensive income: breakdown

€/000	Value adjustments (1)						Write-backs (2)				Total	Total
			Stage 3		Purchased or originated impaired							
	Stage 1	Stage 2	Write-offs	Other	Write-offs	Other	Stage 1	Stage 2	Stage 3	Purchased or originated impaired	31/12/2024	31/12/2023
A. Debt securities	(516)	-	-	-	-	-	1,325	-	-	-	809	390
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-
- To customers	-	-	-	-	-	-	-	-	-	-	-	-
- To banks	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**(516)**	**-**	**-**	**-**	**-**	**-**	**1,325**	**-**	**-**	**-**	**809**	**390**

SECTION 10 – RESULT OF INSURANCE SERVICES – ITEM 160

Insurance revenues and costs deriving from insurance contracts written in financial year T – Breakdown

Items/aggregation bases	Base A1 31.12.2024	Base A2 31.12.2024	Base A3 31.12.2024	Base A4 31.12.2024	Base A5 31.12.2024	Total 31.12.2024
A. Insurance revenues deriving from insurance contracts written measured according to GMM and VFA						
A.1 Amounts related to changes in ARC	**275,687**	**36,076**	**-**	**95,996**	**-**	**407,759**
1. Incurred claims and other expected costs of insurance services	136,591	18,550	-	46,361	-	201,502
2. Changes in adjustment for non-financial risks	3,644	682	-	3,290	-	7,616
3. Contractual service margin recorded in profit or loss for services provided	135,452	16,844	-	45,972	-	198,268
4. Other amounts	-	-	-	373	-	373
A.2 Costs of acquiring recovered insurance contracts	**17,578**	**701**	**-**	**15,893**	**-**	**34,172**
A.3 Total insurance revenues deriving from insurance contracts written measured according to GMM or VFA (A.1 + A.2)	**293,265**	**36,777**	**-**	**111,889**	**-**	**441,931**
A.4 Total insurance revenues deriving from insurance contracts written measured according to PAA	**-**	**-**	**-**	**-**	**-**	**-**
- Life segment	X	X	X	X	X	-
- Non-life segment - Motor	X	X	X	X	X	-
- Non-life segment - Non-Motor	X	X	X	X	X	-
A.5 Total insurance revenues deriving from insurance contracts written (A.3 + A.4)	**293,265**	**36,777**	**-**	**111,889**	**-**	**441,931**
B. Costs of insurance services deriving from insurance contracts written – GMM or VFA	**-**	**-**	**-**	**-**	**-**	**-**
1. Incurred claims and other directly attributable costs	(130,435)	(12,950)	-	(56,163)	-	(199,548)
2. Changes in liabilities for incurred claims	428	(2,833)	-	(56)	-	(2,461)
3. Losses on onerous contracts and recovery of these losses	149	-	-	-	-	149
4. Amortisation of costs of acquiring insurance contracts	(17,578)	(701)	-	(15,893)	-	(34,172)
5. Other amounts	-	-	-	-	-	-
B.6 Total costs of insurance services deriving from insurance contracts written – GMM or VFA	**(147,436)**	**(16,484)**	**-**	**(72,112)**	**-**	**(236,032)**
B.7 Total costs of insurance services deriving from insurance contracts written measured according to PAA	**-**	**-**	**-**	**-**	**-**	**-**
- Life segment	X	X	X	X	X	-
- Non-life segment - Motor	X	X	X	X	X	-
- Non-life segment - Non-Motor	X	X	X	X	X	-
B.8 Total costs of insurance services deriving from insurance contracts written (B.6 + B.7)	**(147,436)**	**(16,484)**	**-**	**(72,112)**	**-**	**(236,032)**
C. Total net costs/revenues deriving from insurance contracts written (+/-) (A.5 + B.8)	**145,829**	**20,293**	**-**	**39,777**	**-**	**205,899**

Key:

Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Insurance revenues and costs deriving from insurance contracts written in financial year T – 1- Composition

Items/aggregation bases	Base A1 31.12.2023	Base A2 31.12.2023	Base A3 31.12.2023	Base A4 31.12.2023	Base A5 31.12.2023	Total 31.12.2023
A. Insurance revenues deriving from insurance contracts written measured according to GMM and VFA						
A.1 Amounts related to changes in ARC	**241,059**	**32,035**	**-**	**77,214**	**-**	**350,308**
1. Incurred claims and other expected costs of insurance services	127,877	16,472	-	36,562	-	180,911
2. Changes in adjustment for non-financial risks	3,650	606	-	2,864	-	7,120
3. Contractual service margin recorded in profit or loss for services provided	109,490	14,957	-	41,145	-	165,592
4. Other amounts	42	-	-	(3,357)	-	(3,315)
A.2 Costs of acquiring recovered insurance contracts	**14,221**	**1,152**	**-**	**14,244**	**-**	**29,617**
A.3 Total insurance revenues deriving from insurance contracts written measured according to GMM or VFA (A.1 + A.2)	**255,280**	**33,187**	**-**	**91,458**	**-**	**379,925**
A.4 Total insurance revenues deriving from insurance contracts written measured according to PAA	-	-	-	-	-	-
- Life segment	X	X	X	X	X	-
- Non-life segment - Motor	X	X	X	X	X	-
- Non-life segment - Non-Motor	X	X	X	X	X	-
A.5 Total insurance revenues deriving from insurance contracts written (A.3 + A.4)	**255,280**	**33,187**	**-**	**91,458**	**-**	**379,925**
B. Costs of insurance services deriving from insurance contracts written – GMM or VFA	-	-	-	-	-	-
1. Incurred claims and other directly attributable costs	(110,105)	(11,192)	-	(49,093)	-	(170,390)
2. Changes in liabilities for incurred claims	(774)	(794)	-	(10,632)	-	(12,200)
3. Losses on onerous contracts and recovery of these losses	(15)	-	-	-	-	(15)
4. Amortisation of costs of acquiring insurance contracts	(14,221)	(1,152)	-	(14,244)	-	(29,617)
5. Other amounts	-	-	-	-	-	-
B.6 Total costs of insurance services deriving from insurance contracts written – GMM or VFA	**(125,115)**	**(13,138)**	**-**	**(73,969)**	**-**	**(212,222)**
B.7 Total costs of insurance services deriving from insurance contracts written measured according to PAA	-	-	-	-	-	-
- Life segment	X	X	X	X	X	-
- Non-life segment - Motor	X	X	X	X	X	-
- Non-life segment - Non-Motor	X	X	X	X	X	-
B.8 Total costs of insurance services deriving from insurance contracts written (B.6 + B.7)	**(125,115)**	**(13,138)**	**-**	**(73,969)**	**-**	**(212,222)**
C. Total net costs/revenues deriving from insurance contracts written (+/-) (A.5 + B.8)	**130,165**	**20,049**	**-**	**17,489**	**-**	**167,703**

Key:

Aggregation Base 1 = Insurance contracts written with direct participation features - Life segment
Aggregation Base 2 = Insurance contracts written without direct participation features - Life segment
Aggregation Base 3 = Insurance contracts written without direct participation features - Motor non-life segment
Aggregation Base 4 = Insurance contracts written without direct participation features - Non-Motor non-life segment
Aggregation Base 5 = Investment contracts written without discretionary participation features - Life segment

Insurance costs and revenues from reinsurance cessions in financial year T – Breakdown

Items/aggregation bases	Life segment 31.12.2024	Non-life segment 31.12.2024	Total 31.12.2024
A. Allocation of premiums paid relating to reinsurance cessions measured according to GMM			
A.1 Amounts related to changes in ARC			
1. Amount of expected claims and other recoverable costs	(19,919)	(9,031)	(28,950)
2. Changes in adjustment for non-financial risks	(409)	(304)	(713)
3. Contractual service margin recorded in profit or loss for services received	(1,289)	(8,293)	(9,582)
4. Other amounts	(1,472)	-	(1,472)
5. Total	**(23,089)**	**(17,628)**	**(40,717)**
A.2 Other costs directly attributable to reinsurance cessions	-	-	-
B. Allocation of premiums relating to reinsurance cessions measured according to PAA	-	-	-
C. Total costs deriving from reinsurance cessions (A.1+A.2+B.)	**(23,089)**	**(17,628)**	**(40,717)**
D. Effects of changes in the risk of default on the part of reinsurers	-	-	-
E. Amount of claims and other expenses recovered	14,462	17,462	31,924
F. Changes in the asset for incurred claims	2,496	(7,587)	(5,091)
G. Other recoveries	-	80	80
H. Total net costs/revenues deriving from reinsurance cessions (C+D+E+F+G)	**(6,131)**	**(7,673)**	**(13,804)**

Key:
Base A1 = Life segment
Base A2 = Non-Life segment

Insurance costs and revenues from reinsurance cessions in financial year T-1 – Breakdown

Items/aggregation bases	Life segment 31.12.2023	Non-life segment 31.12.2023	Total 31.12.2023
A. Allocation of premiums paid relating to reinsurance cessions measured according to GMM			
A.1 Amounts related to changes in ARC			
1. Amount of expected claims and other recoverable costs	(21,061)	(6,022)	(27,083)
2. Changes in adjustment for non-financial risks	(357)	(361)	(718)
3. Contractual service margin recorded in profit or loss for services received	(1,027)	(8,457)	(9,484)
4. Other amounts	(1,648)	(11)	(1,659)
5. Total	**(24,093)**	**(14,851)**	**(38,944)**
A.2 Other costs directly attributable to reinsurance cessions	-	-	-
B. Allocation of premiums relating to reinsurance cessions measured according to PAA	-	-	-
C. Total costs deriving from reinsurance cessions (A.1+A.2+B.)	**(24,093)**	**(14,851)**	**(38,944)**
D. Effects of changes in the risk of default on the part of reinsurers	-	-	-
E. Amount of claims and other expenses recovered	14,403	19,708	34,111
F. Changes in the asset for incurred claims	412	5,427	5,839
G. Other recoveries	-	133	133
H. Total net costs/revenues deriving from reinsurance cessions (C+D+E+F+G)	**(9,278)**	**10,417**	**1,139**

Key:
Base A1 = Life segment
Base A2 = Non-Life segment

Breakdown of costs of insurance services and other services in financial year T

Costs/Aggregation Bases	Base A1 - with DPF 31/12/2024	Base A2 - without DPF 31/12/2024	Base A1 + Base A2 31/12/2024	Base A3 31/12/2024	Base A4 31/12/2024	Base A3 + Base A4 31/12/2024	Other 31/12/2024
Costs attributed to the acquisition of insurance contracts	(17,578)	(701)	(18,279)	-	(15,893)	(15,893)	X
Other directly attributable costs	(109,231)	(3,268)	(112,499)	-	(4,151)	(4,151)	X
Investment management expenses	X	X	-	X	X	-	(37)
Other costs	X	X	-	X	X	-	(89,474)
Total	X	X	(130,778)	X	X	(20,044)	(89,511)

Key:
Base A1 – with DPF = Insurance contracts written with direct participation features – Life segment
Base A2 – without DPF = Insurance contracts written without direct participation features – Life segment
Base A1 + Base A2 = Life segment
Base A3 = Insurance contracts written without direct participation features – Non-life segment – Motor
Base A4 = Insurance contracts written without direct participation features – Non-life segment – Non-Motor
Base A3 + Base A4 = Non-life segment

Breakdown of costs of insurance services and other services in financial year T-1

Costs/Aggregation Bases	Base A1 - with DPF 31/12/2023	Base A2 - without DPF 31/12/2023	Base A1 + Base A2 31/12/2023	Base A3 31/12/2023	Base A4 31/12/2023	Base A3 + Base A4 31/12/2023	Other 31/12/2023
Costs attributed to the acquisition of insurance contracts	(14,221)	(1,152)	(15,373)	-	(14,244)	(14,244)	X
Other directly attributable costs	(89,495)	(2,743)	(92,238)	-	(4,212)	(4,212)	X
Investment management expenses	-	-	-	-	-	-	(2,041)
Other costs	X	X	-	X	X	-	(7,960)
Total	X	X	(107,611)	X	X	(18,456)	(10,001)

Key:
Base A1 – with DPF = Insurance contracts written with direct participation features – Life segment
Base A2 – without DPF = Insurance contracts written without direct participation features – Life segment
Base A1 + Base A2 = Life segment
Base A3 = Insurance contracts written without direct participation features – Non-life segment – Motor
Base A4 = Insurance contracts written without direct participation features – Non-life segment – Non-Motor
Base A3 + Base A4 = Non-life segment

SECTION 11 – BALANCE OF FINANCIAL REVENUES AND COSTS RELATING TO INSURANCE MANAGEMENT - ITEM 170

Net financial costs and revenues relating to insurance contracts written

Items/aggregation bases	Base A1 31/12/2024	Base A2 31/12/2024	Base A3 31/12/2024	Total 31/12/2024	Base A1 31/12/2023	Base A2 31/12/2023	Base A3 31/12/2023	Total 31/12/2023
1. Accrued interest	-	(1,734)	(2,425)	(4,159)	-	(322)	(815)	(1,137)
2. Effects of interest rate changes and other financial assumptions	-	1,292	(518)	774	-	320	(2,477)	(2,157)
3. Changes in the fair value of the assets underlying contracts measured according to VFA	(2,879,997)	-	-	(2,879,997)	(2,027,143)	-	-	(2,027,143)
4. Effects of exchange rate fluctuations	-	-	-	-	-	-	-	-
5. Other	-	-	-	-	-	-	-	-
6. Total financial revenues/costs relating to insurance contracts written recognised in profit or loss	**(2,879,997)**	**(442)**	**(2,943)**	**(2,883,382)**	**(2,027,143)**	**(2)**	**(3,292)**	**(2,030,437)**

Key:
Base A1 = Insurance contracts written with direct participation features - Life segment
Base A2 = Insurance contracts written without direct participation features - Life segment
Base A3 = Insurance contracts written without direct participation features - Non-life segment

Net financial revenues and costs relating to reinsurance cessions

Items/aggregation bases	Life segment 31/12/2024	Non-life segment 31/12/2024	Total 31/12/2024	Life segment 31/12/2023	Non-life segment 31/12/2023	Total 31/12/2023
1. Accrued interest	175	506	681	(23)	997	974
2. Effects of interest rate changes and other financial assumptions	107	(643)	(536)	230	-	230
3. Effects of exchange rate fluctuations	-	-	-	-	-	-
4. Other	-	-	-	-	-	-
5. Total net financial revenues/costs of reinsurance cessions	**282**	**(137)**	**145**	**207**	**997**	**1,204**

Insurance transactions - Net financial result of investments broken down by life and non-life segments in year T

Items/Operating segments	LIFE segment 31.12.2024		NON-LIFE segment 31.12.2024	Total
		of which: DPF		
A. NET FINANCIAL RESULT OF INVESTMENTS	**286,376**	**112,459**	**8,172**	**294,548**
A.1 Interest income from financial assets measured at amortised cost and fair value with impact on comprehensive income	133,242	-	6,738	139,980
A.2 Net gains/losses on assets at fair value through profit or loss	1,433	-		1,433
A.3 Net adjustments/write-backs for credit risk	668	668	158	826
A.4 Other net income/costs	112,520	111,792	(255)	112,265
B.5 Net gains/losses on financial assets measured at fair value through other comprehensive income	38,513	-	1,531	40,044
B. NET CHANGE IN INVESTMENT CONTRACTS ISSUED IFRS9	**2,810,499**	**-**	**-**	**2,810,499**
C. TOTAL NET FINANCIAL RESULT OF INVESTMENTS	**3,096,875**	**112,459**	**8,172**	**3,105,047**
of which: recognised in profit or loss	3,058,363	2,695,435	6,640	3,065,003
of which: recognised in other comprehensive income	38,513	38,513	1,531	40,044

Key:
of which: DPF = Insurance contracts written with direct participation features
Investment contracts written IFRS 9 = Investment agreements written without discretionary participation features

Insurance transactions - Net financial result of investments broken down by life and non-life segments in year T-1

Items/Operating segments	LIFE segment 31.12.2023		NON-LIFE segment 31.12.2023	Total
		of which: DPF		
A. NET FINANCIAL RESULT OF INVESTMENTS	**280,894**	**92,336**	**7,704**	**288,598**
A.1 Interest income from financial assets measured at amortised cost and fair value with impact on comprehensive income	117,893	-	5,761	123,654
A.2 Net gains/losses on assets at fair value through profit or loss	2,114	-	(3)	2,111
A.3 Net adjustments/write-backs for credit risk	257	257	4	261
A.4 Other net income/costs	93,511	92,079	(227)	93,284
B.5 Net gains/losses on financial assets measured at fair value through other comprehensive income	67,117	-	2,169	69,286
B. NET CHANGE IN INVESTMENT CONTRACTS ISSUED IFRS9	**1,951,667**	**-**	**-**	**1,951,667**
C. TOTAL NET FINANCIAL RESULT OF INVESTMENTS	**2,232,560**	**92,336**	**7,704**	**2,240,264**
of which: recognised in profit or loss	2,165,443	92,336	5,535	2,170,978
of which: recognised in other comprehensive income	67,117	-	2,169	69,286

Key:
of which: DPF = Insurance contracts written with direct participation features
Investment contracts written IFRS 9 = Investment agreements written without discretionary participation features

Insurance transactions –Summary of economic results broken down by life and non-life segment in financial year T

Summary Results/Operating Segments	LIFE segment 31.12.2024	NON-LIFE segment 31.12.024	Total
A. Financial results	**197,833**	**3,520**	**201,353**
A.1 Amounts recognised in profit or loss	**-**	**-**	**-**
1. Total net financial result of investments	3,058,363	6,640	3,065,003
2. Net financial revenues/costs of insurance contracts	(2,880,157)	(3,080)	(2,883,237)
3. Total	**178,206**	**3,560**	**181,766**
A2. Amounts recognised in other comprehensive income	**-**	**-**	**-**
1. Total net financial result of investments	38,513	1,531	40,044
2. Net financial revenues/costs of insurance contracts	(18,886)	(1,572)	(20,458)
3. Total	**19,627**	**(41)**	**19,586**
B. Net insurance and financial result	**-**	**-**	**-**
1. Net result of insurance services	159,991	32,104	192,095
2. Net financial result of investments	3,096,875	8,172	3,105,047
3. Net financial revenue from insurance contracts	(2,899,043)	(4,652)	(2,903,695)
4. Total	**357,824**	**35,624**	**393,448**

Insurance transactions –Summary of economic results broken down by life and non-life segment in financial year T-1

Summary Results/Operating Segments	LIFE segment 31.12.2023	NON-LIFE segment 31.12.023	Total
A. Financial results	**161,319**	**3,873**	**165,192**
A.1 Amounts recognised in profit or loss	-	-	-
1. Total net financial result of investments	2,165,443	5,535	2,170,978
2. Net financial revenues/costs of insurance contracts	(2,026,929)	(2,304)	(2,029,233)
3. Total	**138,514**	**3,231**	**141,745**
A2. Amounts recognised in other comprehensive income	-	-	-
1. Total net financial result of investments	67,117	2,169	69,286
2. Net financial revenues/costs of insurance contracts	(44,312)	(1,527)	(45,839)
3. Total	**22,805**	**642**	**23,447**
B. Net insurance and financial result	-	-	-
1. Net result of insurance services	124,660	44,184	168,844
2. Net financial result of investments	2,232,560	7,704	2,240,264
3. Net financial revenue from insurance contracts	(2,071,219)	(3,726)	(2,074,945)
4. Total	**286,001**	**48,162**	**334,163**

SECTION 12 – ADMINISTRATIVE EXPENSES – ITEM 190

12.1 Staff costs: breakdown

€/000	31/12/2024	31/12/2023
1) Employees	(304,556)	(269,488)
a) wages and salaries	(212,059)	(188,224)
b) social security contributions	(53,487)	(47,746)
c) severance benefits	-	(51)
d) social security costs	-	-
e) provision for employee severance benefits	(11,562)	(9,700)
f) provision for pensions and similar obligations:	(80)	(61)
- defined contribution	-	-
- defined benefit	(80)	(61)
g) payments to external supplementary pension funds:	(4,677)	(4,208)
- defined contribution	(4,379)	(3,733)
- defined benefit	(298)	(475)
h) costs arising from share-based payment agreements	(6,122)	(6,307)
i) other employee benefits	(16,569)	(13,191)
2) Other staff in service	(16,822)	(10,394)
3) Directors and statutory auditors	(7,349)	(6,514)
4) Retired staff	-	-
TOTAL	**(328,727)**	**(286,396)**

12.2 Average number of employees by category

Units	31/12/2024	31/12/2023
1) Employees	**3,455**	**3,277**
a) executives	157	152
b) management	718	642
c) other employees	2,580	2,483
2) Other staff	**304**	**277**
TOTAL	**3,759**	**3,554**

12.3 Defined benefit company pension funds: costs and revenues

€/000	31/12/2024
- Current service cost	-
- Financial expenses	-
- Expected return on the assets servicing the plan	-
- Expected return on any redemption rights recognised as assets	(180)
- Actuarial gains and losses	100
- Past service cost	-
- Effect of other reductions and write-offs	-
TOTAL	**(80)**

12.4 Other employee benefits

Other employee benefits, shown in Table 12.1 Staff costs, came to €16.6 million and mainly include contributions to the company canteen and costs incurred for insurance policies taken out for employees.

12.5 Other administrative expenses: breakdown

€/000	31/12/2024	31/12/2023
Information systems services	(133,066)	(115,727)
Infoprovider services	(29,845)	(26,911)
Financial services fees and charges	(727)	(1,053)
Other sundry services	(42,217)	(39,440)
Taxes and duties	(3,884)	(2,716)
Television and internet communications services	(5,344)	(7,941)
Measures in support of the banking system	(44,962)	(41,208)
Network consultancy and collaborations	(7,433)	(6,519)
Rentals, hiring, leases	(27,534)	(24,390)
Maintenance and repairs	(5,270)	(4,842)
Telephone and postal expenses	(13,086)	(13,305)
Other consultancy and collaborations	(35,120)	(33,108)
Contributions to "Family Banker Offices"	(1,019)	(836)
Consumables	(3,327)	(3,903)
Insurance	(4,130)	(3,336)
Membership contributions	(5,195)	(7,276)
Advertising and promotional expenses	(35,812)	(37,511)
Organisation of conventions	(30,102)	(20,488)
Sales network consulting, education and training	(4,356)	(3,766)
Energy utilities	(2,391)	(3,535)
Entertainment, gifts and donations	(11,487)	(12,950)
Market research	(760)	(758)
Search and selection of employees	(1,288)	(1,129)
Travel expenses	(1,220)	(1,337)
Fuel costs	(519)	(535)
Search and selection of financial advisors	6	(97)
Other administrative expenses	(11,099)	(9,409)
TOTAL	**(461,187)**	**(424,026)**

SECTION 13 – NET PROVISIONS FOR LIABILITIES AND CHARGES – ITEM 200

13.1 Net provisions for credit risk relating to commitments to disburse funds and financial guarantees given: breakdown

€/000	31/12/2024	31/12/2023
Financial guarantees given	560	(818)
TOTAL	**560**	**(818)**

13.3 Other net provisions for risk and charges: breakdown

€/000	31/12/2024	31/12/2023
Portfolio and structure allowance	(10,883)	(2,253)
Additional customer allowance	(27,871)	(6,313)
Risk of misconduct by financial advisors	(64)	2,035
Legal disputes	(2,785)	(1,413)
Managers' allowance	(10,113)	(9,096)
Other provisions for risk and charges	(13,211)	(10,990)
TOTAL	**(64,927)**	**(28,030)**

SECTION 14 – NET VALUE ADJUSTMENTS/WRITE-BACKS OF TANGIBLE ASSETS – ITEM 210

14.1. Net value adjustments of tangible assets: breakdown

Assets/income components	Amortisation (a)	Impairment losses (b)	Write-backs (c)	Net result (a + b - c)
A. Tangible assets				
1. For business use	(17,863)	(1,796)	-	(19,659)
- Owned	(6,174)	(1,796)	-	(7,974)
- Rights of use acquired through leasing	(11,689)	-	-	(11,689)
2. Held for investment purposes	(748)	(3,739)	-	(4,487)
- Owned	(748)	(3,739)	-	(4,487)
- Rights of use acquired through leasing	-	-	-	-
3. Inventories	X	-	-	-
TOTAL	**(18,611)**	**(5,535)**	**-**	**(24,146)**

SECTION 15 – NET VALUE ADJUSTMENTS/WRITE-BACKS OF INTANGIBLE ASSETS – ITEM 220

15.1 Net value adjustments of intangible assets: breakdown

Assets/income components	Amortisation (a)	Impairment losses (b)	Write-backs (c)	Net result (a + b - c)
A. Intangible assets				
of which: software	(31,024)	(4,067)	-	(35,091)
A.1 Owned	(31,024)	(4,067)	-	(35,091)
- Generated internally by the company	(31,024)	(4,067)	-	(35,091)
- Other	-	-	-	-
A.2 Rights of use acquired through leasing	X	-	-	-
TOTAL	**(31,024)**	**(4,067)**	**-**	**(35,091)**

SECTION 16 – OTHER OPERATING INCOME AND EXPENSES – ITEM 230

16.1/16.2 Other revenues and expenses: breakdown

€/000	31/12/2024	31/12/2023
Recovery of costs for procurement and services rendered	25	17
Rental income on owned properties	325	546
Income on divestments	5	8
Chargebacks to customers	3,274	3,873
Recovery of miscellaneous costs	2	4
Chargebacks to advisors	23	21
Other sundry income	25,786	11,767
Total - Breakdown of "Other operating income"	**29,440**	**16,236**
Losses on divestments	(16)	(20)
Settlements and compensation	(6,698)	(2,507)
Depreciation of leasehold improvements	(2,871)	(2,923)
Other expenses	(13,061)	(7,670)
Total - Breakdown of "Other operating expenses"	**(22,646)**	**(13,120)**
TOTAL OTHER OPERATING REVENUE/EXPENSES	**6,794**	**3,116**

SECTION 17 – GAINS (LOSSES) ON EQUITY INVESTMENTS – ITEM 250

This item is not applicable.

SECTION 19 – GOODWILL VALUE ADJUSTMENTS – ITEM 270

This item is not applicable.

SECTION 20 – GAINS (LOSSES) ON DISPOSAL OF INVESTMENTS – ITEM 280

20.1 Gains (losses) on disposal of investments: breakdown

€/000	31/12/2024	31/12/2023
A. Real estate	-	-
- Profits on disposal	-	-
- Losses on disposal	-	-
B. Other assets	2,125	763
- Profits on disposal	2,155	769
- Losses on disposal	(30)	(6)
Net result	**2,125**	**763**

SECTION 21 – TAXES ON INCOME FROM CONTINUING OPERATIONS – ITEM 300

21.1 Taxes on income from continuing operations: breakdown

€/000	31/12/2024	31/12/2023
1. Current taxes (-)	(336,577)	(248,925)
2. Changes in current taxes in previous years (+/-)	13,858	739
3. Reduction of current taxes for the year (+)	-	-
3.bis Reduction of current taxes for the year due to tax credits pursuant to Law 214/2011 (+)	-	-
4. Change in prepaid taxes (+/-)	2,947	10,203
5. Change in deferred taxes (+/-)	(11,293)	(7,333)
6. Taxes for the year (-) (-1+/-2+3+3bis+/-4+/-5)	(331,065)	(245,316)

21.2 Reconciliation between theoretical tax liability and actual tax liability recognised

€/000	31/12/202 4	31/12/2023
Theoretical rate of IRES or equivalent taxes	18.59%	16.89%
Profit (loss) for the year before tax	1,450,694	1,067,186
Theoretical tax charge	269,720	180,285
IRAP	59,181	49,973
Tax dispute	11,769	7,374
Increased effective rate and other adjustments	- 9,605	7,684
IRES tax charge and equivalent taxes	**331,065**	**245,316**
Effective rate of IRES and equivalent taxes	**22.82%**	**22.99%**
Total taxes in the income statement	**331,065**	**245,316**
Total effective rate	**22.82%**	**22.99%**

SECTION 25 – EARNINGS PER SHARE

25.1 Average number of ordinary shares (fully diluted)

	31/12/2024	31/12/2023
Net income (€/000)	1,119,629	821,870
Weighted average number of shares outstanding (units)	739,262,967	739,601,774
Adjustment for stock options with potential dilutive effect	210,388	1,252,098
Weighted average number of shares outstanding for diluted EPS purposes	747,366,658	743,753,167
Earnings per share (€)	**1.515**	**1.111**
Diluted earnings per share (€)	**1.498**	**1.105**

25.2 Other information

There is no other material information to report beyond that provided in the previous sections.

PART D – CONSOLIDATED COMPREHENSIVE INCOME

Consolidated statement of comprehensive income

€/000		31/12/2024	31/12/2023
10.	**Net income for the year**	**1,119,629**	**821,870**
	Other income items without reversal to the income statement	**78,856**	**61,900**
20.	Equity securities designated at fair value through other comprehensive income:	84,274	64,865
	a) change in fair value	84,274	64,865
	b) transfers to other items of shareholders' equity	-	-
70.	Defined benefit plans	872	(134)
110.	Income taxes relating to other income items without reversal to the income statement	(6,290)	(2,831)
	Other income items with reversal to the income statement	**1,662**	**7,592**
160.	Financial assets (other than equity securities) measured at fair value through other comprehensive income:	22,152	56,097
	a) changes in fair value	21,567	55,405
	b) reversal to income statement	585	692
	- credit-induced adjustments	(68)	(67)
	- gains (losses) on disposals	653	759
	c) other changes		
180.	Share of valuation reserves of equity investments measured at equity:	-	
	a) changes in fair value		
	b) reversal to income statement	-	
	- impairment losses		
	- gains (losses) on disposals		
	c) other changes		
190.	Financial revenues or costs relating to insurance contracts written	(19,135)	(47,197)
	a) changes in fair value	(19,135)	(47,197)
	b) reversal to income statement	-	-
	c) other changes	-	-
200.	Financial revenues or costs relating to reinsurance cessions:	(598)	1,412
	a) changes in fair value	(598)	1,412
	b) reversal to income statement	-	-
	c) other changes	-	-
210.	Income taxes relating to other income items with reversal to the income statement	(757)	(2,720)
220.	**Total other income**	**80,518**	**69,492**
230.	**Comprehensive income (Item 10 + 220)**	**1,200,147**	**891,362**
240.	Consolidated comprehensive income attributable to minority interests	-	-
250.	**Consolidated comprehensive income attributable to the Parent Company**	**1,200,147**	**891,362**

PART E – INFORMATION ON RISKS AND THE RELATIVE HEDGING POLICIES

In this Part E, qualitative and quantitative disclosures are set out in the order established in Bank of Italy Circular No. 262, which governs in detail– besides the form of information tables – the sequence of the various topics, with the exception of the section on market risks and the application of internal models.

To complement the information on oversight actions and the main risk-related accounting issues, this section provides a brief description and summary of the main macroeconomic scenarios that have in part characterised the Mediolanum Group's risk oversight measures.

The ongoing conflict between Russia and Ukraine did not have any particular consequences as the Group has no direct or indirect exposure to the two countries. Since the beginning of the conflict, any exposure also in the financial instruments underlying the investment funds placed by the group has been constantly monitored.-The most recent political crisis in the Middle East, arising from the conflict between Israel, Palestine and Lebanon, also had no particular impact on the Group.

Central banks reduced their rates during 2024.

Finally, the US presidential election was a further element of uncertainty that increased market volatility in the final months of 2024.

PRINCIPLES UNDERLYING THE MODEL

The Mediolanum Group incorporates banking and/or securities activities (investment services) and insurance activities. The Banking Group specifically consists of banks (Banca Mediolanum and Banco Mediolanum) and management companies (e.g. Mediolanum Gestione Fondi and Mediolanum International Fund), while the insurance business is carried out by subsidiaries of Banca Mediolanum which set up life insurance products (Mediolanum Vita to Mediolanum International Life) and non-life insurance products (Mediolanum Assicurazioni). The supervisory regulations of the banking, securities and insurance sectors essentially sector-specific, i.e. dedicated to each specific business, and consequently the requirements, such as those concerning the "capital adequacy" of the individual companies, take into account the specific risk profiles with respect to the banking and insurance components of the relevant companies in the Conglomerate.
In light of these considerations, the general principles guiding the Mediolanum Group's risk-taking strategy can be summarised as follows:

- Given the risks that characterise the banking and insurance business, the Group's objective is to understand, identify and manage them in order to ensure an adequate return in economic terms against the risks assumed, and to ensure capital solidity and business continuity over the long term;
- the Group has a low risk profile, and capital adequacy, earnings stability and a strong reputation are the cornerstones for preserving its current and prospective profitability;
- the Group intends to maintain strong control over the risks arising from its operations;
- The Group is particularly committed to the ongoing reinforcement of its risk culture as a fundamental tool for promoting informed risk-taking and ensuring that any risk-taking that exceeds its risk appetite is detected, assessed, reported in the appropriate way and managed in a timely manner;
- to ensure the long-term sustainability of its business model, the Group places great emphasis on the monitoring and control of non-financial risks, model risk, reputational risks and Environmental Social and Governance (ESG) and Climate Change risks. With specific reference to the latter, the Mediolanum Group recognises the strategic relevance of ESG factors and is committed to including these aspects into its strategic decision-making processes and fully integrating them into its risk management

framework, with the aim of maintaining a low risk profile. This involves monitoring how ESG and climate change-related risks are reflected in current risks (credit, operational, reputational, market, insurance and liquidity risk) and integrating high ethical and environmental standards into internal processes, products and services offered to customers, as well as in the selection of counterparties and suppliers.

These general principles are applicable at Group and individual company level.

As part of the processes that characterise its various businesses, the Mediolanum Group has defined its Risk Appetite Framework ("RAF") i.e. the level of risk, overall and by risk type, that it intends to assume in order to achieve its strategic objectives, identifying the metrics to be monitored, the relevant tolerance thresholds, and the various risk limits.

CONGLOMERATE RISK MANAGEMENT

A management methodology for monitoring and analysing risk concentration is used at the conglomerate level. This control is implemented by aggregating the exposures of all the companies in the Group to the same counterparty, both public and private, in all forms of financial commitment and investment. Periodically, therefore, each exposure is added together for all companies in the same group, analysing whether it could entail a potential loss of capacity that could compromise the solvency or the general financial position of all the companies in the Mediolanum Conglomerate. On a quarterly basis. the Parent Company's Risk Management Function reports to the Strategic Oversight Body (the Board of Directors) on the performance of the Group's various business lines on the basis of all relevant risk indicators by type of business and regular reporting that also focuses on the Financial Conglomerate (FICO), reporting to the Board of Directors on:

- the capital adequacy of the conglomerate
- the monitoring of risk indicators for the conglomerate's proprietary portfolios
- the actual operational risk losses at the conglomerate level
- risk-return analysis of the Asset Under Management (AUM) world, with a focus on Mediolanum funds
- the adequacy of MiFID II monitoring of client portfolios
- the monitoring of asset management risk indicators
- climate risk monitoring in relation to Mediolanum funds
- the balance sheet figures of the Insurance Group.

The Mediolanum Banking Group has adopted a system of internal policies that define the general reference framework for risk management and control.

The main objectives of these policies are:

- to confirm by means of operational limits that the overall risk exposure is consistent with the RAF approved by the Board of Directors to ensure compliance with the risk-taking capacity thresholds in pursuit of the company and/or Group's management strategies;
- to ensure that the Internal Control System is able to promptly identify significant anomalies and prepare the appropriate corrective and/or mitigation measures;
- to ensure the sharing and homogeneity of the essential risk management rules and principles within the Group;
- to disseminate the risk management culture within the Group as part of a structured process and promote conscious and consistent behaviours and operational choices, in particular awareness of ESG issues.

The risk management process is effectively integrated within the Group's corporate organisation.

REPORTING OF FINANCIAL RISKS PURSUANT TO THE IFRS 7 INTERNATIONAL ACCOUNTING STANDARD

This section describes the characteristics of the risk control model in accordance with the requirements of IFRS 7 that are relevant to the Mediolanum Group, classifying them in relation to their significance in terms of the business segments in which Group companies operates: banking, asset management and insurance.

Under IFRS 7, the risks on which the analysis is conducted are liquidity risks, credit risk and market risks with their various forms and characteristics. A brief summary is also provided of the risk management techniques and policies adopted by the control functions for purposes beyond the scope of IFRS 7.

It should be noted that disclosures related to the Fair Value Hierarchy (FVH) are more governed by IFRS 13.

The Group does not hold any debt or equity instruments issued by counterparties resident in Russia or Belarus, nor does it have any dealings with financial institutions resident there. The financial instruments of entities resident in the conflict zones were not significant within the asset management products and had no impact on the NAV valuation process of funds managed by Group companies.

METHODOLOGY AND CLASSIFICATION PRINCIPLES FOR FINANCIAL INSTRUMENTS

The disclosures required by IFRS 7 can essentially be classified into three main types of risk:

- Credit risk. This refers to the risk of incurring losses as a result of a deterioration in creditworthiness to the point of default of retail/corporate customers and institutional counterparties to which the Bank is a creditor in its investment activities, as a result of which the debtor may default on all or part of its contractual obligations.
- Market risk. This is defined as the risk of incurring losses, including significant ones, linked to an unfavourable trend of market variables that are sensitive to the investments of Mediolanum Group companies, such as interest rates, exchange rates, share prices, volatility and bond spreads.
- Liquidity risk. Liquidity risk generally takes the form of limits on the liquidation of assets. More precisely, it is the risk that a financial instrument cannot be bought or sold without a sharp reduction/increase in the price (bid-ask spread) due to the potential inability of the market to settle the transaction partially or completely. Liquidity risk is also defined as the risk associated with access to funding. Under Pillar II of Basel 2 as it applies to the Banking Group, the regulator requires banks to implement policies, management procedures and methods for measuring liquidity risk (e.g. the ILAAP).

The main aspects of the individual risks are therefore reported on the basis of the Group's lines of business.

RISK APPETITE FRAMEWORK

The Risk Appetite Framework (RAF), approved by the Strategic Supervisory Body of the Parent Company, i.e. the Board of Directors, is the reference framework that expresses the Bank's intended risk appetite, with respect to all the financial and non-financial risks considered relevant that may characterise the business conducted. This overall approach includes the policies, processes, controls and methodologies through which the aforementioned risk appetite of the bank is defined, communicated, managed and reassessed, in accordance with the maximum risk that may be assumed, the business model and the strategic plan. Risk governance policy is therefore a strategic component of the RAF, enabling it to be aligned with the overall economic and financial plan and thus enabling the achievement of a sustainable growth objective. For this reason, the RAF is the result of a structured process involving various company organisational structures, specifically Risk Management and Planning and Control, each in its own areas of competence.

The Group's risk appetite is reviewed annually to take account of the ongoing changes in the internal and external context, as well as changes in the expectations of the various stakeholders. The economic and financial figures estimated when the economic and financial plan was drawn up are reconciled with the risk appetite limits and incorporated as part of the RAF updating process, resulting in the revision and adjustment of the thresholds and limits established during the previous year, where applicable.
The RAF indicators defined by the Parent Company are characterised by the following key elements, in accordance with regulatory indications:

- the risk capacity, the maximum risk that can be taken on, i.e. how much Banca Mediolanum or the Group can risk without breaching constraints – which are imposed by shareholders or the supervisory authority - and regulatory requirements;
- the risk appetite, i.e. how much Banca Mediolanum or the Group is willing to risk to achieve a goal;
- the risk tolerance, which refers to the risk tolerance threshold and defines an extra risk margin over and above that defined by the risk appetite, within which threats are nevertheless kept under control even under conditions of "stress";
- the risk profile, which measures the risk actually assumed at a given time during the ordinary course of the Group's or Banca Mediolanum's business;
- the risk limit, which expresses risk objectives as operating limits, defining them, in line with the principle of proportionality, on the basis of risk types, business units and/or lines, product lines and types of client.

The RAF document approved by the Parent Company is sent to all Group companies to facilitate the preparation of individual RAF documents that some Group companies (Banco Mediolanum and Prexta) produce for their respective businesses and to enable all companies belonging to the Group to achieve their objectives in accordance with the risk appetite established. The RAF indicators defined by the Group are grouped into macro-families of reference in order to facilitate their understanding and description. They include, for example, capital adequacy indicators (e.g. CETI Ratio, Capital Ratio), credit risk indicators (e.g. NPL, Coverage Ratio) and liquidity risk indicators (e.g. LCR, NSFR), followed by other indicators of market risk, interest rate risk, operational risk, strategic risk, IT and security risk, third party risk and money laundering risk. During its annual review of the document, the Mediolanum Group carries out a critical review of the indicators, assessing from time to time the relative usefulness of those used and supplementing them, where appropriate, with new calculation methodologies or the introduction of new, more representative risk indicators.

As part of the ongoing process of integrating sustainability factors into the Bank's strategies, actions and processes, it should be noted that Banca Mediolanum, as the Parent Company, has included ESG indicators in its RAF. The ESG indicators adopted by Banca Mediolanum monitor, respectively, the maximum exposures to corporate counterparties deemed virtuous, which are assigned a benchmark ESG rating, and the Group's risk "appetite" for the placement of managed products with an ESG rating of a level deemed appropriate for the common sustainability objectives. Banca Mediolanum also introduced two specific climate risk indicators (on physical and transition risk) into its RAF, in order to monitor this factor in terms of mortgage-backed exposures in the loan portfolio.
The RAF, which is a tool capable of focusing attention on the Banking Group's risk profile through an integrated view of current and prospective risks, is based on consistency, significant interrelationships and obvious synergies with the ICAAP/ILAAP process (the details of which are set out below) and is ideally positioned "upstream" of this process.
Also for Mediolanum Vita S.p.A. and the other Companies of the Mediolanum Insurance Group (hereinafter also the "MIG"), the Risk Appetite Framework is the corporate process through which they define the risk they intend to take (Risk Appetite) in achieving their business objectives and in which strategic actions (business model, business unit, planning) are analysed according to risk-based logic and criteria. For this reason, the RAF must be consistent with other processes at the strategic level, such as the Internal Risk and Solvency Assessment (IRSA) and the Enhanced Contingency Plan.

THE ICAAP/ILAAP PROCESS

Banking supervision is divided into two distinct phases: the first is the internal ICAAP (Internal Capital Adequacy Assessment Process) and ILAAP (Internal Liquidity Adequacy Assessment Process), in which the banks make an independent assessment of their current and prospective capital and liquidity adequacy in respect of the risks assumed and company strategies. ICAAP/ILAAP must be documented, known and shared by the corporate structures and subject to internal review. The prudential control process complies with the proportionality principle, whereby:

- the corporate governance systems, risk management processes and mechanisms for internal control and capital determination considered adequate to cover risks must be commensurate with the characteristics, size and complexity of the bank's business;
- the frequency and intensity of the SREP take into account the systemic relevance, characteristics, size and complexity of banks.

The second consists of the Supervisory Review and Evaluation Process (SREP) and is the responsibility of the Supervisory Authority, which, as well as reviewing the ICAAP/ILAAP, also formulates an overall opinion of the bank and takes corrective measures, where necessary.
In order to express their opinion, the European Banking Supervisory experts, using their own methodology and a series of instruments that allow for the consistent assessment of all supervised banks, proceed to examine:

- the business model, looking at the strategy and sustainability of the business strategy adopted;
- internal governance, considering the capacity of the governance bodies and the risk management framework with respect to their levels by examining the control activities put in place by the credit institution (risk assessment system, Risk Appetite Statement - RAS);
- the overall review of the ICAAP/ILAAP process, reported annually by the Bank, is performed, using the appropriate assessment of capital and liquidity requirements in the light of the results of the risk assessment conducted by the Bank;

- considering whether the capital reserves are sufficient to absorb any losses;
- considering, among the liquidity aspects, whether the Bank is financing itself sustainably, in addition to meeting its short-term liquidity needs.
- these activities are part of the annual cycle of the SREP process, at the end of which the European Supervisory Authorities complete a decision-making phase in which fundamental objectives are defined to address the weaknesses and gaps observed in the organisational structure and technical processes adopted by the Bank. The SREP decision to individual institutions summarises the observed result of a given year and indicates the measures that the banking business will have to implement in the following year, by assigning "tasks", in order to ensure that the banks and the entire banking system are sound and secure. To this end, the ECB monitors the implementation and performance of the "tasks" assigned to each institution.

The SREP is based, in fact, on a continuous dialogue between the Supervisory Authority and the banks. This allows the European Central Bank (or, alternatively, the Bank of Italy) to gain a more in-depth understanding of ICAAP/ILAAP and the underlying methodology assumptions, and allows the banks to explain the reasoning supporting their assessments. The banks, including after receiving recommendations from the ECB, define strategies and establish instruments and procedures for determining the capital that they consider adequate – in terms of amount and composition – to permanently cover all the risks to which they are or could be exposed, including risks other than those for which they have to comply with capital requirements. The Mediolanum Group has always had capital and the liquidity resources above the average for the sector in which it operates. This is what emerges from the self-assessment process that the Parent Company self-critically discloses in the ICAAP/ILAAP report, and from the annual dialogue with the Supervisory Authorities when the minimum requirements are indicated in the assessment of the report submitted annually within the regulatory deadlines.

ORSA

In the insurance industry, the Own Risk and Solvency Assessment is defined as the set of processes and procedures necessary to identify, assess, monitor, manage and communicate the current and prospective risks to which the Mediolanum Insurance Group and its individual companies are exposed, as well as the analyses supporting the determination of the funds necessary to ensure that solvency requirements are met at all times. Article 45 of Directive 2009/138/EC requires insurance companies, as an integral part of their Risk Management System, to conduct an ORSA process through which the Group and each insurance company determines its overall solvency requirements in order to cover short, medium and long-term risks.

The approach used in assessing the overall solvency requirement requires, inter alia, that the MIG and its individual Companies hold an amount of funds commensurate with the risks to which they may potentially be exposed. Consequently, the Own Risk and Solvency Assessment is the result of a series of assessments and analyses conducted by Mediolanum Vita S.p.A. and the other MIG companies of their own risk profile and on their evolution over the time span of their long-term plan.
The main objective of the ORSA Assessment is to raise awareness of the interrelationships between the risks to which MIG and the companies are or may be exposed and the resulting capital requirements. In addition, the ORSA serves as a risk profile management and awareness tool within the corporate culture and decision-making process, as well as an integral part of the overall corporate strategy.
The Own Risk and Solvency Assessment also ensures that GAM and its companies can meet regulatory capital requirements, as well as internal capital targets, on an ongoing basis, in the face of changes to their risk profile or business plans, and in the face of changes in external circumstances.

In summary, the Own Risk and Solvency Assessment has the following objectives:

- to ensure that the MIG and its companies have a sufficient level of capital to cover current and future business;
- to assess the ability to meet regulatory capital requirements on an ongoing basis;
- to assess compliance, on an ongoing basis, with technical provision requirements;
- to support the business planning, budgeting and forecasting process;
- to map out and document the risk census procedure as well as the risk assessment and measurement methodologies and their results from a current and forward-looking perspective.

The Own Risk and Solvency Assessment of the Group and the individual Companies is performed at least once a year (the "regular ORSA"), using 31 December of the previous year as the reference date. The regular ORSA and the work on drafting the relevant documentation commences after the end of the reporting year and is completed by the deadlines set by the Supervisory Authority.
In addition, a "Non-Regular ORSA" is carried out whenever circumstances arise that could significantly alter the risk profile. It is not possible to define a methodology for detect significant variations due to the nature and scale of the events potentially subject to analysis.

Solvency position of the Group

Following the entry into force of the Solvency Directive, (Framework Directive 2009/138/EU setting out the fundamental principles of the new regime, and Regulation 2015/35/EU with subsequent additions setting out detailed provisions on the new regime), the capital ratios are reported in accordance with sector regulations. Below is the Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR) coverage ratio, as per the latest quarterly report to the Supervisory Authority:

€/000	31.12.2024*
Eligible own funds	3,011,194
SCR	1,512,871
Solvency Ratio (SCR)	199.0%
MCR	393,750
Solvency Ratio (MCR)	764.7%

**The data for the year under review refer to Financial Stability reporting for Q4 2024.*

The Solvency Ratio determined at 31 December 2024 is compliant with the Risk Appetite Framework defined for the Group

RISK CULTURE

Risk Culture is defined as the set of norms, attitudes and behaviours of an institution in terms of risk awareness, risk taking, and risk management. Risk culture influences the decisions of corporate bodies and personnel in their daily work, and influences the risks that are taken. The dissemination of risk culture within financial institutions is crucial in order to promote risk awareness and therefore conscious organisational behaviour, with a view to sound and prudent management of banking, financial and insurance businesses. Such management does not actually translate into rigid rules, since above all it concerns behaviour and attitudes that are intrinsically specific to people. For this reason, the problems that may emerge from a weak risk culture are potentially profound and far-reaching.

The Mediolanum Group considers its risk culture to be a founding value, deeply rooted in its corporate and entrepreneurial culture.

Risk culture has the power to influence actions and decisions within the corporate organisation and shapes conduct vis-è-vis stakeholders, customers, employees, collaborators and sales networks.

Risk awareness and effective risk management form the backbone of the Mediolanum Financial Conglomerate's risk culture. In this regard, Group companies have adopted the following safeguards:

- An internal organisational model
- A dedicated body of internal regulations
- An Internal Control System

In order to foster risk awareness and perception, the Conglomerate is committed to implementing specific training initiatives such as:

- Training programmes
- Awareness-raising initiatives
- Information/training initiatives.

The Framework briefly outlined above, which has been adopted by the Group, requires that the Conglomerate's employees, contractors and sales networks be adequate, capable, and autonomous in identifying, monitoring and managing risks that may arise in the performance of their daily duties.

ORGANISATION OF RISK GOVERNANCE

The oversight environment is the element of corporate culture that reflects the level of management's sensitivity to control requirements.
The Internal Control System is strategically important for the Group and it ranks high on the scale of company values, as it not only concerns the corporate control functions, but also involves the entire corporate organisation in the development and application of logical and systemic methods for identifying, measuring, communicating and managing risks.

The definition of the risk governance system must take into account the following general principles:

- independence of second-level control functions from the line organisational units, safeguarding the proportionality principle for the subsidiaries and thus ensuring a gradual implementation approach for smaller entities;
- sharing and consistency between all the organisational units and/or companies in the same Group in relation to the use of uniform models and methodologies for the collection of data and information and for the analysis and measurement of risks, as applicable;
- transparency and dissemination of the models, methodologies and assessment criteria used to facilitate the process of cultural dissemination and understanding of the underlying rationales of the choices made;
- assignment of accountability and delegation by the Board of Directors to the organisational units of direct management of the risks to which the corporate processes are exposed.

The policies concerning the assumption and management of risks to which the Group is or may be exposed are approved by the Board of Directors of Banca Mediolanum, in its capacity as Parent Company.
The various Group companies are committed to implementing a structured and efficient Internal Control System within their organisation, taking into account, in accordance with guidelines received from the Parent Company and in proportion to their size, the regulations applicable to them and their various areas of business.
In order to foster the dissemination of values based on professional fairness and compliance with laws and regulations, the Parent Company Banca Mediolanum has also adopted a Code of Ethics and a Code of Conduct that sets out the guidelines for conduct which have been disseminated for subsequent adoption by all subsidiaries.

INTERNAL CONTROL SYSTEM

The Internal Control System consists of a set of rules, procedures and organisational structures that are designed to ensure the effectiveness and efficiency of business processes, the safeguarding of the value of the company's assets and the proper management of assets held on behalf of customers, the reliability and integrity of accounting and management information, as well as compliance with internal and external reference regulations. Persons with managerial responsibilities play a fundamental role in implementing an appropriate organisational system and in establishing an effective and efficient internal control system. The control system is divided into several levels, corresponding to different levels of responsibility. In particular, it includes the following, in addition to the tasks institutionally assigned to the corporate supervisory and control bodies:

- line controls: carried out directly by the person who carries out the activity and by the person responsible for supervising it. The purpose of these controls is to identify, measure or assess, monitor, mitigate and report the risks arising from ordinary business activity. They are generally carried out within

the same organisational unit or function and are put in place directly by the same operating units, or carried out in the context of back-office activity, or where possible incorporated into IT procedures;

- risk or compliance controls (second-level controls): these are entrusted to structures other than operational ones, which – taking into account specific corporate activities – have the task, inter alia, of helping to define the methods for measuring risks and the operational limits assigned to delegated persons and of checking the consistency of operations with the objectives and levels of risk defined by the competent corporate bodies. This category includes controls on credit, market, capital and investment risks, operational risks, non-compliance risks, reputational risks and anti-money laundering risks. The functions responsible for these controls are the Risk Management, Compliance and Anti-Money Laundering functions, which are briefly described below among the other functions of Banca Mediolanum;
- internal audit activities (third-level controls): these are entrusted to the Internal Audit unit, which is responsible, autonomously and independently of the operational lines, for the periodic assessment of the completeness, functionality and adequacy of the internal control system and entire information system, depending on the nature of the activity performed and the level of risks assumed.

In order to perform the verifications within their purview, the control functions have access to all company facilities, as well as information used to verify that outsourced corporate functions are properly performed. The management body and the control body are regularly informed of the activities conducted, so that appropriate and prompt corrective actions can be taken in the event of deficiencies or anomalies.

RISK MANAGEMENT FUNCTION

The Risk Management Function (alternatively Risk Control Function) of the Mediolanum Group is responsible for implementing governance policies and the risk management system. The banking risks that Risk Management deals with are defined as unfavourable future impacts on the bank's profitability that may be produced by various sources of uncertainty. Consequently, the risk control function is responsible for monitoring the Bank's and the Group's exposure to financial and credit risks and for assessing the capital impact of operational and reputational risks, constantly monitoring the capital adequacy and the liquidity position in relation to the business, playing a guiding and coordinating role on issues relating to the institutional tasks of current and prospective risk management and control, orienting the Bank towards a conscious assumption of risks consistent with its risk appetite level. The Function therefore promotes a risk management culture in most organisational units in order to achieve increasing awareness and understanding of the phenomenon throughout the entire organisation, with a greater emphasis on climate and environmental factors.
The world of risks is constantly changing, not least as a consequence of international geopolitical events that can trigger direct and indirect effects on variables such as inflation, interest rates, and hacker attacks. Making reference exclusively to the "Classical risks" to describe of the riskiness of a financial institution necessarily implies a partial view. A "risk based" approach to business therefore requires a risk management function that is flexible and oriented to understanding the changing economic and financial environment. This change relates to the skills and professionalism required to perform the role of the future risk manager, who must include, among the risks that may occur, new cyber/IT risks and the environmental, social and corporate governance risks that could put the various business lines and the ordinary management of the undertaking at risk. The regulator's vision also includes stepping up efforts to achieve medium-term strategic objectives while refocusing attention on emerging new challenges. The supervised entities are required to strengthen their capacity to withstand immediate macro-financial and geopolitical shocks, address the challenges posed by digitalisation, strengthen the guidance capacity of their management bodies and, lastly, to devote more effort to tackling climate change.

With particular reference to ESG risks, the Risk Management Function promotes a culture of risk management in order to obtain an ever-increasing awareness and understanding of the phenomenon throughout the organisation, with a greater commitment on the part of company management to managing climate and environmental risks. It also provides specific technical, methodological and organisational support to all organisational units involved in the process of managing climate and environmental risks. Finally, it periodically carries out simulations relating to hypothetical stress scenarios that generate significant impacts on the provisions of the economic and financial plan, including, when deemed necessary or/and on specific request, a quantitative assessment of the climate and environmental risks to which the Group could be exposed in an extreme, but plausible, economic crisis situation.
Following assessment of the control activities by the Risk Committee, the Risk Management function reports to the Board of Directors on the various components of the overall risk situation.

ACTUARIAL FUNCTION (INSURANCE GROUP)

This Function, reporting directly to the Board of Directors of the Companies, is an integral part of the system of second-level internal controls, and is responsible, in particular, for coordinating the process of assessing the companies' technical provisions, guaranteeing the adequacy of the methodologies and underlying models used, as well as the assumptions on which the calculation of the technical provisions themselves is based.

ANTI-MONEY LAUNDERING FUNCTION

The Anti-Money Laundering Function of the Mediolanum Group is responsible, according to a risk-based approach, for monitoring the risk of money laundering and for adapting corporate processes to the changing regulatory and procedural environment in this area. It continuously checks that company procedures are consistent with the objective of preventing and combating infringements of external regulatory provisions (laws and regulations) and internal regulations on anti-money laundering and counter terrorist financing.

COMPLIANCE FUNCTION

The Compliance function of the Mediolanum Group oversees the management of risks of non-compliance with regulations, according to a risk-based approach, with regard to all the company's activities, making use, for the oversight of certain regulatory areas for which specialised supervision is envisaged, of specifically identified Specialist Units, to which certain phases of the compliance process are assigned, while maintaining responsibility for oversight.

INTERNAL AUDIT FUNCTION

The Internal Audit Function of the Mediolanum Group assesses, with a view to third-level controls the regular performance of company operations and the completeness, adequacy, functionality and reliability of the organisational structure, the risk management process and the other components of the Internal Control System, bringing possible improvements to the attention of the corporate bodies, with particular reference to the Risk Appetite Framework (RAF), the risk management process, and the tools for measuring and controlling them.

RISK COMMITTEE

The Risk Committee is the collegial body that assists the Board of Directors in the assessment, at least annually, of the compliance, adequacy and effective functioning of the Internal Control System, ensuring that the main corporate risks faced by the company, including first and second-pillar risks, are properly identified and assessed, and adequately managed and monitored.

BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors is the body with control function that monitors compliance with laws, regulations and the Articles of Association, proper administration, and the adequacy of the Bank's organisational and accounting structures.

It is responsible for: carrying out cross-cutting controls through the corporate organisation, supervising the completeness, adequacy, functionality and reliability of the Internal Control System and the Risk Appetite Framework (RAF), checking compliance with the ICAAP/ILAAP process and examining the adequacy of the Recovery Plan and its functioning. It also acts as the Supervisory Board pursuant to Legislative Decree 231/01.

FINANCIAL REPORTING OFFICER

The Financial Reporting Officer oversees the reliability of Banca Mediolanum's corporate accounting documents and financial reporting process, ensuring full compliance with the provisions of Article 154-bis of the TUF and its implementing provisions.

The Financial Reporting Officer also has certification duties:

- declarations pursuant to Article 81-ter of Consob Regulation No. 11971 of 14 May 1999, as amended;
- the relevant declarations when disclosures are made to the market containing information of an accounting nature (Article 154-bis, paragraph 2, of the TUF);
- attestation, in a special report, that the Sustainability Disclosure included in the Management Report has been drafted in accordance with the reporting standards applied pursuant to Directive 2013/34/EU and the legislative decree adopted in implementation of Article 13 of Law No. 15 of 21 February 2024, and in accordance with the specifications adopted pursuant to Article 8 paragraph 4 of Regulation (EU) 2020/852 (Article 154-bis paragraph 5-ter of the TUF).

IDENTIFICATION AND MAPPING OF SIGNIFICANT RISKS

The process of identifying significant risks to the Mediolanum Group includes a set of analysis of the organisational structure and of distinctive processes, in order to identify the risks that characterise the banking business and their relevant mapping. The aim of the risk identification process is to determine the significance of the risks to which the Group is subject.

This process, which is coordinated by the Risk Management Function, originates from the corporate guidelines and policies established by the Board of Directors for the system of management and control of business risks, and the regulatory and management methods for assessing the risks to which the Bank and the Group are exposed. The main activities involved in a materiality assessment for the construction of the general map of significant risks, another process conducted by the Risk Management Function, are set out below:

1. Risks that are not relevant to the Group's current business environment, and those that are assumed in the current business plan, are excluded. The list is then organised by grouping the risk subcategories according to the Group's risk management taxonomy.

II. Materiality assessment: a materiality threshold is defined to identify which risks, within the Mediolanum Group, from those already defined as applicable and therefore measurable, are significant in terms of the Group's ordinary operations but do not jeopardise the pursuit of its strategy. Material risks are considered for the purpose of ICAAP/ILAAP and stress tests and/or are regularly measured, limited and/or managed.

III. Environmental climate risk factors within the traditional risk categories overseen by the Function are mapped.

IV. Representation of the materiality of risks: the identification process concludes with an analysis of the impact of risks and assessments of their materiality, by measuring their relevance for the Group with respect to these two dimensions.

V. As a final activity, materiality is assessed against each identified risk sub-category for each individual legal entity of the Banking Group.

The scope of the risks identified, monitored and controlled by the Mediolanum Group is broken down as follows:

- credit risk, including counterparty and concentration risk;
- market risk;
- financial risk mainly consisting of interest rate and exchange rate risk;
- liquidity risk;
- insurance risk;
- operating risk;
- strategic risk;
- ICT and security risk;
- third party risk;
- reputational risk;
- environmental, social and governance (ESG) risk;
- contagion risk.

In addition to credit risk, market risk, interest and price risk, liquidity risk, and operational risk, which are discussed in detail in the following paragraphs, the Group has identified and monitors the following other risks.

Concentration risk

Risk arising from exposure to counterparties, groups of related counterparties and counterparties in the same economic sector or that conduct the same business, or are located in the same geographical area. The Group has no significant exposures to a single counterparty or group of related counterparties with the exception of exposures in Italian government securities.

Residual risk

The risk that recognised credit risk mitigation techniques used by the bank will be less effective than expected. Excessive leverage risk. The risk that a particularly high level of debt to equity could make the bank vulnerable, requiring corrective changes to its business plan, including the sale of assets entailing the recognition of losses that could also result in the impairment of the remaining assets. The Group has no significant exposure to this type of risk.

Leverage risk

The risk that a particularly high level of debt to equity could make the bank vulnerable, requiring corrective changes to its business plan, including the sale of assets entailing the recognition of losses that could also result in the impairment of the remaining assets. Exposure to this risk is reflected in the Leverage Ratio indicator, for details of which, see the Pillar III public disclosure.

Compliance risk (or risk of non-compliance)

The risk of non-compliance with rules is defined as "the risk of incurring judicial or administrative sanctions, significant financial losses or reputational damage as a result of violations of mandatory (statutory or regulatory) or self-regulatory rules (e.g. statutes, codes of conduct, self-regulatory codes)". The risk of regulatory non-compliance is particularly significant at the group level, as a breach of regulations by an individual legal entity would impact the entire corporate group. This risk is not limited to regulatory and/or supervisory impacts; it can extend to the Group's reputation, adversely affecting the trust of customers, investors and regulators. In this respect, the Compliance Function has adopted, at Group level, a framework of ex-ante and ex-post controls that are acted upon on an ongoing basis in order to mitigate such risks.

Strategic risk

The Mediolanum Group defines strategic risk, either current or prospective, as the risk associated with a potential downturn in profits or capital resulting from changes in the operating environment or from erroneous business decisions, inadequate implementation of decisions, or lack of responsiveness to changes in the competitive environment. Strategic risk is addressed first and foremost by policies and procedures which ensure that the most important decisions are reported to the Board of Directors and are supported by a current and prospective assessment of risks and capital adequacy. The strong centralisation of strategic decisions, with the involvement of the highest corporate governance bodies and the support of the various corporate functions, ensures the mitigation of the component related to possible impacts resulting from erroneous business decisions and poor responsiveness to changes in the competitive environment.

Reputational risk

The Mediolanum Group recognises the great importance of reputational risk, i.e. the current and prospective risk of a decline in profits or capital resulting from a negative perception of the Group's image by customers, counterparties, shareholders, investors or supervisory authorities. The Group pursues the active management of its image with all stakeholders, through the involvement of all organisational units, and seeks robust and sustainable growth, capable of creating value for all stakeholders.

In addition, the Group aims to minimise any negative effect on its reputation through rigorous and detailed governance, proactive risk management, and the supervision and control of its business.

The overall management of reputational risks is first and foremost pursued through:

- compliance with ethical and behavioural standards and self-regulatory policies. The Code of Ethics adopted by the Group contains the reference values to which the Group is committed and sets out the principles of voluntary conduct in relations with all stakeholders (customers, employees, suppliers, shareholders, the environment and the community in general), with objectives that are broader than those required by current legislation;
- the systematic and autonomous contribution of corporate structures with specific reputational tasks which, each in its own sphere of competence, maintain the relationship with the relevant stakeholders;
- an integrated primary risk management system designed to limit exposure to primary risks and compliance with the reference limits as set out in the Risk Appetite Framework.

ICT and security risk

The risk of loss due to breach of confidentiality, shortcomings in the integrity of systems and data, the inadequacy or unavailability of systems and data or the inability to replace information technology (IT) within reasonable time and costs when the requirements of the external environment or activity (i.e. agility) have changed. This includes security risks arising from inadequate or incorrect internal processes or from external events, including cyber attacks or inadequate physical security. For details of the controls put in place by the Group to counter these risks, see the information in the section on operational risks.

Conduct Risk

Conduct risk, as a sub-category of operational risk, can generally be defined as "the current or potential risk of incurring economic losses generated by the inadequate provision of financial services, including instances of wilful misconduct or negligence". With reference to the exposure to this type of risk, please refer to the information in the section on operational risks.

Money-laundering risk

The risk arising from the violation of legal, regulatory and self-regulatory provisions designed to prevent the use of the financial system for the purposes of money laundering, terrorist financing or the financing of weapons of mass destruction development programmes, as well as the risk of involvement in episodes of money-laundering, terrorist financing, or the financing of programmes for the development of weapons of mass destruction. With respect to the controls put in place by the Group, and in particular the controls carried out by the anti-money laundering function, see the Corporate Governance and Share Ownership Report.

ESG risks

In the context of the materiality of risks, in accordance with the guidelines of the European governance and supervisory authorities, ESG risks are becoming increasingly important, with particular attention paid to climate risk, a risk factor that generates a range of impacts in terms of type and severity that must be taken into consideration in all economic sectors, including banking. For this reason, the Mediolanum Group has adopted an ESG Policy that defines the principles and guidelines for the governance of environmental, social and governance risks (so-called ESG risks), to which the Conglomerate is potentially exposed.

Environmental Risks (E)

This category includes climate and environmental risks:

- Climate risks: these can be understood as the financial and/or economic risks arising from the institutions' exposure to counterparties that may potentially contribute to or be affected by climate change;
- Environmental risks: these are defined as risks of a negative financial and/or economic impact on institutions arising from the current or prospective effect of environmental factors on counterparties or invested assets.

Social Risks (S)

These include all risks related to respect for human rights, attention to anti-discrimination, promotion of diversity, consumer protection and health and safety;

Governance Risks (G):

This category can include all those risks that concern the quality and effectiveness of corporate management, diversity policies in the composition of corporate bodies, the presence of independent and non-executive directors, and the prevention and management of conflicts of interest.

The three ESG components are closely related, but each has its own specificities, not least because of the way the category as has been framed so far in the supervisory framework. It should be noted that the regulator's vision is gradually converging towards an increasingly "holistic" representation of the risk spectrum.

In this regard, it is clear that in recent years the European Banking Supervisory Authority has sought to direct European financial institutions to incorporate ESG risks into their structures, strategies, internal governance processes and risk management frameworks. This new framework is part of the more general international policy of transition to a greener and more circular economy, which involves risks and opportunities for the entire economic system.

In order to supplement the monitoring and governance of ESG risks, Mediolanum takes into consideration the results of the Group's materiality analysis, conducted according to the methods established by the internal reference regulations in place at the Group. This analysis provides for regular assessments of the materiality of ESG factors in the company's own context, in order to identify the most potentially relevant factors in the area of sustainability for the Group and its stakeholders.

ESG risk factors are now an inherent part of the governance of risk control in the banking industry, as they influence financial and non-financial risks and have both an impact on the banking organisation itself and a potential impact on all of its stakeholders. As a result, risk management methods and processes have been modified to take into account complex cause-and-effect relationships between the types of risk assumed or to which there is exposure, and the concept of sustainability has to become part and parcel of the activities and processes carried out by credit institutions.

This has been described by many as a "green" economic transition, and gives banks a great responsibility, because they are not only required to incorporate ESG criteria into their own business management and development, but they will also be able to guide financed companies towards a more resilient and sustainable system by adopting new criteria designed to mitigate risks. These sustainability objectives require a constant process of identifying and adopting the best possible solutions to safeguard land resources and protect our ecosystem. Currently, the entire ESG regulatory framework sets out the behavioural guidelines that credit institutions need to adopt in order to improve transparency, making it easier to identify all those actions that form the bedrock of environmentally sustainable activities. A series of general guidelines and recommendations has been drawn up in order to redirect capital towards sustainable investments, managing the financial risks induced by climate change and other environmental and social problems, and effectively promoting not only operational transparency, but also a long-term view of the financial and economic activities of the credit institution.

The informed focus on environmental issues begun by Banca Mediolanum a few years ago is evolving with the careful and targeted identification, management and mitigation of the risks that arise in relation to ESG issues, which is gradually leading to a definition of this type of risk, including in the context of the new RAF indicators. With regard to these risks, reference is made to the quantitative section of credit risk, in which credit exposures that qualify as 'Green Assets' are described.

Contagion risk

In accordance with the provisions of the Group Risk Management Policy, a "contagion" risk is identified as a risk that arises from belonging to the Conglomerate, i.e. the risk that, as a result of the relationships between the Company and the other entities in the Banca Mediolanum Financial Conglomerate, difficulties experienced by of one of the entities of the Conglomerate may spread, with negative effects on the solvency of the Company itself. Mediolanum Vita S.p.A., in its capacity as Parent Company, has produced specific policies on intra-group transactions and conflicts of interest in order to define a risk management and containment framework. It also

carries out specific research in the area of ORSA definition. Contagion risk is among the risks identified by the Group Risk Mapping as qualitative risks and with a "low" level of attention. Therefore, in accordance with the provisions of the Group Guidelines on the Risk Appetite Framework, this risk is monitored when situations arise that render a change in its level of significance likely.
The contagion risk nevertheless assessed within the ORSA projection through the application of certain stress scenarios, as explicitly required by the Regulator. In particular, the MIG has identified a reduction in/loss of the sales network as its main contagion risk. In fact, it should be noted that the insurance products of Mediolanum Vita, Mediolanum Assicurazioni and Mediolanum International Life Branch Italy are placed by the Banca Mediolanum sales network, while for the Spanish Branch, the products are placed by the Banco Mediolanum S.A. sales network.
Accordingly, as part of its ORSA, the MIG prepares a scenario that would materialise as a reduction in/loss of the sales network due to reputational damage, with an impact on premium collection and portfolio forfeitures.

Insurance risks to which life insurance companies are exposed

The insurance risks to which the life companies are exposed are underwriting risks, divided into:

- Mortality risk
- Longevity risk
- Lapse risk
- Expense risk
- Catastrophe risk
- Disability-morbidity risk.

Mortality risk

Mortality risk is associated with insurance obligations (e.g. death insurance or mixed policies) whereby the insurer guarantees a series of individual or recurring payments in the event of the death of the policy holder during the life of the policy.
It applies to insurance obligations that depend on the risk of mortality, for example those for which the amount to be paid in the event of death exceeds the technical provisions: consequently, an increase in mortality rates results in an increase in technical provisions.

Longevity risk

Longevity risk is associated with insurance obligations (e.g. annuities) that provide for the insurer guaranteeing a series of payments until the policyholder dies, and for which a decrease in mortality rates results in an increase in technical provisions, or (re)insurance obligations (e.g. mixed policies) whereby the insurer guarantees a single payment if the policyholder survives for the duration of the policy.
It applies to insurance obligations that depend on the risk of longevity, i.e. where there is no benefit in the event of death or the amount to be paid in the event of death is less than the technical provisions: consequently, a decrease in mortality rates results in an increase in technical provisions.
With regard to longevity risk, Mediolanum Vita periodically analyses the adequacy of the technical bases of portfolios of annuities in the course of payment.
For cover that provides for an accumulation phase and a future option to convert capital to an annuity, no guarantee is normally granted on the technical bases for determining the annuity that can be disbursed. The level of appetite for annuities is also monitored so that the demographic bases can be adjusted.

Lapse risk

Lapse risk is the risk of loss or changes in liabilities due to a change in the rate at which options are exercised by policyholders.
All options for policyholders, whether legal or contractual, which can significantly change the value of future cash flows must be taken into account.

Expense risk

Expense risk arises from a change in the expenses incurred in relation to insurance or reinsurance contracts.

Catastrophe risk

Catastrophe risk arises from extreme or abnormal events, the effects of which are not sufficiently captured in other Life insurance underwriting sub-modules.

Disability-morbidity risk

Disability-morbidity risk is the risk of losses or adverse developments in the value of insurance liabilities arising from changes in the level, trend or volatility of disability, sickness and morbidity rates.

With regard to the exposure of life insurance companies to these risks, reference is made to the quantitative disclosures in the "insurance risks section".

Insurance risks to which non-life insurance companies are exposed

With regard to the non-life class, technical risk is the risk of loss or unfavourable change in the value of insurance liabilities due to inadequate assumptions relating to the determination of policy premiums and the creation of reserves. In particular, technical risk includes the following:

- Pricing risk
- Reserve risk
- Lapse risk
- Catastrophe risk
- Insurance counterparty insolvency risk

Pricing risk

This is the risk arising from fluctuations that may arise in the time of occurrence, frequency and severity of insured events. Pricing risk relates to policies underwritten during the year, including renewals, and risks arising from contracts still outstanding at the end of the year in question. It cannot be ruled out that the actual claims for compensation will be significantly higher in the future, in terms of number and amount, than the provisions used to calculate the price of the products, with possible adverse effects on the operating results, financial position and/or cash flows of Mediolanum Assicurazioni and, consequently, the Mediolanum Group. Furthermore, it is possible that inadequate data and pricing methodologies, with resulting compensation claims that are much higher than projected, could also result in a pricing level that is inappropriate with respect to the size of the actual risks, with consequent adverse effects on the operating results and the company's economic performance, financial position and/or cash flows.

Reserve risk

Expresses the variability between the best estimate of the claims reserve at a given date and its actual development over time (the relevant future payment flows) which, in accordance with Solvency II, is defined on an annual basis. Any policyholder requirements with respect to Mediolanum Assicurazioni that exceed expectations could have adverse effects on the Company's profit performance, financial position and cash flows.

€/000	31/12/2024	Weight %
Class - 01 Accident	7,242	14.62%
Class - 02 Sickness	32,093	64.78%
Class-07 Transported goods	4	0.01%
Class - 08 Fire	4,119	8.32%
Class - 09 Other Damage to Property	1,558	3.14%
Class -10 Motor	968	1.95%
Class - 13 General TPL	2,647	5.34%
Class - 16 Miscellaneous Financial Loss	790	1.59%
Class -17 Legal Protection	88	0.18%
Class - 18 Assistance	30	0.06%
Total non-life classes	**49,539**	100%

Amount of claims reserve before reinsurance. Values including IBNR, Reserve for direct and indirect expenses and amounts to be recovered.

Lapse risk

The Solvency II standard formula is used to estimate a potential early lapse rate for certain types of product, calculating the impact of this risk in terms of loss of regulatory capital. Despite the estimates made by Mediolanum Assicurazioni, there is a possibility that an increase in lapsed policies could have negative effects on the company's financial and economic situation.

Catastrophe risk (cat risk)

Catastrophe risk consists of the risk of a loss or unfavourable change in the value of insurance liabilities due to significant uncertainty regarding the assumptions used to determine premiums and create reserves in relation to extreme or exceptional events. This risk arises from events which are not adequately captured by the capital requirement for pricing and reserve risk. Mediolanum Assicurazioni limits the economic impact of catastrophic events through reinsurance, allocating the risk between reinsurers selected for their reliability and financial soundness. Therefore, the occurrence of one or more catastrophic events such as earthquakes, storms, explosions, floods, fires or acts of terrorism, resulting in damage exceeding the limit of Mediolanum Assicurazioni's reinsurance cover, could have adverse effects on the profit performance, financial position and/or cash flows of the Mediolanum Group.

Reinsurance counterparty default risk

Reinsurance counterparty default risk is the risk of a possible default by a counterparty that has outward portfolio reinsurance dealings with the Company. For further information on reinsurance contracts, see the description above.

With regard to the non-life insurance company's exposure to these risks, reference is made to the quantitative disclosures in the "insurance risks section'.

SECTION 1 – RISKS OF ACCOUNTING CONSOLIDATION

QUALITATIVE INFORMATION

This Section provides information on the companies included in the consolidated accounts.

QUANTITATIVE INFORMATION

A. Credit quality

A.1 Non-performing and performing credit exposures: amounts, value adjustments, trends and economic distribution

A.1.1 Distribution of financial assets by portfolio and credit quality (carrying amount)

€/000	Non-performing loans	Unlikely to pay	Non-performing past due exposures	Other performing past due exposures	Other performing exposures	TOTAL
1. Financial assets measured at amortised cost	12,974	88,938	37,122	93,205	37,631,648	**37,863,887**
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	1,887,783	**1,887,783**
3. Financial assets designated at fair value	-	-	-	-	41,904,095	**41,904,095**
4. Other financial assets mandatorily measured at fair value	-	-	-	-	-	**-**
5. Financial assets held for sale	-	-	-	-	-	**-**
TOTAL 31/12/2024	**12,974**	**88,938**	**37,122**	**93,205**	**81,423,526**	**81,655,765**
TOTAL 31/12/2023	**14,451**	**83,073**	**36,857**	**103,669**	**73,372,492**	**73,610,542**

A.1.2 Distribution of financial assets by portfolio and credit quality (gross and net values)

€/000	Non-performing				Performing			TOTAL
	Gross exposure	Overall value adjustments	Net exposure	Overall partial write-offs*	Gross exposure	Overall value adjustments	Net exposure	(Net exposure)
1. Financial assets measured at amortised cost	262,541	(123,507)	139,034	(242)	37,794,456	(69,603)	37,724,853	**37,863,887**
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	1,888,963	(1,180)	1,887,783	**1,887,783**
3. Financial assets designated at fair value	-	-	-	-	X	X	41,904,095	**41,904,095**
4. Other financial assets mandatorily measured at fair value	-	-	-	-	X	X	-	**-**
5. Financial assets held for sale	-	-	-	-	-	-	-	**-**
TOTAL 31/12/2024	**262,541**	**(123,507)**	**139,034**	**(242)**	**39,683,419**	**(70,783)**	**81,516,731**	**81,655,765**
TOTAL 31/12/2023	**248,258**	**(113,879)**	**134,379**	**(171)**	**38,553,209**	**(67,464)**	**73,476,161**	**73,610,540**

* Value to be displayed for information purposes

€/000	Assets clearly of poor credit quality		Other assets
	Cumulative capital losses	Net exposure	Net exposure
1. Financial assets held for trading	-	-	367,728
2. Hedging derivatives	-	-	-
TOTAL 31/12/2024	**-**	**-**	**367,728**
TOTAL 31/12/2023	**-**	**-**	**936,350**

B. Disclosure on structured entities (other than securitisation companies)

This case does not apply to the Group.

SECTION 2 – RISKS OF PRUDENTIAL CONSOLIDATION

THE PRUDENTIAL CONTROL PROCESS

Given its status as a significant bank, the Banca Mediolanum Group is part of the Supervisory Review and Evaluation Process (SREP) adopted at European level, characterised by the establishment of the Single Supervisory Mechanism (SSM), which includes the European Central Bank (ECB) and the national competent authorities of the EU Member States. This body is responsible for the prudential supervision of all credit institutions in the Member States and ensures that EU policy on prudential supervision of banks is implemented consistently and effectively in all EU countries. Therefore, the rules introduced require the supervision of intermediaries defined as significant to be carried out by the ECB in close cooperation with the national supervisory authorities.
The supervision of the other banks, meanwhile, has remained the responsibility of the authorities in each country and is carried out according to uniform criteria. In accordance with the proportionality principle, which takes into account the size and risk profile of the intermediary and its level of interconnection with the rest of the financial system, these banks are subject to more and more intense direct supervision by their national Supervisory Bodies and indirect supervision by the ECB.

In this section, the figures are shown gross of transactions with other companies included in the balance sheet consolidation. These figures also conventionally include, in proportion to the interest held, the assets and liabilities of banking, financial and instrumental companies that are jointly controlled and proportionally consolidated for supervisory purposes. Where the contribution of the relationships between the companies included in the prudential consolidation and the other companies included in the scope of consolidation of the financial statements is significant, details are provided at the foot of the relevant disclosures.
The following table shows a reconciliation between the consolidated balance sheet data and balance sheet data referring to the scope of banking supervision.

Asset items

€/000		31/12/2024		31/12/2024
Asset items		Balance sheet	Effects of deconsolidation and consolidation of non-banking group counterparties	Supervision
10.	Cash and cash equivalents	684,440	21,923	662,517
20.	Financial assets at fair value through profit or loss	42,531,431	42,033,399	498,032
	a)financial assets held for trading	416,218	67,801	348,417
	b)financial assets designated at fair value	41,904,095	41,904,095	-
	c)other financial assets mandatorily measured at fair value	211,118	61,503	149,615
30.	Financial assets measured at fair value through other comprehensive income	2,305,833	1,832,710	473,123
40.	Financial assets measured at amortised cost	37,863,887	1,334,090	36,529,797
	a)loans to banks	811,382	44,596	766,786
	b)loans to customers	37,052,505	1,289,494	35,763,011
50.	Hedging derivatives	-	-	-
60.	Adjustment to generically hedged financial assets (+/-)	-	-	-
70.	Equity investments	-	(1,510,172)	1,510,172
80.	Insurance assets	70,997	70,997	-
	b) reinsurance cessions that are classified as assets	70,997	70,997	-
90.	Tangible assets	209,693	66,893	142,800
100.	Intangible assets	212,914	5,761	207,153
	of which:	-	-	-
	- goodwill	125,625	-	125,625
110.	Tax assets	834,297	526,869	307,428
	a) current	664,392	432,205	232,187
	b) prepaid	169,905	94,664	75,241
120.	Non-current assets and disposal groups	823	823	-
130.	Other assets	1,439,957	162,520	1,277,437
TOTAL ASSETS		**86,154,272**	**44,545,813**	**41,608,459**

Liability items

€/000		31/12/2024		31/12/2024
	Liabilities and shareholders' equity	Balance sheet	Effects of deconsolidation and consolidation of non-banking group counterparties	Supervision
10.	Financial liabilities measured at amortised cost	35,528,900	(606,075)	36,134,975
	a) payables to banks	717,433	133	717,300
	b) payables to customers	34,497,838	(606,208)	35,104,046
	c) debt securities in issue	313,629	-	313,629
20.	Financial liabilities held for trading	3	-	3
30.	Financial liabilities designated at fair value	18,740,436	18,732,071	8,365
40.	Hedging derivatives	-	-	-
60.	Tax liabilities	410,923	101,478	309,445
	a) current	307,087	31,787	275,300
	b) deferred	103,836	69,691	34,145
80.	Other liabilities	1,289,681	502,638	787,043
90.	Employee severance benefits	12,228	1,214	11,014
100.	Provisions for risk and charges	342,336	10,442	331,894
	a) commitments and guarantees given	930	(2)	932
	b) pensions and similar obligations	105	-	105
	c) other provisions for risk and charges	341,301	10,444	330,857
110.	Insurance liabilities	25,804,045	25,804,045	-
	a) insurance contracts written that are classified as liabilities	25,804,045	25,804,045	-
120.	Valuation reserves	119,833	-	119,833
150.	Reserves	2,526,734	-	2,526,734
155.	Interim dividends	(272,832)	-	(272,832)
160.	Issue premiums	9,082	-	9,082
170.	Capital	600,688	-	600,688
180.	Treasury shares (-)	(77,414)	-	(77,414)
190.	Minority interests (+/-)	-	-	-
200.	Net income for the year (+/-)	1,119,629	-	1,119,629
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**86,154,272**	**44,545,813**	**41,608,459**

1.1 - Credit risk

QUALITATIVE INFORMATION

The credit policy of the Mediolanum Banking Group is essentially designed to meet the financial needs of customers who hold assets invested in the financial and insurance products distributed by the Group companies. Therefore, within the context of the Banking Group's strategies, lending is complementary to the provision of financial/insurance products and investment services to customers, and includes credit facilities designed to meet customers' short/medium-term needs (ordinary loans) and loans for the purchase, exchange, completion and, in general, execution of real estate transactions (special loans). With regard to the granting of credit facilities in the form of salary/pension-backed loans, delegation of payment and "with recourse" assignment of credit for end-of-service benefits (TFS), these products are offered by the subsidiary Prexta, which also operates in the Italian market for unsecured personal loans repayable by instalments, enriching the catalogue of consumer credit products offered to its customers in Italy, even when no assets are invested in the Group's financial and insurance products.

Credit risk mainly relates to retail and corporate credit and treasury activities. In the context of retail and corporate lending, at the Banking Group level, credit risk is identified as the likelihood that a counterparty, to which there is a credit exposure, will fail to meet all or part of its obligations, thereby generating an impairment loss in relation to the exposure taken on, or that it suffers a general deterioration in creditworthiness.
On the other hand, as regards treasury activities, credit risk is defined as the risk of incurring losses as a result of the deterioration of creditworthiness to the point of default of institutional counterparties to which Banca Mediolanum and the other Group companies act as a creditor in their investment activities, as a result of which the debtor may fail to fulfil all or part of its contractual obligations.
Although lending volumes were slightly below budget forecasts, repayments by customers under the amortisation plan for instalment products or through capital advance and early repayment transactions and the stock level of the retail and corporate loan portfolio increased slightly at the consolidated level compared to the previous year.
The Mediolanum Banking Group has outstanding credit exposures to customers that can be classified as green assets. In particular, these exposures, amounting to approximately 12% of the loan exposures outstanding as at 31 December 2024, relate to residential loans for green real estate located in Italy and valued according to the "criteria of substantial contribution to the climate change mitigation objective" as defined by the EU Taxonomy (Regulation (EU) No. 2020/852) and Commission Delegated Regulation (EU) No. 2021/2139.
The exposures indicated above do not involve economic conditions linked to a change in climate risk during the term of the loan.
The prevalence of loans to retail customers also means that the value of large exposures is significantly below the regulatory requirements.
An institution's exposure to a customer or group of connected customers is considered large when its value is equal to or greater than 10% of the institution's eligible capital. Taking into account the effect of exemptions and the mitigation of credit risk, large exposures must in any case comply with the limit of 25% of the entity's eligible capital.
Counterparties that fall within the scope of this type of reporting are primarily Italian and European banks operating with their respective group treasury units.

General considerations and impacts arising from the domestic, European and international economic context

Continuous monitoring of risk indicators also revealed in 2024 a trend that remained within the parameters of normal loan portfolio evolution, including at the Banking Group level, without entailing any material impairment of the credit quality of existing portfolios at the consolidated level. The control measures in place in the various Group companies highlight potential critical situations concerning loans disbursed, allowing the triggering of timely targeted interventions to resolve such situations by means of all the available risk mitigation tools that each individual Group company may adopt. With regard to the first- and second-level performance monitoring controls, no particular alert situations were identified during the year: all indicators were stable in accordance with the business model implemented by the Group and characterised by a low risk profile.
With regard to the Risk Appetite Framework indicators for credit risk, no significant changes were noted, as they remained in line with the Appetite limits and below the Tolerance limits. The performing portfolio also did not show any abnormal percentages of SICR criteria with respect to the staging allocation process analysis.
Finally, the changes in the non-performing portfolio are due to a normal and limited deterioration of creditworthiness in accordance with the provisions made during economic and financial planning. All in all, with regard to the cost of credit risk at group level, the final figures remained well below the budget forecasts for 2024.

In particular, with regard to the Parent Company Banca Mediolanum, there was no significant increase in impaired loans during 2024. The relevant positions were characterised by the presence of SACE or MCC state guarantees: the process of enforcing these guarantees did not reveal any operational problems and is continuing regularly, in accordance with the envisaged timeframe. The overall percentage cost of risk remained in line with previous findings, confirming the good quality of the credit portfolio.

In 2024, the preventive measures put in place to manage the shortfall of the impaired loan portfolio of the Parent Company Banca Mediolanum continued on the basis of the "NPE coverage expectations" communicated by the ECB. Credit risk management therefore continued in accordance with the current policies, credit policies and procedures.

With regard to the subsidiary Prexta, the increase in non-performing loans was attributable to the product of unsecured personal loans, the economic effects of which in terms of cost of risk were substantially in line with the forecasts made in the budget process, also in light of the substantial alignment of disbursements during 2024 with business objectives. With regard to salary and pension-backed loans and similar products, there were no particular deviations in terms of risk compared to the previous period. The risk profiles of the business lines of the subsidiary Prexta, were found to be compliant with the RAF indicators.

With regard to the subsidiary Banco Mediolanum, no particular changes were recorded in 2024, largely due to the low materiality of the loan portfolio: a low level of risk was recorded, and all metrics monitored were within the Risk Appetite and Risk Tolerance limits.

Also with regard to the effects of developments in the geopolitical and macroeconomic environment, there were no risk parameter values above the alert thresholds. Monitoring focused on the portfolio values of proprietary securities and customer credit exposures: the increase in variable-rate instalment products (mortgages and loans) recorded in the first half of 2024 was not reflected in abnormal values of default rates, which remained substantially unchanged, also in light of the gradual decrease in rates since the second half of the year.

2. Credit risk management policies

2.1 Organisational aspects

Specifically with regard to Banca Mediolanum, the Loans department is responsible for ensuring adequate implementation of the Bank's lending policy, in accordance with applicable legislation. The Loans department consists of the Loan Operations, Ordinary Loans, Special Loans and Loan Service & Collection sections (divided into the Loans under Observation, Loan Document Management and After-Sales offices) and the Credit Quality Monitoring managerial support unit.
The Credit Operations section manages relations with customers and with the sales network, providing a support service that covers the entire logistical and administrative process of credit applications, both ordinary and special, and may assume an approval role solely for applications involving a low level of risk and limited amounts.
The Ordinary Loans section oversees all processes related to the approval and disbursement of ordinary loans (credit lines, loans, unsecured loans) and the management of guarantees. Within the limits of the powers granted, it approves credit facilities for retail and corporate customers and informs and presents applications to higher bodies on matters not within its purview, expressing a non-binding opinion on the merits.
The Special Loans section is responsible for the process of approving and granting mortgage loans by the Bank, in accordance with the guidelines and rules defined in the Credit Risk Policy. It produces reports on the activity carried out for the Department Manager and collaborates with the Credit Quality Monitoring unit and the Risk Management function in drafting internal regulations and operational lending policies for special loans.
The Credit Services & Collection section aims to maximise synergies in after-sales management processes relating to ordinary and special loans. Within this category, the Loans office performs "Early Collection" activities, aiming for the repayment of positions that are showing the first signs of impairment and subsequently managing the positions until the proposed transition to non-performing loans and participating in the formulation and proposal of strategies and policies on credit management, defining the methodology principles and technical rules for managing credit risk.
The Credit Quality Monitoring unit oversees the first-level controls carried out by the management sections, liaising with the Compliance function on transparency and with the Risk Management function with regard to the auditing of operational risks. The unit also develops and analyses periodic reporting (both managerial and operational) and oversees the control of the correct contribution to public and private credit bureaus.

2.2 Management, measurement and control systems

Banca Mediolanum has defined its Credit Risk Policy In accordance with applicable regulatory provisions in order to organically and comprehensively regulate the Mediolanum Banking Group's credit process, thereby defining the rules and principles for assuming credit risk in all its forms.

The granting and management of credit is guided by the Group's Risk Appetite and, always with a view to a prudent balance between funding and lending, in accordance with the regulatory limits on risk concentration and the principles established in the Credit Risk Policy.

Granting/Identification Phase

Credit quality is controlled by means of a systematic review of risk information, with the support of specific operating procedures drawn up by each Group Company at every stage of the credit process. When granting loans, it is essential to fully understand the customer's economic and financial situation and to seek the most appropriate form of credit, taking into account the reasons for the loan application and the customer's creditworthiness, income and assets. To this end, during the application phase, each Group Company obtains all the information necessary to assess the consistency between income, the amount of the exposure (including outstanding commitments) and the technical form and purpose of the loan.
To perform this verification, the parent company Banca Mediolanum makes use of performance and financial analysis systems, as well as information from public and private credit bureaus. Particular attention is then paid to the assessment of guarantees. All positions are also subject to periodic review by the appropriate structures within the competent units. Control of the progress of accounts is carried out by means of continuous monitoring of existing credit lines with particular attention to higher-risk positions.
Performance ratings are assigned for both the Retail and Corporate segments using the CRS (Credit Rating System) procedure and the outsourcer Cedacri. For the Private segment of Banca Mediolanum, which constitutes the main portfolio in terms of exposure, the rating model is estimated and calibrated using internal data. In assessing creditworthiness, in order to make the data input into the model as complete as possible, both internal data (demographic and performance) and external data (credit bureau and CRIF reports) were taken into account, using a modular approach. For transactions with bank counterparties, the policies in place provide for the use of an internal rating model that defines methods for assessing the creditworthiness of all transactions undertaken by the Bank's treasury.
The credit safeguarding methods used are periodically reported to the respective boards of directors.
As regards the other companies of the Banking Group, the granting and management of direct loans is governed by the credit policies approved by the companies' Board of Directors in accordance with the Credit Risk Policy. This task consists of a distinct process with of four interlinked macro-phases: appraisal, decision, disbursement, monitoring and after-sales. The credit risk management process begins with a documented preliminary assessment process that may be based on automated procedures for specific products. During the appraisal phase, all the documentation and information necessary to carry out an adequate assessment of the Customer's creditworthiness, in terms of assets and income, is acquired in order to ensure that the risk assumed is correctly remunerated. The documentation makes it possible to assess the consistency between the amount and the technical form, as well as to identify the characteristics and quality of the client, including in view of the totality of relations maintained with the client. Credit lines are granted during the decision-making phase, with the decision-making autonomy afforded by internal policies. In the post-disbursement phase, performance checks and monitoring of individual exposures are conducted systematically, in order to promptly detect any anomalous situations and to ensure the adequacy of value adjustments and write-offs.

Management phase

The credit risk management processes also require that credit positions be periodically reviewed by the competent central or peripheral structures and that customers be assessed not only at the initial granting of credit, but also on an ongoing basis, by means of a periodic monitoring process that interacts with credit management and control processes and procedures in order to ensure a rapid detection of the occurrence of any signs of deterioration, reflecting the degree of risk exposure. To this end, early warning models are employed that leverage internal and external trend information, as well as information from trend rating models.

Monitoring phase

The monitoring process provides for first-level controls carried out by the sectors of the Credit Departments concerned, to which additional controls are added in order to detect any anomalies in the loan disbursement and management process. Such anomalies may be reported to internal departments and their evolution and resolution is monitored. Another key element of the monitoring process is the regular reporting that takes place for all loan portfolios, which is brought to the attention of top management and boards of directors of the individual companies. In view of the increasing importance attached to ESG and climate issues, monitoring related to these credit risk issues has been added over the years. This includes monitoring of the physical and transition risk to which real estate securing mortgages is subject, and the ESG rating of corporate counterparties, although the latter is of modest significance.

In addition to verifying the presence of appropriate Level I controls, the Risk Management structures in Group companies are responsible for monitoring changes in loan risk levels. The second-level monitoring process, set up by the Risk Management function, is designed to analyse the credit quality and dynamics of risk exposures along fundamental regulatory and management guidelines by calculating synthetic risk indicators and representing their development over time in order to prepare plans of action necessary to mitigate or avoid risk factors.
In particular, the Risk Management function prepares:

- Periodic reporting: these are reports drawn up periodically to monitor the quality of the credit portfolio through the calculation of key risk indicators and the presentation of certain risk variables/parameters. In the context of this reporting, there is a focus on compliance with the limits and parameters defined in the RAF and the credit portfolio trend over time.
- Large-scale checks: these are checks applied to the credit portfolio as a whole or to its relevant sub-groups (e.g. customer segment, geographical area, type of loan, etc.) that reveal any potentially "abnormal" behaviours of the portfolio being analysed. If the warning thresholds defined in correspondence with the large-scale checks are exceeded, spot checks may be carried out to explore the anomalies detected in individual positions.
- Spot checks: these are checks carried out on individual credit positions that are part of samples selected by Risk Management on the basis of specific criteria. Spot checks may be activated either downstream of large-scale controls or independently of them. As they focus on individual credit positions, these checks may entail the acquisition of the relevant documents and assessments of the realisable value of the guarantees associated with the credit exposure. When carrying out spot checks, Risk Management ensures that all the information necessary to assess the credit and trace the recovery process is entered into automatic internal procedures. The available documentation on the basis of which the competent structure for the first-level assessment carries out its own analysis is also controlled.

Specifically, large-scale and spot checks have been defined in order to verify:

- the correct performance monitoring: the aim of the check, which is carried out on individual positions, is to identify performing positions that present internal and/or external anomalies in order to define the most appropriate corrective actions with the first-level structures, preventing the deterioration of the credit rating and the impairment of the loan portfolio.
- the correct classification of positions: on the basis of internal policies for classifying non-performing positions and the rules relating to the performance monitoring process, Risk Management verifies that the rules for classifying positions (both performing and in default) are applied appropriately on the basis of indicators that can detect any misclassification. Specifically, negative external events are assessed (e.g. credit bureau and CRIF) resulting in further deterioration of the credit rating of the position, including signs that might lead to outright non-recoverability. In the case of checks on individual positions, for each verified case, the assessments are documented in a summary comment indicating the outcome of the checks performed.
- Consistency of provisions: Risk Management verifies, for homogeneous credit portfolios, the correct application of the impairment approaches indicated in internal policies. These checks are performed at both on a large scale, taking into account the entire performing/non-performing portfolio, and as spot checks.
- Adequacy of the recovery process: the Risk Management Function defines the recovery process and checks that the relevant procedures are complied with in practice by the operating units. Adequacy is assessed by identifying critical issues and collaborating with the bodies responsible for identifying corrective actions. Risk Management also performs an independent control of the figures presented by the first-level structures relating to management time and amounts recovered.

It should be noted that the organisational logic and the characteristics of credit management and the process adopted by the Parent Company Banca Mediolanum have been adopted at the Banking Group level, taking into consideration the size, regulations and characteristics of the business developed in their respective contexts.

The assessment of value adjustments of performing and non-performing exposures is based on methods consistent with IFRS 9, as described in detail in Part A - Section "A. 2 – Part relating to the main financial balance sheet items", in particular the section entitled "Methods for determining impairment losses". The main application guidelines for the purposes of the 2024 Financial Statements are set out in Section "2.3. Methods for Measuring Expected Losses" below.

2.3 Methods of measuring losses

The risk parameters used to calculate the ECL (expected credit loss) are: PD (Probability of Default), LGD (Loss Given Default) and EAD (Exposure at Default). According to the IFRS 9 expected credit loss model, a loss may be recognised without the event that causes the impairment of a receivable (the impairment trigger) necessarily occurring. Expected loss is always measured over a time horizon of 12 months, while expected losses over the residual life of the receivable are calculated in respect of assets for which there is a significant increase in credit risk after initial recognition.
The classification model for financial assets under IFRS 9 is divided into three different stages and provides for the recognition of a different value for expected loss in response to a deterioration in the credit quality of financial instruments.

Stage allocation

Below are the three stages indicated by the accounting standard.

- Stage 1: exposures not subject to significant deterioration in of credit quality since origination or purchase, or that are characterised by negligible credit risk as at the reporting date. For assets in this segment, the ECL is measured within a 12-month time frame (12-month ECL).
- Stage 2: "performing" exposures whose original credit quality has deteriorated significantly and whose credit risk is not negligible, although they cannot yet be classified as non-performing. If at the valuation date there is a significant increase in the credit risk of the instrument, the expected loss is measured over a time horizon that covers the lifetime of the instrument until maturity (lifetime ECL). In the case of the credit portfolio, the criteria defined for determining Stage 2 are: a worsening in the PD or rating, forborne classification, past due by more than 30 days and internal classification as part of the performance monitoring process. With regard to the securities portfolio, Stage 2 classification depends on the deterioration of the rating of the security or the issuer according to the internal policies defined by the bank.
- Stage 3: exposures whose credit risk has increased to the point that the instrument is considered to be impaired, i.e. classified as non-performing; this stage also includes financial instruments in default. The latter category includes all assets presenting objective evidence of impairment.

Loans

For the purposes of measuring a significant increase in credit risk, loans are classified in stages by type; different loans with the same borrower may therefore be classified in different stages depending on whether or not the following rules apply.

Specifically, the transition from Stage 1 to Stage 2 takes place when at least one of the following occurs:

- The probability of default is more likely (Private Segment): the probability of default measured at the reporting date has increased compared with that detected measured on origination of the receivable beyond a certain threshold established by the Risk Management Function. This threshold can be differentiated by class of rating.

- Deterioration of the rating (Other Segments): the rating at the observation date is at least two notches lower than the rating when the loan was originated.
- Forborne: Performing forborne credit facilities.
- Past due 30 days: there is a past due period of more than 30 days.
- Internal monitoring process results: the offices responsible for credit monitoring identify performance anomalies that could result in a significant increase in credit risk (management watch-lists).

Securities

Securities are classified by purchase tranche, with a single staging rule that verifies the rating of the financial instrument, initially showing the quality of the issue or alternatively the issuer's creditworthiness. Several purchase tranches attributable to the same security (same ISIN) may be classified at different stages depending on the deterioration of the credit rating recorded on the purchase date, pursuant to the FIFO (first in – first out) criterion. Stage 1 allocation concerns exposures whose credit quality has not deteriorated since the time of purchase.

Stage 2 classification involves comparing the rating of the security or the issuer on the tranche purchase date and on the reporting date. If the rating class has declined by two or more notches since the purchase date and the security has a speculative grade rating on the observation date, the tranche is classified as Stage 2. Securities with an investment grade rating according to the ECAI rating scales at the reporting date are always classified at Stage 1 due to the use of the low credit risk exemption.

Expected Credit Loss estimate and inclusion of forward-looking scenarios

The classification of loans subject to ECL evaluation is based on the ratings assigned to the various customer segments (Retail/Corporate) processed by the Cedacri CRS (Credit Rating System) application. With regard to the Probability of Default, a calculation algorithm was applied for the Private segment; this model was developed on the historical data of Banca Mediolanum customers only. The CRS evaluates all of the bank's customers with credit authorised/drawn, on the basis of specific information inputted into the system.
The calculation model is differentiated by customer segment, according to the following classification:

- Private Consumers
- Small Business
- SMEs
- Large Corporate
- Real estate

The system classifies performing borrowers into eight rating classes (from 1, the best, to 8, the worst) for Private Consumers and into ten rating classes (from 1, the best, to 10, the worst) for the remaining segments. More specifically, the CRS rating system assigns each customer a numerical score indicating the risk of default: the lower the score, the lower the probability of default of the assessed position. Using a dedicated mapping function, the default probability of an individual counterparty is calculated from the numerical score, on the basis of individual PDs, rating classes are defined as ranges of probability of default. For the purposes of collective write-downs, each rated counterparty is then assigned its rating class, to which the highest value between the estimated average PD and the observed default rate (in the case of the Private segment) or the observed average PD (for the other segments) is associated.

The characteristics of the rating models that have been adopted for each of the indicated customer segments are briefly described below.

- Private Segment. The rating model is estimated and calibrated using Banca Mediolanum customers only. In the assessment of creditworthiness, in order to make the input data into the model as complete as possible, internal (master and performance data) as well as external information (reports to the Central Risks Bureau and bureaus) were considered. To perform a model estimation, the statistical methodology used is logistic regression (logit model). In particular, logistic regression was applied for the determination of the scores of individual modules and for the calculation of the overall score at counterparty level.
- Small Business, SMEs, Real Estate and Large Corporate segments. The rating models for these segments are based on the application of logistic regression to basic indicators, which are divided into separate modules (System Performance and Internal Performance for the Small Business segment, System Performance, Internal Performance and Financial Module for the other segments). The scores of the various modules are then integrated by means of a second logistic regression. Each segment is then recalibrated in order to capture the various levels of risk. Both models are estimated and recalibrated using consortium data.

With respect to the assessment of LGD, the following decisions were made:

- Private Segment. A separate LGD percentage is applied per type of relationship and quantified on the basis of market benchmark analyses and internal evidence in terms of recovery rates. As of 2025, an internally developed LGD model will be used that more closely reflects the characteristics of the portfolio and is differentiated by product type.
- Small Business, SMEs, Real Estate and Large Corporate segments. Two econometric LGD models were adopted for these segments (one for the Small Business segment and one for the SME, Real Estate and Large Corporate segments). These also were implemented by the Cedacri outsourcer within the CRS application.

As expressly mentioned in the *EBA Guidelines on credit institutions' credit risk management practices and accounting for expected credit losses*, banks must apply the guidelines proportionately, applying a concept of materiality. For this reason, when it is not possible to calculate the ratings or risk parameters used to calculate the ECL, legal entities may adopt alternative approaches for estimating the ECL. The permitted calculation methods that are used on the Group's residual portfolios are:

- The use of rating, PD and LGD models provided by external data providers and developed on aggregated data.
- The use of CRR-derived parameters for calculation of RWAs
- The use of external benchmarks or parameters, in particular for low default portfolios (Large corporate, Financial or Sovereign) derived from sector studies or analyses, particularly if they relate to ECAI.
- The use of parameters provided by the parent company and recalibrated to the relevant application portfolio.
- Use of standardised parameters derived from local regulations: some countries provide for standardised write-downs for the entire banking sector (e.g. the Bank of Spain's Solución alternativa lump-sum solution for standard banks).

The ECL of the Banca Mediolanum credit portfolio is calculated on the basis of the ratings assigned to the various customer segments (Retail/Corporate) developed using the Cedacri CRS (Credit Rating System) procedure.
In order to calculate the lifetime ECL, a PD curve of up to 30 years is associated with each individual rating. The lifetime PD curve identifies the probability that a borrower (associated with a certain rating class) will default between the reporting date and the year on the curve node. The updating process involves the incorporation in the estimates of a forward-looking component on the first three years of the PD curve according to estimated macroeconomic scenarios. In the LGD assessment, a distinction is made between the "private segment" for which a separate LGD is applied according to the type of account, quantified on the basis of market benchmark analyses and internal recovery rate figures, and the "corporate segment" for which the econometric models implemented by Cedacri as part of the CRS procedure are applied. To calculate the ECL of the securities portfolio, financial instruments are divided into three categories based on the segment to which the issuer belongs: financial, business or government institutions. The rating associated with each issue is established using the criteria described in the internal policies. The relative PD and LGD curves have been developed for each segment, using market best practices and taking the specific features of the portfolios into account.
Forward-looking information is incorporated into the ECL calculation (on either a 12-month or lifetime basis) by means of the Probability of Default (PD) component. Satellite models connect the PD performance with macroeconomic variables, thus simulating the prospective performance of the risk parameter with estimates of economic drivers. The forward-looking scenarios act in particular on the first three years of estimation of the parameters, while from the fourth year onwards the estimates obtained remain stable and are perpetuated over time.

The ECL not only quantifies the expected future loss on loans based on historic evidence channelled through statistical models, but also incorporates forward-looking information through a component that aims to simulate future performance. The purpose of forward-looking scenarios is to simulate future trends in macroeconomic variables (GDP, unemployment, etc.), which are incorporated annually into the calculation of the ECL of the loan portfolio.
These projections are provided by accredited and internationally recognised information providers.

Three macroeconomic scenarios were used to estimate the ECL during 2024:

- Mild Scenario: This scenario assumes that the war in Ukraine will be resolved sooner than expected while the pandemic crisis will come to a definitive end. This leads to an increase in aggregate demand and an expansion of aggregate supply. On the demand side, favourable developments lead to a reduction in recession concerns with a corresponding increase in consumer and business sentiment. On the supply side, increased energy security, the complete elimination of supply bottlenecks and efficiency gains deriving from the NextGenerationEU fund lead to a period of rapid growth in productivity. The strong economy relieves domestic political tensions, leading to effective reforms and investment.
- Adverse Scenario: This scenario assumes that the Russian invasion of Ukraine will continue and intensify further. As part of the escalation, the flow of natural gas from Russia stops completely, causing European prices to rise further. Geopolitical tensions also flare between the US and China, leading to significant barriers to shipping along the Taiwan Strait. Lastly, there is a strong wave of the COVID-19 pandemic, caused by a new variant.

- Base Scenario: This scenario assumes that Russia's invasion of Ukraine continues but does not expand beyond Ukraine's borders. Israel's declaration of war on Hamas does not turn into a broader regional conflict. Global oil prices remain around current levels for several quarters. The EU embargo on Russian oil and tensions in the Middle East do not disrupt global oil supply. Natural gas prices remain close to current levels and are only slightly above their pre-pandemic level. Extensive imports of LNG continued flows of Russian gas and significant gas conservation eliminate any threat of supply shortages during the winter. The ECB keeps rates unchanged at 4% for several quarters. It starts to cut rates in the spring of 2024. The neutral rate is reached in 2025. Italian GDP is expected to decline slightly in 2024: Household consumption will support domestic demand in the short term as lower inflation eases the pressure on disposable income. In contrast, fixed investments will be held back by high interest rates, while weak foreign demand and increased geopolitical uncertainty will weigh on net exports.

The following is an extract of the main macroeconomic indicators used in 2024 for ECL estimates.

	BASE		MILD		ADVERSE	
	GDP ITA	UNMP ITA	GDP ITA	UNMP ITA	GDP ITA	UNMP ITA
2024	0.58%	8.05%	2.81%	7.77%	(7.99%)	11.90%
2025	0.56%	8.27%	0.19%	7.93%	(1.20%)	12.74%
2026	1.68%	8.37%	1.51%	8.09%	4.48%	11.65%

The macroeconomic scenarios adopted for the purposes of estimating the ECL have been incorporated into the annual calibration process prepared by the Risk Management Function, regarding both Banca Mediolanum and Prexta.

With regard to the classification in Stage 2 of the credit exposures of the Prexta subsidiary salary-backed loans business line, in accordance with the accounting standard, assessment of the change in credit risk is based on qualitative and quantitative information. To this end, a staging allocation model has been applied, in which the classification rules are based on objective calibrated criteria that take account of the specific features of Prexta products.

In order to develop a methodology consistent with that defined and applied by the Parent Company when estimating risk parameters, the Probability of Default curves estimated by Banca Mediolanum for portfolio segments with similar risk levels are used to calculate Expected Credit Loss, including the effects relating to the prospective macroeconomic scenarios. These parameters have been appropriately defined to represent the risk level of the Prexta credit portfolio.
For the Loss Given Default component, in the absence of strong historical evidence, a prudential approach has been adopted with regard to the risk level of the products in the Company's credit portfolio based on external benchmarks and associating a greater potential expected loss with the technical forms presenting a higher degree of risk.
With regard to the business line for personal loans repayable in instalments, given the limited level of the stock of receivables in the portfolio and the substantial change compared with the estimates made as part of economic and financial planning process, Prexta has continued to adopt a collective write-down by stage based on external benchmarks and considering the Parent Company's provisioning policies for similar products.

In 2024, Prexta continued to develop the business line relating to personal loans with unsecured repayment in instalments. With regard to provisioning policy, given the recent launch of the business line and the low level of the receivables stock in the portfolio, the Company continued to adopt a separate collective write-down divided into stages based on external benchmarks and the Parent Company's provisioning policies for similar products. The staging allocation model includes an evaluation of external performance anomalies, updated monthly on the basis of information received from the CRIF Credit Bureau.
The non-performing loan write-down rates are conservative and in line with the policies of the Parent Company, Banca Mediolanum, for products with a similar risk profile.

Each year, the Model Validation Unit of the Risk Management Function produces a validation document which describes the steps taken to validate the models used to calculate the Expected Credit Loss (ECL) for the purpose of quantifying the Mediolanum Group's provisions in accordance with IFRS 9, and the results obtained.

As part of the validation process, the Model Validation Unit of the Risk Management Function gives an opinion, for each of the validation analyses performed, based on the following scale: Compliant, Partially Compliant, Partially Non-compliant and Non-compliant.
On the basis of the same scale and considering the evidence of each individual validation analyses, a final judgement is also provided.

The Model Validation Unit produced a total of 38 validation analyses, distinguishing between quantitative and qualitative (i.e. relating to model design) and differentiated by legal entity, portfolio (Loans and Securities), customer segment (Private and Corporate for Loans, Sovereign and Financial for Securities) and risk parameter used in the calculation of the ECL (probability of default and loss given default).
Most of these analyses present a conformity assessment.

All suggestions and recommendations of the Model Validation Unit were considered during the course of the ordinary tasks and calibration processes followed by the Risk Management Units during 2024.
Based on the evidence of the validation analyses that were performed, the Model Validation Unit provided a final verdict of "compliant".

In addition, as previously pointed out, the informed focus on environmental issues initiated by Banca Mediolanum a few years ago is also evolving through the careful and targeted identification, management and mitigation of the risks that characterise part of the scope of ESG issues, which is gradually leading to a definition of this type of risk, including in the context of the new RAF indicators. In 2023, Banca Mediolanum adopted a policy on the management of climate and environmental risks (later merged into an ESG Risk Management Policy in 2024) in which the framework for assessing how climate risk may impact the risks faced by the business lines and the strategies defined by the Group is formalised, through the monitoring of certain management indicators. With reference to the credit risk valuation method for estimating expected loss according to international accounting standards, the model that was adopted does not currently provide for a calibration that includes a measurement of climate risk. However, the course of action taken by the Group envisages ongoing evolution of the framework and attaches increasing importance to the monitoring and inclusion of climate risk in business practices – so much so that as of the first quarter of 2025, appropriate adjustments will be made to the existing ECL IFRS9 models on the mortgage portfolio to incorporate expected loss components arising specifically from the outlook for scenarios arising from climate change.

2.4 Credit risk mitigation techniques

In return for granting credit, the Banks operating in the Group obtain suitable guarantees from the counterparty, such as collateral on property, and typical personal guarantees, such as sureties, and other atypical guarantees, such as mandates to sell and specially dedicated forms of insurance linked to salary-backed loan products and delegation of payment offered by Prexta. Although such guarantees are ancillary to the assessment of the customer's creditworthiness, considerable importance is attributed to the estimated value of the guarantee where prudential haircuts are applied, appropriately differentiated by type of collateral, the value of which is periodically reviewed according to the market value.
Banca Mediolanum does not apply processes for offsetting credit risk exposures with opposite sign entries in the financial statements or off-balance sheet, including at consolidated level.
Credit risk mitigation (CRM) techniques consist of contracts ancillary to the loan or other instruments and techniques that result in a reduction of credit risk, which is recognised when calculating capital requirements and, in terms of management, in internal policies. The recognised credit risk mitigation techniques are divided, for supervisory purposes, into two general categories:

I. Real protection.
2. Personal protection.

Real credit protection consists of:

- financial collateral relating to cash, certain financial instruments, gold provided through pledge agreements, transfer of ownership to secure assets, repurchase agreements and securities lending and borrowing;
- master netting agreements;
- on-balance sheet netting;
- real estate mortgages.

Rights in rem, pledges and other rights with equivalent content relating to assets with an adequate degree of liquidity and a sufficiently stable market value over time are recognised as credit risk mitigation techniques. This category includes guarantees provided through a pledge. The financial product pledged, directly or indirectly, must be included among the following products:

- current account balances at banks belonging to the group;
- government or government guaranteed bonds and eligible securities;
- units in investment funds and investment companies with variable capital (Sicav);
- insurance policy restrictions;
- assets under management;
- bonds and certificates of deposit issued by Group Banks and by other Banks;
- reverse repurchase agreements on listed, eligible or government bonds with ordinary customers with an agreement for later sale to the counterparty;
- listed bonds;
- listed equities.

If the guarantee net of internal policy haircuts does not fully cover the amount of the credit line granted, the loan is fully classified to the full risk category.
Credit risk arising from mortgage loans is mitigated by the guarantee provided by the property, which may be residential, semi-residential or non-residential. The property in question must be located in Italy. The maximum loan-to-value ratio is 80% for residential property provided as security (more than 80% only if there is a mortgage insurance policy in place) and 70% of the appraised value of semi-residential property. Semi-residential property is understood to be property that meets the following requirements:

- The market value of the portion of the non-residential property must not exceed 40% of the total appraised value of the property.
- The unit must be located in a residential area.
- the borrower must be a self-employed person who intends to use the property as his or her primary residence.

In the case of semi-residential properties, the maximum LTV percentage may be increased by up to 80% if there is an irrevocable mandate to sell on the Group's products and other financial assets held by customers for between 70% and 80% of the LTV share.

The LTV maximum percentage for residential properties may exceed the 80% limit in the following cases:

- Mortgage loans granted to employees or to the sales network, up to a limit of 95%.
- Mortgage loans granted for the purchase of a first home by people under the age of 35, up to 90%.
- Mortgage loans granted for the purchase of first homes with high energy efficiency (energy class A+, A and B), up to 90%.
- Mortgage loans granted for purchases of first homes subject to the guarantee granted by the "First home Guarantee Fund" set up by the Ministry of Economy and Finance, up to a maximum limit of 100%. The amount of the loan must not exceed €250,000 and the Fund provides for a public guarantee of 50% (with a counter-guarantee from the State), increased to 80% for certain requests made up to 31.12.2023.

In the case of transactions with an LTV above the 80% threshold, with the exception of the mortgage loan with guarantee granted by the "First Home Guarantee Fund", provision must be made for a Mortgage Insurance policy to cover the part exceeding 80% of the LTV in order to comply with the collateral requirement.
In the case of non-residential property, the maximum loan-to-value ratio is 50%. This percentage may be increased up to 80% if there is an irrevocable mandate to sell on the Group's products and other financial assets held by customers for between 50% and 80% of the LTV share.
In the case of mortgage-type transactions to finance the liquidity needs of unencumbered property owners (or in the case of transactions on properties encumbered by mortgages for previous mortgage transactions with repayment thought the new mortgage in progress) the maximum loan-to-value percentage is 50%.

The Group guidelines require the adoption of a cautious approach to operations, and the implementation of control procedures that are proportionate and appropriate to the size of business and the context within which the Group companies operate, such as verification of the accuracy and quality of the document prepared by the valuer, which are essential requirements for the risk analysis. Any indication of approval of a mortgage must always be supported by a valid valuation report which must provide an estimated value that is consistent with the loan amount requested and certify, as far as possible, the building's compliance with building and planning regulations. Otherwise, the application will be rejected or the loan reduced so that it is proportionate to the real value of the property (depending on its marketability, location, etc.). The reference property value is the lower of the purchase price and the value in the valuation report. The valuation is carried out by referenced and affiliated experts who always fulfil the requirements of independence and professionalism. The specific technical function established within the Loans Department of every Group Bank is responsible for checking that the internal procedures for drawing up the valuation report have been correctly followed. The first-level structure also performs a periodic control (due diligence on valuations) involving a second, different valuation company on a pre-defined sample of applications: this control verifies the soundness of the process in place and provides a revaluation consistent with the condition and market of property provided as collateral. As part of the second-level control process, the Risk Management function carries out periodic controls on the mortgage guarantees.

Personal credit protection consists of personal guarantees and credit derivatives. The latter are not currently authorised by the Parent Company among the credit mitigation techniques for the banking book, as they are only approved for trading.
In addition to collateral and personal guarantees, there is the irrevocable mandate to sell on the Group's products and other financial assets held by the customer. The mandate to sell has the undoubted advantage of being the leanest form of guarantee from an operational standpoint, although it does not constitute any prerogative or privilege on the part of the Bank Groups in the event of insolvency proceedings. Furthermore, as an atypical guarantee, mandates to sell are not eligible for the purpose of reducing capital absorption and are therefore not recognised as collateral for the purpose of mitigating credit risk, although they help to facilitate the decision whether or not to grant a normal credit facility. The risks assumed under this form of guarantee will therefore necessarily be considered full risks.

BANCA MEDIOLANUM

The Bank takes a cautious approach to such operations and implements control procedures, such as verifying the accuracy and quality of the document prepared by the valuer, which are essential requirements for the risk analysis. Any indication of approval of a mortgage must always be supported by a valid valuation report which must provide an estimated value that is consistent with the loan amount requested and certify, as far as possible, the building's compliance with building and planning regulations. Otherwise, the application will be rejected or the loan reduced so that it is proportionate to the real value of the property (depending on its marketability, location, etc.). The reference property value is the lower of the purchase price and the value in the valuation report. The valuation is carried out by referenced and affiliated experts who always fulfil the requirements of independence and professionalism. The specific technical function established within the Special Loans section of the Loans Department is responsible for checking that the internal procedures for drawing up the valuation report have been correctly followed. The first-level structure also carries out a periodic check (due diligence on appraisals) involving a second and different expert company for a pre-defined sample of practices: this check enables verification of the validity

of the existing process and a revaluation consistent with the status and market of the property used as collateral. As part of the second-level control process, the Risk Management function carries out quarterly controls on the revaluation of property provided as collateral. In particular, in agreement with the Loans department, any deviation (change) between the revalued value of the property and the last available value provided by a valuer is controlled, in order to identify properties which have decreased significantly in value. The Risk Management function is also involved in the periodic due diligence process in order to identify potential over-valuations of properties provided as collateral during the origination process, periodically controls the consistency of the valuation of secured properties by means of the IT procedures used by the Bank and checks that there is a connection between the loan and the corresponding mortgage guarantee.

PREXTA

Through Prexta, credit is provided in the form of salary and pension-backed loans and delegation of payment. The mandatory insurance policy covering the risks of death and loss of employment represents a form of credit risk mitigation that is effective in the recovery process, since it acts as a guarantee in the event that the debtor does not fulfil their obligation to repay the loan in the event of final termination of the employment relationship between the debtor and the employer, whatever the cause (including dismissal and voluntary resignation). This policy is not eligible for supervisory purposes: the risks assumed on the basis of this form of risk mitigation are considered full risks. With regard to the calculation of the capital requirement, only in the case of salary or pension-backed loans, the regulation allows a lower weighting percentage than is required for retail exposures.

BANCO MEDIOLANUM

The process of calculating write-downs for the Bank's credit portfolio involves the analysis of the impairment of all credit exposures and the application of collective or analytical impairment according to the counterparty's administrative status.
To quantify impairment, the Bank does not use an internal method, but applies a simplified, fixed percentage method (the Solución alternativa) proposed by the Bank of Spain for standard banks as set out in the reference legislation (see Circular 4/2017 and ref. Circular 6/2021).
This locally adopted legislation requires the adjustment of impairment rates in accordance with updates published by the Bank of Spain, which are based on information collected from the Spanish banking sector.
This simplified solution determines collective impairment according to the counterparty's regulatory classification, applying a fixed percentage to the amount of the exposure not collateralised after applying the respective haircuts specified by the Bank of Spain to the collateral. However, provision is also made for the possibility of conducting individual analytical impairment.
In particular, in 2024, following the catastrophic floods that occurred in the Valencia area last October, the Bank made a general prudential provision in anticipation of possible falls in the value of properties in the area as collateral for loans in the mortgage portfolio.

3. Non-performing credit exposures

3.1 Management strategies and policies

The Parent's NPL management strategy was defined on the basis of an analysis of the historical management capacity, the external context, the characteristics of the non-performing portfolio in terms of technical form and the limited level of the non-performing portfolio. In terms of possible recovery actions, internal management prevails, and in the out-of-court phase of the recovery process, positions for which early collection activities have not been successfully performed are entrusted to specialised partners. In addition, restructuring and forbearance policies are considered in line with recent operations. Given the level of the non-performing portfolio, transfer strategies (securitisations) with derecognition of the assets transferred were not considered.
The objectives set out in the approved business plan were established in terms of NPLs gross and net of impairment by type of none-performing loan (past due exposures, UTPs and non-performing loans), as an absolute value and as a percentage of total exposures to customers, in accordance with the RAF indicators. The targets set lead to a low level of NPL ratios net of value adjustments.

The impairment process is divided into two distinct phases:

- identification of the assets to be subjected to analytical, rather than collective, valuation;
- quantification and accounting recognition of the loss in accordance with the rules for the specific type of impairment adopted.

The phase of identifying the assets to be valued analytically rather than collectively requires performing loans to be subjected to collective valuation in accordance with IFRS 9.
Loans classified as "non-performing" according to the reporting criteria established in current supervisory regulations (past due exposures, UTPs and non-performing loans), regardless of the significance of each individual exposure, are subject to analytical valuation, with a distinction being made between an "analytical-flat rate" valuation and an "analytical-individual valuation".
Non-performing forborne exposures, even if they do not constitute a separate category of defaulted loans, given that they come under the category of non-performing loans, UTPs or past due exposures, are subject to analytical-flat rate valuation or analytical-individual valuation depending on which class they belong to and the presence of breaches of advised limits/overdrafts/past due amounts.

Impaired financial assets

On-balance sheet financial assets (loans and debt securities) and off-balance sheet financial assets (guarantees given, irrevocable and revocable commitments to disburse funds, etc.) are defined as defaulted loans or "non-performing credit exposures" when the relevant debtors fall into the "non-performing" category in accordance with Regulation (EU) No 2019/630 amending Regulation (EU) No. 575/2013 and Commission Implementing Regulation (EU) No. 680/2014 as amended (Implementing Technical Standards; hereinafter, ITS). Financial instruments included in the "Financial assets held for trading" portfolio and derivative contracts are excluded.
When identifying and classifying non-performing credit exposures, account must also be taken of the EBA Guidelines on the application of the definition of default pursuant to Article 178 of Regulation (EU) No. 575/2013 of the European Parliament and of the Council (EBA/GL/2016/07).

Non-performing loans can therefore be identified as a type of item where the position will be difficult to recover due to deterioration in the counterparty's creditworthiness. As a result of prudential supervisory regulations, there is increased capital absorption for this category of loans.
Depending on their severity, non-performing loans are classified as past due exposures, unlikely to pay exposures and non-performing loans.

Past due exposures

These are cash exposures other than those classified as non-performing loans or UTPs which, on the reporting reference date, are past due.
Past due exposures are determined with regard to individual borrowers.
As regards entry criteria, the overall exposure to a debtor is recognised as past due if the amount of principal, interest or fees not paid at the date on which it was due exceeds both of the following thresholds:

- an absolute limit of €100 for retail exposures and €500 for exposures other than retail exposures;
- the relative limit of 1% established by the ratio between the total amount past due and the total amount of all credit exposures to the same debtor (exposures transferred and not derecognised for the purposes of the financial statements are included in the calculation).

Margins still available on credit lines are not used to offset outstanding defaults and avoid classification as default, and therefore the customer is classified under non-performing loans even when there are funds available on other unused credit lines.
In the case of "revocable" credit facilities where the established credit limit has been breached (including if due to the compounding of interest), the breach begins either from the first date of non-payment of interest that results in the breach, or from the date of the first request for return of the capital, whichever occurs first.
For the purposes of verifying the thresholds, all exposures included within the scope of prudential consolidation for the same debtor are taken into account. Equity exposures are excluded.
The thresholds must be continuously exceeded, i.e. they must persist for 90 consecutive days, with the exception of certain types of commercial exposures undertaken with central governments, local authorities and public sector bodies.
The amounts past due and of exposure of the counterparty are used daily to monitor the exceeding of the materiality, relative and absolute thresholds. The past due calculation is therefore made daily: the number of days past due is increased only if both materiality thresholds provided for by the legislation are exceeded at the same time. The criteria for calculating continuous past due days include:

- counting of the days in the event of both the absolute and relative thresholds being exceeded;
- reduction to zero of the days if at least one of the absolute and/or relative thresholds is not exceeded;
- classification of the counterparty exposures as past due after 90 days in which the overrun continuously exceeds both thresholds (absolute and relative).

The classification no longer applies once the "cure period" of 90 consecutive days has elapsed since the circumstances that led to the classification no longer applied.
Declassification may be brought forward if it is determined that a situation of technical arrears has occurred. Such technical arrears may occur in the context of salary/pension-backed loans and payment mandates, due to the procedural peculiarities and strict operating rules applicable to these types of product in the loan portfolio of the subsidiary Prexta. There are no technical arrears in Banca Mediolanum's loan portfolio.
Past due exposures include exposures to parties fulfilling the conditions for inclusion in past due exposures that have one or more credit facilities which meet the definition of "non-performing exposures with forbearance measures".

Unlikely to pay

Unlikely to pay exposures are on- and off-balance sheet exposures to a borrower that the Bank regards as unlikely to pay its credit obligations fully (principal and/or interest) without recourse to actions such as the realisation of collateral. This valuation is made regardless of the presence of any amounts (or instalments) past due and unpaid if there are elements that imply a situation of risk of default by the borrower (for example, a crisis in the business sector in which the borrower operates).
Unless the requirements are met for classification as non-performing loans, unlikely to pay positions include:

- all exposures to parties fulfilling the conditions for inclusion in unlikely to pay exposures that have one or more credit facilities that meet the definition of "Non-performing exposures with forbearance measures";
- all exposures to issuers that have not duly fulfilled their payment obligations (principal and/or interest) in relation to listed debt securities. To this end, the "grace period" established in the contract or, in the absence thereof, by the listing market of the security, is recognised;
- all exposures to borrowers that have applied for an arrangement with creditors with rights reserved to file ancillary documents at a later date (pursuant to Article 161 of the Italian Bankruptcy Law) from the date of submission of the application until its outcome is known. The exposures in question are classified as non-performing loans if new objective elements exist that cause the borrower to be classified in this category, or if the exposures were already non-performing loans when the application was made;
- cases of applications for composition with creditors on a going-concern basis (Article 186-bis of the Bankruptcy Law), from the date of submission of the application until its outcome is known. If composition with creditors on a going-concern basis takes place with disposal of the company in operation or its contribution to one or more companies (including newly incorporated entities) not within the borrower's economic group, it should be noted that the exposure must be reclassified to performing assets. However, this is not an option in the case of disposal or contribution to a company within the borrower's economic group, presuming that the parent company/controlling company was involved, in the interest of the entire group, in the decision-making process that led the borrower to apply for composition with creditors. In this situation, the exposure to the transferee company continues to be reported as an impaired asset and is also recognised among non-performing forborne exposures.
- exposures to borrowers that have initiated insolvency proceedings in accordance with the rules governing the "over-indebtedness" crisis of parties not eligible to file for bankruptcy proceedings ("civil insolvency"). In the event of subsequent approval by the court of the restructuring agreement, the relevant exposures are also classified as non-performing forborne exposures.

Performing positions are also assessed for classification as unlikely to pay (unless the conditions exist for their classification as non-performing loans), if they meet the following specifications:

- positions where it is known that the debtor's sources of recurring income are no longer available to meet their obligations;
- positions where there are reasonable concerns about a borrower's future ability to generate stable and sufficient cash flows. Such positions may also be generated by events such as: negative equity; a significant reduction in equity; a significant reduction in turnover; insufficient cash flows to service the debt;
- cases in which the debtor benefits from repeated forbearance measures without which it would not be able to fulfil its obligations in full;
- cases of breach by the borrower of covenants for a credit agreement;
- in the case of exposures to an individual, the default of a company fully owned by a natural person is assessed if the latter has provided a personal guarantee for all the obligations of the company;
- positions for which the borrower's overall level of leverage has increased significantly;
- cases in which negative external information is present, such as: significant payment delays detected in the system (through the Central Credit Register or other Credit Bureau); information that a third party, in particular another entity, has filed for bankruptcy or similar protection of the debtor; a crisis in the sector in which the counterparty operates, together with a weak position of the counterparty in this sector;
- positions for which any form of personal or real guarantee has been enforced non-consensually.

Finally, positions for which an onerous restructuring has been granted are classified as unlikely-to-pay, where this implies a reduced financial obligation for the borrower, due to substantial forgiveness of the debt or the deferral of payments for principal, interest or (where applicable) fees, i.e. where the onerous restructuring implies a reduced financial obligation with a threshold of more than 1%. Even if onerous restructuring involves a reduced financial obligation below the 1% threshold, the following elements are assessed for classification as unlikely to pay:

- the presence of repayment plans with substantial repayments at the end of the scheduled instalment plan;
- the presence of irregular repayment plans in which regular payments are significantly lower than the repayment of significant amounts;
- a significant grace period at the start of the repayment schedule;
- exposures to the borrower have been subject to onerous restructuring more than once.

The status of UTP remains from the time of identification for a minimum period of 90 days, until the conditions that led to the classification as UTP no longer exist.
Declassification from the status of unlikely to pay and return to performing status is decided if the following conditions are met simultaneously:

- the minimum "cure period" of 90 days from the time the position became regular has elapsed;
- the conditions that led to classification as unlikely to pay no longer exist.

Non-performing loans

These are all on- and off-balance sheet exposures to borrowers that are insolvent (even if not legally established as such) or in substantially equivalent situations, regardless of any loss forecasts made. Exposures in anomalous situations due to their country risk profile are excluded.
Furthermore, all exposures to parties fulfilling the conditions for inclusion in non-performing loans that have one or more credit facilities that meet the definition of "Non-performing exposures with forbearance measures" are included in this category.
Lastly, exposures to debtors that have initiated insolvency proceedings pursuant to the rules governing the "over-indebtedness" crisis of parties not eligible for ordinary insolvency proceedings ("civil insolvency") are classified as non-performing if new objective elements exist that result in the classification of the debtor in this category or if the exposures are already classified as non-performing at the time of the application for admission.
The status of non-performing loans remains from the time of identification for a minimum period of 90 days until the conditions that led to the classification as non-performing loans no longer exist.
Declassification from the status of non-performing loans and return to performing status is decided if the following conditions are met simultaneously:

- the minimum "cure period" of 90 days from the time the position became regular has elapsed;
- the conditions that led to classification as non-performing loans no longer exist.

3.2 Write-offs

The Write-off Process is regulated within the Group Credit Risk Policy and provides for the definition of an escalation process based on the amount of the position to be written-off and the classification of its regulatory status. Banca Mediolanum's strategy, as the Parent Company, is not to adopt any specific write-off policy without having taken recovery action and assessing the cost-benefit ratio. In most cases, the writing off of financial assets waited for the completion of the credit recovery process, as indicated by the internal policies and procedures. However, there are some procedures for direct loss of some positions of insignificant amounts, according to a cost-benefit logic of recovery processes.

3.3 Purchased or originated impaired financial assets

In accordance with IFRS 9, loans already considered impaired from the time of initial recognition in the financial statements (or at the date of disbursement or purchase), depending on the degree of credit risk associated with them, are defined as purchased or originated credit-impaired assets (POCI). Where they fall within the scope of application of impairment under IFRS 9, this type of credit position is measured by making a provision to cover the risk of loans already at the time of initial recognition, which covers the entire residual life of the loan and non-performing positions. Since these are non-performing loans, they are initially recognised in Stage 3, without prejudice to the possibility of being reclassified in the course of their lifetime to Stage 2 if, on the basis of a credit risk analysis, they are no longer non-performing. At 31 December 2024, the exposure in POCI was not significant.

4. Financial assets subject to commercial renegotiation and forborne exposures

Exposures may be subject to amendments to contractual terms favourable to the borrower in order to make repayment of the same sustainable if the borrower is in difficulty. Such changes may be short-term (e.g. by extending an existing condition) or long-term (e.g. by revising the interest rate of a loan) and result in the classification of these exposures as forborne. Forborne exposures are subject to specific provisions for classification and, if the forbearance measures are applied to performing exposures, these are classed as Stage 2 exposures. All forborne exposures are monitored by the relevant company functions. These functions verify the effectiveness of the measures granted by recording subsequent improvements or deterioration in the customer's financial situation after forbearance measures. If, at the end of the observation period, the position meets all the criteria laid down by law, it is no longer included in forborne receivables; if, however, these criteria are not met, the exposure remains among forborne exposures.

With regard to the forborne classification following the application of collective agreements concluded by industry associations or certain legislative requirements (moratoria), the regulatory indications formulated by the Supervisory Authority in force at the time of granting (EBA Guidelines) apply.
A moratorium is considered as such if all of the following conditions are met:

- it is based on a national law (legislative moratorium) or an initiative to exempt a credit institution from non-legislative payment under an agreed or coordinated sectoral moratorium in the banking sector or a material part thereof, possibly in cooperation with public authorities (non-legislative moratorium);
- it applies to a group of debtors pre-defined on the basis of general criteria;
- it only provides for changes to the payment plan, in particular by suspending, postponing or reducing payments of the principal amounts, interest or instalments, for a predefined period of time, and other changes (e.g. interest rate) are therefore excluded;
- it offers the same conditions to all exposures identified by the moratorium;
- it does not apply to new contracts granted after the date of announcement of the moratorium.

With particular reference to requests for moratoria received, legislative or non-legislative, the application of the moratorium does not automatically result in the classification of an exposure as forborne, unless this was already the classification of the exposure before the moratorium was applied. Throughout the duration of the moratorium, the first-level organisational units continue to assess whether there are indications of "unlikely fulfilment" of debtors subject to the moratorium, taking into account the payment plan updated as a result of adherence to the moratorium and adjusting the credit classification accordingly.
In addition, in the case of concessions made for more than nine months, each individual case is assessed with a classification of forborne if the customer is ascertained to be in financial difficulty.

During 2024, for counterparties subject to previous moratoria, the Mediolanum Group classified their loans in accordance with existing policies and practices, giving priority to the assessment of counterparties with longer-term financial difficulties, leading to insolvency of the debtor. For assessment for non-performing classification purposes, as part of the periodic credit portfolio monitoring processes, debtors that were late in making payments or have been identified by the automatic systems for detecting external anomalies, depending on the severity of the anomaly detected, were considered priorities once the moratorium was lifted. Within the control framework prepared by the Risk Management Function, there is a thorough check with the aim of identifying anomalies attributable to the correct classification of the regulatory and forbearance status, giving priority to initiatives that accounted for larger shares of the loan portfolio stock.

Forborne exposures: non-performing

Non-performing forborne credit exposures are defined as individual on-balance sheet exposures and revocable and irrevocable commitments to disburse funds that meet the definition of "Non-performing exposures with forbearance measures". Such exposures are included, depending on the case, in non-performing loans, unlikely to pay positions or past due exposures and do not form a separate category of impaired assets. Cases in which a credit exposure is restructured with the intent of settling the position are also included among non-performing loans.

QUANTITATIVE INFORMATION

A. Credit quality

For the purposes of quantitative disclosure on credit quality, the term 'credit exposures' is understood as excluding equity securities and units in UCIs.

The term "on-balance-sheet credit exposures" refers to all on-balance-sheet financial assets claimed from banks or customers, regardless of their portfolio allocation for accounting purposes (measured at fair value through profit or loss, measured at fair value through other comprehensive income, measured at amortised cost, or financial assets held for sale). Sight claims on banks and central banks fall within the definition of cash credit exposures but are conventionally excluded from the tables in Section I, except where it is expressly indicated that they should be considered.

The term "off-balance-sheet credit exposures" refers to all financial transactions other than cash transactions (financial guarantees given, revocable and irrevocable commitments, derivatives, etc.) involving the assumption of a credit risk, whatever the purpose of such transactions (trading, hedging, etc.). Off-balance sheet credit exposures also include the counterparty risk associated with any securities lending transactions. Likewise, counterparty risk associated with exposures related to repurchase agreements, lending or borrowing, and margin lending falling within the notion of Securities Financing Transactions (SFTs) as defined in the prudential regulations, is reported as appropriate.

Non-performing credit exposures (cash and off-balance sheet) do not include financial assets held for trading and hedging derivatives, which are conventionally recognised as unimpaired credit exposures.

A.1 Non-performing and performing credit exposures: amounts, value adjustments, trends and economic distribution

A.1.1 Prudential consolidation – Distribution of financial assets by past-due brackets (book values)

€/000		Stage 1			Stage 2			Stage 3			Purchased or originated impaired		
		1 day to 30 days	Over 30 days to 90 days	Over 90 days	1 day to 30 days	Over 30 days to 90 days	Over 90 days	1 day to 30 days	Over 30 days to 90 days	Over 90 days	1 day to 30 days	Over 30 days to 90 days	Over 90 days
1. Financial assets measured at amortised cost		47,115	2,427	1,107	12,663	19,025	10,819	5,013	7,020	86,594	1	176	430
2. Financial assets measured at fair value through other comprehensive income		-	-	-	-	-	-	-	-	-	-	-	-
3. Financial assets held for sale		-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**31/12/2024**	**47,115**	**2,427**	**1,107**	**12,663**	**19,025**	**10,819**	**5,013**	**7,020**	**86,594**	**1**	**176**	**430**
TOTAL	**31/12/2023**	**48,149**	**2,365**	**542**	**4,317**	**42,184**	**6,028**	**1,025**	**11,969**	**88,634**	**3**	**216**	**331**

A.1.2 Prudential consolidation – Financial assets, commitments to disburse funds and financial guarantees given: changes in overall value adjustments and overall provisions (Part 1 of 2)

€/000	Overall value adjustments																	
	Stage 1 assets						Stage 2 assets						Stage 3 assets					
	Loans to banks and central banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	Loans to banks and central banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	Loans to banks and central banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs
Overall initial adjustments	**79**	**35,894**	**79**			**36,052**		**27,669**				**27,669**		**112,473**			**109,757**	**2,716**
Increases in acquired or originated financial assets	-	8,434	-	-	-	9,714	-	1,743	-	-	-	1,743	-	1,287	-	-	1,014	273
Derecognitions other than write-offs	-	(5,211)	(15)	-	-	(5,976)	-	(3,406)	-	-	-	(3,406)	-	(17,182)	-	-	(16,665)	(517)
Credit-risk induced net value adjustments/write-backs (+/-)	-	(327)	(53)	-	-	(910)	-	4,097	-	-	-	4,097	-	26,732	-	-	25,154	1,578
Contractual changes without derecognition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in estimation methods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs not recognised directly in the income statement	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,165)	-	-	(540)	(625)
Other changes	-	(286)	-	-	-	(286)	-	-	-	-	-	-	-	(456)	-	-	(318)	(138)
Overall final adjustments	**79**	**38,504**	**11**	**-**	**-**	**38,594**	**-**	**30,103**	**-**	**-**	**-**	**30,103**	**-**	**121,689**	**-**	**-**	**118,402**	**3,287**
Recoveries from collection of financial assets subject to write-offs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs recognised directly in the income statement	-	-	-	-	-	-	-	-	-	-	-	-	-	(790)	-	-	(790)	-

A.1.2 Prudential consolidation – Financial assets, commitments to disburse funds and financial guarantees given: changes in overall value adjustments and overall provisions (Part 2 of 2)

€/000	Overall value adjustments					Overall provisions for commitments to disburse funds and financial guarantees given				Tot.
	Purchased or originated impaired financial assets									
	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	Stage 1	Stage 2	Stage 3	Commitments to disburse finance and purchased or originated financial guarantees given/	
Overall initial adjustments	**1,476**	**-**	**-**	**1,406**	**70**	**694**	**5**	**17**	**-**	**178,386**
Increases in acquired or originated financial assets	X	X	X	X	X	192	6	20	-	**11,682**
Derecognitions other than write-offs	(117)	-	-	(115)	(2)	(392)	(5)	-	-	**(26,328)**
Credit-risk induced net value adjustments/write-backs (+/-)	80	-	-	94	(14)	(41)	-	-	-	**30,488**
Contractual changes without derecognition	-	-	-	-	-	-	-	-	-	**-**
Changes in estimation methods	-	-	-	-	-	-	-	-	-	**-**
Write-offs not recognised directly in the income statement	-	-	-	-	-	-	-	-	-	**(1,165)**
Other changes	432	-	-	432	-	(22)	-	(20)	-	**(352)**
Overall final adjustments	1,871	-	-	1,817	54	431	6	17	-	**192,711**
Recoveries from collection of financial assets subject to write-offs	-	-	-	-	-	-	-	-	-	**-**
Write-offs recognised directly in the income statement	-	-	-	-	-	-	-	-	-	**(790)**

A.1.3 Prudential consolidation - Financial assets, commitments to disburse funds and financial guarantees given: transfers between different stages of credit risk (gross and nominal values)

Portfolios/stages of risk		Gross exposure/nominal value					
		Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3	
		From Stage 1 to Stage 2	From Stage 2 to Stage 1	From Stage 2 to Stage 3	From Stage 3 to Stage 2	From Stage 1 to Stage 3	From Stage 3 to Stage 1
1. Financial assets measured at amortised cost		463,685	262,738	36,238	9,839	51,398	12,679
2. Financial assets measured at fair value through other comprehensive income		-	-	-	-	-	-
3. Financial assets held for sale		-	-	-	-	-	-
4. Commitments to disburse funds and financial guarantees given		8,526	11,146	14	17	137	34
TOTAL	**31/12/2024**	**472,211**	**273,884**	**36,252**	**9,856**	**51,535**	**12,713**
TOTAL	**31/12/2023**	**403,230**	**292,420**	**46,100**	**22,202**	**47,175**	**9,487**

A.1.4 Prudential consolidation – On- and off-balance sheet credit exposures to banks: gross and net values

€/000	Gross exposure					Overall value adjustments and overall provisions				Net exposure	Overall partial write-offs*
		Stage 1	Stage 2	Stage 3	Purchased or originated		Stage 1	Stage 2	Stage 3	Purchased or originated		
A. On-balance sheet credit exposures												
A.1 On demand	**659,779**	**659,779**	**-**	**-**	**-**	**(79)**	**(79)**	**-**	**-**	**-**	**659,699**	**-**
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	659,779	659,779	-	X	-	(79)	(79)	-	X	-	659,699	-
A.2 Other	**876,148**	**766,885**	**-**	**-**	**-**	**(99)**	**(99)**	**-**	**-**	**-**	**876,049**	**-**
a) Non-performing loans	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
c) Non-performing past due exposures	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Performing past due exposures	-	-	-	X	-	-	-	-	X	-	-	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other performing exposures	876,148	766,885	-	X	-	(99)	(99)	-	X	-	876,049	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
Total (A)	**1,535,927**	**1,426,663**	**-**	**-**	**-**	**(178)**	**(178)**	**-**	**-**	**-**	**1,535,749**	**-**
B. Off-balance sheet credit exposures												
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	190,586	90,829	-	X	-	-	-	-	X	-	190,586	-
Total (B)	**190,586**	**90,829**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**190,586**	**-**
Total (A+B)	**1,726,512**	**1,517,493**	**-**	**-**	**-**	**(178)**	**(178)**	**-**	**-**	**-**	**1,726,334**	**-**

* Value to be displayed for information purposes

A.1.5 Prudential consolidation – On and off-balance sheet credit exposures to customers: gross and net values

€/000	Gross exposure				Overall value adjustments and overall provisions					Net exposure	Overall partial write-offs*
		Stage 1	Stage 2	Stage 3	Purchased or originated impaired		Stage 1	Stage 2	Stage 3	Purchased or originated impaired		
A. ON-BALANCE SHEET CREDIT EXPOSURES												
a) Non-performing loans	71,217	X	-	70,357	860	(58,243)	X	-	(57,457)	(786)	12,974	242
- of which: forborne exposures	9,886	X	-	9,026	860	(7,198)	X	-	(6,412)	(786)	2,688	9
b) Unlikely to pay	144,912	X	-	142,805	2,107	(55,974)	X	-	(55,003)	(971)	88,938	-
- of which: forborne exposures	36,636	X	-	34,549	2,087	(13,180)	X	-	(12,223)	(957)	23,456	-
c) Non-performing past due exposures	46,412	X	-	46,103	309	(9,290)	X	-	(9,229)	(61)	37,122	-
- of which: forborne exposures	9,241	X	-	8,980	261	(1,565)	X	-	(1,518)	(47)	7,676	-
d) Performing past due exposures	97,967	50,797	47,117	X	53	(4,762)	(149)	(4,611)	X	(2)	93,205	-
- of which: forborne exposures	7,523	733	6,762	X	28	(629)	(1)	(626)	X	(2)	6,894	-
e) Other performing exposures	35,931,389	35,070,278	669,203	X	1,571	(63,810)	(38,267)	(25,492)	X	(51)	35,867,579	-
- of which: forborne exposures	80,837	-	80,053	X	784	(3,572)	-	(3,539)	X	(33)	77,265	-
TOTAL (A)	**36,291,897**	**35,121,075**	**716,320**	**259,265**	**4,900**	**(192,079)**	**(38,416)**	**(30,103)**	**(121,689)**	**(1,871)**	**36,099,818**	**242**
B. OFF-BALANCE SHEET CREDIT EXPOSURES												
a) Non-performing	5,036	X	-	4,949	-	(70)	X	-	(70)	-	4,965	-
b) Performing	6,846,343	951,918	21,114	X	-	(600)	(453)	(147)	X	-	6,845,743	-
TOTAL (B)	**6,851,379**	**951,918**	**21,114**	**4,949**	**-**	**(670)**	**(453)**	**(147)**	**(70)**	**-**	**6,850,708**	**-**
TOTAL (A+B)	**43,143,276**	**36,072,993**	**737,434**	**264,214**	**4,900**	**(192,749)**	**(38,869)**	**(30,249)**	**(121,759)**	**(1,871)**	**42,950,526**	**242**

* Value to be displayed for information purposes

A.1.7 Prudential consolidation – On-balance sheet credit exposures to customers: changes in gross non-performing exposures

€/000	Non-performing loans	Unlikely to pay	Non-performing past due exposures
A. Initial gross exposure	**67,438**	**135,885**	**44,937**
- of which: exposures transferred and not written off	-	-	-
B. Increases	**19,444**	**81,711**	**40,814**
B.1 inflows from performing exposures	1,598	56,293	32,402
B.2 inflows from purchased or originated impaired financial assets	-	1,250	52
B.3 transfers from other categories of non-performing exposures	15,769	12,955	652
B.4 contractual changes without derecognition	-	-	-
B.5 other increases	2,077	11,213	7,708
C. Decreases	**15,665**	**72,684**	**39,339**
C.1 outflows to performing exposures	78	13,123	12,403
C.2 write-offs	5,999	1,870	141
C.3 collections	2,891	27,260	13,001
C.4 proceeds from disposals	-	-	-
C.5 losses from disposals	-	-	-
C.6 transfers to other categories of non-performing exposures	612	15,782	12,982
C.7 contractual changes without derecognition	-	-	-
C.8 other decreases	6,085	14,649	812
D. Final gross exposure	**71,217**	**144,912**	**46,412**
- of which: exposures transferred and not written off	-	-	-

A.1.7bis On-balance sheet credit exposures to customers: changes in gross forborne exposures by credit quality

€/000	Forborne exposures: non-performing	Forborne exposures: performing
A. Initial gross exposure	**51,755**	**82,826**
- of which: exposures transferred and not written off	-	-
B. Increases	**29,699**	**46,393**
B.1 inflows from performing non-forborne exposures	14,975	37,529
B.2 inflows from performing forborne exposures	4,937	X
B.3 inflows from non-performing forborne exposures	X	5,368
B.4 inflows from non-performing non-forborne exposures	3,748	492
B.5 other increases	6,039	3,004
C. Decreases	**25,691**	**40,859**
C.1 outflows to performing non-forborne exposures	X	18,509
C.2 outflows to performing forborne exposures	5,368	X
C.3 outflows to non-performing forborne exposures	X	4,937
C.4 write-offs	888	-
C.5 collections	6,528	6,492
C.6 proceeds from disposals	-	-
C.7 losses from disposals	-	-
C.8 other decreases	12,907	10,921
D. Final gross exposure	**55,763**	**88,360**
- of which: exposures transferred and not written off	-	-

A.1.9 Prudential consolidation – On-balance sheet non-performing credit exposures to customers: changes in overall value adjustments

€/000	Non-performing loans		Unlikely to pay		Non-performing past due exposures	
	Total	of which forborne exposures	Total	of which forborne exposures	Total	of which forborne exposures
A. Overall initial adjustments	**52,987**	**6,375**	**52,812**	**16,229**	**8,080**	**1,400**
- of which: exposures transferred and not written off	-	-	-	-	-	-
B. Increases	**17,169**	**2,630**	**37,015**	**12,404**	**7,199**	**1,244**
B.1 value adjustments of purchased or originated impaired assets	-	X	437	X	1,678	X
B.2 other value adjustments	6,749	770	20,936	5,528	4,528	804
B.3 losses from disposals	-	-	-	-	-	-
B.4 transfers from other categories of non-performing exposures	6,908	1,180	1,938	430	182	139
B.5 contractual changes without derecognition	-	-	-	-	-	-
B.6 other increases	3,512	680	13,704	6,446	811	301
C. Decreases	**11,913**	**1,807**	**33,853**	**15,453**	**5,989**	**1,079**
C.1 write-backs from valuation	887	239	2,261	724	1,132	188
C.2 write-backs from collection	3,609	768	11,687	7,413	1,511	498
C.3 profits from disposals	-	-	-	-	-	-
C.4 write-offs	5,999	344	1,870	1	141	-
C.5 transfers to other categories of non-performing exposures	269	64	6,833	1,395	1,926	115
C.6 contractual changes without derecognition	-	-	-	-	-	-
C.7 other decreases	1,149	392	11,202	5,920	1,279	278
D. Overall final adjustments	**58,243**	**7,198**	**55,974**	**13,180**	**9,290**	**1,565**
- of which: exposures transferred and not written off	-	-	-	-	-	-

A.2 Classification of exposures by external and internal ratings

A.2.1 Prudential consolidation – Distribution of financial assets, commitments to disburse funds and financial guarantees given: by external rating classes (gross values)

€/000	External rating classes							
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Unrated	Total
A. Financial assets measured at amortised cost	**1,716,950**	**13,350**	**17,710,958**	**368,931**	**55,755**	**40,830**	**16,815,191**	**36,721,965**
- Stage 1	1,716,950	13,178	17,706,199	265,494	47,619	40,830	15,951,208	35,741,479
- Stage 2	-	-	4,759	102,695	8,136	-	600,731	716,320
- Stage 3	-	172	-	742	-	-	258,352	259,266
- Impaired acquired or originated	-	-	-	-	-	-	4,900	4,900
B. Financial assets measured at fair value through other comprehensive income	**126,408**	**-**	**20,049**	**-**	**-**	**-**	**-**	**146,458**
- Stage 1	126,408	-	20,049	-	-	-	-	146,458
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Impaired acquired or originated	-	-	-	-	-	-	-	-
C. Financial assets held for sale	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Impaired acquired or originated	-	-	-	-	-	-	-	-
Total (A+B+C)	**1,843,359**	**13,350**	**17,731,007**	**368,931**	**55,755**	**40,830**	**16,815,191**	**36,868,423**
D. Commitments to disburse funds and financial guarantees given	**100,000**	**800**	**24,598**	**25,529**	**4,689**	**1,265**	**813,456**	**970,337**
- Stage 1	100,000	800	24,036	24,322	3,901	1,265	796,665	950,989
- Stage 2	-	-	562	1,207	788	-	12,151	14,707
- Stage 3	-	-	-	-	-	-	4,640	4,640
- Impaired, acquired or originated	-	-	-	-	-	-	-	-
Total (D)	**100,000**	**800**	**24,598**	**25,529**	**4,689**	**1,265**	**813,456**	**970,337**
Total (A+B+C+D)	**1,943,359**	**14,150**	**17,755,605**	**394,460**	**60,444**	**42,094**	**17,628,647**	**37,838,760**

The table shows a breakdown of exposures to counterparties without ratings and those without an external rating (CERVED). The rating agencies provide a summary judgement on the creditworthiness of the counterparties.

The rating companies used to prepare the table are: Moody's, Standard & Poor's and Fitch.

In the event that there are ratings by several agencies for the same counterparty, the following order of priority is used, as defined in the specific policy document: Moody's, Standard & Poor's, and finally Fitch.

However, the Risk Management Function may, following appropriate considerations and on a prudential basis, modify the rating resulting from the automatic allocation and calculation system, where deemed necessary. The following is a reconciliation between the risk classes and ratings of the agencies used, with an indication of the Investment Grade/Speculative Grade.

Creditworthiness class	CERVED	ECAI		
		MOODY'S	STANDARD&POORS	FITCH
1	-	Aaa Aa1 Aa2 Aa3	AAA AA+ AA AA-	AAA AA+ AA AA-
2	A1.1 A1.2 A1.2 A1.3 A2.1 A2.1 A3.1	A1 A2 A3	A+ A A-	A+ A A-
3	B1.1 B1.2	Baa1 Baa2 Baa3	BBB+ BBB BBB-	BBB+ BBB BBB-
4	B2.1 B2.2	Ba1 Ba2 Ba3	BB+ BB BB-	BB+ BB BB-
5	C1.1 C1.2	B1 B2 B3	B+ B B-	B+ B B-
6	C1.2 C2.1	Caaa/Ca/C	CCC/C	CCC/C

Investment Grade

Speculative Grade

A.3 Distribution of secured credit exposures by type of guarantee

A.3.2 Prudential consolidation – Secured on- and off-balance sheet credit exposures to customers (PART 1 OF 2)

€/000	Gross exposure	Net exposure	Collateral (1)				Personal guarantees (2)	
							Credit derivatives	
			Property - Mortgages	Property - Finance leases	Securities	Other collateral	CLNS	Other derivatives: CCPs
1. Secured on-balance sheet credit exposures:	**14,061,720**	**13,960,892**	**12,474,414**	**-**	**89,943**	**389,760**	**-**	**-**
1.1. fully secured	13,886,821	13,790,178	12,459,390	-	89,943	327,281	-	-
- of which non-performing	141,073	78,478	62,988	-	-	4,579	-	-
1.2. partially secured	174,899	170,714	15,024	-	-	62,479	-	-
- of which non-performing	13,471	10,016	286	-	-	-	-	-
2. Secured off-balance sheet credit exposures:	**147,315**	**147,247**	**9,231**	**-**	**-**	**13,444**	**-**	**-**
2.1. fully secured	142,601	142,534	9,231	-	-	11,282	-	-
- of which non-performing	12	12	-	-	-	-	-	-
2.2. partially secured	4,713	4,713	-	-	-	2,162	-	-
- of which non-performing	27	27	-	-	-	-	-	-

A.3.2 Prudential consolidation – Secured on- and off-balance sheet credit exposures to customers (PART 2 OF 2)

€/000	Personal guarantees (2)							TOTAL (1) + (2)
	Credit derivatives			Unsecured loans				
	Other derivatives							
	Banks	Other financial corporations	Other entities	General government	Banks	Other financial corporations	Other entities	
1. Secured on-balance sheet credit exposures:	**-**	**-**	**-**	**192,449**	**82**	**569**	**164,285**	**13,311,501**
1.1. fully secured	-	-	-	132,856	78	569	154,385	**13,164,501**
- of which non-performing	-	-	-	13,604	-	-	545	**81,715**
1.2. partially secured	-	-	-	59,593	4	-	9,901	**147,000**
- of which non-performing	-	-	-	7,899	4	-	1,263	**9,453**
2. Secured off-balance sheet credit exposures:	**-**	**-**	**-**	**-**	**-**	**-**	**40,597**	**63,272**
2.1. fully secured	-	-	-	-	-	-	39,226	**59,739**
- of which non-performing	-	-	-	-	-	-	3	**3**
2.2. partially secured	-	-	-	-	-	-	1,370	**3,533**
- of which non-performing	-	-	-	-	-	-	27	**27**

A.4 Prudential consolidation – Financial and non-financial assets through the realisation of collateral

€/000	Written-off credit exposure	Gross value	Overall value adjustments	Carrying amount	
					of which obtained during the year
A. Tangible assets	-	-	-	-	-
A.I. For business use	-	-	-	-	-
A.2. For investment purposes	-	-	-	-	-
A.3. Inventories	-	-	-	-	-
B. Equity and debt securities	-	-	-	-	-
C. Other assets	-	-	-	-	-
D. Non-current assets and disposal groups	-	-	-	-	-
D.I. Tangible assets	-	-	-	-	-
D.2. Other assets	-	-	-	-	-
TOTAL 31/12/2024	-	-	-	-	-
TOTAL 31/12/2023	-	56	-	56	-

B. Distribution and concentration of credit exposures

B.1 Prudential consolidation – Distribution of on- and off-balance sheet credit exposures to customers by business segment (PART 1 OF 2)

€/000	General government		Financial corporations		Financial corporations (of which: insurance companies)	
	Net exposure	Overall value adjustments	Net exposure	Overall value adjustments	Net exposure	Overall value adjustments
A. On-balance sheet credit exposures						
A.I Non-performing loans	-	-	-	-	-	-
- of which forborne exposures	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	12	(12)	-	-
- of which forborne exposures	-	-	-	-	-	-
A.3 Non-performing past due exposures	1,438	(93)	175	(19)	153	(19)
- of which forborne exposures	8	(1)	5	(1)	5	(1)
A.4 Performing exposures	17,350,520	(10,173)	1,158,921	(957)	38,607	(30)
- of which forborne exposures	34	-	72	(1)	72	(1)
TOTAL A	**17,351,958**	**(10,267)**	**1,159,107**	**(987)**	**38,760**	**(49)**

B. Off-balance sheet credit exposures						
B.1 Non-performing exposures	-	-	-	-	-	-
B.2 Performing exposures	-	-	273,618	(34)	-	-
TOTAL B	**-**	**-**	**273,618**	**(34)**	**-**	**-**
TOTAL (A+B) 31/12/2024	**17,351,958**	**(10,267)**	**1,432,725**	**(1,022)**	**38,760**	**(49)**
TOTAL (A+B) 31/12/2023	**18,617,904**	**(11,776)**	**1,299,579**	**(903)**	**31,227**	**(42)**

B.1 Prudential consolidation – Distribution of on- and off-balance sheet credit exposures to customers by business segment (PART 2 OF 2)

€/000	Non-financial corporations		Households	
	Net exposure	Overall value adjustments	Net exposure	Overall value adjustments
A. On-balance sheet credit exposures				
A.1 Non-performing loans	4	(2,623)	12,970	(55,620)
- of which forborne exposures	-	-	2,688	(7,198)
A.2 Unlikely to pay	18,961	(14,417)	69,965	(41,545)
- of which forborne exposures	1,099	(2,033)	22,357	(11,147)
A.3 Non-performing past due exposures	6,457	(1,184)	29,052	(7,994)
- of which forborne exposures	3,089	(327)	4,569	(1,236)
A.4 Performing exposures	663,474	(7,325)	16,787,869	(50,117)
- of which forborne exposures	13,171	(698)	70,882	(3,502)
TOTAL A	**688,896**	**(25,548)**	**16,899,857**	**(155,277)**
B. Off-balance sheet credit exposures				
B.1 Non-performing exposures	24	-	4,941	(70)
B.2 Performing exposures	234,360	(287)	513,897	(278)
TOTAL B	**234,384**	**(287)**	**518,838**	**(348)**
TOTAL (A+B) 31/12/2024	**923,279**	**(25,836)**	**17,418,695**	**(155,625)**
TOTAL (A+B) 31/12/2023	**921,765**	**(25,599)**	**16,764,466**	**(140,489)**

B.2 Prudential consolidation – Distribution of on- and off-balance sheet credit exposures to customers by geographical area (Part 1 of 2)

€/000		Italy		Other European countries		America	
		Net exposures	Overall value adjustments	Net exposures	Overall value adjustments	Net exposures	Overall value adjustments
A. On-balance sheet credit exposures							
A.1 Non-performing loans		12,973	(58,237)	1	(6)	-	-
A.2 Unlikely to pay		88,926	(55,947)	12	(27)	-	-
A.3 Non-performing past due exposures		33,446	(5,931)	3,211	(3,302)	-	-
A.4 Performing exposures		30,590,123	(65,289)	4,765,330	(3,007)	4,671	(205)
Total (A)		**30,725,468**	**(185,404)**	**4,768,554**	**(6,342)**	**4,671**	**(205)**
B. Off-balance sheet credit exposures							
B.1 Non-performing exposures		4,904	(70)	61	-	-	-
B.2 Performing exposures		937,785	(597)	83,687	(2)	28	-
Total (B)		**942,689**	**(668)**	**83,748**	**(2)**	**28**	**-**
Total (A+B)	**31/12/2024**	**31,668,157**	**(186,071)**	**4,852,302**	**(6,344)**	**4,699**	**(205)**
Total (A+B)	**31/12/2023**	**33,167,661**	**(172,477)**	**4,047,634**	**(6,194)**	**4,763**	**(5)**

B.2 Prudential consolidation – Distribution of on- and off-balance sheet credit exposures to customers by geographical area (Part 2 of 2)

€/000		Asia		Rest of world	
		Net exposures	Overall value adjustments	Net exposures	Overall value adjustments
A. On-balance sheet credit exposures					
A.1 Non-performing loans		-	-	-	-
A.2 Unlikely to pay		-	-	-	-
A.3 Non-performing past due exposures		465	(57)	-	-
A.4 Performing exposures		5,260	(5)	595,400	(66)
Total (A)		5,725	**(62)**	595,400	**(66)**
B. Off-balance sheet credit exposures					
B.1 Non-performing exposures		-	-	-	-
B.2 Performing exposures		94	-	281	-
Total (B)		94	-	281	-
Total (A+B)	**31/12/2024**	5,819	**(62)**	595,681	**(66)**
Total (A+B)	**31/12/2023**	4,970	**(35)**	378,685	**(56)**

B.3 Prudential consolidation – Distribution of on- and off-balance sheet credit exposures to banks by geographical area (1/2)

Exposures/Geographical areas		Italy		Other European countries		America	
		Net exposures	Overall value adjustments	Net exposures	Overall value adjustments	Net exposures	Overall value adjustments
A. On-balance sheet credit exposures							
A.1 Non-performing loans		-	-	-	-	-	-
A.2 Unlikely to pay		-	-	-	-	-	-
A.3 Non-performing past due exposures		-	-	-	-	-	-
A.4 Performing exposures		866,062	(77)	515,963	(71)	1,794	(2)
Total (A)		**866,062**	**(77)**	**515,963**	**(71)**	**1,794**	**(2)**
B. Off-balance sheet credit exposures							
B.1 Non-performing exposures		-	-	-	-	-	-
B.2 Performing exposures		90,926	-	198	-	-	-
Total (B)		**90,926**	**-**	**198**	**-**	**-**	**-**
Total (A+B)	**31/12/2024**	**956,988**	**(77)**	**516,161**	**(71)**	**1,794**	**(2)**
Total (A+B)	**31/12/2023**	**191,800**	**(96)**	**201,916**	**(24)**	**3,138**	**(35)**

B.3 Prudential consolidation – Distribution of on- and off-balance sheet credit exposures to banks by geographical area (Part 2 of 2)

Exposures/Geographical areas		Asia		Rest of world	
		Net exposures	Overall value adjustments	Net exposures	Overall value adjustments
A. On-balance sheet credit exposures					
A.1 Non-performing loans		-	-	-	-
A.2 Unlikely to pay		-	-	-	-
A.3 Non-performing past due exposures		-	-	-	-
A.4 Performing exposures		-	-	151,930	(28)
Total (A)		**-**	**-**	**151,930**	**(28)**
B. Off-balance sheet credit exposures					
B.1 Non-performing exposures		-	-	-	-
B.2 Performing exposures		-	-	-	-
Total (B)		**-**	**-**	**-**	**-**
Total (A+B)	**31/12/2024**	**-**	**-**	**151,930**	**(28)**
Total (A+B)	**31/12/2023**	**-**	**-**	**-**	**-**

B.4 Large exposures

€/000	31/12/2024
a) Carrying amount	27,162,113
b) Amount (weighted value)	473,903
c) Number	8

The number and amount of large risks have been determined in accordance with existing EU and national provisions. The provisions specify the nominal value of exposures as the parameter for identifying large risks.

C. SECURITISATION

QUALITATIVE INFORMATION

The Group has no exposures arising from its own securitisation operations.

QUANTITATIVE INFORMATION

C.1 Prudential consolidation – Exposures arising from the main "own" securitisation transactions, by type of securitised asset and type of exposure

The Group has no exposures arising from its own securitisation operations.

C.2 Prudential consolidation – Exposures arising from the main "third-party" securitisation operations, by type of securitised asset and type of exposure

The Group has no exposures arising from third-party securitisation operations.

D. SALE TRANSACTIONS

A. Financial assets sold but not fully derecognised

QUALITATIVE INFORMATION

Financial assets sold but not derecognised relate to repurchase agreements with the Cassa di Compensazione e Garanzia.

QUANTITATIVE INFORMATION

D.1 Prudential consolidation – Financial assets sold but fully recognised and related financial liabilities: book values

€/000	Financial assets sold but fully recognised				Related financial liabilities		
	Carrying amount	of which: subject to securitisation operations	of which: subject to repurchase agreements	of which non-performing	Carrying amount	of which: subject to securitisation operations	of which: subject to repurchase agreements
A. Financial assets held for trading	**130,580**	**-**	**130,580**	**X**	**220,885**	**-**	**220,885**
1. Debt securities	130,580	-	130,580	X	220,885	-	220,885
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	X	-	-	-
4. Derivatives	-	-	-	X	-	-	-
B. Other financial assets mandatorily measured at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets measured at amortised cost	**6,267,964**	**-**	**6,267,964**	**-**	**6,316,194**	**-**	**6,316,194**
1. Debt securities	6,267,964	-	6,267,964	-	6,316,194	-	6,316,194
2. Loans	-	-	-	-	-	-	-
TOTAL 31/12/2024	**6,398,544**	**-**	**6,398,544**	**-**	**6,537,079**	**-**	**6,537,079**
TOTAL 31/12/2023	**8,203,226**	**-**	**8,203,226**	**-**	**8,155,186**	**-**	**8,155,186**

E. PRUDENTIAL CONSOLIDATION – CREDIT RISK MEASUREMENT MODELS

The Mediolanum Banking Group uses various models to measure credit risk, based on the area of activity.
In particular, quantitative models have been developed which, incorporating the regulatory framework, are used for accounting purposes, to quantify the Expected Credit Loss (ECL).
Management scoring models are also used for credit control, with the outcomes monitored for institutional reporting.
Finally, there are also forward-looking simulation models that are used to determine, including in stress-test scenarios, the various income statement and balance sheet values used to draw up the economic and financial plan and for the related determination of the risk appetite and risk tolerance thresholds.

See the preceding paragraphs for further details.

1.2 MARKET RISKS

1.2.1 INTEREST RATE RISK AND PRICE RISK – REGULATORY TRADING BOOK

QUALITATIVE INFORMATION

A. General aspects

Market risk is defined as the risk of suffering significant losses due to the unfavourable performance of market variables capable of influencing the value of the investment activities of companies of the Mediolanum Banking Group, such as interest rates, exchange rates, stock prices, volatility and bond spreads.
This risk is essentially present in the activity carried out within the Group's units with treasury functions. In particular, the assets classified in the trading book, for which the Mediolanum Banking Group adopts the standardised market risk calculation method, fall within this scope for regulatory purposes.
Within the Mediolanum Banking Group, only Banca Mediolanum, Banco Mediolanum and Mediolanum Fiduciaria have instruments classified within the trading book. Of these entities, Banco Mediolanum and Mediolanum Fiduciaria have a position that does not exceed the limits of Article 94 of Regulation (EU) No. 575/2013 (as amended) and therefore enjoy an exemption for small transactions pertaining to the trading book.
The "trading book", as defined in the prudential regulations on market risk, includes the portfolio of financial instruments subject to the reference capital requirements. In particular, the financial positions authorised for management of trading activity are placed in this portfolio. With respect to banking operations, the objectives and strategies underlying this trading activity, carried out on an exclusively own account basis, are common to the principles applied in other business areas, such as the diversification of investments, risk control and attention to market opportunities.
In particular, the positions in the trading portfolio mainly consist of positions in bonds, with the remainder in equity securities, hedging derivatives and money market instruments.
As with the other banking portfolios, there are more domestic government securities in the trading book than securities of other issuers. It thus represents a level of default risk in line with country of residence risk. In line with the banking book, the trading positions on government securities also have a limited interest rate risk profile, as evidenced by the low average duration of the portfolios.

Trading book, scope of debt securities of the Mediolanum Banking Group - Period-end data (December 2023 vs. December 2024)

Trading book (€/000)								
Balance sheet item	Balance sheet value 31/12/2023				Balance sheet value 31/12/2024			
	Banca	Bank	Trustee	Group	Banca	Bank	Trustee	Group
Assets	**951,716**	**692**	**24**	**952,432**	**347,633**	**829**	**25**	**348,487**
Bonds	888,788		24	888,812	299,600		25	299,624
Equity/Funds	62,376	692		63,068	47,731	829		48,560
Derivatives	552			552	303			303
Interest rates	361			361				0
Currency	191			191	303			303
Liabilities	**8,457**	**0**	**0**	**8,457**	**3**	**0**	**0**	**3**
Bonds								
Equity/Funds	5			5				0
Derivatives	8,453			8,453	3			3
Interest rates	7,499			7,499				0
Currency	953			953	3			3

As can be seen, the trading book at Group level is almost exclusively composed of Banca Mediolanum's positions. The portfolio is mainly composed of bond positions.

Due to the limited materiality over time of items that were still hedged in accounting relationships for interest rate risk hedging, these relationships were all discontinued in 2024, with subsequent closure of the derivatives originally entered into for hedging purposes. In fact, it can be seen that after the interest rate hedging relationships were closed, there are no more derivatives at December 24, except on currency.

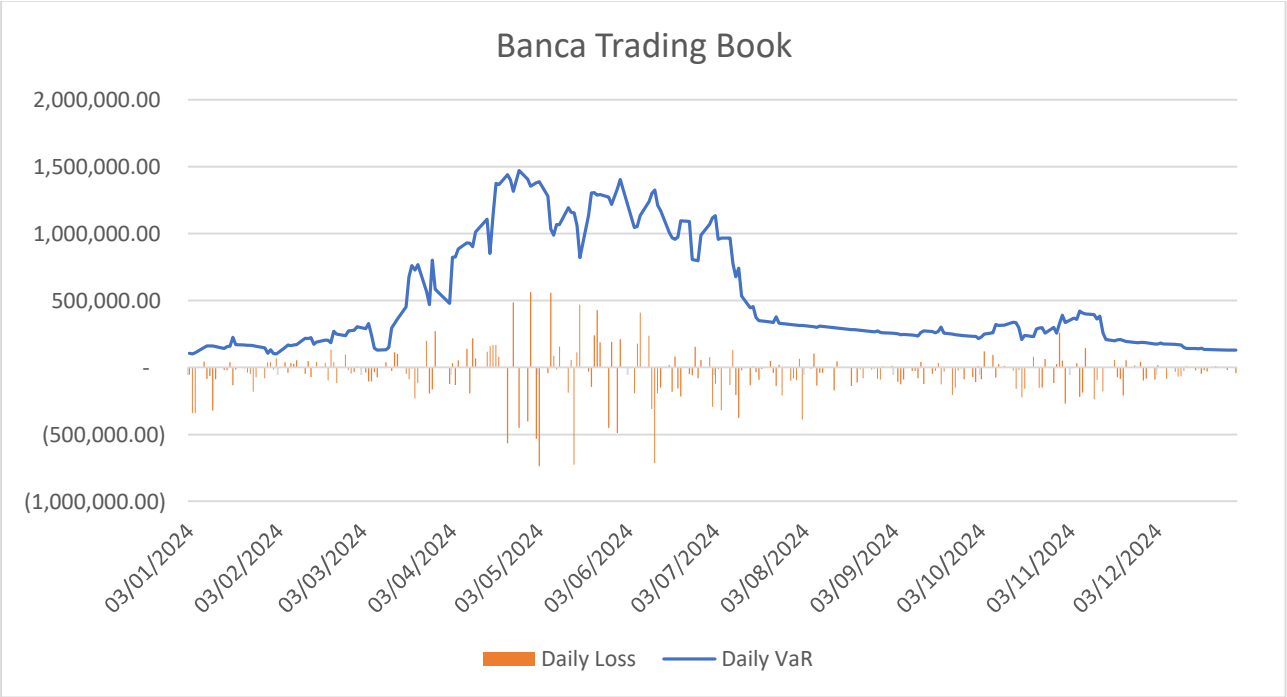
B. Interest rate risk and price risk management procedures and measurement methods

As previously indicated, the Parent Company's Risk Management Function ensures the uniformity of financial risk assessment methodologies in place in the various operating realities and contributes to the definition of credit limits and operating ceilings. However, each Group company is directly responsible for controlling the risks it assumes in accordance with the guidelines approved by the respective boards of directors, following the principle of consistency between the complexity of the assets managed and the risk measures adopted. Market risk is analysed using indicators of portfolio composition (characteristics of eligible instruments, characteristics of issuers, etc.) and maximum potential loss (Value at risk) and Duration.

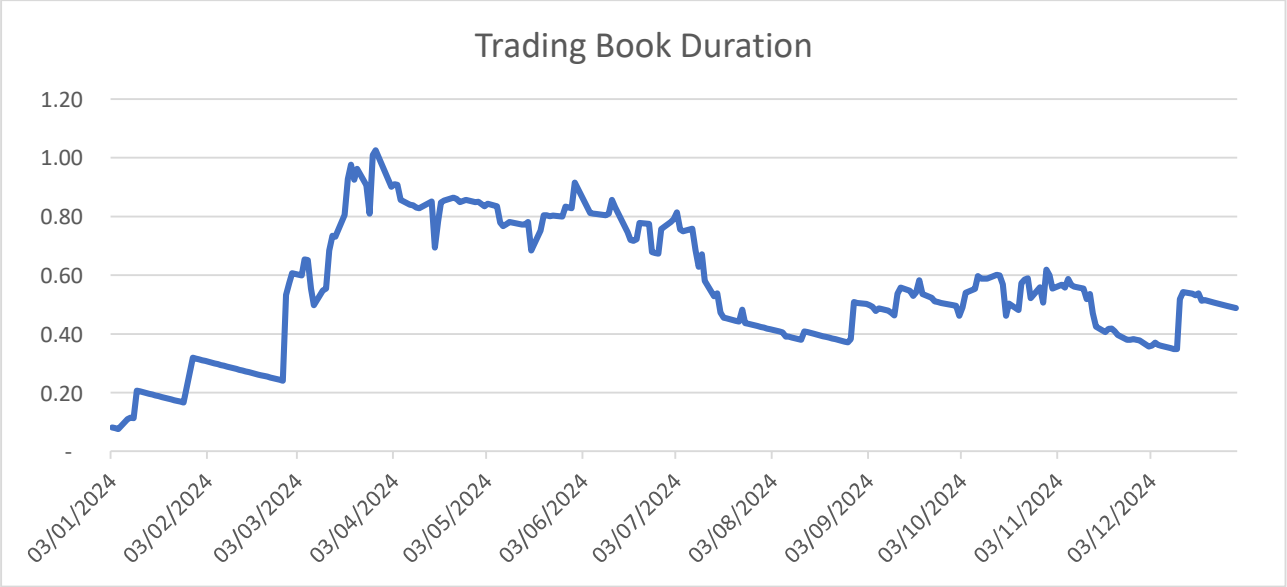
Value at Risk indicates the maximum potential loss observable with a certain probability level α over a defined time period: it is estimated using the historical simulation method. The historical simulation method, adopted by Banca Mediolanum, consists of using historical changes in the risk factors to which the portfolio is exposed and calculating a corresponding loss distribution for the entire portfolio.

Duration, on the other hand, represents a sensitivity of the value of a bond instrument to changes in interest rates.

As noted, the trading portfolios of Banco Mediolanum and Mediolanum Fiduciaria are residual compared to those of Banca Mediolanum. Two limits are defined in the RAF for Banca Mediolanum's trading book: VaR and Duration. The daily P&L achieved by the portfolio is also monitored. The reference perimeter of these indicators is the bond component of Banca Mediolanum's trading book, as this is the one on which Treasury activities are focused. The following is a summary analysis of the quantities monitored on the trading book.



The trend in Banca Mediolanum's trading bond portfolio during 2024 saw an accumulation of positions in the middle part of the year. Due to this higher nominal value period, VaR and P&L values also intensified, as they were influenced by the volume effect.
On the other hand, the following graph shows the duration trend, a metric that measures the portfolio's sensitivity to changes in interest rates. Again, the trend is consistent with the volume trend of the portfolio.



QUANTITATIVE INFORMATION

1. Regulatory trading book: breakdown by time to maturity (repricing date) of on-balance sheet financial assets and liabilities and financial derivatives - EURO

€/000	Demand	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Undetermined duration
1. On-balance sheet assets	**-**	**129,949**	**64,722**	**59,488**	**43,775**	**-**	**1**	**-**
1.1 Debt securities	-	129,949	64,722	59,488	43,775	-	1	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	129,949	64,722	59,488	43,775	-	1	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance sheet liabilities	**-**	**220,885**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreements	-	220,885	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	5,162	-	-	-	-	-	-
+ Short positions	-	50,107	-	-	-	-	-	-

1. Regulatory trading book: breakdown by time to maturity (repricing date) of on-balance sheet financial assets and liabilities and financial derivatives – OTHER CURRENCIES

€/000	Demand	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Undetermined duration
1. On-balance sheet assets	-	-	-	-	-	-	-	-
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance sheet liabilities	-	-	-	-	-	-	-	-
2.1 Repurchase agreements	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	50,442	-	-	-	-	-	-
+ Short positions	-	5,142	-	-	-	-	-	-

2. Regulatory trading book: distribution of exposures in equity securities and equity indices by main country of listing

€/000	Listed		Unlisted
	SWITZERLAND	ITALY	
A. Equity securities			
Long positions	2	39,674	8,811
Short positions		-	-
B. Trading in equity securities not yet settled			
Long positions			
Short positions		-	
C. Other equity derivatives			
Long positions		-	
Short positions		-	
D. Equity index derivatives			
Long positions		-	
Short positions		-	

1.2.2 INTEREST RATE RISK AND PRICE RISK – BANKING BOOK

QUALITATIVE INFORMATION

A. General aspects, interest rate risk and price risk management procedures and measurement methods

Interest rate risk quantifies the potential impact that unexpected changes in the market term structure may have on the Bank's current profits and shareholders' equity. This risk is typically monitored for positions in the banking book.

The Group's "banking book" includes all financial instruments not included in the trading book, i.e. all line items (assets and liabilities) and off-balance sheet items that are not held for trading purposes. The banking book therefore includes lending, funding sources, assets classified to the HTCS portfolio and the fixed component of the securities portfolio (IFRS category: Held to Collect).

The cost of interbank funding, which was strongly influenced by the level of official rates (Depo Rate set by the ECB), remained high for almost the entire first half of the year at around 4%, while bond markets were already suffering from the levels of monetary easing in bond yields, which remained significantly below the cost of funding. Over the course of the year, the market reduced the probability of central bank rate cuts that it had initially priced in by bringing yields back to attractive levels for investment. Rates peaked at the end of June and then fell rapidly driven by the central banks' accommodative monetary policy. The ECB cut official rates by 100bp during the second half of 2024 to 3%, but towards the end of the year, robust US growth challenged the Federal Reserve's expansionary path, causing bond yields to rise.

The US presidential election was a further element of uncertainty that increased market volatility in the final months of 2024.

According to the business model adopted by the Bank, the securities purchased were fully classified to the HTC (held-to-collect) portfolio, which reduces the effect of market movements due to measurement at amortised cost with no effect on the assets or income recognised in the financial statements.
The scope considered for investment was limited to government bonds or bonds issued by supranational entities pursuing a portfolio diversification objective in terms of the issuer's credit risk.
Taking advantage of market movements, the long part of the curve was favoured for purchases of Italian government bonds, while for the rest of investment, purchases focused on the usual short-term time horizon of around three years.

HTC Bond Portfolio (€/000)

Balance sheet item	Balance sheet value 31/12/2023			Balance sheet value 31/12/2024		
	Banca	Banco	Group	Banca	Banco	Group
Assets	**15,663,723**	**2,072,240**	**17,735,962**	**15,376,626**	**1,945,381**	**17,322,007**
Bonds	15,663,723	2,072,240	17,735,962	15,376,626	1,945,381	17,322,007
general governments	15,633,608	2,072,240	17,705,848	15,066,728	1,945,381	17,012,109
credit institutions	30,114	-	30,114	309,897	-	309,897

HTC&S Portfolio (Eur/000)

Balance sheet item	Balance sheet value 31/12/2023						Balance sheet value 31/12/2024					
	Banca	Banco	Flowe	Med Com	MIF	Group	Banca	Banco	Flowe	Med Com	MIF	Group
Assets	**319,472**	**0**	**1,000**	**30**	**89,896**	**410,399**	**345,675**	**0**	**1,000**	**39**	**126,408**	**473,123**
Equity/Funds	259,991	0.4	1,000	30	-	261,021	325,637	0.4	1,000	39	-	326,677
credit institutions	253,734	-	-	-	-	253,734	318,724	-	-	-	-	318,724
other financial	534	0.4	-	-	-	534	1,190	0.4	-	-	-	1,190
non-financial	5,723	-	1,000	30	-	6,753	5,723	-	1,000	39	-	6,762
Bonds	59,481	-	-	-	89,896	149,377	20,038	-	-	-	126,408	146,447
general governments	19,871	-	-	-	89,896	109,767	20,038	-	-	-	126,408	146,447
credit institutions	39,610	-	-	-	-	39,610	-	-	-	-	-	0

Asset liability management process

Management of the rate risk calculated on line items is a typical asset liability management activity. Parent Company Banca Mediolanum opted to use the analysis with the full evaluation method requested of the "significant" institutions supervised by the ECB. Therefore, for each individual report, the following are calculated:

- the economic value, by discounting all future cash flows provided for contractually (or provided for by the behavioural model),
- the interest margin, using forward rates built on the risk-free zero-coupon rate curve with a constant balance sheet assumption within the 1-year analysis window.

This analysis is carried out both in a baseline market scenario and in the six shock scenarios in the EBA IRRBB guidelines (see EBA/GL/2022/14), in order to calculate the rate monitoring metrics: delta economic value and delta interest margin.

Interest rate risk is monitored by setting limits applied to both rate metrics. The consolidated limits are defined in the Risk Appetite Framework (RAF) and approved by the parent company's Board of Directors, are consistent with the business strategy and regulatory guidelines, and are defined as the risk profile the Group expects to assume during the year. The Group's consolidated EVE and NII sensitivity limits are complemented by the individual limits, according to a process of "cascading" the limits of the RAF of the Group. These individual limits take into account the characteristics of the subsidiary's portfolios, with particular reference to the volumes of balance sheet items, average maturities, the type of instruments traded and the strategic mission of the company itself.

The parent company's Risk Management office verifies each month that the limits approved in the RAF have been complied with at the consolidated level, and the Risk Management office of the Spanish subsidiary monitors individual limits after comparing and reporting to the parent company. The results of the monitoring is reviewed on a monthly basis by the internal Board or management committees as part of their duty make proposals to the Board of Directors. In addition, the Group has adopted an internal policy document (the Financial Risk Policy), subject to approval by the Board of Directors, which governs the Group's entire interest rate risk management framework and, in particular, the governance aspects, the methodologies in use and the definition of scenarios. The policy defines the methods for measuring the financial risks generated by the banking book with reference to the only relevant currency of the banking book, i.e. the Euro. Finally, the Audit Function ensures adequacy and compliance with internal regulations and the regulations of national and European authorities, at least on an annual basis.

For both interest rate risk measurement metrics, the Group models items contractually on-demand (current account customers' deposits) with an internal valuation model that allows it to quantify the effects of persistence over time and imperfect elasticity to changes in market rates (the 'stickiness effect'), estimated using the internal historical series of customer behaviour. Modelling consists of identifying the 'core' part of the balances, i.e. the amount of the deposit that is stable and therefore not instantly revalued, even in the presence of significant changes in rates. The stable component is time-distributed according to the maturities dictated by an amortisation profile that is also estimated, in order to capture the partial and delayed responsiveness to changes in market rates. Finally, an internal repricing model is considered that determines the levels and trend of the customer rate as a function of a market parameter (Euribor IM) in order to be able to capture, especially in the NII metric, the stickiness, the asymmetry to market shocks and the contractual zero floor on customer rates. The model is monitored on an ongoing basis and re-evaluated annually to reflect changes in customer volumes and behaviour over time, as well as in the relevant regulatory framework.

Banking subsidiaries contribute to the consolidated rate risk metrics in proportion to their materiality and according to the amount of rate-sensitive items their business strategy provides for.

The Group's balance sheet is characterised by assets that are mainly composed of a loan portfolio mainly indexed to variable rates with frequent repricing and by a portfolio of financial instruments almost equally distributed between fixed-rate and variable-rate securities; liabilities in turn are characterised by loans at market rates with securities collateralisation and by retail funding characterised by peculiar aspects of stability and inelasticity.

The interest rate risk generated by the Banca Mediolanum Group's banking book, as measured by the sensitivity of the economic value +200 basis points of rates, recorded an average value of -€69 million in 2024, with a maximum value of -€217 million reached at the end of October 2024.

The sensitivity of net interest income assuming a change of -200 basis points in interest rates averaged -€88 million during 2024, with a peak value of -€141 million reached in late February 2024.

QUANTITATIVE INFORMATION

1. Banking book: breakdown by residual duration (repricing date) of financial assets and liabilities - EURO

€/000	Demand	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Undetermined duration
1. On-balance sheet assets	**3,368,917**	**10,886,452**	**6,886,539**	**2,020,357**	**7,120,626**	**3,939,745**	**3,010,036**	**73,312**
1.1 Debt securities	126,408	1,944,671	6,460,072	1,741,818	4,431,623	2,402,821	361,040	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	126,408	1,944,671	6,460,072	1,741,818	4,431,623	2,402,821	361,040	-
1.2 Loans to banks	707,059	379,248	0	1,500	183	4	-	-
1.3 Loans to customers	2,535,450	8,562,533	426,467	277,038	2,688,820	1,536,920	2,648,996	73,312
- current account	32,381	433,172	3	4	150	-	-	-
- other loans	2,503,069	8,129,362	426,465	277,035	2,688,669	1,536,920	2,648,996	73,312
- with early redemption option	1,846,136	7,637,978	378,393	128,068	1,550,829	576,205	1,422,866	-
- other	656,933	491,384	48,072	148,966	1,137,840	960,715	1,226,130	73,312
2. On-balance sheet liabilities	**22,841,573**	**10,166,296**	**2,192,381**	**282,110**	**351,577**	**13,638**	**2,683**	**-**
2.1 Payables to customers	22,838,142	9,453,138	2,192,309	281,965	37,452	13,638	2,683	-
- current account	19,883,390	3,693,431	2,132,413	19	-	-	-	-
- other payables	2,954,752	5,759,707	59,896	281,946	37,452	13,638	2,683	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	2,954,752	5,759,707	59,896	281,946	37,452	13,638	2,683	-
2.2 Payables to banks	3,431	713,157	72	145	496	-	-	-
- current account	717	-	-	-	-	-	-	-
- other payables	2,713	713,157	72	145	496	-	-	-
2.3 Debt securities	-	-	-	-	313,629	-	-	-
- with early redemption option	-	-	-	-	313,629	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ Long positions	-	416	1,230	3,531	47,148	42,668	80,960	-
+ Short positions	-	175,953	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
4. Other off-balance sheet transactions								
+ Long positions	6,209	-	-	75,030	-	-	-	-
+ Short positions	6,209	-	-	-	-	-	-	-

1. Banking book: breakdown by residual duration (repricing date) of financial assets and liabilities – OTHER CURRENCIES

€/000	Demand	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Undetermined duration
1. On-balance sheet assets	**29,483**	-	-	-	-	-	-	-
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	29,482	-	-	-	-	-	-	-
1.3 Loans to customers	1	-	-	-	-	-	-	-
- current account	1	-	-	-	-	-	-	-
- other loans	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2. On-balance sheet liabilities	**71,816**	-	-	-	-	-	-	-
2.1 Payables to customers	71,816	-	-	-	-	-	-	-
- current account	41,891	-	-	-	-	-	-	-
- other payables	29,925	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	29,925	-	-	-	-	-	-	-
2.2 Payables to banks	-	-	-	-	-	-	-	-
- current account	-	-	-	-	-	-	-	-
- other payables	-	-	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
4. Other off-balance sheet transactions								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-

1.2.3 CURRENCY RISK

QUALITATIVE INFORMATION

QUALITATIVE INFORMATION

A. General aspects, currency risk management procedures and measurement methods

The following risk profile includes all assets and liabilities (on- and off-balance sheet) in foreign currencies, including transactions in euro pegged to foreign currency exchange rates.
In these cases, limits on exposure to currency risk are established in terms of the equivalent value of the net position of the main trading currencies.

In view of the limited operations that could be affected by exchange rate risk, this type of risk is residual: therefore, the Bank does not conduct detailed analyses with dedicated stress scenarios.

B. Currency risk hedging activities

There are no hedged assets according to the IAS/IFRS classification.

QUANTITATIVE INFORMATION

1. Breakdown by currency of denomination of assets and liabilities and of derivatives

	US DOLLAR	BRITISH POUND	SWISS FRANC	NORWEGIAN KRONE	CANADIAN DOLLAR	OTHER CURRENCIES	TOTAL
A. Financial assets	**20,267**	**2,730**	**2,841**	**431**	**526**	**2,688**	**29,484**
A.1 Debt securities	-	-	-	-	-	-	-
A.2 Equity securities	-	-	-	-	-	-	-
A.3 Loans to banks	20,266	2,730	2,841	431.127	526	2,688	29,483
A.4 Loans to customers	1	-	-	-	-	-	1
A.5 Other financial assets	-	-	-	-	-	-	-
B. Other assets	54	44	9	-	2	24	134
C. Financial liabilities	**65,907**	**2,626**	**2,209**	**72**	**379**	**623**	**71,816**
C.1 Payables to banks	-	-	-	-	-	-	-
C.2 Payables to customers	65,907	2,626	2,209	72	379	623	71,816
C.3 Debt securities	-	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-	-
D. Other liabilities	-	-	-	-	-	-	-
E. Financial derivatives	**54,988**	**61**	**452**	-	**2**	**43**	**55,546**
- Options	-	-	-	-	-	-	-
+ Long positions	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-
- Other	54988	61	452	-	2	43	55,546
+ Long positions	50,293	30	114	-	-	4	50,441
+ Short positions	4,695	31	338	-	2	39	5,105
Total Assets	**70,614**	**2,803**	**2,964**	**431**	**528**	**2,718**	**80,058**
Total Liabilities	**70,602**	**2,657**	**2,547**	**72**	**381**	**662**	**76,921**
Imbalance (+/-)	12	146	417	359	147	2,056	3,137

1.3 DERIVATIVE INSTRUMENTS AND HEDGING POLICIES

3.1 TRADING DERIVATIVE INSTRUMENTS

A. Financial derivatives

A.1 Financial trading derivatives: period-end notional amounts

€/000	31/12/2024				31/12/2023			
	Over the counter			Organised markets	Over the counter			Organised markets
		Without CCPs				Without CCPs		
	CCPs	With netting arrangements	Without netting arrangements		CCPs	With netting arrangements	Without netting arrangements	
1. Debt securities and interest rates	**-**	**-**	**-**	**-**	**-**	**-**	**128,380**	**-**
a) Options	-	-	-	-	-	-	33,503	-
b) Swaps	-	-	-	-	-	-	94,877	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and equity indices	**-**	**-**	**-**	**-**	**-**	**-**	**48**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	45	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	3	-
3. Currencies and gold	**-**	**-**	**55,584**	**-**	**-**	**-**	**110,369**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	55,584	-	-	-	110,369	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**-**	**-**	**55,584**	**-**	**-**	**-**	**238,797**	**-**

A.2 Trading financial derivatives: positive and negative gross fair value – breakdown by product

€/000	31/12/2024				31/12/2023			
	Over the counter				Over the counter			
		Without CCPs				Without CCPs		
	CCPs	With netting arrangements	Without netting arrangements	Organised markets	CCPs	With netting arrangements	Without netting arrangements	Organised markets
1. Positive fair value								
a) Options	-	-	-	-	-	-	361	-
b) Interest rate swaps	-	-	-	-	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	-	303	-	-	-	191	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**303**	**-**	**-**	**-**	**552**	**-**
2. Negative fair value								
a) Options	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	-	-	-	-	-	7,499	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	-	3	-	-	-	953	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**3**	**-**	**-**	**-**	**8,452**	**-**

A.3 OTC trading financial derivatives – notional values, gross positive and negative fair value by counterparty

€/000	CCPs	Banks	Other financial corporations	Other entities
Contracts not based on netting arrangements				
1 Debt securities and interest rates				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
2 Equity securities and equity indices				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3 Currencies and gold				
- notional value	X	52,467	2,003	1,114
- positive fair value	X	295	3	5
- negative fair value	X	3	-	-
4) Commodities				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5 Other				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts based on netting arrangements				
1 Debt securities and interest rates				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
2 Equity securities and equity indices				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3 Currencies and gold				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
4) Commodities				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5 Other				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 Residual maturity of OTC financial derivatives: notional values

€/000	Up to 1 year	Over 1 year and up to 5 years	Over 5 years	TOTAL
A.1 Financial derivatives on debt securities and interest rates	-	-	-	-
A.2 Financial derivatives on equity securities and equity indices	-	-	-	-
A.3 Financial derivatives on currencies and gold	55,584	-	-	55,584
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
TOTAL 31/12/2024	**55,584**	**-**	**-**	**55,584**
TOTAL 31/12/2023	**118,437**	**33,626**	**86,733**	**238,797**

B. Hedging credit derivatives

This case does not apply to the Group.

C. Hedging non-derivative instruments

This case does not apply to the Group.

1.3.2 Accounting hedges

QUALITATIVE INFORMATION

A. Fair value hedging

Fair value hedges aim to neutralise adverse changes in the price of assets and liabilities recognised in the financial statements or of irrevocable commitments that, without a hedge, could affect financial performance for the year. As established by the Parent Company, the Banking Group has adopted hedging policies through derivative instruments, exceptionally solely for exposures in its fixed-rate loan portfolio.

B. Cash-flow hedging

This case does not apply to the Group.

C. Hedging of foreign investments

This case does not apply to the Group.

D. Hedging instruments

Within the Banking Group, Banca Mediolanum hedges the interest rate risk of fixed-rate or variable-rate loans with caps using interest rate swap (IRS) or interest rate option (IRO) derivatives. Hedge accounting can only be adopted if the effectiveness of the hedge is observed at the beginning and throughout its life, i.e. changes in fair value or in the cash flows of the hedged instrument must be almost completely offset by corresponding changes recorded for the hedging instrument. This effectiveness is monitored periodically through specific tests: it is highly effective when changes in the fair value of the hedging instrument substantially offset changes in the hedged instrument. There are clear limits on how far a hedging instrument can deviate from a perfect hedge when offsetting changes in the hedged instrument. The effectiveness of the hedge should be assessed initially and continuously throughout the life of the hedge. The source of the possible ineffectiveness of the hedge over time, on the hedging instrument side, is market fluctuations that are reflected unevenly on the two elements of the hedging relationship.

At 31.12.2024, hedges via IRS and IRO of the rate risk of fixed-rate mortgages were completely closed.

E. Hedged items

The instruments hedged are fixed-rate loans and variable-rate loans with caps. The accounting method selected by Banca Mediolanum to hedge these instruments is the "group microhedge", where the hedged item consists of a group of instruments that are homogeneous in terms of the associated risk and can in any case be identified individually. One of the possible sources of ineffectiveness of the hedging is the dynamics over time of the "group" initially chosen: over the years, the pool of loans may be reduced by virtue of early repayments, renegotiations, subrogations, etc. As the hedged object changes, the relationship with the hedging instrument is changed and this generates a misalignment that may reduce effectiveness over time. The effectiveness of hedges is assessed by carrying out periodic effectiveness tests, which fall into two categories:

- Prospective test: this test justifies the application of hedge accounting, demonstrating the expected effectiveness of the hedge during its life, and enables the justification and continuation of the hedging relationship. This test must also be carried out on the date of commencement of the hedge in order to start applying hedge accounting: in practice, it is a question of determining whether the hedging relationship would be maintained in the event of potential more or less extreme scenarios.
- Retrospective test: this test reveals the degree of effectiveness of the hedge achieved in the period to which the test refers; in other words, it measures how far the actual results diverged from the perfect hedge. If the results fall within a defined range, hedge accounting may continue to be applied: otherwise, it must be discontinued.

QUANTITATIVE INFORMATION

A. Hedging financial derivatives

A.1 Hedging financial derivatives: period-end notional amounts

€/000	31.12.2024				31.12.2023			
	Over the counter			Organised markets	Over the counter			Organised markets
	CCPs	Without CCPs			CCPs	Without CCPs		
		With netting arrangements	Without netting arrangements			With netting arrangements	Without netting arrangements	
1. Debt securities and interest rates	**-**	**-**	**-**	**-**	**-**	**-**	**50,921**	**-**
a) Options	-	-	-	-	-	-	3,556	-
b) Swaps	-	-	-	-	-	-	47,365	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and equity indices	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**50,921**	**-**

A.2 Hedging financial derivatives: gross positive and negative fair value – breakdown by product

€/000	Positive and negative fair value								Change in value used to detect ineffectiveness of the hedge	
	31/12/2024				31/12/2023					
	Over the counter			Organised markets	Over the counter			Organised markets		
	CCPs	Without CCPs			CCPs	Without CCPs			31/12/2024	31/12/2023
		With netting arrangements	Without netting arrangements			With netting arrangements	Without netting arrangements			
Positive fair value										
a) Options	-	-	-	-	-	-	53	-	-	-
b) Interest rate swaps	-	-	-	-	-	-	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**53**	**-**	**-**	**-**
Negative fair value										
a) Options	-	-	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	-	-	-	-	-	3,605	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**3,605**	**-**	**-**	**-**

A.4 Residual life of OTC hedging financial derivatives: notional values

€/000		Up to 1 year	Over 1 year and up to 5 years	Over 5 years	TOTAL
A.1 Financial derivatives on debt securities and interest rates		-	-	-	-
A.2 Financial derivatives on equity securities and equity indices		-	-	-	-
A.3 Financial derivatives on currencies and gold		-	-	-	-
A.4 Financial derivatives on commodities		-	-	-	-
A.5 Other financial derivatives		-	-	-	-
TOTAL	**31/12/2024**	**-**	**-**	**-**	**-**
TOTAL	**31/12/2023**	**3,972**	**16,948**	**30,001**	**50,920**

B. Hedging credit derivatives

This case does not apply to the Group.

C. Hedging non-derivative instruments

This case does not apply to the Group.

D. Hedged instruments

D.1 Fair value hedges

€/000	Specific hedges					
	Specific hedges: carrying amount	Specific hedges – net positions: carrying amount of assets or liabilities (before netting)	Cumulative changes in the fair value of the hedged instrument	Discontinuation of hedge: residual cumulative changes in fair value	Change in value used to detect ineffectiveness of the hedge	Generic hedges: Carrying amount
A. BUSINESS						
1. Financial assets measured at fair value through other comprehensive income - hedging of:	-	-	-	-	-	-
1.1 Debt securities and interest rates	-	-	-	-	-	X
1.2 Equity securities and equity indices	-	-	-	-	-	X
1.3 Currencies and gold	-	-	-	-	-	X
1.4 Loans	-	-	-	-	-	X
1.5 Other	-	-	-	-	-	X
2. Financial assets measured at amortised cost - hedging of:	-	-	-	-	-	-
1.1 Debt securities and interest rates	-	-	-	-	-	X
1.2 Equity securities and equity indices	-	-	-	-	-	X
1.3 Currencies and gold	-	-	-	-	-	X
1.4 Loans	-	-	-	-	-	X
1.5 Other	-	-	-	-	-	X
TOTAL 31/12/2024	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL 31/12/2023	**47,630**	**-**	**3,072**	**(899)**	**1,471**	**-**
B. LIABILITIES						
1. Financial liabilities measured at amortised cost - hedging of:	-	-	-	-	-	-
1.1 Debt securities and interest rates	-	-	-	-	-	X
1.2 Currencies and gold	-	-	-	-	-	X
1.3 Other	-	-	-	-	-	X
TOTAL 31/12/2024	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL 31/12/2023	**-**	**-**	**-**	**-**	**-**	**-**

E. Effects of hedging operations on equity

Nothing to report.

1.3.3 OTHER INFORMATION ON DERIVATIVE INSTRUMENTS (TRADING AND HEDGING)

A. Financial and credit derivatives

This case does not apply to the Group.

1.4 LIQUIDITY RISK

QUALITATIVE INFORMATION

A. General aspects, liquidity risk management procedures and measurement methods

Liquidity risk means the inability of banks to promptly and economically meet their payment obligations according to the contractual schedule. Depending on the possible area of impact, international practice usually distinguishes between two types of liquidity risk: funding liquidity risk and market liquidity risk. *Funding liquidity risk* is the risk that the bank will be unable to meet expected and unexpected cash flows and collateral requirements according to cost-effectiveness criteria, without prejudicing the bank's daily operations or financial situation. *Market liquidity risk*, in contrast, is the risk that the bank will be unable to dispose of a financial asset without incurring capital losses due to poor liquidity of the reference market or inefficiencies within it.
The establishment of an appropriate system of governance and management of this risk plays a fundamental role in maintaining the stability not only of the individual bank, but also of the market, given that the imbalances of a single financial institution can have systemic repercussions.

The Banca Mediolanum Group's liquidity management model is structured in such a way as to ensure adequate liquidity levels in both the medium and long term. There are no identifiable problems with the liquidity conditions over the horizons indicated, thanks to the financial characteristics (duration and risk profile) of the instruments included in assets in the financial statements and the funding strategy adopted.

The corporate functions of the Parent Company responsible for ensuring the correct application of the Guidelines and the adequacy of the Group's liquidity position are the Finance and Treasury Management Department and the Controller and Investor Relations Planning Department, which are responsible, in the office of the Chief Financial Officer (CFO) for liquidity management, and the Financial Risk Management Department, in the office of the Chief Risk Officer (CRO) is directly responsible for measuring liquidity risk on a consolidated basis. The Group's liquidity is managed by the aforementioned CFO departments through a detailed monitoring of liquidity flows and constant interaction with the Business Units, within the framework of the relative business plans, while the Financial Risk Management department is directly responsible for second-level controls and plays a primary role in the management and dissemination of information on liquidity risk , contributing to the overall improvement of the Group's awareness of its position. In particular, it ensures measurement by verifying compliance with the limits and activating, in the event that they are exceeded, the procedures for reporting to the competent corporate bodies and monitoring the agreed return actions in the event of any overruns. Finally, the Audit Function ensures adequacy and compliance with internal regulations and the regulations of national and European authorities, at least on an annual basis.

Measurement metrics and liquidity risk mitigation tools are formalised in the Financial Risk Policy, while liquidity risk is monitored through the definition of guidelines for the implementation of the process of monitoring the indicators reported in the Risk Appetite Framework (RAF) document. The results of the monitoring is reviewed on a monthly basis by the internal Board or management committees as part of their duty make proposals to the Board of Directors. The internal liquidity risk control and management system is consistent and conforms to the specific characteristics of the bank and the liquidity regulations introduced by the European Union since June 2013 and subsequent updates. In more detail and with reference to the published documents, banks are required to comply with the minimum short-term liquidity coverage ratio (LCR > 100%), as well as the minimum structural liquidity requirement (Net Stable Funding Ratio (NSFR) > 100%), as established under Regulation (EU) 575/2013, Regulation 2019/876, Delegated Regulation (EU) 2015/61 and Directive 2019/878/EU, as respectively amended. The regulatory framework is completed by the "Implementing Technical Standards" developed by the European Banking Authority (EBA) and the ECB Guidelines, which are designed to improve the regulatory harmonisation of the Union within the framework of the Single Supervisory Mechanism (SSM), which, again on the subject of liquidity, has also provided for a self-assessment exercise called the Internal Liquidity Adequacy Assessment Process (ILAAP), conducted annually for the purposes of the Supervisory Review and Evaluation Process (SREP).

The qualitative and quantitative instruments of the liquidity risk management model include:
- tools and methodologies for measuring short-term liquidity risk (definition of the scope, construction of the operational maturity ladder, identification of the stock of readily liquid assets, etc.);
- tools and methodologies for measuring medium/long-term liquidity risk (identification of relevant balance sheet items, identification of main funding sources, etc.);
- definition of the reference framework for the development of scenarios (with the relevant stress test assumptions) to measure and monitor short- and medium/long-term liquidity risk;
- definition of the liquidity management plan in crisis conditions (Contingency Funding Plan) caused by internal and external factors.
- crisis liquidity management consistent with the guidelines on crisis management processes under the Recovery Plan and Resolution Plan.

In other words, the Banca Mediolanum Group has adopted a control framework (with the relevant reporting) that provides for daily, weekly, monthly and quarterly monitoring to oversee all aspects of both short-term and medium-to-long-term liquidity, under "normal business conditions" and by simulating stress scenarios. The latter are adopted to quantify any immediate need for reinforcement (economic, capital, organisational or methodological) or to enhance the analyses conducted on normal operations with a forward-looking study. Stress tests are conducted on the consolidated perimeter and have different periodicities depending on the magnitude of the risk to be analysed and the purpose of the exercise.

The risk metrics monitored on a monthly basis concern regulatory liquidity (short-term through the Liquidity Coverage Ratio and medium to long-term through the Net Stable Funding Ratio) and management liquidity (Survival Period indicator). In terms of short and medium-term regulatory liquidity risk, it should be noted that the construction of the LCR and NSFR indicators already incorporates specific stress scenarios defined by the regulator, and no stricter assumptions have been introduced than those already envisaged by the regulator. More specifically, the Liquidity Coverage Ratio measures the ratio between a credit institution's stock of "liquid assets" and its "net liquidity outflows" over a 30-calendar-day stress period (established by the regulator by assuming a series of frictions in interbank market access and the collectability of certain asset items). The Net Stable Funding Ratio measures the ratio between the amount of available stable funding and the amount of mandatory stable funding. This indicator is designed to promote greater recourse to stable funding, preventing medium and long-term operations from giving rise to excessive short-term financing imbalances. The Survival Period, on the other hand, is an internal indicator designed to measure the first day on which the Net Liquidity Position (calculated as the difference between available Liquidity Reserves and net outflows) becomes negative, indicating insufficient liquidity to cover simulated net outflows. Two combined stresses were assumed for this purpose: lack of access to interbank funding in the financial markets, and an idiosyncratic stress.

Annual stress analyses, on the other hand, feed into ILAAP, Recovery and Resolution reports, the process of which involves discussion and involvement with other functions of the Bank such as the Planning, Control and Investor Relations Division and business units such as the Financial Management and Treasury Sector. Mention should also be made of the Internal Audit Function, which performs audits, as part of its audit activities, on the stress exercises conducted.
The Risk Management Function, in response to requests from the supervisory authority or analyses conducted on observed market situations, assesses which stress assumptions to apply, in order to verify the robustness of the bank's solvency over the monitoring period, and also adopts reverse stress test shocks, if necessary. In the three ILAAP, Recovery, and Resolution reports, the stress scenarios applied include systemic and idiosyncratic crises with increasing severity, alternately considering contexts such as geopolitical instability, global recession, climate risks, or reputational risks. As part of its liquidity risk management framework, the Banca Mediolanum Group has also identified a set of indicators to be monitored in order to anticipate potential liquidity crises, and has defined flexible interventions to be implemented promptly on the onset of any such crises. The Contingency Funding Plan (CFP) ensures the identification of early warning signals, their monthly monitoring, and the definition of corporate procedures and responsibilities to be activated in the event of liquidity strains, whether systemic and specific.

The Parent Company defines the guidelines for integrated risk management at Group level through the Risk Appetite Framework document, which sets out the strategic and operational indicators for a specific risk. It is responsible for the policy and definition of the liquidity risk detection methods and, as part of its coordination duties, supports group companies with the harmonisation of risk reporting.

Consolidated liquidity position

Throughout the 2024 financial year, the liquidity position of the Banca Mediolanum Group remained within the risk limits established in the current Liquidity Policy. Both short-term (LCR) and long-term (NSFR) indicators were well above regulatory requirements (100%), supported by adequate high quality liquid assets (HQLA) and a significant contribution of stable retail funding. During 2024, the Banca Mediolanum Group's LCR averaged 396% and the NSFR averaged 185%. The average value of the total HQLA reserves available on the spot was €11.7 billion, 96.7% of which consisted of euro area government bonds. The regular stress tests carried out have demonstrated to the Corporate Bodies that the Banca Mediolanum Group has a liquidity surplus that is capable of coping with extraordinary cash outflows, highlighting the institution's high solvency and a wide margin of safety to deal with hypothetical situations of liquidity stress. The Survival Period demonstrated that the institution is capable of surviving for more than 15 months.

The institution's funding model can be depicted in a simplified manner around two macro-sources of funding: retail funding and wholesale funding (secured and unsecured). In 2024, retail funding continued to be the main means of funding and was only partly allocated to forms of lending to the same counterparty, thereby generating an "excess" of funding from this source. This was monitored monthly through the ratio of lending to funding, which remained around an average of 62%. The "excess" liquidity was mainly invested in "eligible" euro area government bonds with fixed as well as floating rates, but always maintaining a portfolio duration of less than two years. Another significant source of funding for the institution came from the interbank market, mainly using secured financing instruments in the form of overnight repo transactions. Furthermore, the few derivative positions originally held for mortgage hedging purposes were closed during 2024. This has led to a situation where, at the end of the calendar year, the institution no longer has any hedging derivative positions on its balance sheet.

Banco Mediolanum – Spain

Banco Mediolanum has an independent internal treasury office that collects liquidity through retail current account deposits, the regulated REPO market and refinancing with the European Central Bank. The bank uses internal and regulatory limits in line with the guidelines defined by the parent company through the RAF document and has a robust architecture that allows the reporting of its individual liquidity data on a daily basis, enabling the parent company to maintain strong control of liquidity risk at the consolidated level. During 2024, the Bank complied with all internal and regulatory limits relating to risk of this kind and there were no significant intra-group transactions.

QUANTITATIVE INFORMATION

1. Distribution of financial assets and liabilities by residual contractual maturity (PART 1 OF 2) - EURO

€/000	Demand	Over 1 day to 7 days	Over 7 days to 15 days	Over 15 days to 1 month	Over 1 month to 3 months
A. On-balance sheet assets	**2,189,759**	**430,110**	**742,216**	**171,175**	**1,128,661**
A.1 Government securities	5,361	-	714,482	-	786,863
A.2 Other debt securities	373	-	-	33	-
A.3 UCI units	144,210	-	-	-	-
A.4 Loans	2,039,815	430,110	27,734	171,143	341,798
- Banks	737,312	59	22,501	120,700	21,844
- Customers	1,302,503	430,051	5,233	50,443	319,954
B. On-balance sheet liabilities	**25,672,309**	**5,874,944**	**116,541**	**153,891**	**2,066,541**
B.1 Deposits and current accounts	25,437,284	31,241	17,227	138,786	1,449,092
- Banks	717	-	-	-	613,375
- Customers	25,436,567	31,241	17,227	138,786	835,716
B.2 Debt securities	-	-	-	15,105	-
B.3 Other liabilities	235,025	5,843,703	99,314	-	617,449
C. Off-balance sheet transactions					
C.1 Financial derivatives with capital exchange					
- Long positions	-	5,162	-	-	-
- Short positions	-	6,107	-	44,000	-
C.2 Financial derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Commitments to disburse funds					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.5 Financial guarantees given	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1. Distribution of financial assets and liabilities by residual contractual maturity (PART 2 OF 2) – EURO

€/000	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years	Undetermined duration
A. On-balance sheet assets	**3,937,750**	**3,544,788**	**11,755,327**	**14,271,670**	**333,121**
A.1 Government securities	3,441,893	2,549,663	6,865,460	2,712,347	-
A.2 Other debt securities	71,537	71,892	533,230	275,000	-
A.3 UCI units	-	-	-	-	5,408
A.4 Loans	424,320	923,233	4,356,638	11,284,323	327,712
- Banks	0	1,500	183	4	254,400
- Customers	424,320	921,733	4,356,454	11,284,319	73,312
B. On-balance sheet liabilities	**2,228,482**	**284,818**	**330,881**	**13,834**	**-**
B.1 Deposits and current accounts	2,225,665	279,434	-	-	-
- Banks	-	-	-	-	-
- Customers	2,225,665	279,434	-	-	-
B.2 Debt securities	-	-	300,000	-	-
B.3 Other liabilities	2,818	5,384	30,881	13,834	-
C. Off-balance sheet transactions					
C.1 Financial derivatives with capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.2 Financial derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds					
- Long positions	-	75,030	-	-	-
- Short positions	-	-	-	-	-
C.5 Financial guarantees given	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1. Distribution of financial assets and liabilities by residual contractual maturity (PART 1 OF 2) – OTHER CURRENCIES

€/000	Demand	Over 1 day to 7 days	Over 7 days to 15 days	Over 15 days to 1 month	Over 1 month to 3 months
A. On-balance sheet assets	**28,763**	**-**	**-**	**-**	**-**
A.1 Government securities	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-
A.3 UCI units	-	-	-	-	-
A.4 Loans	28,763	-	-	-	-
- Banks	28,762	-	-	-	-
- Customers	1	-	-	-	-
B. On-balance sheet liabilities	**71,816**	**-**	**-**	**-**	**-**
B.1 Deposits and current accounts	71,816	-	-	-	-
- Banks	-	-	-	-	-
- Customers	71,816	-	-	-	-
B.2 Debt securities	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-
C. Off-balance sheet transactions					
C.1 Financial derivatives with capital exchange					
- Long positions	-	6,115	-	44,327	-
- Short positions	-	5,142	-	-	-
C.2 Financial derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Commitments to disburse funds					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.5 Financial guarantees given	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1. Distribution of financial assets and liabilities by residual contractual maturity (PART 2 OF 2) – OTHER CURRENCIES

€/000	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years	Undetermined duration
A. On-balance sheet assets	-	-	-	-	-
A.1 Government securities	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-
A.3 UCI units	-	-	-	-	-
A.4 Loans	-	-	-	-	-
- Banks	-	-	-	-	-
- Customers	-	-	-	-	-
B. On-balance sheet liabilities	-	-	-	-	-
B.1 Deposits and current accounts	-	-	-	-	-
- Banks	-	-	-	-	-
- Customers	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-
C. Off-balance sheet transactions					
C.1 Financial derivatives with capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.2 Financial derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.5 Financial guarantees given	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1.5 OPERATIONAL RISKS

QUALITATIVE INFORMATION

A. General aspects, operational risk management procedures and measurement methods

The Mediolanum Banking Group defines operational risks as "the risk that illegal or inappropriate conduct by staff, technological shortcomings or malfunctions, errors or deficiencies in operating processes and external factors may result in economic or pecuniary losses and sometimes legal or administrative impacts".
In line with industry regulations, Banca Mediolanum S.p.A. has adopted and regularly updates an operational risk management and control framework.
The companies within the scope of application of the operational risk governance model defined are, first and foremost, Banca Mediolanum and the other companies belonging to the Banking Group which, with direct or decentralised controls, adopt operational risk control and management frameworks that are developed according to the complexity of their business, the exposure to operational risks, and the specific regulatory guidelines, in accordance with the principle of proportionality.
Furthermore, in order to ensure a consistent approach, and also for the purposes of correct recognition and aggregation of risk data at the consolidated level, similar models are used by Mediolanum Group companies that do not belong to the Banking Group.

The Risk Management Function is responsible for monitoring operational risk and collaborates with the Internal Audit Function to control and manage the operational risks arising from the operations of the sales network of Banca Mediolanum S.p.A.
It also coordinates with the Administration, Accounting and Financial Reporting section in controlling capital adequacy in respect of the requirements for own funds for operational risks of Banca Mediolanum S.p.A. and the Banking Group. The organisational positioning of the Risk Management Function is based on the principles of "separation" and "independence" with respect to the operational lines, with it reporting directly to the corporate department heads of the Parent Company. Specific Risk Management functions are also present at the main Group Companies, in order to be closer to the business, while maintaining a guiding and coordination role at the Parent Company.

The reference framework for the management and control of operational risks adopted by the Mediolanum Banking Group consists of the following four sequential phases:

I. "Identification";
2. "Measurement";
3. "Monitoring, Control and Reporting";
4. "Management".

Each of the above phases is characterised by specific objectives, models, methods and instruments and is implemented by the Group companies, according to the complexity of their business, their exposure to operational risks, and the specific regulatory guidelines, in accordance with the principle of proportionality.

Identification is the activity of identifying and collecting information on operational risks through the consistent and coordinated processing of all relevant sources of information. The aim is to establish a complete information base.

Identification takes place through the definition and classification of the information necessary for integrated operational risk management.
The information necessary for this purpose is:

- the qualitative and quantitative assessment of the risk exposure of the main corporate processes, as part of the annual risk self-assessment process;
- internal loss data, accompanied by all the relevant information for the purposes of measuring and managing risks (including insurance and direct recoveries), collected through the loss data collection process;
- preliminary analysis of the risk exposure arising from entry into new businesses or the signing of new contracts/commercial agreements, as well as following organisational/regulatory changes;
- performance indicators representative of operations and risks, internally known as "key risk indicators", which form the basis of management analyses and part of the control model.

Measurement is the activity of analysing and assessing risk.
The aim of this activity is to gain comprehensive knowledge of the overall risk profile of the enterprise, resulting in the quantification of:

- regulatory capital: the capital requirement defined on the basis of regulatory provisions (Regulation (EU) 575/2013). In order to measure regulatory capital for operational risk, all companies in the Mediolanum Banking Group use the "standardised" method to calculate the regulatory capital requirement;
- economic capital: measurement of risks for internal purposes, using an integrated approach that reflects both actual losses from operational risks and potential losses, measured net of the effectiveness of the controls put in place to mitigate those risks. This measurement activity is therefore based on the results of the risk identification process, applying an actuarial statistical model, and constitutes a tool for controlling the adequacy of regulatory capital for operational risks.

Monitoring, Control and Reporting is a direct consequence of the preliminary phases of identification and measurement. It enables the analysis of the overall exposure to operational risks of the various business units and the prompt reporting of any critical issues encountered. The main tool used to carry out this process is periodic reporting to the business functions concerned, to senior management and to the Board of Directors.

Finally, the aim of the Management phase is to periodically assess "strategies for control and reduction of risk", deciding, according to the nature and size of the risk, whether to assume it, implement mitigation policies or transfer it to third parties, according to the risk appetite expressed by senior management.

With regard to measurement, it should be noted that following the entry into force (on 1 January 2025) of the amendments to the regulatory provisions applicable to the Banking Group as provided for by CRR3 (the Capital Requirements Regulation), as of the regulatory reporting of March 2025, Banca Mediolanum and the Banking Group will calculate the Banking Group's regulatory capital according to the "Standardised Approach (SA)".
The Group project, in the ambit of which actions were defined to adapt to the said regulatory changes, included the revision of the Regulatory Measurement process and the enhancement of the Loss Data Collection standards defined in the operational risk control framework.

In addition, it should be noted that during 2024, a programme was initiated to adapt to the new Dora Regulation, an EU directive that comes into force on 17 January 2025 and requires the integration of digital resilience at all levels, based on specific pillars such as Risk Management, Incident Reporting, Resiliency Testing and Third Parties Risk Management. The Project, led by the Parent Company, is directed at the Conglomerate level.

In the first half of 2024 a gap analysis was conducted, following which an adaptation plan was created and began its implementation phase in July. The development of the new models is nearing completion, after which work on its adoption will begin with application perimeters.

QUANTITATIVE INFORMATION

In 2024, the Risk Assessment process covered almost all corporate activities. For the Banking Group, over 3,370 controls were analysed, of which around 84% applied to companies belonging to the Insurance Group. Similar Risk Assessment work was carried out throughout the entire Mediolanum Group, with around 3,620 controls surveyed, over 85% of which were effective.
With respect to losses from operational risk events recognised during the year, the most significant type of event was Customers, Products and Professional Practices, which includes losses related to breaches of professional obligations to customers and the market in general, and to the configuration and/or the provision of services and supply of products in a manner that is negligent, or in breach of regulations, including internal standards. Of Banking Group's total losses of €18.4 million, this type of event accounted for around €12.5 million, or 68%, while the total losses of the Mediolanum Group amounted to €20.7 million, of which almost 70%, amounting to €14.5 million, were due to the same type of event. This figure is strongly influenced by the evolution of the tax dispute, mentioned in a previous section. Part of its economic effects in the year are deemed to be losses from operational risk (interest and related allocations, and legal expenses).

During 2024, the "Non-Financial Risk Management" Control Unit was established. It reports directly to the CRO, with the aim of reinforcing the overall framework for the monitoring of non-financial risks. Within the unit, the Operational Risk Management Unit is responsible for the duties established at the regulatory and management level for the identification, measurement, management and reporting of operational risks. Also part of the unit is:

- the 'Third Parties Risk Management' Unit, with the task of defining, updating and managing the model for the governance, management and supervision of third party risk. Among its responsibilities, the unit (i) contributes, in coordination with the Compliance function, to the definition of the classification criteria for contractual agreements, (ii) identifies and assesses risks related to third parties, including ICT and security risks, distribution, availability and data protection risks, operational and legal risks, etc., including those arising from major changes in services offered by third parties (material change). it also reports annually to the Board of Directors on third party risks.
- the Information & Security Risk Management Unit, which defines the ICT and security risk management framework as part of the overall corporate risk management system, and monitors its implementation. Among its responsibilities, the unit (i) evaluates, in terms of design and effectiveness, the measures necessary to bring the ICT and security risk level within the defined and approved "risk tolerance", verifies their correct implementation and continuously assesses their effectiveness, (ii) participates in the process of classifying, analysing and reporting serious ICT Security incidents, (iii) identifies and assesses ICT and Security risks arising from major changes in ICT systems, services and processes, and (iv) reports to the top management on ICT and security risk trends;
- The "Governance & Authorities Oversight Non-Financial Risk Management" Unit, which defines the overall framework for the management of non-financial risks and the governance and internal control model in the area of non-financial risks, overseeing the implementation of the Conglomerate Guidance and Coordination model for the areas of competence of the Unit, according to the defined Conglomerate Governance model; the unit also cooperates with the Supervisory Authorities for the areas of competence.

SECTION 3 – RISKS OF INSURANCE COMPANIES

Introduction

Risks of the Mediolanum Insurance Group

For qualitative information on the risk management framework of insurance companies, see the introductory chapter to the consolidated financial statements.

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3.1 INSURANCE RISKS

Insurance Group_Technical risks

QUALITATIVE INFORMATION

For qualitative information on insurance risks, see the introductory chapter to the consolidated financial statements.

QUANTITATIVE INFORMATION AND SENSITIVITY ANALYSIS

This section sets out some quantitative indicators of the various types of risks falling within the risk assessments listed above.

The following tables set out the Insurance Group's Underwriting Risk Modules determined using the Standard Formula, calculated as of Q4 2024.

€/000

Underwriting risk	**31/12/2024**
Mortality risk	53,559
Longevity risk	33,663
Disability risk	157
Lapse risk	973,454
Expenses risk	97,303
Catastrophe risk	18,858
Sum of risk components	**1,176,994**

Non-Life Underwriting risk	**31/12/2024**
Premium & reserve risk	16,418
Lapse risk	948
Catastrophe risk	7,646
Sum of risk components	**25,012**

Health Underwriting risk	**31/12/2024**
Premium & reserve risk	59,765
Lapse risk	7,942

Catastrophe risk	6,119
Sum of risk components	**73,827**

The following tables provide an analysis of the Group's insurance risk concentration (before and after reinsurance) by product family, as measured by IFRS 17 insurance liabilities.

Concentration risk by business and reinsurance

€/m

Concentration by class of business	Insurance contracts issued	Reinsurance contracts held	Net
Separate Management	(1,431)	48	(1,383)
Pure risk contracts	(118)	(3)	(121)
Unit linked/index	(24,005)		(24,005)
Life Business	**(25,555)**	**45**	**(25,509)**
Non-Motor	(237)	26	(211)
Non-Life Business	**(237)**	**26**	**(211)**
Total	**(25,792)**	**71**	**(25,721)**

The exposure of the Life Business is split between Unit Linked and Index Linked, and amounts to €24,005 million, for Pure Risk it amounts to €121 million, and for the Separate Management to €1,383 million.

The exposure in the Non-Life Business is exclusively attributable to the elementary lines of business, amounting to €211 million.

The concentration of gross direct premiums of the Group's companies can be distinguished, for Mediolanum Vita and Mediolanum International Life, by Branch I and Branch III, as the types of risks associated with these products differ. The non-life business of Mediolanum Assicurazioni is added to this composition.

Claims development

The Group provides information on the trend in gross and net claims for claims that occurred ten years prior to the reporting period.
For further details, please see the table in the notes: "Claims development gross and net of reinsurance (non-life segment)".
The Group reconciles the LIC presented in the table with the aggregate carrying amount of insurance contract groups.

Sensitivity analysis of underwriting risk

This section sets out a sensitivity analysis, in accordance with IAS 1 paragraph 125, of key variables that could have a material impact on the carrying amounts of assets and liabilities in the following financial year. The following tables detail the effects of the changes in the main assumptions on the Group's profit or loss, shareholders' equity and the CSM (Contractual Service Margin), before and after the mitigation of the risk arising from the reinsurance contracts held. This analysis, required by IFRS 17, paragraph 128, is based on a change in one risk variable, keeping all other variables constant. The sensitivity analysis assumes that changes in variables can be made independently.

This section sets out a sensitivity analysis, in accordance with IAS 1 paragraph 125, of key variables that could have a material impact on the carrying amounts of assets and liabilities in the following financial year. The following tables detail the effects of the changes in the main assumptions on the Group's profit or loss, shareholders' equity and the CSM (Contractual Service Margin), before and after the mitigation of the risk arising from the reinsurance contracts held. This analysis, required by IFRS 17, paragraph 128, is based on a change in one risk variable, keeping all other variables constant. The sensitivity analysis assumes that changes in variables can be made independently.

The table below shows the main *sensitivities* to underwriting risk, in which the entire portfolio, divided by Group companies, was considered.
The main risks that caused the greatest stress on the components of CSM, the income statement and equity before and after the reinsurance effect were examined.

With respect to the assumptions underlying the Lapse, a stress of +50% and -50% was used on the various impacted components.

€/m		CSM		Profit and loss		Equity	
	Change in assumption	Gross	Net	Gross	Net	Gross	Net
Mortality		(40)	(33)	(3)	(3)	(2)	(2)
Expenses		(46)	(46)	(2)	(2)	(2)	(2)
Lapse Down	-50%	(95)	(94)	(6)	(5)	(4)	(4)
Lapse Up	+50%	(102)	(99)	(6)	(6)	(5)	(5)
Longevity		(34)	(34)	(2)	(2)	(1)	(1)

*Gross = Gross of Reinsurance; Net: Net reinsurance

3.2 FINANCIAL RISKS

QUALITATIVE INFORMATION

Financial risks include:

- Market risks;
- Credit risk;
- Reinsurance counterparty default risk.

3.2.1 Market risks

Article 13, point 31) of Directive 2009/138/EC defines market risk as the risk of loss or unfavourable change in the financial situation arising, directly or indirectly, from fluctuations in the level and volatility of the market prices of assets, liabilities and financial instruments.

The three companies of the Mediolanum Insurance Group have adopted this definition, identifying and classifying the following risks within this category:

- Interest rate risk;
- Equity risk;
- Currency risk;
- Property risk;
- Spread risk;
- Market concentration risk.

interest rate risk

Interest rate risk exists for all assets and liabilities whose value is "sensitive" to changes in the term structure of interest rates or interest rate volatility. This applies to both real and nominal term structures. Assets sensitive to interest rate movements include fixed-income investments, financing instruments (e.g. loans), surcharges on policies, interest rate derivatives and any insurance assets.

Equity risk

Equity risk arises from the level or volatility of the market prices of equity securities. Exposure to equity risk relates to all assets and liabilities whose value is sensitive to changes in equity prices. This risk is the main contributor to the risk profile of the Mediolanum Insurance Group given the high exposure to the equity market of assets to cover unit-linked products. In 2024, the impact on the allocation of regulatory capital to cover equity risk was high.

Currency risk

Currency risk arises from changes in the level or volatility of exchange rates. Undertakings may be exposed to currency risk from various sources, including their investment portfolios, assets and liabilities and investments in associates.

For the Mediolanum Insurance Group, exposure to currency risk is high, due to the marked diversity of the currencies of the financial instruments underlying the unit-linked policies in the portfolio. In 2024, this risk therefore had a significant impact on total regulatory capital.

Property risk

Property risks arise due to the sensitivity of financial assets, liabilities and investments to the level or volatility of the market prices of real estate.

The following investments are treated as real estate investments and their risks are considered in accordance with the property risk sub-module:

- land, buildings and property rights;
- direct or indirect equity investments in real estate companies that produce periodic income, or that are otherwise aimed at investing;
- property investments for use by the insurance company.

The properties owned by the Insurance Group are appraised annually.

The contribution of property risk to the risk profile of the Mediolanum Insurance Group is very limited, as property investments represent a small proportion of total investments held.

Spread risk

Spread risk is the part of risk that reflects changes in the value of financial assets, liabilities and instruments due to a change in the level or volatility of credit spreads with respect to the risk-free interest rate term structure. Spread risk applies to at least the following financial asset classes: High credit quality (investment grade) corporate bonds and high yield corporate bonds.

Spread risk also applies to all types of asset-backed securities, as well as to all segments of structured credit products such as covered bonds. Spread risk covers, in particular, credit derivatives such as, but not limited to, credit default swaps, total return swaps and credit-linked notes. Spread risk also includes the credit risk of other high-risk investments, including in particular: equity investments; debt securities issued by and to associates and companies in which the insurance company has a participating interest; debt securities and other fixed-income securities; and mutual fund investments.

However, it should be stressed that the Solvency II spread risk requirement does not include risk arising from exposures to government securities.

Market concentration risk

Market concentration risk relating to financial investments arises from the accumulation of exposures with the same counterparty. Concentration risk extends to assets affected by equity risk, interest rate risk, spread risk and ownership risk and excludes assets covered by the counterparty default risk module. It does not include other types of concentration (e.g. by geographical area, industry, etc.).

In 2024, the Mediolanum Insurance Group's exposure to this risk was not significant.

Market Risk Monitoring

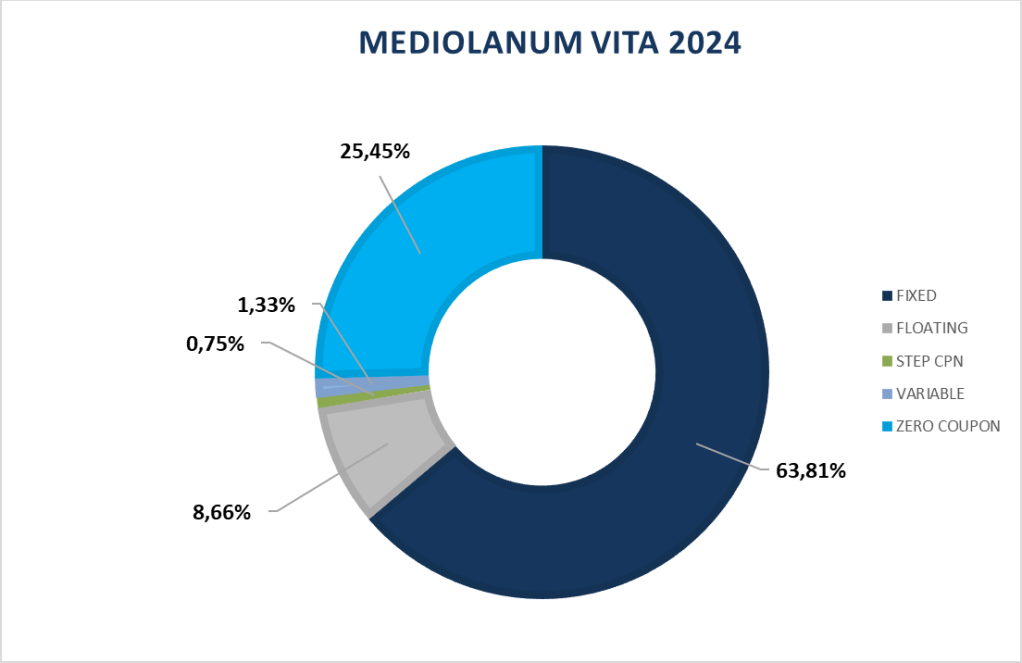
Within Solvency II, market risks are monitored by controlling compliance with the risk limits defined in the Risk Appetite Framework (RAF).

The Insurance Group has decided to analyse and monitor only those market risks that are material in terms of their quantitative impact on the calculation of the regulatory capital requirement.

As described in the RAF, to which reference should be made for further details, the market risk classes being monitored are:

- Equity;
- Currency;
- Interest rate;
- Spread.

The purpose of monitoring risk indicators and the Solvency Ratio estimate at least once a quarter is to ensure constant oversight of risk exposures and compliance with tolerance levels.
For the portfolio of traditional life reserves, the risk of mismatching between liabilities and assets is also periodically assessed using an asset liability management model.
The tool enables monitoring of the long-term effects of possible asset management choices on the degree of profitability and solvency of Mediolanum Vita by means of "ad hoc" reporting.
The following graphs show a breakdown of own securities and separately managed accounts by type of interest rate for Mediolanum Vita[57].



3.2.2 Credit risk

Credit risk represents the possibility that an event will occur during the life of a financial instrument linked to the insurance product that changes the repayment capacity (the so-called creditworthiness) of a counterparty (issuer) thereby changing the value of the credit position itself. Credit risk can be divided into two components: default risk and migration risk. The first concerns the possibility of not collecting a certain number of future payments in full due to debtor insolvency; the second concerns the risk of impairment of the security due to a deterioration in the creditworthiness of the debtor. Counterparty risk also arises from the derivatives activity typical of certain third-party life products. In particular, when the financial soundness of the counterparty to the OTC transaction deteriorates to such an extent that default could result, it may not fulfil the obligations arising from the trading of that instrument. This risk is monitored in compliance with the European Market Infrastructure Regulation (EMIR). Credit risk may primarily arise from issuer risk following the default of the securities held. It should be noted that for the two Italian companies, the securities portfolio comprises more investments in domestic government securities than those of other issuers, effectively resulting in insignificant default risk exposure.

[57] Mediolanum Vita's portfolio does not include real estate, closed-end and infrastructure funds or equities.

3.2.3 Reinsurance counterparty default risk

Given that, with regard to commercial premiums reinsurance, Mediolanum Vita's technical provisions are deposited with the Company itself (rendering the risk of default almost nil), the reinsurance policy of the same requires the reinsurer to have a rating of A- before a treaty is entered into.
As at 31 December 2024, the minimum rating of the reinsurers with which Mediolanum Vita has entered into reinsurance treaties is A.

Breakdown of market risks

The Insurance Group's market risk modules calculated as at the fourth quarter of 2024 using the Standard Formula are shown below:

€/000

Market risk	31/12/2024
Interest rate risk	121,523
Equity risk	947,647
Property risk	16,740
Spread risk	69,503
Currency risk	439,966
Concentration risk	11,798
Sum of risk components	**1,607,176**
Counterparty default risk	54,290

Market Risk sensitivity analysis

The table below sets out the main sensitivities relating to market risk, in which the entire portfolio of the Group has been considered.
In particular, the main stresses with a significant impact on the components considered were taken into consideration.
The intensity of the shocks on the various components is calibrated on the basis of the Solvency II Standard Formula.

€/m		CSM		Profit and loss		Equity	
	Change in assumption	Gross	Net	Gross	Net	Gross	Net
Equity		(406)	(406)	(22)	(22)	(17)	(17)
Currency up		(202)	(202)	(11)	(11)	(8)	(8)
Interest_Down		(110)	(111)	(6)	(6)	(4)	(4)
Interest_Up		125	126	7	7	5	5
Spread		(17)	(17)	(2)	(2)	(1)	(1)
		(611)	**(610)**	**(34)**	**(34)**	**(25)**	**(25)**

The tables highlight the main financial sensitivities to changes in key market risk assumptions.
Specifically, in terms of equity, a decrease in the value of shares leads to a reduction of €406 million gross reinsurance and €406 million net on CSM, with a negative impact on the income statement of €22 million.
Currency appreciation in the Insurance Group resulted in a reduction of CSM of €202 million gross, with a negative effect of €11 million on the income statement.
A decrease in the interest rate causes a reduction in CSM of €110 million gross reinsurance, while an increase in interest rates would cause an increase in CSM of €125 million.

3.3 OTHER RISKS
QUALITATIVE INFORMATION

Liquidity risk

Liquidity risk is defined as the risk that the company may incur when it is faced with cash commitments (expected or unexpected) and the available cash is not sufficient.
The causes of a possible temporary shortage of liquidity include:

- an amount of cash outflows exceeding the amount of cash inflows;
- low liquidity of investments;
- potential cash flow mismatches.

Liquidity risk is not limited to control of the items related to readily liquidable assets but is also related to the possibility of liquidating investments in the portfolio (forced sale), taking into consideration the potential economic and equity loss arising from the sale. In the medium term, liquidity risk may also be covered by issuing debt. However, the risk arising from these operations is defined as the possibility of not having access to the market or only having access at excessive costs.

Assets for which policyholders bear the liquidity risk entail a low and/or negligible liquidity risk, as the assets are invested in units of UCITS that can be readily liquidated and payment to the customer only takes place after disinvestment of the units, as provided for in the contractual conditions. In particular, linked contracts are characterised by a more limited liquidity risk than traditional products with a guaranteed rate, due to the decrease in the value of the assets and potential haircuts, which is recognised entirely on insurance services.

In accordance with the Liquidity Risk Management Policy of the Group, including the Insurance Group, in order to ensure proper risk monitoring, any deviations in the Group liquidity indicator from the limits defined are controlled at least once a quarter. This medium-term liquidity monitoring indicator did not flag up any critical situations for the Insurance Group in 2024.

The tables provided for in IVASS Order No. 152 of 26 November 2024 on liquidity risk are presented below.

QUANTITATIVE INFORMATION

Liquidity risk

The following table sets out an analysis of the maturity of the insurance and reinsurance contract portfolios held that are in a liability position based on the estimated timing of the remaining undiscounted contractual cash flows. These figures do not include liabilities for incurred claims.

Discounted net cash flows from insurance contracts issued and reinsurance cessions constituting liabilities: distribution over time

Amounts in €/000

Items/time distribution	Up to 1 year	Over 1 year to 2 years	Over 2 years to 3 years	Over 3 years to 4 years	Over 4 years to 5 years	Over 5 years	Total
Life segment							
1. Insurance contracts written with direct participation features	(1,625,684)	(715,382)	(628,959)	(680,536)	(694,485)	(18,714,328)	(23,059,375)
2. Investment contracts issued with discretionary participation features	-	-	-	-	-	-	-
3. Insurance contracts written without direct participation features	5,962	15,108	13,784	12,279	10,716	27,687	85,536
4. Cessions to reinsurance	-	-	-	-	-	-	-
Non-life segment							
1. Insurance contracts written	26,649	(18,721)	(12,255)	(5,051)	(3,359)	(43,107)	(55,844)
2. Cessions to reinsurance							

Insurance contracts issued and reinsurance cessions that constitute liabilities with surrender clauses: amounts payable on demand and carrying amount

Amounts in €/000

Items/Values	Amounts payable on request	Carrying amount
1. Insurance contracts written with direct participation features	24,201,065	23,059,375
2. Investment contracts issued with discretionary participation features	-	-
3. Insurance contracts written without direct participation features	-	-
4. Cessions to reinsurance	-	-

PART F – INFORMATION ON CONSOLIDATED CAPITAL

SECTION 1 – CONSOLIDATED CAPITAL

A. QUALITATIVE INFORMATION

The Banca Mediolanum Group prioritises capital monitoring. The Group adopts appropriate measures in order to comply with the regulatory requirements of the supranational and national supervisory bodies. Monitoring of the Group's capital helps to prevent potential situations of tension from arising. This activity is entrusted to the strategic supervisory body (the Board of Directors), which is responsible for the Group's management functions, and is tasked with defining the guidelines for the various operational functions, including the relevant acceptable risk profiles (formalised in the Risk Appetite Framework (RAF) document). The RAF, which is reviewed periodically, is the frame of reference that determines the risk appetite, tolerance thresholds, risk limits, risk governance policies and the reference processes for defining and implementing such policies, in accordance with the risk capacity. At 31 December 2024, the ratios of the Banca Mediolanum Group were well above the regulatory thresholds.

B. QUANTITATIVE INFORMATION

B.1 Carrying amount of consolidated capital: breakdown by type of business

€/000	PRUDENTIAL CONSOLIDATION*	INSURANCE COMPANIES	OTHER COMPANIES	CONSOLIDATION ELIMINATIONS AND ADJUSTMENTS	TOTAL
1. Capital	708,814	234,915	20,517	(363,558)	600,688
2. Issue premiums	38,470	-	-	(29,388)	9,082
3. Reserves	2,822,055	1,049,365	15,054	(1,359,740)	2,526,734
3.5 Interim dividends (-)	(272,832)	-	-	-	(272,832)
4. Equity instruments					-
5. (Treasury shares)	(77,414)	-	-	-	(77,414)
6. Valuation reserves	119,833	29,574	-	(29,574)	119,833
- Equity securities designated at fair value through other comprehensive income	90,357	25,197	-	-	115,554
- Hedges on equity securities designated at fair value through other comprehensive income					-
- Financial assets (other than equity securities) measured at fair value through other comprehensive income	91	11,674	-		11,765
- Tangible assets					-
- Intangible assets					-
- Hedging of foreign investments					-
- Cash flow hedges					-
- Hedging instruments [non-designated elements]					-
- Foreign exchange gains and losses					-
- Non-current assets and disposal groups					-
- Financial liabilities designated at fair value through profit or loss (changes in creditworthiness)					-
- Actuarial gains (losses) relating to defined benefit pension plans	246	440	-	-	686
- Share of valuation reserves of equity investments measured at equity	29,139	-	-	(29,139)	-
- Financial revenues or costs relating to insurance contracts written		(8,218)		(331)	(8,549)
- Financial revenues or costs relating to reinsurance cessions		377			377
- Special revaluation laws	-	104	-	(104)	-
7. Net income for the year	2,016,675	204,799	834	(1,102,679)	1,119,629
TOTAL	**5,355,601**	**1,518,653**	**36,405**	**(2,884,939)**	**4,025,720**

* This column includes the aggregate values of the prudential consolidation items.

B.2 Valuation reserves of financial assets measured at fair value through other comprehensive income: breakdown

€/000	Prudential consolidation		Insurance companies		Other companies		Consolidation eliminations and adjustments		Total	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	91	-	20,114	(8,440)			-		20,205	(8,440)
2. Equity securities	90,361	(4)	25,210	(13)					115,571	(17)
3. Loans	-	-	-	-					-	-
TOTAL 31/12/2024	**90,452**	**(4)**	**45,324**	**(8,453)**	**-**	**-**	**-**	**-**	**135,776**	**(8,457)**
TOTAL 31/12/2023	**29,273**	**(408)**	**22,212**	**(17,265)**	**-**	**-**	**1**	**- 465**	**51,486**	**(18,137)**

B.3 Valuation reserves of financial assets measured at fair value through other comprehensive income: changes during the year

	Debt securities	Equity securities	Loans
1. Opening balances	**(4,081)**	**37,430**	**-**
2. Increases	**15,914**	**78,124**	**-**
2.1 Fair value increases	14,393	77,411	-
2.2 Credit risk-induced value adjustments	620	-	-
2.3 Reversal to the income statement of negative reserves from disposal	437	-	-
2.4 Transfers to other items of shareholders' equity (equity securities)		-	-
2.5 Other changes	464	713	-
3. Negative changes	**(68)**	**-**	**-**
3.1 Fair value reductions		-	-
3.2 Credit risk induced write-backs	(68)	-	-
3.3 Reversal to the income statement from positive reserves: from disposal		-	-
3.4 Transfers to other items of shareholders' equity (equity securities)		-	-
3.5 Other changes			-
4. Closing balances	**11,765**	**115,554**	**-**

B.4 Valuation reserves related to defined-benefit plans: annual changes

Valuation reserves relating to defined benefit plans at 31 December 2024 amounted to +€686 thousand, compared with -€134 thousand in the previous year.

SECTION 2 –OWN FUNDS AND REGULATORY BANKING RATIOS

See the information provided to the public (Pillar III) at the consolidated level.

PART G – BUSINESS COMBINATIONS INVOLVING BUSINESSES OR BUSINESS UNITS

SECTION 1 – OPERATIONS PERFORMED DURING THE YEAR

1.1 Business combinations

No such transactions were carried out in 2024.

SECTION 2 –TRANSACTIONS CARRIED OUT AFTER THE END OF THE FINANCIAL YEAR

2.1 Business combinations

There are no events to report after the close of the financial year.

SECTION 3 –RETROSPECTIVE ADJUSTMENTS

There are no retrospective adjustments to report.

PART H – RELATED PARTY TRANSACTIONS

The Board of Directors of Banca Mediolanum resolved to update the document entitled "Group Policy for the Management of Transactions with Related Parties of Banca Mediolanum and Associates of the Mediolanum Banking Group" (please see this document for further details). The Board of Directors of Banca Mediolanum also adopted the "Regulations on the process for managing related party transactions of Banca Mediolanum and associates of the Mediolanum Banking Group" for the management of transactions with related parties and associates in accordance with the procedures provided for by the regulations. This document serves to regulate any conflicts of interest in transactions involving parties close to company decision-making centres, in accordance with Consob Regulation No. 17221/2010, as amended, and Bank of Italy Circular No. 285.

During the 2024 financial year, the Mediolanum Group entered into transactions with related parties. These transactions are part of the normal operations of the companies belonging to the Mediolanum Group and are regulated under market conditions.
In accordance with IAS 24, the related parties of the Mediolanum Group are:

- the FinProg companies, wholly owned by the Doris family and the Fininvest company headed by Silvio Berlusconi and Marina Elvira Berlusconi;
- "key management personnel" and close family members of "key management personnel" and companies subject to the control, including joint control, of key management personnel or their close family members;
- the Chief Executive Officer, other members of the Board of Directors and Statutory Auditors, their close family members and companies subject to their control, including joint control.

1. Information concerning the remuneration of key management personnel

€/000	Directors, executives, deputy general managers and statutory auditors	Other key management personnel
Emoluments and social security contributions	(13,846)	(2,363)
Other remuneration	(265)	(21)

2. Information on related party transactions

The following table shows the credit and debit balances outstanding at 31 December 2024 in respect of related parties other than intercompany parties.

€/000	31/12/2024
Asset items	
Loans to customers	52,396
Other assets	1
Liability items	
Payables to customers	182,344
Other liabilities	4,274
Guarantees issued and commitments given	152

€/000	31/12/2024
Income statement items	
Interest income and similar income	1,755
Interest expense and similar expenses	(8,013)
Net interest	**(6,258)**
Commission income	6
Commission expenses	(6,880)
Net commission income	**(6,874)**
Result of insurance services	4,934
Administrative expenses	(5,581)
Other operating revenues and expenses	38

*the item includes premiums and claims on related parties of the Group

PART I – SHARE-BASED PAYMENT AGREEMENTS

QUALITATIVE INFORMATION

1. Description of share-based payment agreements

STOCK OPTION PLANS

On 9 March 2010, the Board of Directors of Mediolanum S.p.A., with the agreement of the Remuneration Committee, approved the general guidelines for a share ownership plan for the directors and executives of the Company and its subsidiaries, called the "2010 Top Management Plan" and a share ownership plan for the staff – i.e., members of the sales network – of the Company and its subsidiaries, called the "2010 Employee Plan", which were subsequently submitted for approval by the extraordinary shareholders' meeting of 27 April 2010. The plans were divided as follows:

- The 2010 Top Management Plan: for directors and executives of the Company and its subsidiaries who hold strategic roles within the Company and/or its subsidiaries.

- The 2010 Employee Plan: for the staff of the Company and its subsidiaries, identified from time to time on the basis of the role held by each individual employee and his/her contribution to the development of the business.

The 2010 Top Management Plan specifies a vesting period for the options of three to five years from the grant date, and that the options can be exercised for a period of three years from the end of the vesting period. The 2010 Employee Plan specifies a vesting period for the options of five to ten years from the grant date, and that the options can be exercised for a period of three years from the end of the vesting period. Under both Plans, the exercise of the options is also conditional on the achievement of specific corporate and/or individual performance objectives. The Plans are designed to incentivise the beneficiaries and are also an appropriate tool for determining value creation and growth for the Company and, consequently, for shareholders. The 2010 Top Management Plan is considered appropriate for linking the incentives of directors with particular mandates and executives with strategic roles both with the medium-term performance of the Company and the group and with individual performance, aligning the objectives and maximising value creation for shareholders.

The 2010 Employee Plan is an appropriate tool for linking employees' incentives to both individual results and the medium-term performance of the Company and the group and, consequently, to value creation for shareholders. Furthermore, the 2010 Employee Plan is a strong retention tool, due to the vesting period of the options.

On 8 July 2010, following consultation with the Remuneration Committee, the Board of Directors of Mediolanum S.p.A. resolved by virtue of the powers conferred by the Ordinary and Extraordinary Shareholders' Meeting of 27 April 2010:

- approve the regulations of the share ownership plans for company directors and executives (the "2010 Top Management Plan") and the plan for group and company employees (the "2010 Employee Plan");
- to increase the Company's capital for payment by a maximum of €160,000.00 through the issue of up to 1,600,000 shares to service the granting of options under the 2010 Top Management Plan;
- to increase the Company's capital for payment by a maximum of €131,744.20 through the issue of up to 1,317,442 shares to service the granting of options under the 2010 Employee Plan.
- On 12 May 2011, the Board of Directors of Mediolanum S.p.A., with the agreement of the Remuneration Committee, resolved, inter alia, by virtue of the powers conferred by the Ordinary and Extraordinary Shareholders' Meeting of 27 April 2010, to:
- approve the updating of the regulations of the share ownership plan for company directors and executives (the "2010 Top Management Plan") and the plan for group and company employees (the "2010 Employee Plan");
- to increase the share capital, partially executing the mandate conferred by the extraordinary shareholders' meeting of 27 April 2010, by a maximum of €188,200.00 through the issue of up to 1,882,000 ordinary shares to service the granting of options under the 2010 Top Management Plan;
- to increase the share capital, partially executing the mandate conferred by the extraordinary shareholders' meeting of 27 April 2010, by a maximum of €67,427.50 through the issue of up to 674,275 ordinary shares to service the granting of options under the 2010 Employee Plan.

On 10 May 2012, in execution of the mandate conferred by the Extraordinary Shareholders' Meeting of 27 April 2010, as amended by the Ordinary and Extraordinary Shareholders' Meeting of 19 April 2012, the Board of Directors resolved:

- to increase the share capital for payment by a maximum of €186,405.00 through the issue of a maximum of no. 1,864,050 ordinary shares to service the granting of Options under the 2010 Top Management Plan;
- to increase the share capital for payment by a maximum of €70,840.00 through the issue of up to 708,400 ordinary shares to service the granting of options under the 2010 Employee Plan.

  On 9 May 2013, in execution of the mandate conferred by the Extraordinary Shareholders' Meeting of 27 April 2010, as amended by the Ordinary and Extraordinary Shareholders' Meeting of 19 April 2012, the Board of Directors resolved:
- to approve certain amendments and updates to the regulations of the share ownership plan for directors and executives of the Company and the Group ("2010 Top Management Plan") and the plan for Group and Company employees ("2010 Employee Plan") relating to certain specific corporate and/or individual performance targets which have to be achieved in order for the options to be exercised. The proposed amendments to the exercise conditions also apply to the options already granted in previous granting cycles;
- to increase the Company's capital for payment by a maximum of €136,155.00 through the issue of up to 1,361,550 shares to service the granting of options under the 2010 Top Management Plan;
- to increase the Company's capital for payment by a maximum of €95,100.00 through the issue of up to 951,000 shares to service the granting of options under the 2010 Employee Plan.

On 14 May 2014, in execution of the mandate conferred by the Extraordinary Shareholders' Meeting of 27 April 2010, as amended by the ordinary and Extraordinary Shareholders' Meeting of 19 April 2012, the Board of Directors resolved:

- to increase the Company's capital for payment by a maximum of €97,335.00 through the issue of up to 973,350 shares to service the granting of options under the 2010 Top Management Plan;
- to increase the Company's capital for payment by a maximum of €121,425.00 through the issue of up to 1,214,250 shares to service the granting of options under the 2010 Employee Plan.

On 25 February 2015, in execution of the mandate conferred by the extraordinary shareholders' meeting of 27 April 2010, as amended by the ordinary and extraordinary shareholders' meeting of 19 April 2012, the Board of Directors resolved:

- to increase the Company's capital for payment by a maximum of €700,000.00 through the issue of up to 7,000,000 shares to service the granting of options under the 2010 Employee Plan.The issue price was determined in implementation and in full compliance with the objective criteria already approved by the shareholders' meeting resolution and already the subject of a fairness opinion of the independent auditor.

It should be recalled that at the date of these financial statements, the Employee Plan is still in place and its effects are reflected herein.

PERFORMANCE SHARE PLANS

Banca Mediolanum's Ordinary Shareholders' Meeting approved, for the years from 2015 to 2023, performance plans called the "Top Management Key Personnel Plan" for directors and managers and the "Top Management Other Personnel Plan" for Executive Top Management, in addition to performance plans called the "Employee Key Personnel Plan" and the "Employee Other Personnel Plan" for the Sales Network.

In addition, it should be noted that the Shareholders' Meeting of 18 April 2023 had approved another long-term incentive and loyalty plan called the "2023-2025 LTI Plan", again aimed at certain directors and employees (so-called 'key people) who play crucial roles with particular responsibilities and/or competences who have a significant impact on the growth of the business and the governance of the Mediolanum Group.

It should also be recalled that on 18 April 2024, the ordinary shareholders' meeting of Banca Mediolanum, as in previous years, approved the establishment of a new performance share plan, called:

- the "2024 Top Management Plan - Key Personnel", for directors and executives of Banca Mediolanum and/or the subsidiaries of the Mediolanum Banking Group and/or the other companies of the Mediolanum Group;
- the "2024 Top Management Plan - Other Personnel", for the senior management of Banca Mediolanum and/or other companies of the Mediolanum Group known as the "Executive" plan;
- the "2024 Employee Plan - Key Personnel" for employees, i.e. members of the sales network of Banca Mediolanum and/or other Group companies that are classed as Key Personnel;
- the "2024 Employee Plan - Other Personnel" for employees of Banca Mediolanum and/or other Group companies that are not classed as Key Personnel.

Under the Performance Share Plans and the 2023-2025 LTI Plan, a portion of the variable component of the remuneration for beneficiaries, or of the non-recurring component for employees, is granted through the free assignment to each of the beneficiaries of rights ("Units") to receive, again free of charge, ordinary shares in Banca Mediolanum ("Shares") held by the latter in the ratio of one ordinary share for each unit accrued.

Note that the plans described above include performance targets linked to ESG factors, as described in greater detail in the "Consolidated Sustainability Statement".

At 31 December 2024, the plans approved from 2020 to 2024 were still in place for top management, while for employees, the plans from 2015 to 2024 are still in place.

The total number of treasury shares in the portfolio was 7,893,303, with an equivalent value of €77.4 million at 31 December 2024.

The set of circumstances described led the Bank to view the transaction as a share-based payment to be settled with equity instruments ("Equity-settled share-based payment transaction") booked from the performance reference period and throughout the service period, in accordance with IFRS 2.

The cost charged in the 2024 financial year related to the burden of the plans indicated above, which resulted in payments in ordinary shares amounting to €20.0 million.

PHANTOM SHARE PLANS

The Shareholders' Meeting of 16 April 2020 also approved a long-term incentive and loyalty plan called the "2020-2022 Phantom Share LTI Plan" aimed at various top key people who play crucial roles relating to particular responsibilities and/or competences and have a strong impact on the growth of the business and the governance of the Mediolanum Group.

The purpose of the Plan is to encourage and retain the top management and the Bank/Group personnel regarded as key to particular responsibilities and/or competences, with a strong impact on the business growth and governance of the Bank and the Group from a long-term perspective, and to link a component of the variable remuneration of the beneficiaries of the Plan to the achievement of certain corporate performance targets to be assessed over a multi-year future period, in order to align the interests of the beneficiaries with the pursuit of the priority objective of creating value for shareholders in a long-term perspective.

Phantom shares are virtual units of measure that represent a right to payment the valuation of which replicates the performance of an ordinary share of the Bank and which, once vested under the terms and conditions set out in the Plan and after the Retention Period has elapsed, will be redeemed in cash through the payment of a sum to each Beneficiary free of charge.

Note that the plan described above includes performance targets linked to ESG factors, as described in greater detail in the "Consolidated Sustainability Statement".

The imputed cost of the charge for all forms of incentives that give rise to cash payments of a value that replicates the performance of an ordinary share in the Bank for the 2024 financial year amounts to €0.6 million.

QUANTITATIVE INFORMATION

1. Annual changes

	Total 31/12/2024			Total 31/12/2023		
	Number of options	Average exercise price (euro)	Average maturity	Number of options	Average exercise price (euro)	Average maturity
A. Opening balances	**1,577,500**	**1.73**	**Oct-26**	**2,680,875**	**1.70**	**Jul-26**
B. Increases	-		X	-		X
B1. New issues	-			-		
B2. Other changes	-		X	-		X
C. Decreases	**1,330,250**		**X**	**1,103,375**		**X**
C1. Cancelled	47,000	1.63	X			X
C2. Exercised	1,268,250	1.74	X	1,089,250	1.66	X
C3. Expired	15,000	1.10	X	14,125	1.08	X
C4. Other changes			X			X
D. Closing balances	**247,250**	**1.71**	**Oct-26**	**1,577,500**	**1.73**	**Oct-26**
E. Options exercisable at the end of the year	**-**	**-**	**X**	**-**	**-**	**X**

2. Other information

The cost incurred for the performance shares was approximately €20.0 million. The cost recorded for phantom shares was €0.6 million.

PART L –SEGMENT REPORTING

This section presents the consolidated segment results which, pursuant to IFRS 8, were prepared using a format that reflects the management system of the Mediolanum Group (the "management reporting approach"), in line with all of the information provided by the market and the various stakeholders.
This representation of the breakdown of the consolidated result for the period makes it possible to assess the quality and sustainability over time of the results generated by the Mediolanum Group in the various operating segments.

The income statement by segment, pursuant to IFRS 8, shows the consolidated results of the Mediolanum Group in relation to the following operating segments:

- ITALY - BANKING
- ITALY - ASSET MANAGEMENT
- ITALY – INSURANCE
- ITALY - OTHER
- SPAIN
- GERMANY

The income statement by segment, or by Result Area, was prepared by allocating costs and revenues to the various segments according to a hybrid model, half-way between the Direct Costing and Full Costing models, given the essentially indirect nature of the operating activities carried out by the Mediolanum Group.
While revenues are originally and directly allocated to products and, by aggregation, to the Result Areas, costs have undergone an allocation process based on varying degrees of attribution to the products and the nature of the underlying processes:

- Direct costs, which can be attributed to the products according to the individual processed parts.
- Indirect costs allocated to the Result Areas, assigned to the products according to their correlation with the production of commercial volumes: costs related to the marketing and commercial support processes.
- Unallocated costs: costs of a strictly administrative nature, or costs related to control or infrastructure processes, the allocation of which to the products/Result Areas would be highly arbitrary.

Operating data by business area at 31/12/2024

MEDIOLANUM GROUP	ITALY					ABROAD		TOTAL
Data in €/000	BANKING	ASSET MANAGEMENT	INSURANCE	OTHER	TOTAL	SPAIN	GERMANY	
Entry fees	-	38,815	-	-	38,815	21,724	-	60,539
Management fees	-	694,386	467,036	-	1,161,422	117,156	5,290	1,283,868
Investment management fees	-	134,848	96,503	-	231,351	20,375	1,112	252,838
Insurance management result	-	-	188,282	-	188,282	10,396	713	199,391
Banking service fees	176,342	-	-	-	176,342	10,536	-	186,878
Other fees	771	29,516	14,607	2,755	47,649	3,840	223	51,712
Commission income	**177,113**	**897,565**	**766,428**	**2,755**	**1,843,861**	**184,027**	**7,338**	**2,035,226**
Acquisition costs	(90,705)	(319,172)	(206,797)	(2,313)	(618,988)	(72,364)	(1,899)	(693,251)
Other commission expenses	(80,956)	(43,644)	(32,829)	-	(157,429)	(15,921)	(612)	(173,962)
Commission expenses	**(171,661)**	**(362,816)**	**(239,627)**	**(2,313)**	**(776,417)**	**(88,285)**	**(2,511)**	**(867,213)**
Net commission income	**5,452**	**534,749**	**526,802**	**442**	**1,067,445**	**95,742**	**4,827**	**1,168,013**
Net interest income	**675,708**	**6,253**	**60,722**	**134**	**742,817**	**66,954**	**1,378**	**811,149**
Net income on other investments	**479**	**74**	**5,614**	**27,436**	**33,602**	**219**	**-**	**33,821**
LLP (impairment on loans)	**(31,584)**	**-**	**-**	**-**	**(31,584)**	**(1,096)**	**-**	**(32,680)**
Other revenues and expenses	**(10,124)**	**635**	**(425)**	**5,136**	**(4,777)**	**976**	**3**	**(3,798)**
LEVEL I CONTRIBUTION MARGIN	**639,930**	**541,710**	**592,714**	**33,148**	**1,807,503**	**162,795**	**6,208**	**1,976,505**
Direct and indirect costs allocated	(228,269)	(113,039)	(117,954)	(6,707)	(465,969)	(74,042)	(442)	(540,453)
Regular contributions to banking industry	(19,240)	-	(16,209)	-	(35,449)	(60)	-	(35,509)
LEVEL II CONTRIBUTION MARGIN	**392,421**	**428,672**	**458,551**	**26,441**	**1,306,084**	**88,693**	**5,766**	**1,400,543**
Unallocated costs	-	-	-	-	(195,770)	-	-	(195,770)
Depreciation & amortisation	-	-	-	-	(33,325)	(8,524)	(20)	(41,869)
Net provisions for risk and charges	-	-	-	-	(65,881)	(3,439)	-	(69,320)
OPERATING MARGIN	**392,421**	**428,672**	**458,551**	**26,441**	**1,011,109**	**76,730**	**5,746**	**1,093,584**
Performance fees	-	196,214	154,936	-	351,150	23,419	2,169	376,738
Net income (losses) on investments at fair value	14,650	(87)	273	-	14,836	1,713	134	16,683
MARKET EFFECTS	**14,650**	**196,128**	**155,209**	**-**	**365,986**	**25,132**	**2,303**	**393,421**
Extraordinary contributions and guarantee funds	(11,108)	-	-	-	(11,108)	-	-	(11,108)
Other extraordinary items	-	-	-	-	(16,808)	(4,127)	(4)	(20,939)
EXTRAORDINARY ITEMS	**(11,108)**	-	-	-	**(27,916)**	**(4,127)**	**(4)**	**(32,047)**
PROFIT BEFORE TAX	**395,962**	**624,799**	**613,760**	**26,441**	**1,349,179**	**97,735**	**8,045**	**1,454,958**
Income tax	-	-	-	-	(317,610)	(16,678)	(1,040)	(335,329)
NET INCOME IN THE PERIOD	**395,962**	**624,799**	**613,760**	**26,441**	**1,031,569**	**81,056**	**7,004**	**1,119,629**

Operating data by business area at 31/12/2023

Data in €/000	ITALY					ABROAD		TOTAL
	BANKING	ASSET MANAGEMENT	INSURANCE	OTHER	TOTAL	SPAIN	GERMANY	
Entry fees	-	28,062	-	-	28,062	10,641	-	38,703
Management fees	-	614,217	393,542	-	1,007,758	95,180	4,663	1,107,601
Investment management fees	-	122,856	76,382	-	199,238	16,834	1,070	217,142
Insurance management result	-	-	158,312	-	158,312	8,733	268	167,313
Banking service fees	135,313	-	-	-	135,313	8,706	-	144,019
Other fees	1,421	23,854	12,344	2,125	39,744	3,031	223	42,998
Commission income	**136,734**	**788,988**	**640,580**	**2,125**	**1,568,427**	**143,125**	**6,224**	**1,717,776**
Acquisition costs	(97,400)	(260,409)	(165,022)	(863)	(523,694)	(50,393)	(2,084)	(576,171)
Other commission expenses	(35,151)	(35,005)	(28,191)	-	(98,347)	(13,194)	(612)	(112,153)
Commission expenses	**(132,551)**	**(295,414)**	**(193,214)**	**(863)**	**(622,041)**	**(63,587)**	**(2,696)**	**(688,324)**
Net commission income	**4,183**	**493,574**	**447,366**	**1,262**	**946,386**	**79,538**	**3,528**	**1,029,452**
Net interest income	**616,387**	**11,023**	**48,745**	**131**	**676,285**	**74,890**	**1,232**	**752,407**
Net income on other investments	**(6,908)**	**(268)**	**3,608**	**20,411**	**16,843**	**(5)**	**(1)**	**16,837**
LLP (impairment on loans)	**(31,394)**	**-**	**-**	**-**	**(31,394)**	**(1,377)**	**(22)**	**(32,793)**
Other revenues and expenses	**(6,029)**	**555**	**(1,393)**	**6,488**	**(378)**	**785**	**221**	**628**
LEVEL I CONTRIBUTION MARGIN	**576,239**	**504,884**	**498,327**	**28,293**	**1,607,742**	**153,831**	**4,958**	**1,766,531**
Allocated costs	(220,616)	(99,426)	(104,517)	(5,399)	(429,958)	(64,638)	(3,538)	(498,134)
Regular contributions to banking industry	(27,040)	-	-	-	(27,040)	(3,958)	-	(30,998)
LEVEL II CONTRIBUTION MARGIN	**328,583**	**405,458**	**393,810**	**22,894**	**1,150,744**	**85,235**	**1,420**	**1,237,399**
Unallocated costs	-	-	-	-	(175,395)	-	-	(175,395)
Depreciation & amortisation	-	-	-	-	(38,499)	(6,962)	(39)	(45,500)
Net provisions for risk and charges	-	-	-	-	(27,033)	(1,807)	-	(28,840)
OPERATING MARGIN	**328,583**	**405,458**	**393,810**	**22,894**	**909,817**	**76,466**	**1,381**	**987,664**
Performance fees	0	33,349	18,408	-	51,757	2,389	161	54,307
Net income (losses) on investments at fair value	33,575	(43)	257	-	33,789	1,517	119	35,425
MARKET EFFECTS	**33,575**	**33,305**	**18,666**	**-**	**85,546**	**3,906**	**280**	**89,732**
Extraordinary contributions and guarantee funds	(10,210)	-	-	-	(10,210)	-	-	(10,210)
Other extraordinary items	-	-	-	-	-	-	-	-
EXTRAORDINARY ITEMS	**(10,210)**	**-**	**-**	**-**	**(10,210)**	**-**	**-**	**(10,210)**
PROFIT BEFORE TAX	**351,948**	**438,763**	**412,476**	**22,894**	**985,153**	**80,372**	**1,661**	**1,067,186**
Taxes for the year	-	-	-	-	(226,426)	(18,425)	(465)	(245,316)
NET INCOME FOR THE YEAR	**351,948**	**438,763**	**412,476**	**22,894**	**758,727**	**61,946**	**1,196**	**821,870**

Reconciliation of the income statement at 31.12.2024 with the reclassified income statement
(1 of 2)

Reclassified item/segment	Consolidated income statement item	Consolidated income statement	Reclassifications	Reclassified income statement
Entry fees			(1)	60,539
Management fees			(271,672)	1,283,868
Investment management fees			-	252,838
Net insurance revenues ex U-L commissions	160. Insurance management result	192,095	146,106	338,201
	170. Balance of other revenues/expenses from insurance operations	(2,883,237)	2,744,427	(138,810)
Banking service fees			(2,340)	186,878
Other fees			(360)	51,712
Performance fees			(376,738)	
Gross commission income	**40. Commission income**	**2,350,217**		2,035,226
Acquisition costs		(701,515)	158,393	(693,251)
Other commission expenses		(181,615)	7,654	(173,962)
Total commission expenses	**50. Commission expenses**	**(883,132)**		**(867,213)**
Net commission income	**60. Net commission income**	**1,467,085**		**1,168,013**
Interest income and similar income	10. Interest income and similar income	1,464,258	(77,094)	1,387,164
Interest expense and similar expenses	20. Interest expense and similar expenses	(589,333)	13,318	(576,015)
Net interest income	**30. Net commission income**	**874,925**		**811,149**
Equity method valuation		-	-	-
Net proceeds on disposal of other investments				34,227
	70. Dividends and similar income	36,125	(1)	36,124
	100. a) Financial assets measured at amortised cost	5	(0)	5
	100. b) Financial assets at fair value through other comprehensive income	299	(4,654)	(4,355)
	100. c) Financial liabilities	-	-	-
	230. Other operating income/expenses	6,794	(6,465)	329
	250. Gains (losses) on equity investments	-	(0)	(0)
	280. Gains (losses) on disposal of investments	2,125	(1)	2,124
Net value adjustments of other investments	130. b) Financial assets at fair value through other comprehensive income	809	(1,215)	(406)
Net income on other investments				33,821
LLP (impairment on loans)	130. a) Financial assets measured at amortised cost	**(31,437)**	(1,243)	**(32,680)**

Reconciliation of the income statement at 31.12.2024 with the reclassified income statement (2 of 2)

Reclassified item/segment	Consolidated income statement item	Consolidated income statement	Reclassifications	Reclassified income statement
Other revenues and expenses	230. Other operating income/expenses	**-**	**(3,798)**	**(3,798)**
Contribution margin				**1,976,505**
		(789,914)		**(736,223)**
G&A expenses	190. a) Staff costs	**(328,727)**	19,618	(309,109)
	190. b) Other administrative expenses	**(461,187)**	46,899	(414,288)
	230. Other operating income/expenses		(12,826)	(12,826)
Regular contributions to banking industry		-	(35,509)	(35,509)
Depreciation & amortisation/Provisions		**(123,604)**		**(111,190)**
		(59,237)		(41,869)
Depreciation & amortisation	210. Net value adjustments/write-backs of tangible assets	(24,146)	17,369	(6,777)
	220. Net value adjustments/write-backs of intangible assets	(35,091)	(2)	(35,093)
		(64,367)		(69,320)
Net provisions for risk and charges	200. a) Commitments and guarantees given	560	(622)	(62)
	200. b) Other net provisions	**(64,927)**	(4,332)	(69,259)
Total costs		**(913,518)**		**(882,922)**
Operating margin				**1,093,584**
Performance fees	40. Commission income	-	376,738	376,738
		2,698,624		16,683
Net income on investments at fair value	80. Net gains (losses) from trading	8,794	408	9,202
	90. Net gains (losses) from hedging	10	(1)	9
	110. Net gain (loss) from other financial assets and liabilities at fair value through profit or loss (IFRS 7 par. 20(a)(i)	2,689,820	(2,682,348)	7,472
Market effects				**393,421**
		-		-
Capital gains (losses)	250. Gains (losses) on equity investments	-	-	-
	280. Gains (losses) on disposal of investments	-	-	-
Extraordinary contributions and guarantee funds	190. b) Other administrative expenses	-	(11,108)	(11,108)
		-		(20,939)
Other extraordinary items	190.bis Other extraordinary items	-	(20,949)	(20,949)
	200. Net provisions for risk and charges	-	9	9
Extraordinary items				**(32,047)**
Profit before tax	**290. Net income from continuing operations before tax**	**1,450,694**	**17,664**	**1,454,958**
Income tax	300. Taxes on income from continuing operations	(331,065)	(4,264)	(335,329)
Net income in the period	330. Net income for the year	**1,119,629**	**13,399**	**1,119,629**

Statement of financial position data by business area at 31.12.2024

€/000	ITALY					ABROAD		Total 2024
	Asset Management	Banking	Insurance	Other	Total	Spain	Germany	
Goodwill	22,669	-	125	-	22,794	102,831	-	125,625
Securities at amortised cost	-	15,066,728	1,321,730	-	16,388,458	1,945,381	-	18,333,839
Lending to customers	347,820	16,826,133	-33,794		17,140,159	1,576,987	1,520	18,718,666
Securities through OCI	117,986	346,674	1,832,686	39	2,297,385	8,031	417	2,305,833
Securities through PL	3,298	491,794	85,997	-	581,089	41,763	4,481	627,333
Financial assets designated at fair value (Fin. assets where the risk is borne by policyholders)	-		40,065,586	-	40,065,586	1,588,039	250,470	41,904,095
Net money market lending (*)	49,994	974,096	40,523	6	1,064,619	-288,746	2,516	778,389
Insurance assets			70,997		70,997			70,997
Financial liabilities designated at fair value	7,808		18,704,476		18,712,284	26,897	1,255	18,740,436
Banking inflows (**)	2,414	31,475,195	-90	-	31,477,519	3,020,202	117	34,497,838
Insurance liabilities	-	-	24,021,874	-	24,021,874	1,612,440	169,731	25,804,045

(*) Cash and cash equivalents; Banks - assets (Item 40a) and liabilities (Item 10a) at amortised cost - includes debt securities

(**) Customers - liabilities at amortised cost (Item 10b)

PART M – LEASE REPORTING

SECTION 1 – LESSOR

QUALITATIVE INFORMATION

The adoption of IFRS 16 by the Mediolanum Group mainly relates to property leases. To estimate the lease term, the first renewal period provided for in the agreements was regarded as reasonably certain, unless any contractual clauses or specific circumstances resulted in the inclusion of additional renewals or vice versa in the term of the contract. These contracts generally do not include options to purchase the property at the end of the lease. The Mediolanum Group makes use of the exemption allowed under IFRS 16:5 (a) in relation to short-term leases, understood as leases with a residual term of 12 months or less.
Finally, please note that the events referred to in IFRS 16, paragraph 59, letters b), c) and d) and paragraph 55 are not considered relevant for the Mediolanum Group.

QUANTITATIVE INFORMATION

For quantitative information on the rights of use acquired under the lease, see Part B, Assets, Section 9 – Tangible assets. Information on lease liabilities is contained in Part B, Liabilities, Section 1 – Financial liabilities measured at amortised cost. Information on interest expense on lease liabilities and other charges related to the rights of use acquired with lease is set out in Part C, Income statement.
It should be noted that no gains and losses arising from sales and leaseback transactions, or income from sub-leasing transactions, have been recognised.
The amortisation recognised in the year for rights of use acquired through leasing, broken down by class of underlying asset, is shown below:

€/000 BUSINESS	Amortisation 2024
Rights of use acquired through leasing	
1. Tangible assets	(11,689)
1.1 land	
1.2 buildings	(11,689)
1.3 furniture	
1.4 electronic equipment	
1.5 Other	

SECTION 2 – LESSOR

QUALITATIVE INFORMATION

The Mediolanum Group as lessor has leases in place consisting exclusively of lease agreements classified in the financial statements as operating leases. With respect to the methods by which the lessor manages the risk associated with the rights it holds over the underlying assets, it should be noted that the agreements include clauses prohibiting the lessee from ceding the agreement to third parties without the written consent of the lessor, periodic rent updates according to the confirmed change in the ISTAT consumer price index for blue and white collar worker households, and a contractual term at the end of which, unless renewed where provided for, the lease agreement ceases and the premises become available to the lessor.

QUANTITATIVE INFORMATION

Payments due under operating leases were recognised, on an accruals basis, in the consolidated income statement as income.

I. Information about the statement of financial position and income statement

The Mediolanum Group did not recognise any leasing loans. With regard to the assets granted under operating leases, as described above, the Group as lessor has leases in place consisting of lease agreements for a portion of the real estate it owns.
Payments due under operating leases were recognised, on an accruals basis, in the consolidated income statement as income.

2. Finance leases

2.1 Classification of payments to be received by time bands and reconciliation with leasing loans recognised under assets

No data to report.

2.2 Other information

No data to report.

3. Operating leases

3.1 Classification of payments to be received by time bands

The following are the non-discounted lease payments to be received by maturity. Note that the payments relate to the contractual rents provided for in the lease agreements for certain properties owned by the Mediolanum Group, which allow the lessees early withdrawal subject to the notice provided for in the agreement.

€/000	2024 lease payments to be received
TIME BANDS	
Up to 1 year	2,901
Over 1 year to 5 years	27,888
Over 5 years	39,039
TOTAL	**69,828**

3.2 Other information

As previously indicated, the Mediolanum Group as lessor has leases in place consisting of lease agreements for owned properties. For information about how the Group manages the risk associated with the rights it holds over the underlying assets, see the paragraph "Qualitative information" in this section.

DECLARATION OF THE FINANCIAL REPORTING OFFICER

Certification of the consolidated financial statements pursuant to Article 154 – bis, paragraph 5, of Legislative Decree No. 58 of 24 February 1998 and Article 81-ter of Consob Regulation No. 11971 of 14 May 1999, as amended

1. The undersigned, Massimo Antonio Doris, as the Chief Executive Officer, and Angelo Lietti, as the Financial Reporting Officer of Banca Mediolanum S.p.A., hereby certify, also taking account of Article 154-bis, paragraphs 3 and 4, of Legislative Decree No. 58 of 24 February 1998:

    - the appropriateness in relation to the characteristics of the company and
    - the effective application of the administrative and accounting procedures for the preparation of the consolidated financial statements during the 2024 financial year.

2. The assessment of the adequacy and effective application of the administrative and accounting procedures for the preparation of the consolidated financial statements as at 31 December 2024 was based on a process defined by Banca Mediolanum S.p.A. consistent with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which is a generally accepted international framework.

3. It is further certified that:

    3.1 The consolidated financial statements:

    - have been prepared in compliance with the international accounting standards recognised by the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, as well as the measures issued in implementation of Article 9 of Legislative Decree No. 38/2005;
    - correspond to the figures in the accounting books and records;
    - are suitable to provide a true and correct representation of the financial position and profit performance of the issuer and of all of the companies within the scope of consolidation.

    3.2 The Report on Operations includes a reliable analysis of the performance and operating results, as well as the situation, of the issuer and of the companies within the scope of consolidation, together with a description of the main risks and uncertainties to which they are exposed.

Basiglio, 12 March 2025

Basiglio, 12 March 2025

The Financial Reporting Officer

(Angelo Lietti)

The Chief Executive Officer

(Massimo Antonio Doris)

Certification of Sustainability Reporting pursuant to Article 81- ter, paragraph 1, of Consob Regulation no. 11971 of 14 May 1999 as amended

1. The undersigned, Massimo Antonio Doris, in his capacity as Chief Executive Officer, and Angelo Lietti, in his capacity as the Financial Reporting Officer of Banca Mediolanum S.p.A., hereby certify, also taking account of the provisions of Article 154-bis, paragraphs 5-ter,, of Legislative Decree No. 58 of 24 February 1998, that the Sustainability Report included in the report on operations has been compiled:

   - in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Legislative Decree no. 125 of 6 September 2024;
   - with the specifications adopted in accordance with Article 8, paragraph 4, of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Basiglio, 12 March 2025

The Financial Reporting Officer

(Angelo Lietti)

The Chief Executive Officer

(Massimo Antonio Doris)

ANNEX 1 REPORTING REQUIRED UNDER PRUDENTIAL REGULATIONS

MEDIOLANUM GROUP REPORTING REQUIRED UNDER PRUDENTIAL REGULATIONS

A. Country by country reporting

€/000	Geographic location of settlement	Nature of business	Turnover*	Number of full-time or equivalent employees (individuals)	Profit before tax (**)	Taxes
Company						
Banca Mediolanum S.p.A.	Italy	Banking	2,246,508	2,684	1,240,566	(105,395)
Mediolanum Assicurazioni S.p.A.	Italy	Insurance	26,315	53	24,735	(7,448)
Mediolanum Vita S.p.A.	Italy	Insurance	439,749	151	246,920	(75,969)
Mediolanum Gestione Fondi SGR p.A.	Italy	Financial	153,502	37	66,972	(19,809)
Mediolanum Fiduciaria S.p.A.	Italy	Financial	595	10	(1,195)	282
Mediolanum Comunicazione S.p.A.	Italy	Non-financial	6,643	16	(1,264)	272
PI Servizi S.p.A.	Italy	Non-financial	2,075	0	1,712	149
Prexta S.p.A.	Italy	Financial	83,840	100	7,570	(2,676)
FloWe S.p.A. - S.B.	Italy	Financial	1,558	91	(30,876)	7,399
Banco Mediolanum SA	Spain	Banking	297,311	407	42,537	(3,863)
Mediolanum Gestion S.G.I.I.C. SA	Spain	Financial	24,848	9	3,227	(788)
Mediolanum Pensiones S.G.F.P. IAC	Spain	Financial	8,961	3	1,279	(320)
Fibanc SA	Spain	Financial	1	0	(1)	0
Mediolanum International Funds Ltd	Ireland	Financial	1,763,876	162	939,823	(127,063)
Mediolanum International Life DAC	Ireland	Insurance	20,903	32	19,756	(3,195)
August Lenz & Co. AG*	Germany	Non-financial	1,248	4	(1,027)	0
Consolidation adjustments					(1,110,039)	7,359
Total			**5,077,933**	**3,759**	**1,450,696**	**(331,067)**

Consolidation entries	**(1,210,628)**
Total	**3,867,305**

(*) This refers to positive balance sheet items (Item 10,40,70,80,90,100,110,160,230,280 net of Item 170).

(**) This refers to item 290 of the Income Statement

(***) This refers to item 300 of the Income Statement

The data reported by individual company refer to the Consolidated Financial Statements of the Mediolanum Group and are derived from the reporting package contributed by the individual company for the compilation of the Consolidated Financial Statements. The "consolidation entries" item includes intercompany eliminations.

PUBLIC CONTRIBUTIONS

Information on the transparency of public disbursements required by Article 1, paragraph 125 of Law 124/2017.

Pursuant to Article 1, paragraph 125, of Law No. 124/2017, it should be noted that in 2023 the Mediolanum Group did not receive any public contributions. It should be noted that the contributions subject to disclosure are solely grants, subsidies, benefits, contributions or aid, not of a general nature and not taking the form of consideration, remuneration or compensation, received by public administrations and not deriving from bilateral relations between a public party and a specific beneficiary, that exceed the threshold of €10,000 per public party.
Article 1, paragraph 125-quinquies also establishes that for the State aid and de minimis aid contained in the National State Aid Register, the registration of aid in the aforementioned system, with subsequent publication in the transparency section provided for therein, by the parties granting or managing the aid, shall take place in accordance with the publication obligations imposed on the parties referred to in paragraphs 125 and 125-bis.

A. Publication of return on assets

€/000		
Net income	1,119,629	1.30%
Total assets	86,154,272	

INDEPENDENT AUDITOR'S CONSOLIDATED REPORT

Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the shareholders of
Banca Mediolanum SpA

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the Mediolanum Group (the Group), which comprise the consolidated statement of financial position as of 31 December 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders'equity, the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2024, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05 and article 43 of Legislative Decree No. 136/15.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of this report. We are independent of Banca Mediolanum SpA pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	*Auditing procedures performed in response to key audit matters*

Valuation of insurance liabilities for remaining coverage - Life businesses

Notes to the consolidated financial statements
Part A – Accounting policies, paragraph "15 - Insurance assets and liabilities"
Part B – Information on the consolidated statement of financial position, Liabilities, Section 11 "Insurance liabilities – item 110"
Part C – Information on the consolidated income statement, Section 10 "Result of insurance services" – item 160" and Section 11 "Balance of financial revenues and costs relating to insurance management - Item 170"

The consolidated financial statements as of 31 December 2024 include insurance liabilities reported in item 110 of the Liabilities, amounting to Euro 25,804 million, whereof Euro 25,480 million relating to liabilities for remaining coverage for life businesses, representing approximately 30 per cent of "Total liabilities and shareholders' equity".

Those liabilities for remaining coverage, accounted for in accordance with the provisions of the international accounting standard IFRS 17, include the discounted estimated future cash flows (Present Value of Future Cash Flows or PVFCF), adjusted to reflect non-financial risks (Risk Adjustment) and the Contractual Service Margin (CSM), which represent the present value of the future profits on insurance contracts that will be released to profit or loss on a basis consistent with the insurance services rendered in the period.

IFRS 17 "Insurance Contracts" is characterised by a high degree of interpretative and operational complexity, due to the presence of several aspects requiring the application of a high degree of subjectivity, including:

- the measurement of the liabilities for remaining coverage of insurance contracts of the life businesses in accordance with the

In performing our audit we took into consideration internal control relevant to the preparation of the consolidated financial statements in order to define audit procedures that were appropriate in the circumstances. In detail, we understood and evaluated the design of relevant controls in place for the monitoring, classification and measurement of insurance liabilities and we tested the operating effectiveness of those controls.

Our audit procedures on the measurement of liabilities for remaining coverage included the following activities:

- verification of the accuracy and completeness of the databases through the performance of substantive procedures for a sample of premiums, comparing the information present in the Group's information systems with supporting evidence obtained from the management;
- critical analysis of the methods and assumptions adopted by management in compliance with IFRS 17;
- comparison of the methods and assumptions mentioned above with market practice;
- verification of the correct identification of the costs attributable to insurance contracts, from the perspective of the Group as a financial conglomerate.

Furthermore, with the support of actuarial experts from the PwC network, we performed the following activities:

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
General Model (GM) or the Variable Fee Approach (VFA); This measurement assumes the use of calculation methods and models of a statistical-actuarial nature that are characterised by a high degree of subjectivity in the choice of parameters used (such as, for instance, assumptions concerning redemption, mortality, additional payments, expenses, expected claims and discount rate) to develop the estimate of future cash flows and for the Risk Adjustment; • the valuation of the release of the Contractual Service Margin to the income statement as recognition of profits on insurance services rendered. The determination of the method of release is itself characterised by a high degree of subjectivity in the identification of the coverage units. Insurance liabilities for remaining coverage are an item whose estimate component is significant and depends on the actuarial assumptions used to valuate it. Given the significant level of professional judgment required, this item has been considered a key audit matter of the Group's consolidated financial statements.	• verification of the methods and underlying assumptions adopted for the calculation of the liabilities for remaining coverage for each component, also through an analysis of the key performance indicators; • independent recalculation of the PVFCF of liabilities for remaining coverage for a sample of insurance contracts; • analysis of the measurement criteria applied to coverage units for the purpose of the release of the CSM to the income statement; • analysis of the movements in liabilities for remaining coverage at the beginning and at the end of the period, on a sample basis; • verification of the onerous contract terms and of the definition of Units of Account, such as the level of aggregation of insurance contracts. Finally, we verified the completeness and adequacy of relevant disclosures provided in the notes to the consolidated financial statements, also in relation to the requirements of the applicable financial reporting standards.
Estimation of provisions for risk and charges related to indemnities paid to the network of financial advisors *Notes to the consolidated financial statements: Part A – Accounting policies, paragraph "10 - Provisions for risk and charges"* *Part B – Information on the consolidated statement of financial position, Liabilities, Section 10 "Provisions for risk and charges – item 100"*	We understood and evaluated the design of relevant controls for the identification, monitoring and recognition of provisions for risk and charges as of 31 December 2024 and we verified their operating effectiveness.

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Part C – Information on the consolidated income statement, Section 13 "Net provisions for liabilities and charges – item 200" The consolidated financial statements as of 31 December 2024 include provisions for risk and charges equal to Euro 342 million, whereof euro 292 million relating to contractual and bonus allowances paid to the Group's financial advisors. The measurement of provisions for risk and charges recognised for contractual and bonus allowances owed to financial advisors is the subject of a structured evaluation process based on an analysis of contractual terms and internal regulations, on actuarial criteria, as well as on other historical-statistical parameters related to the operation of the network of financial advisors. In consideration of the materiality of the amounts, the complexity of the estimation processes and the high degree of professional judgement required, we considered the measurement of provisions for risk and charges related to allowance owed to the network of financial advisors as a key audit matter in our audit work.	We discussed with management and with the corporate functions involved about the nature of the provisions recognised and the methodological appropriateness of evaluations made for the purposes of determining provisions for risk and charges. In detail we performed the following audit activities, also with the support of actuarial experts from the PwC network: • we obtained and analysed the recognition and measurement policies applied to provisions for risk and charges in the consolidated financial statements and their reasonableness and consistency with the applicable legislation and the internal regulation; • we obtained and understood the calculation models used by management to estimate the provisions and we verified their mathematical accuracy; • we verified the reasonableness of the assumptions and actuarial hypotheses used in the calculation models; • we verified, on a sample basis, the accuracy of inputs and the reasonableness of the methods adopted; • we performed a critical analysis of the result of the control activities performed by the corporate functions variously involved in the determination of those provisions for risks and charges; • we analysed the consistency of the models, data and assumptions used to determine the provision for risk and charges, comparing them with the historical dynamics recorded during

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
	the year, in order to evaluate the predictive capacity of the models adopted by management. Finally, we verified the completeness and adequacy of disclosures provided in the consolidated financial statements in accordance with the relevant financial reporting standards and the applicable regulatory framework.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05 and article 43 of Legislative Decree No. 136/15 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the parent company Banca Mediolanum SpA or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.



As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) No. 537/2014

On 9 April 2019, the shareholders of Banca Mediolanum SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2020 to 31 December 2028.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on Compliance with other Laws and Regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors of Banca Mediolanum SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (hereinafter, the "Commission Delegated Regulation") to the consolidated financial statements as of 31 December 2024, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) No. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2024 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree No. 39/10 and with article 123-bis, paragraph 4, of Legislative Decree No. 58/98

The directors of Banca Mediolanum SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of the Mediolanum Banking Group as of 31 December 2024, including their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98, with the consolidated financial statements;

- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability reporting, and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98 are consistent with the consolidated financial statements of the Mediolanum Banking Group as of 31 December 2024.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability reporting, and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Our opinion on compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability reporting. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 2020/852 are expressed by ourselves in the report prepared in accordance with article 14-bis of Legislative Decree No. 39/10.

Milan, 24 March 2025

PricewaterhouseCoopers SpA

Signed by

Giovanni Ferraioli
(Partner)

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE CONSOLIDATED SUSTAINABILITY STATEMENT

Independent auditor's limited assurance report on the consolidated sustainability statement

in accordance with article 14-bis of Legislative Decree No. 39 of 27 January 2010

To the shareholders of Banca Mediolanum SpA

Conclusion

In accordance with articles 8 and 18, paragraph 1, of Legislative Decree No. 125 of 6 September 2024 (hereinafter the "Decree"), we have undertaken a limited assurance engagement on the consolidated sustainability statement of the Mediolanum Group (hereinafter also the "Group") for the year ended 31 December 2024 prepared in accordance with article 4 of the Decree, presented in the specific section of the consolidated report on operations.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of the Mediolanum Group for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with the reporting criteria adopted by the European Commission pursuant to Directive (EU) 2013/34/UE (*European Sustainability Reporting Standards*, hereinafter the "ESRS");
- the information set out in paragraph "2.1 Disclosure pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)" of the consolidated sustainability statement is not prepared, in all material respects, in accordance with article 8 of Regulation (UE) No. 852 of 18 June 2020 (hereinafter also the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement.

Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under this Standard are further described in the *Auditor's Responsibilities for the Limited Assurance Conclusion on the Consolidated sustainability statement* section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on consolidated sustainability statementing under Italian law.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matters

The consolidated sustainability statement for the year ended 31 December 2024 contains, in the paragraph "2.1 Disclosure pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)", the comparative information referred to in article 8 of the Taxonomy Regulation in relation to the year ended 31 December 2023, which was not subjected to any assurance procedures.

Responsibilities of the directors and the board of statutory auditors of Banca Mediolanum SpA for the consolidated sustainability statement

The directors are responsible for developing and implementing the procedures adopted to identify the information included in the consolidated sustainability statement in accordance with the provisions of the ESRS (hereinafter the "materiality assessment process") and for describing those procedures in the paragraph "1.1.4 Impact, risk and opportunity management" of the consolidated sustainability statement.

The directors are also responsible for preparing the consolidated sustainability statement, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 4 of the Decree, including:

- its compliance with the ESRS;
- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph "2.1 Disclosure pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)".

That responsibility involves designing, implementing and maintaining, in the terms prescribed by law, such internal control as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 4 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Inherent limitations in the preparation of the consolidated sustainability statement

As set out in the paragraph "Disclosures in relation to the value chain" of the section "1.1.1 Basis for preparation", the disclosure provided by the Group about Scope 3 emissions is subject to greater inherent limitations compared with Scope 1 and 2 emissions, because of the poor availability and relative accuracy of the information used to define both qualitative and quantitative information on Scope 3 emissions related to the value chain.

Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that contains our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability statement.

As part of our engagement designed to achieve limited assurance in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercised professional judgement and maintained professional scepticism throughout the engagement.

Our responsibilities include:

- performing risk assessment procedures to identify the disclosures where a material misstatement, whether due to fraud or error, is likely to arise;
- designing and performing procedures to verify the disclosures where a material misstatement is likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- directing, supervising and performing a limited assurance engagement on the consolidated sustainability statement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

The procedures performed were based on our professional judgement and included inquiries, primarily of personnel of Banca Mediolanum SpA responsible for the preparation of the information presented in the consolidated sustainability statement, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- we understood the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues;
- we understood the processes underlying the generation, collection and management of the qualitative and quantitative information included in the consolidated sustainability statement;
- we understood the process implemented by the Group to identify and assess the material impacts, risks and opportunities, in accordance with the double materiality principle, related to sustainability issues and, based on the information thus obtained, we considered whether any contradictory items emerged that could point to the existence of sustainability issues not considered by the Company in the materiality assessment process;
- we identified the disclosures where a material misstatement is likely to arise;
- we defined and performed procedures, based on our professional judgement, to address the risks of material misstatement identified, including inquiry, comparative analysis procedures as well as obtaining, on a sample basis, documentary evidence for certain information reported in the consolidated sustainability statement;
- we understood the process implemented by the Group to identify the eligible exposures and to determine the proportion aligned in accordance with the provisions of the Taxonomy Regulation, and we verified the related disclosures in the consolidated sustainability statement;
- we reconciled the information reported in the consolidated sustainability statement with the information reported in the consolidated financial statements in accordance with the applicable financial reporting framework, or with the accounting information used for the preparation of the consolidated financial statements, or with management accounting information;
- we verified the structure and presentation of disclosures included in the consolidated sustainability statement in accordance with the ESRS;
- we obtained management's representation letter.

Milan, 24 March 2025

PricewaterhouseCoopers SpA

Signed by

Michelangelo Pepe
(Partner)

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

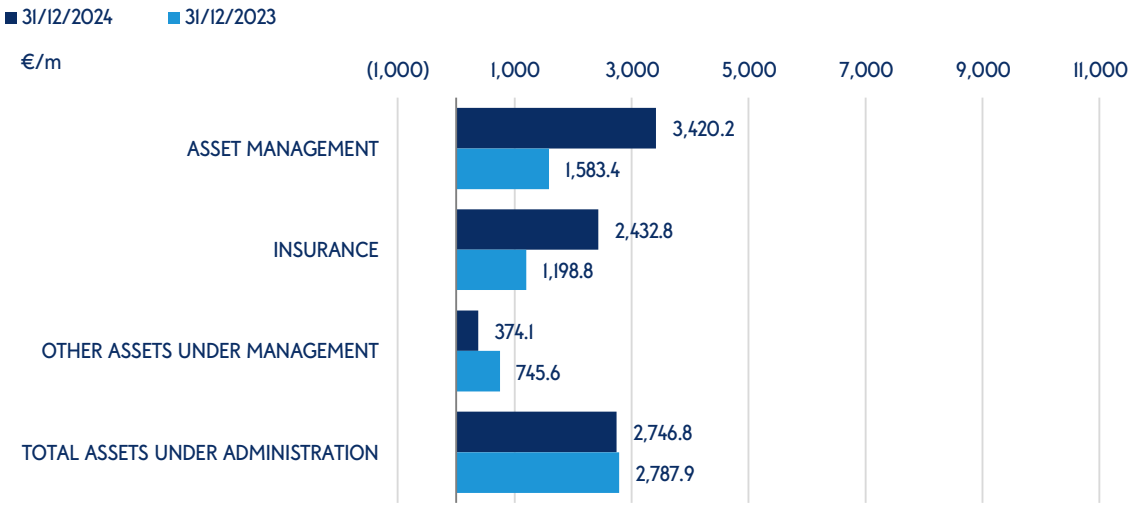
2024 FINANCIAL STATEMENTS

BANCA mediolanum

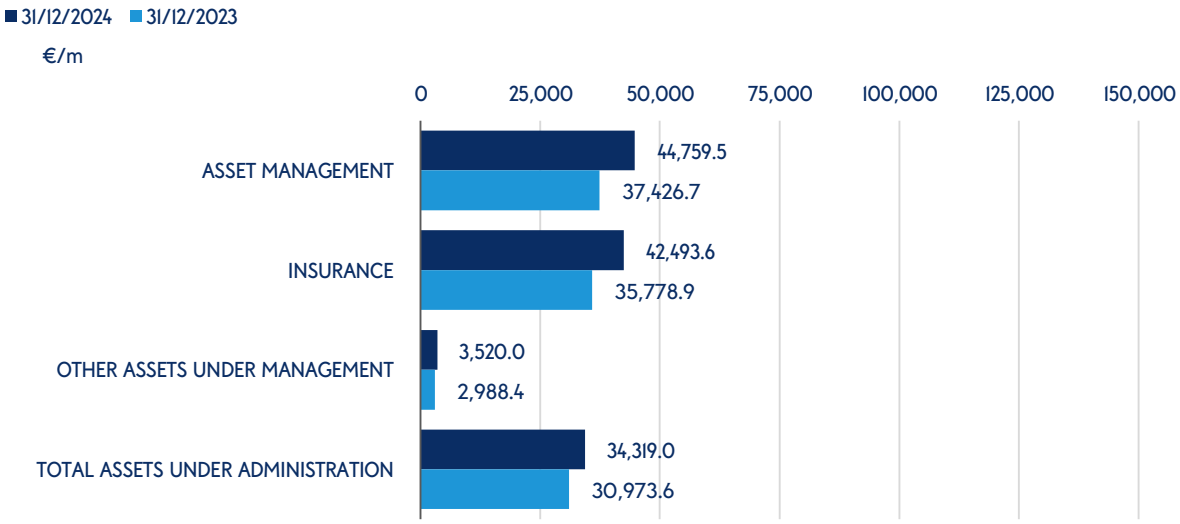
2024 INDIVIDUAL HIGHLIGHTS

DETAILS OF DEPOSITS AND ASSETS UNDER ADMINISTRATION AND MANAGEMENT

Net inflows



Assets under administration and management

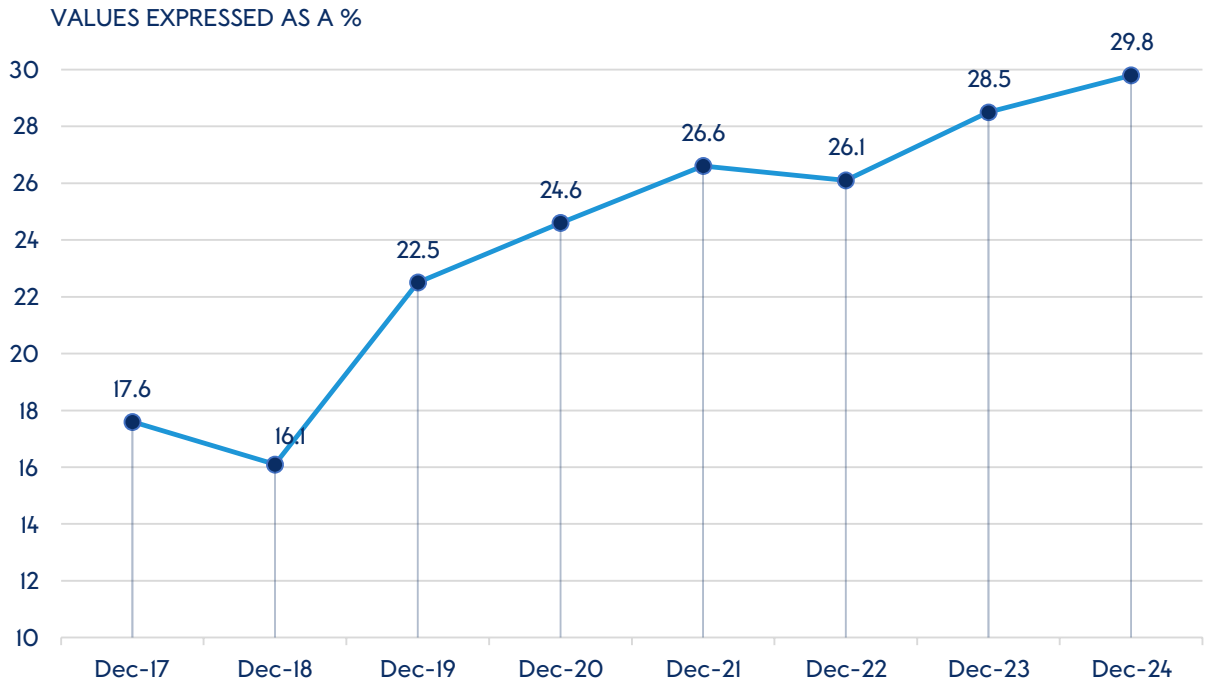


REGULATORY CAPITAL RATIOS

Individual capital ratios as at 31 December 2024

COMMON EQUITY	TIER 1	TOTAL CAPITAL RATIO
29.8%	29.8%	29.8%

Evolution of the Common Equity Tier 1 Ratio



OTHER INDICATORS

	31/12/2024	31/12/2023
Loans to customers (€/000)	31,843,484	31,923,922
Loans to customers - Net impaired assets/Loans to customers (values in %)*	0.61%	0.62%

(*) Loans to customers do not include the debt securities item.

Operational structure

Units	31/12/2024	31/12/2023
Number of operating employees	2,719	2,609
Number of financial advisors	4,801	4,576

For the definitions used in this summary of results, please see the Glossary at the end of the document.

OPERATING PERFORMANCE

Banca Mediolanum ended 2024 with net income of €1,135.2 million (€833.7 million at 31 December 2023).

Euro		31/12/2024	31/12/2023
10.	Interest income and similar income	1,149,695,923	1,058,272,772
	of which: interest income calculated using the effective interest method	1,096,574,410	1,010,048,953
20.	Interest expense and similar expenses	(549,796,166)	(479,626,428)
30.	**Net interest income**	**599,899,757**	**578,646,344**
40.	Commission income	1,035,564,846	860,242,080
50.	Commission expenses	(826,516,729)	(679,494,416)
60.	**Net commission income**	**209,048,117**	**180,747,664**
70.	Dividends and similar income	25,402,562	20,530,112
80.	Net gains (losses) from trading	6,428,327	35,084,286
90.	Net gains (losses) from hedging	10,251	(665,573)
100.	Gains (losses) from disposal or repurchase of:	(117)	3,652
	a) financial assets measured at amortised cost	(117)	3,652
110.	Net gain (loss) from other financial assets and liabilities at fair value through profit or loss	8,073,979	(844,572)
	b) other financial assets mandatorily measured at fair value	8,073,979	(844,572)
120.	**Operating income**	**848,862,876**	**813,501,913**
130.	Credit-risk induced net value adjustments/write-backs of:	(17,609,786)	(23,928,305)
	a) financial assets measured at amortised cost	(17,678,069)	(23,995,121)
	b) financial assets measured at fair value through other comprehensive income	68,283	66,816
150.	**Net gain (loss) from financial operations**	**831,253,090**	**789,573,608**
160.	Administrative expenses:	(593,875,083)	(540,678,984)
	a) staff costs	(237,763,960)	(206,990,720)
	b) other administrative expenses	(356,111,123)	(333,688,264)
170.	Net provisions for risk and charges	(54,288,355)	(21,105,516)
	a) commitments and guarantees given	589,450	(796,901)
	b) other net provisions	(54,877,805)	(20,308,615)
180.	Net value adjustments/write-backs of tangible assets	(13,355,872)	(17,675,987)
190.	Net value adjustments/write-backs of intangible assets	(14,162,880)	(13,064,157)
200.	Other operating income/expenses	21,330,714	18,713,225
210.	**Operating costs**	**(654,351,476)**	**(573,811,419)**
220.	Gains (losses) on equity investments	1,063,662,918	706,614,559
250.	Gains (losses) on disposal of investments	173	46
260.	**Net income from continuing operations before tax**	**1,240,564,705**	**922,376,794**
270.	Taxes on income from continuing operations	(105,394,791)	(88,670,101)
280.	**Net income from continuing operations after tax**	**1,135,169,914**	**833,706,693**
300.	**Net income for the year**	**1,135,169,914**	**833,706,693**

Income statement

€/000	31/12/2024	31/12/2023	Change	% Change
Net income for the year	1,135,170	833,707	301,463	36.2%
of which:				
Net financial income*	614,412	612,224	2,188	0.4%

*This item comprises the sum of: item 30, item 80, item 90, item 100 a) and item 110 b).

The net financial margin was in line with the comparison period at €614.4 million.
Against growth in net interest income (+€21.3 million), due to the trend in market rates and the growth in average loans, and an increase in the net result of 'other financial assets compulsorily valued at fair value' of €8.9 million, due to the improved valuation of funds, there was a reduction in net trading income (-€28.7 million), mainly due to the valuation of the NEXI S.p.A. share (-€15.4 million).

Net commission income	209,048	180,748	28,300	15.7%

Net commission income increased by +€28.3 million compared to the comparative period due to the growth in recurring commissions due to the increase in average volumes.

Administrative expenses	**(593,875)**	**(540,679)**	**(53,196)**	**9.8%**
Staff costs	(237,764)	(206,991)	(30,773)	14.9%
Other administrative expenses	(356,111)	(333,688)	(22,423)	6.7%

G&A expenses increased by -€53.2 million compared with the comparative period. In particular, there were higher staff costs (-€30.8 million compared with the comparative period), due in particular to the increased average headcount and the renewal of the national employment contract for Credit and higher administrative expenses (-€22.4 million), mainly related to technology, for the development of new design areas, and expenses for commercial support initiatives.

credit-risk induced net adjustments/write-backs (+/-)	(17,610)	(23,928)	6,318	(26.4%)

LLPs decreased by +€6.3 million compared with 2023.

Net provisions for risk and charges	(54,288)	(21,106)	(33,182)	n.s.

Net provisions for risk and charges increased by -€33.2 million on the previous period. The change is mainly attributable to the dynamics of the network funds, in particular in 2024 there was a lower increase in the discount rates than observed in 2023.

Gains (losses) on equity investments	1,063,663	706,615	357,048	50.5%

The Gains (losses) on equity investments incorporate the valuation of total equity investments measured using the equity method. The profit performance of the subsidiaries increased overall by €357.0 million compared with 31 December 2023.

This trend is substantially attributable to the higher results achieved by the subsidiaries Mediolanum International Funds (+€308.3 million compared to 31 December 2023) mainly due to higher performance fees, Mediolanum Vita (+€24.8 million compared to 31 December 2023), Mediolanum Gestione Fondi (+€8.1 million) mainly attributable to higher performance fees recorded at 31 December 2024.

REPORT ON OPERATIONS

THE MACROECONOMIC SCENARIO

Although it followed the second year of strong monetary tightening, 2024 proved to be very resilient in terms of growth. The global economy continued to expand at a pace of just over 3%, albeit with significant sectoral and geographical differences. The US was the main driver, as evidenced by high real GDP growth of 0.8% quarter-on-quarter in the third quarter and estimated at 2.8% in 2024 as a whole, driven mainly by consumption in a resilient labour market environment. The composite PMI, which stood at 55.4 points in December, also confirmed the strength of business sentiment, especially in the services sector.

In Europe, growth was comparatively weaker, albeit positive: seasonally adjusted GDP increased by 0.4% quarter-on-quarter in Q3, with an improvement in services but persistent weakness in manufacturing, revealing an uneven economic recovery. Pending fourth quarter data, the expansion is currently estimated at 0.8% for 2024 as a whole. In China, in an attempt to reach the 5% growth target and against a backdrop of protracted weakness in the real estate sector and domestic demand, the authorities announced important and varied measures to support the economy, the effectiveness and sustainability of which remains uncertain, given the structural challenges of the Chinese economy. However, with a manufacturing PMI in expansion territory for the third consecutive month, signs of recovery are beginning to appear.

In this context, inflation has almost fallen back to target levels, although there is still a "last mile" missing. Data from the US and the euro area confirm signs of stalling in the recent period, while the opposite situation is observed in China. In the US, the consumer price index increased by 2.7% in the 12 months up to November, with core inflation stable at 3.3%. In the euro area, the increase was 2.4%, up from 2.3% in November, but down from December 2023 (2.9%).

2024 was also the year when monetary easing began, with 193 rate cuts overall, compared to around thirty hikes, indicating a strong change of course from the tightening of the previous two years. The European Central Bank started cutting in June, while the Federal Reserve waited until September for the first move, but together they both lowered the cost of money by one percentage point, to 3.0% (the ECB's depo rate) and 4.25-4.50% (the Fed's range), respectively. The Bank of England cut rates by only 50 basis points, from 5.25% to 4.75%, while the Bank of Japan finally embarked on a measured upward adjustment of interest rates.

THE FINANCIAL MARKETS

	Change (pbs)		Yield	
Bond markets	29/12/2023 to 31/12/2024	Q4	31/12/2024	29/12/2023
GOVERNMENT YIELDS				
United States				
2 years	(0.83)	60.05	4.24%	4.25%
5 years	53.49	82.35	4.38%	3.85%
10 years	68.99	78.81	4.57%	3.88%
30 years	75.30	66.21	4.78%	4.03%
Germany				
2 years	(32.20)	1.40	2.08%	2.40%
5 years	20.60	20.70	2.15%	1.95%
10 years	34.30	24.40	2.37%	2.02%
30 years	33.40	13.80	2.60%	2.26%
Italy				
2 years	(56.50)	(9.80)	2.42%	2.99%
5 years	(20.00)	5.70	2.87%	3.07%
10 years	(17.80)	6.90	3.52%	3.70%
30 years	(16.70)	8.00	4.21%	4.37%
SPREADS				
Italy – Germany				
2 years	(24.27)	(11.17)	0.34%	0.58%
10 years	(52.08)	(17.50)	1.15%	1.68%
Spain – Germany				
2 years	(39.14)	(15.93)	0.17%	0.55%
10 years	(27.45)	(10.93)	0.69%	0.97%
CREDIT SPREADS				
Corporate				
US IG	(19.00)	(9.00)	0.80%	0.99%
US HY	(36.00)	(8.00)	2.87%	3.23%
Euro IG	(36.00)	(15.00)	1.02%	1.38%
Euro HY	(72.00)	(36.00)	3.09%	3.81%
Emerging				
EM Hard Currency	(77.00)	(27.00)	2.20%	2.97%

The economic outlook and persistently high rates affected bond prices: the Bloomberg Global-Aggregate index ended the year down 1.7% (-5.1% in Q4 2024).

As for yields, late in the year the reaction to the latest Fed announcements pushed the ten-year Treasury above 4.5%, the highest level in more than eight months. The indicator then closed the year at 4.57%. In this context, the US curve is now on a positive slope.
In Europe, political as well as economic developments had a limited impact on government bond yields, with Germany's 10-year yield ending 2024 at 2.4%, up from 2.0% at the start of the year. Even the German curve is now tilting positively. On the other hand, the spread between the Italian ten-year BTp and the German Bund declined over the year, settling at 115 basis points at the end of December, a level not seen since the end of 2021, from 133 at the end of September and 167 at the beginning of the year.
As for credit spreads, the US High Yield and European High Yield both closed the year down both from the beginning of 2024 and from the peak reached during the volatility at the beginning of August. This was also the case for spread on emerging hard-currency bonds, which fell by almost 80bps over the year.

		Change (%)	
Equity markets		**29/12/2023 to 31/12/2024**	**Q4**
World indices			
	MSCI All Country World	15.73%	(1.23%)
	MSCI World	17.00%	(0.41%)
US indices			
	Dow Jones I.A.	12.88%	0.51%
	S&P 500	23.31%	2.07%
	Nasdaq Comp.	28.64%	6.17%
European indices			
	STOXX Europe 600	5.98%	(2.92%)
	EURO STOXX	6.56%	(2.14%)
	FTSE MIB	12.63%	0.18%
	DAX	18,85%	3.02%
	CAC 40	(2.15%)	(3.34%)
	AEX	11.67%	(3.46%)
	IBEX 35	14.78%	(2.38%)
	SMI	4.16%	(4.67%)
	FTSE 100	5.69%	(0.78%)
Asian indices			
	NIKKEI 225	19.22%	5.21%
	S&P/ASX 200	7.49%	(1.34%)
	CSI 300	14.68%	(2.06%)
	Hang Seng	17.67%	(5.08%)
Emerging market indices			
	MSCI Emerging Markets	5.05%	(8.15%)

The stock markets had a very positive year. This was particularly the case for the US stock market, which confirmed its position as the leading market for international stock exchanges, also due to the dollar effect. The Fed's post-meeting announcements dampened the traditional 'Christmas rally' but did not undermine the broader sentiment.
The MSCI All Country World index ended the year with up 15.7%, despite a 1.2% decline in the last quarter. In the US, the S&P 500 ended the quarter 2.1%, but was up 23.3% for the year. The Nasdaq was lifted by the "Magnificent 7" boost, ending the year up 28.6%. These figures show a strong concentration of rises in a few technology (and related) stocks, reflecting the optimism around progress in this field and the actual supremacy of achievements, but could become a vulnerability going forward.
Europe was weaker, most recently showing some divergence from the US (-2.9% in the quarter, +6% in the year for the Stoxx Europe 600). The national indices showed some divergence: the German Dax (+3.0% for the quarter, +18.8% for the year), the Spanish Ibex (-2.4% for the quarter, +14.8% for the twelve months), as well as the Italian FTSE MIB (+0.2% for the quarter, +12.6% for 2024) all went very well, while the French CAC40 was penalised (-3.3% for the quarter, -2.2% for the year). Amidst many Chinese vicissitudes, the CSI 300 also ended the year with progress: +14.7% over twelve months, -2.1% in the October-December period. More broadly, the Emerging Markets benchmark (MSCI EM) was +5.1% for the year (-8.1% over the quarter). In Japan, the Nikkei ended 2024 up 19.2% in the year (+5.2% in the quarter).

	Change (%)		Level	
Currency	**29/12/2023 to 31/12/2024**	**Q4**	**31/12/2024**	**29/12/2023**
EUR USD	(6.21%)	(7.01%)	1.04	1.10
EUR GBP	(4.55%)	(0.61%)	0.83	0.87
EUR JPY	4.53%	1.78%	162.78	155.72

On the currency front, 2024 saw the dollar emerge as the dominant currency. The relevant index showed a growth of +7.77% for the quarter and +6.76% in the year to date. In detail, the Euro exchange rate against the main currencies was as follows: down against the dollar (-7.01% in the quarter, -6.21% in the year) and the pound sterling (-0.61% in the three months, -4.55% in the twelve months), and up against the Japanese yen (+1.78% in the quarter, +4.53% in 2024).

	Change (%)		Level	
Commodities	**29/12/2023 to 31/12/2024**	**Q4**	**31/12/2024**	**29/12/2023**
Oil (Brent)	(4.50%)	1.66%	74.11	77.60
GOLD	27.22%	(0.38%)	2,624.50	2,062.98

Commodities showed mixed trends, although their aggregate remained largely unchanged, remaining at the same level as at the beginning of the year (+0.1% for the Bloomberg Commodity index). Brent crude gained +1.7% over the quarter, but declined since the beginning of 2024 (-4.5%) settling at around USD 74 per barrel. Gold closed the year at $2,620 an ounce, after hitting all-time highs during the year.

BANCA MEDIOLANUM - TREASURY MANAGEMENT

The overall net amount of investment in debt securities at the end of 2024 stood at €15,697 million, down €915 million from €16,612 million at the end of 2023.
The cost of interbank funding, which was strongly influenced by the level of official rates (Depo Rate set by the ECB), remained high for almost the entire first half of the year at around 4%, while bond markets were already suffering from the levels of monetary easing in bond yields, which remained significantly below the cost of funding.
In order to minimise the negative effect on net interest income, the timing of the investment in securities was postponed in the second quarter of 2024, avoiding bringing forward planned purchases, the economic resources for which would have to be found on the interbank market, compared to the redemptions of maturing securities.
Over the course of the year, the market reduced the probability of central bank rate cuts that it had initially priced in by bringing yields back to attractive levels for investment.
This was an opportunity that Banca Mediolanum decided to seize by purchasing, in addition to the stock of securities indicated in the financial plan, which envisaged the renewal of only around 30% of the bonds maturing in 2024, a portion of investments amounting to €2 billion pertaining to 2025, thereby bringing forward the programme for the following year.
The securities purchased in 2024 were classified in the strategic 'Held to Collect' portfolio.
The prevailing classification of new assets in the aforementioned portfolio saw the stock of the 'Held to Collect and Sell' portfolio fall further to close to zero.
Trading ended the year with a decreasing portfolio compared to the end of 2023, with most of the bonds going to redemption during 2025.

Banca Mediolanum

€/million	31/12/2024	31/12/2023	Change
Financial assets held for trading	300	889	(589)
Financial assets measured at fair value through other comprehensive income	20	59	(39)
Financial assets measured at amortised cost – Debt securities	15,377	15,664	(287)
Total	**15,697**	**16,612**	**(915)**

The following guidelines were taken into account for new investments made in 2024:
1) issuer diversification;
2) the purchase of fixed-rate securities only;
3) the classification of all purchases in the HTC portfolio.

During 2024 the process launched in the previous year of diversifying the banking book in terms of country risk continued.

At the end of 2024, at the individual level, 81% of Banca Mediolanum's bond portfolio was composed of Italian government bonds and 19% of bonds issued by other countries. At the Group level, the percentage of securities issued by countries other than Italy rose to 20.4% (Italian government securities at 79.6%), in line with guidance received from the supervisory authority (the ECB).

In order to achieve this objective, bonds purchased (almost all government bonds) were those issued by the Spanish and French treasuries and issues by European governments on the instructions of the European Commission to finance special projects dedicated to the Eurozone (Next Generation EU, Sure, etc.). The remainder consisted of bonds issued by supranational entities and organisations linked to or subordinate to national central governments.
From a strategic standpoint, the purchases made during 2024 focused on fixed-rate securities, thereby seizing the opportunity of bond yield levels which, despite the central banks' normalisation of rates, remained attractive, albeit lower than the previous year.
Variable-rate securities suffered from the fall in official rates and did not constitute an investment opportunity during 2024.
The Held to Collect portfolio, valued at amortised cost and considered by investment policy as the preferred classification for investments in securities, decreased by €287 million.
All 2024 purchases were classified in the same portfolio, which grew from a balance of €15,664 million at the end of 2023 to €15,377 million at the end of 2024.

The Held to Collect and Sell (HCTS) bond portfolio, valued at Fair Value to Other Comprehensive Income, amounted to €20 million. It should be noted that since it is no longer considered the preferred portfolio for the classification of investment financial instruments, all purchases were placed in the strategic HTC portfolio. It should also be noted that this portfolio contained the investment securities used to secure the commitments of the subsidiary August Lenz, until the commitments to the German authorities came to an end.

The valuation reserve (including the shareholding in Mediobanca classified in HTCS) recognised in the balance sheet net of the tax effect recognised in the balance sheet amounted to €90.4 million, up from €28.9 million at the end of 2023.

The debt securities trading portfolios, valued at Fair Value to P&L, (financial assets held for trading and financial liabilities held for trading) ended 2024 with a balance of €300 million, down €589 million compared to the end of 2023 (31.12.2023: €889 million).
The trading portfolio maintained its historical characteristics of short duration and, equally historically, the composition remained unbalanced in government bonds compared to a residual share of financials.

Overall, the weight of government bonds in total owned portfolios is 94.6%, down slightly from 99.6% at the end of 2023, while the remainder consists of bonds issued by supranational entities, central government-linked entities and financial covered bonds.
The composition of the portfolios by type of rate is 58% fixed-rate and 42% floating-rate, a substantial change from previous years in which the prevalence of floating-rate securities was the main feature.
All investment instruments are denominated in euro with no exposure to currency risk.
The average duration of the portfolios stood at 1.7 compared to 1.1 at the end of 2023, up due to investments in Italian government bonds made to take advantage of yield opportunities on the long end of the curve, while remaining consistent with the group's traditional low risk profile.

With regard to equities, there are only two significant positions and they are classified in different portfolios, consistent with the strategic view on the two securities.
As a result, the interest in Mediobanca is classified in the HTCS portfolio, while the investment in Nexi Spa's capital is placed in the trading book pending the opportunity to exploit the market in order to liquidate the position.

Main economic items

€/m	31/12/2024	31/12/2023	Change
Net interest income	599.9	578.6	21.3
Net gains (losses) from trading	6.4	35.1	(28.7)
Net gains (losses) from hedging	-	(0.7)	0.7
Total	**606.3**	**613.0**	(6.7)

At the end of 2024, the financial margin increased to €606.3 million compared to €613.0 million at the end of 2023 (-€6.7 million). Also for 2024, the significant contribution of net interest income remained, benefitting from the increase in the average yield of the banking book due to new purchases and the repricing of variable-rate securities that maintained high coupons in the first part of 2024; however, the net result from trading activities deteriorated.

In fact, positions measured at fair value (trading assets) posted a positive result of €6.4 million compared to the end-of-2023 figure of €35.1 million, a fall of €28.7 million to which the deterioration of the valuation of the Nexi share contributed decisively.

Net interest income increased from €578.6 million at the end of 2023 to €599.9 million at the end of 2024 (+ €21.3 million).

TRADING IN CUSTOMER SECURITIES

Various events affected the markets in 2024: the gradual reduction of rates by the ECB and the Fed, the ongoing war in Ukraine and the Israeli-Palestinian conflict in the Middle East.
Equity indices performed well, both in Europe the FTSEMib +12.63%, the EuroSTOXX50 +8.6%, the DAX +18.7%, the FTSE 100 +5.6%, the IBEX 35 +14.7%, and overseas, in the US the DOW JONES +12.8%; S&P 500 +23.3% and the NASDAQ +24.8%.
As usual, placements on the government bond market were successful, in particular the March placement of the BTP Valore at €18.32 billion (€213 million c/o BMED) and the May BTP Value of €11.23 billion (€151 million c/o BMED).

The total traded volumes for retail customers were up sharply from the previous year at around €16.7 billion, compared to €12.5 billion in 2023 (+33.6%). 965,000 trades were executed, +29.3% compared to 746,000 in the previous year.
The total value brokered on the Italian stock market was approximately €6.7 billion, +32% compared to 2023. There was also a significant increase in the total value traded on foreign equity markets, to €2.07 billion. Given the 2023 levels (€0.95 billion) this segment is in a phase of exponential growth of +117%. The traded value of government bonds, which rose from €5 billion in 2023 to €5.8 billion in 2024, an increase of 14.5%.
The total value of assets under administration held by retail customers at the end of 2024 stood at approximately €11.7 billion, an increase of 18% compared to December 2023.

Specifically, the stock of government bonds increased from €3.5 billion at the end of 2023 to €5.2 billion at the end of 2024. While corporate and bank bonds remained fairly stable at €0.51 billion, the stock of MedPlus Certificates rose from €2.7 billion to €3.4 billion, recording significant growth of +26%.
The value of securities in the equity segment (Italian and foreign) rose to €3.2 billion, with the Italian segment at €1.8 billion and the foreign segment at €1.4 billion.
At the end of December 2024, repo transactions with customers of around €3.99 million were outstanding.
A total of 78 placements of Medplus Certificates (including 38 customised issues) took place during the year, of a total value of €1.969 billion.
The value of MY STYLE asset management increased from €1,124 million in 2023 to €1,480 million in 2024, +31.7%. A comparable increase was recorded for WEALTH asset management, which rose from €101 million in 2023 to 154 million in 2024, +52.4%.

NEW PRODUCTS AND MAIN INITIATIVES DURING THE YEAR

BANKING SERVICES

Current accounts

In the year just ended, Banca Mediolanum maintained its proximity to all its customers through its customary sustainability and inclusion promotional initiatives. In addition, the Bank undertook a restyling of its catalogue of current account options, offering discounts for those who adopt the model proposed by the bank.
In particular, the following initiatives were carried out during 2024:

- **"Double Chance"** with a lending rate of 5% gross per annum on 3, 6 and 12 month maturities and 4% on 18 and 24 month maturities in the Equity segment; 4% gross per annum on 3, 6 and 12 month maturities and 3% on 18 and 24 month maturities in the Bond segment. In the promo-free months, the lending rate paid to customers was increased to 3% gross per annum (**standard list**).
- "**Promo vincoli**" with a 5% annual gross creditor rate on six-month time deposits subscribed by new and existing customers (with different access requirements) that contributed new liquidity during the validity period of the promo.
- **Remuneration on free current account balances** between €15,000 and €1 million for Black and Elite customers of the M4Y programme, amounting to 0.20% gross per annum;
- **Rate offer on 6-month tied assets differentiated by profile**: 2.50% per annum for the most loyal customers (Privilege, Elite and Black), 2% per annum gross for all other profiles (with a minimum deposit of €5,000).
- The **"Double Value" initiative,** which provides a 6-month deposit with a credit rate of 5% gross per annum, with a maximum value equal to the new investments made. This promotion is aimed at BMed customers that make new investments of at least €25,000 in asset management products.
- **Nuova Offerta Banca**: since July, a restyling operation has been under way on Conto Mediolanum, SelfyConto and the Professional accounts, which applies to new customers and accounts and which is designed further attract retail customers according to the logic of the Mediolanum ForYou programme by rewarding customers who use the account as their main bank. At the same time, promotional pricing has been introduced for of some ancillary services to the account (e.g. free ordinary SEPA credit transfers). Since November, a new customer promotion called SelfyConto has been in place for customers under 30, with no commission on online ordinary and instant SEPA Credit Transfers in Euro and no quarterly account fees, for those who meet the requirements for PrimaBanca status.

- Facilities have been offered for less affluent customers who are on the poverty line, such as the "Conto Accoglienza" and the "Conto Mediolanum Tutor" for customers who have a court-appointed guardian such as disabled or incapacitated clients, etc. and the "Conto per Enti Terzo Settore" which is designed for non-profit entities (associations, committees, foundations, enterprises, philanthropic organisations etc.). Facilities for current account terms were provided for families affected by floods and natural disasters (zero fees, free bank transfers, stamp duty borne by the bank, etc.) for residents in the Emilia-Romagna, Marche and Tuscany regions.

Cards

The gradual replacement of the Bancomat/Maestro debit cards by the new Mediolanum Card, an advanced and sustainable debit card issued in collaboration with Nexi Payments through the Mastercard system, will be completed by the end of 2024. The new Mediolanum Card was sent to the customer's home at no additional cost, and has the same PIN as the replaced card.

In terms of commercial initiatives, Banca Mediolanum continues to encourage the diffusion and use of digital payments among its customer base through promotional initiatives implemented in cooperation with Nexi and American Express.

Trading

Commercial initiatives for the retention and development of customers operating in the area of online trading continued in 2024.
In particular, promotional pricing has been introduced for the whole of 2024. This pricing is aimed at customers who conclude more than 10 transactions per month, new customers, and customers under 30 years of age. It establishes a flat fee of €7 (compared to a 0.19% commission with minimum fee of €7 and a maximum of €29) on Italian financial markets, and a reduced fee of 0.10% (compared to 0.19% with a minimum fee of €7 and a maximum of €29) with a minimum of €7 and a maximum of €19 for all foreign, American and European financial markets.

CREDIT

Credit Services

During 2024, Banca Mediolanum proposed commercial initiatives designed to enhance its credit products and support households during a period affected by ongoing high market interest rates and a complex macroeconomic environment.

Mortgages

- To support families with buying a home, Banca Mediolanum revised its Mediolanum Mortgage price list for the first quarter of 2024, with spread changes favourable to customers.
- The Promo tasso d'ingresso or "entry rate" Mediolanum mortgage: starting from April 2024, a ceiling has been established which offers a reduced fixed rate for the first 36 months (after the fixed rate period, the loan becomes a variable rate); the initiative was extended to the fourth quarter of 2024 with a reduced entry rate period of 24 months.
- A unilateral improvement for stock mortgages was introduced to expand "skip the instalment" options (from 2 times a year to 6, and from a total of 6 over the life of the loan to 18); the extension of the "skip the instalment" option to loans disbursed before March 2022 (once a year with a total of 3 over the life of the loan).

- Mortgage promotions included: the "reduction in the Mutui CAP overspread" (to zero for specific customer clusters), the "Mixed rate step 10", the "zero subrogation overspread" (for certain customer clusters), the "12-month grace period" and the "5-year extension promotion". In Q3 a promotion was launched to reduce survey and appraisal costs to zero for Mediolanum Eco+ mortgages.

Credit lines

With respect to lines of credit:

- Promo Fidi: renewal until April 2024 of Mediolanum's expiring Fido promotion dedicated to specific customer clusters, with zero spread and commission made available for Funds.

Loans

With respect to loans:

- Secured Loans: a series of list repricing and promotions for customers
- A loyalty scheme launched for BMed customers offering unsecured loans at concessional rates
- Special Care Loan: In the second half of the year Banca Mediolanum, with a view to generating a concrete and measurable social impact, launched a concessionary loan for people with disabilities to finance the cost of assistance, care or specialist equipment.

INVESTMENT SERVICES

Mutual funds

Starting in the first half of the year, in order to stimulate the economic environment, Banca Mediolanum began marketing two new Mediolanum Best Brands investment solutions developed by Mediolanum International Funds:

- Global Sustainable Bond: a bond fund designed for long-term capital growth through investments in sustainable bonds with an environmental and social impact, rated Investment Grade. In particular, it will invest in sustainable bonds that use their income to finance or refinance various ecological and social projects or activities (green bonds and social bonds) and in sustainability-related bonds linked to the issuer's achievement of broader climate or sustainable development goals.
- Green Building Evolution: a global equity sub-fund that invests in companies that are committed to constructing sustainable, energy-efficient and environmentally friendly buildings and infrastructure, i.e. related to the real estate and industrial sectors.

The placement of the PIR Alternative fund, named Mediolanum Private Markets Italia II by Mediolanum Gestione Fondi, also continued. The placement of this product was completed in December 2024.

Starting in September, Banca Mediolanum also began marketing a new Mediolanum Gestione Fondi investment solution named Mediolanum Obbligazionario Italia. It invests mainly in the corporate bonds of Italian companies. Although the fund does not have a maturity date, it aims to achieve capital growth over a five-year time horizon by pursuing an investment policy mainly oriented towards Italian corporate bonds. Moreover, because it has the characteristics of a PIR-compliant instrument, if maintained for at least 5 years, the fund allows for the tax benefits established in the Budget Law for 2017 (as amended).

Finally, during the fourth quarter, following the strong appreciation of the Mediolanum Obbligazionario Italia fund, Banca Mediolanum began marketing a new Mediolanum Gestione Fondi investment solution named Mediolanum Obbligazionario Italia II, which is similar in structure to the first edition of the product. The Fund aims to achieve growth in the invested capital over a time horizon of five years, pursuing an investment policy orientated mainly towards Italian corporate bonds.

Unit-linked policies

In January 2024, taking advantage of the market context, Banca Mediolanum began the placement of a new "buy & hold" insurance policy belonging to Mediolanum International Life's Double Target family called "Growth & Income 2030", which sets the unsecured dual objective of:

- protecting the capital at maturity, and
- providing a service consisting of participation at maturity in the positive performance of the financial markets and the payment of a periodic annual sum.

In response to the success of the initiative, in March Banca Mediolanum began marketing a new structure, similar to the first, called "Growth & Income 2030/I".

At the same time, again in the first half of 2024, the new Global Sustainable Bond and Green Building Evolution solutions were included in the Mediolanum MyLife unit-linked policy of Mediolanum Vita.

Mediolanum My Style and My Style Wealth

In order to keep Mediolanum My Style management up to date, the new funds of Mediolanum International Funds, i.e. new UCIs from prestigious global investment houses, were included in the service.

In order to expand the offering of management lines, two new lines, "Global Trends Opportunity" and "Conservative Bond Solution" of the Opportunity Family, in the Satellite Component, were presented to its sales network. More specifically:

- the "Global Trends Opportunity" line aims to achieve a long-term return by investing in companies operating in sectors focused on the environmental and social transformation of the world in which we live.
- the "Conservative Bond Solution" line seeks medium-term returns by investing in a highly diversified bond portfolio composed of financial instruments issued or guaranteed by governments and/or supranational bodies and/or corporate entities worldwide, and can invest predominantly in government bonds issued by the Italian government.

Furthermore, with the aim of enhancing the range of management lines that can be combined with the service, the following changes were made as of November:

- introduction of a new Family named "Premium Allocation", within the Strategic Component, consisting of 6 new management lines that invest in passive financial instruments (e.g. ETFs, ETCs,…) and can be combined in order to customise the asset allocation. This family's lines are focused on capital appreciation over the reference time horizon through prudently diversified investment, with a flexible approach and a particular focus on strategies designed to:

  - seizing bond market opportunities (with reference to Core Bond, Dynamic Bond and Global Bond lines)
  - take advantage of opportunities in the stock market (for the Global Equity Growth, Global Equity Value and Global Equity lines)

- introduce four new Top Selection Family management lines within the Satellite Component. Like the other management lines currently in the Top Selection Family, the new 'Collection Bond', 'Collection Equity', 'Collection ETF Bond' and 'Collection ETF Equity' lines are characterised by the use of financial instruments consisting of bonds and equities, bond ETFs and equity ETFs (including ETCs and ETNs).

MEDIOLANUM MEDPLUS CERTIFICATE

The sale of certificates continued throughout 2024 with various pay-offs and durations, giving customers the option to receive a specific benefit within an equally well-defined time frame.

PROTECTION

Personal policies

During 2024, Banca Mediolanum continued its commitment to familiarise the public, in terms of awareness and experience, with the world of protection, with a common focus on protection against risks to the individual.
With this in mind, Banca Mediolanum's offer has been widened by Mediolanum Vita SpA's addition of a new product *"Mediolanum Capitale Persona Malattia Grave"* to its range of products covering premature death and disability due to accident and illness. The new product offers financial assistance with insured capital of between a minimum of €25,000 and a maximum of €100,000, to insured persons diagnosed with one of the grave illnesses indicated in the conditions for cover. To facilitate comprehensive cover for individuals, the issuing company offered a 10% discount on the product's premium for the policy's entire duration up to maturity, if the "Mediolanum Personal Life Serenity" policy, which covers the risk of premature death, is taken out at the same time.
In addition, the company Mediolanum Vita S.p.A. streamlined the process for signing up for the "Mediolanum Personal Life Serenity" temporary life insurance policy. Where insured capital exceeds of €400,000 or the policy involves insured persons over 65 years of age, a *free medical consultancy service was provided*. This service gathers all the information required for the Medical Examination Report, which is useful for the Company's underwriting assessments.
Awareness of the issues surrounding protection were also raised through commercial initiatives. We should also mention the "Promo Polizze Personal Life Serenity e Capitale Umano ed. marzo 2024"*prize promotion,* which offered a series of prizes for customers who, in accordance with their insurance requirements, also took out Mediolanum Vita S.p.A. "Mediolanum Personal Life Serenity" policies covering death for a capital of at least €200,000 and Mediolanum Capitale Umano by Mediolanum Assicurazioni S.p.A., covering the risk of permanent disability. On the launch of the new product, this commercial initiative, which includes Mediolanum Capitale Persona Malattia Grave among the options indicated above, was renamed "Protezione - Scegli la serenità".

Mediolanum Capitale Casa e Famiglia (property)

Due to the many and increasingly frequent atmospheric and catastrophic events that have significantly affected many parts of the country, Banca Mediolanum's typical focus on home protection has intensified. Two commercial initiatives were launched during the year to raise awareness among customers of the issue of protection against *catastrophic events*, with the offer of the first three months of the first annual premium (offered by Banca Mediolanum) for the Mediolanum Assicurazioni SpA "Mediolanum Capitale Casa e Famiglia" policy, including Earthquake and Flood cover.

SelfyCare

Banca Mediolanum also raised awareness among "Selfy" customers who prefer to operate independently through the Bank's apps and website, who received a digital offer of a selection of products in the range, placed via remote communication techniques.

These customers were targeted by the **"Promo Self"** *commercial initiative*, which rewarded subscribers to a Mediolanum Vita SpA insurance product, under the conditions set out in the Regulations, with an Amazon voucher. Death cover (i.e. the "SelfyCare LifeProject" available only via the Mediolanum app and based on three distinct predefined cover formulas, and "Mediolanum Personal Life Serenity", which is more detailed and customisable) or the "Mediolanum Capitale Casa e Famiglia" product by Mediolanum Assicurazioni S.p.A.

SUSTAINABILITY OF PRODUCTS AND SERVICES

The investment and asset management area continues to be crucial for the adoption of ESG criteria by the Bank and other Group companies.

In the regulatory field, in 2024 developments centred on the following measures:

- Corporate Sustainability Reporting Directive (CSRD) - Delegated Regulation (EU) 2023/2772 - (31 July 2023)
- ESMA Final Report - Guidelines on funds' names using ESG or sustainability-related terms - (14 May 2024)
- Instructions from the Bank of Italy, COVIP, IVASS and the Ministry of Economy and Finance for the exercise of stricter controls on the activities of authorised intermediaries to combat the financing of companies producing anti-personnel mines, munitions and cluster bombs - (26 July 2024).

On 27 June, the annual statements on the principal adverse impacts (PAIs) of Investment Decisions on Sustainability Factors - ex EU Regulation 2019/2088) were published by Group entities that participate in the financial markets.

New indicators to monitor climate change and its impacts and risks in the context of investments were introduced in the 2024 – 2026 Strategic Plan of the Mediolanum Group. Within the framework of the plan, the Group sets itself quantitative climate targets. In addition to the indicators already used by Group companies to measure investments, the Weighted Average Carbon Intensity (WACI) and Implied Temperature Rise (ITR) indicators were selected as specific measures for the impact and climate risk associated with investments. In the first half of 2024, monitoring of these quantities began and specific management reporting was created.

In 2024, sustainability safeguards for MiFID regulations, i.e. the advisory process, were reinforced. The process of obtaining clients' sustainability preferences and of verification that investment proposals are suitable, have become more sophisticated, with greater emphasis on specific sustainability characteristics of investment products in the portfolio (e.g. PAI consideration).

The following products were launched in 2024 in order to extend the range of sustainability-conscious products offered to customers:

- New management lines for the satellite component of Banca Mediolanum's My Style and My Style Wealth portfolio management services, in accordance with Article 8 of European Reg. 2088/2019:
  - Global Trends Opportunity;
  - Premium Allocation Equity: a line that, by investing globally, can position itself on specific themes/trends that can structurally change a market segment and help redefine the future;
  - Premium Allocation Global Bond: a line that invests in all developed countries, in corporate bonds with a predominantly investment grade rating and with partial hedging of currency risk.
- Two new Mediolanum Best Brands investment solutions developed by Mediolanum International Funds and compliant with Article 9 of Regulation (EU) 2088/2019 (the "SFDR"):
  - Global Sustainable Bond;
  - Green Building Evolution.
- A new investment solution from Mediolanum Fund Management that complies with Article 8 of Regulation (EU) 2088/2019 (the "SFDR"):
  - Mediolanum Obbligazionario Italia II.

For a more detailed description of these products, see to the 'Investment Services' section.

NET INFLOWS AND ASSETS UNDER ADMINISTRATION

Assets under administration and management

€/m	31/12/2024	31/12/2023	Chg. vs. Dec-2023	% Chg. vs. Dec-2023
ASSET MANAGEMENT	**44,759.5**	**37,426.7**	**7,332.8**	**19.6%**
Own funds	37,352.2	31,553.7	5,798.4	18.4%
Third-party funds	5,510.5	4,352.4	1,158.2	26.6%
Financial containers	1,896.8	1,520.6	376.2	24.7%
INSURANCE	**42,493.6**	**35,778.9**	**6,714.7**	**18.8%**
Insurance containers	40,483.1	33,823.1	6,660.0	19.7%
Other insurance assets	2,010.5	1,955.8	54.7	2.8%
OTHER ASSETS UNDER MANAGEMENT	**3,520.0**	**2,988.4**	**531.6**	**17.8%**
Third-party structured notes	3,520.0	2,988.4	531.6	17.8%
TOTAL ASSETS UNDER MANAGEMENT	**90,773.2**	**76,194.0**	**14,579.2**	**19.1%**
TOTAL ASSETS UNDER ADMINISTRATION	**34,318.9**	**30,973.6**	**3,345.4**	**10.8%**
Direct funding	25,215.1	23,524.0	1,691.2	7.2%
Indirect funding	9,103.8	7,449.6	1,654.2	22.2%
TOTAL ASSETS UNDER ADMINISTRATION AND MANAGEMENT	**125,092.1**	**107,167.6**	**17,924.5**	**16.7%**

Total assets relating to the Italian market amounted to €125,092.1 million at 31 December 2024, up by €17,924.5 million compared with the balance at 31 December 2023 (31/12/2023: €107,167.6 million).

Italy net inflows

€/m	31/12/2024	31/12/2023	Change	% Change
ASSET MANAGEMENT	**3,420.2**	**1,583.4**	**1,836.8**	**n.s.**
Own funds	2,499.5	1,139.3	1,360.2	n.s.
Third-party funds	702.4	200.5	501.9	n.s.
Financial containers	218.2	243.5	(25.3)	(10.4%)
INSURANCE	**2,432.8**	**1,198.8**	**1,234.1**	**n.s.**
Insurance containers	2,450.3	1,216.7	1,233.6	n.s.
Other insurance products	(17.5)	(17.9)	0.5	(2.6%)
OTHER ASSETS UNDER MANAGEMENT	**374.1**	**745.6**	**(371.6)**	**(49.8%)**
Third-party structured notes	374.1	745.6	(371.6)	(49.8%)
TOTAL ASSETS UNDER MANAGEMENT	**6,227.1**	**3,527.8**	**2,699.3**	**76.5%**
TOTAL ASSETS UNDER ADMINISTRATION	**2,746.8**	**2,787.9**	**(41.1)**	(1.5%)
Direct funding	1,688.2	(133.6)	1,821.8	n.s.
Indirect funding	1,058.6	2,921.6	(1,863.0)	(63.8%)
TOTAL NET INFLOWS TO ASSETS UNDER ADMINISTRATION AND MANAGEMENT	**8,973.9**	**6,315.7**	**2,658.2**	**42.1%**

Total net funding at 31 December 2024 was €8,973.9 million, an increase of €2,658.2 million (31/12/2023: €6,315.7 million).

PERFORMANCE OF SUBSIDIARIES

Companies operating in the banking and financial sector

Banco Mediolanum Group

The Spanish banking group ended the period under review with consolidated profit of +€42.1 million (+€46.4 million in the previous year).
The sales network comprised 1,614 individuals (31/12/2023: 1,640 individuals).
Banco Mediolanum paid dividends of €22.5 million to parent company Banca Mediolanum.

Prexta S.p.A.

The Company's financial statements at 31 December 2024 show a positive result of +€4,9 million, compared with +€2.2 million in the previous year.
Banca Mediolanum approved capital contributions to the subsidiary in 2024 up to a maximum of €15.0 million and the payment was made in early April.

Flowe S.p.A. – S.B.

The Company's financial statements for the year ended 31 December 2024 present a net loss of -€23.4 million compared with a net loss of -€30.8 million in the same period of the previous year.
It should also be recalled that Banca Mediolanum approved measures in favour of the subsidiary to cover the losses expected for financial year 2024, up to a maximum of €15.0 million. The first tranche of €7.5 million was paid on 4 April 2024, and the second and final tranche of €7.5 million was paid on 3 July 2024.

Companies operating in the asset management sector

Mediolanum Gestione Fondi SGR p.A.

The company posted a net income of +€47.2 million, an increase of €8.1 million compared to the same period of the previous year (31.12.2023: +€39.1 million).
It should be noted that Mediolanum Gestione Fondi distributed dividends of €39.1 million to the parent company.

Mediolanum International Funds Ltd

The Irish fund company reported net income of +€812.8 million at 31 December 2024 (31/12/2023: +€504.5 million).
It should be noted that Mediolanum International Fund paid interim dividends of €393.3 million to the parent company Banca Mediolanum and €18.7 million to Banco Mediolanum.

Mediolanum Fiduciaria S.p.A.

The Company's financial statements for the year ended 31 December 2024 show a net loss of -€0.9 million (31.12.2023: -€0.8 million).
Banca Mediolanum also approved measures in favour of the subsidiary to cover the losses expected for the 2024 financial year, up to a maximum of €900 thousand. The first tranche of €450 thousand was paid on 4 April 2024, and the second and final tranche of €450 thousand was paid on 2 July.

Companies operating in the insurance sector

Mediolanum Vita S.p.A.

The IAS/IFRS financial statements as at 31 December 2024 show a net income of +€171.0 million compared with +€146.1 million in the previous year.
Net income for the year, determined on the basis of national accounting standards, amounted to +€165.5 million.
Mediolanum Vita paid dividends to the parent company of €108.0 million.

Mediolanum Assicurazioni S.p.A.

The IAS/IFRS financial statements at 31 December 2024 show net income of +€17.3 million compared to +€17.7 million in the preceding year.
Determined on the basis of national accounting standards, net income for the period amounted to +€19.7 million.
Mediolanum Assicurazioni paid dividends to the parent company of €16.3 million.

Mediolanum International Life dac

The company's balance sheet shows net income of +€16.6 million, compared to +€14.7 million in the preceding year.
According to national accounting standards, net income for the period was €25.0 million.
Mediolanum International Life paid dividends of €21.4 million to parent company Banca Mediolanum.

OTHER COMPANIES

August Lenz & Co. AG

The German company closed the 2024 financial year with a net loss of -€1.0 million (-€2.6 million at 31.12.2023). It should be recalled that on 1 July 2023 the company commenced a liquidation process, which is still in progress.

OWN FUNDS AND CAPITAL RATIOS FOR REGULATORY PURPOSES AT 31 DECEMBER 2024

At 31 December 2024, total own funds amounted to €3,520.3 million and consisted of:

Common equity tier 1 (CET1) capital of €3,520.3 million;
Additional tier 1 (AT1) capital of zero;
Tier 2 (T2) capital of zero.

The Bank's capital ratios at 31 December 2024 were above the minimum thresholds set by the Bank of Italy were as follows:

- Common Equity Tier 1 Ratio (CET1) 29.8%;
- Tier 1 Ratio 29.8%;
- Total Capital Ratio 29.8%.

The CET1 was determined taking into account the distribution of dividends, including the interim dividend, amounting to €737.4 million.

TREASURY SHARES AND PERFORMANCE SHARE PLANS

As at 31 December 2024, the number of treasury shares in portfolio amounted to 7,893,303 shares, of a value of €77.414 thousand (31.12.2023: €19,781 thousand).
For information on Banca Mediolanum's treasury shares, see the description in Part I of the Notes to the financial statements – Share-based payment agreements.

OTHER INFORMATION

TAX DISPUTE

With reference to the Mutual Agreement Procedure under the Convention of 23 July 1990 No. 90/436/EEC on the elimination of double taxation in connection with the adjustment of profits of associated enterprises (i.e. tax years 2014-2016) and Article 24 of the Convention between Italy and Ireland for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (tax years 2010 - 2013), already referred to in the Annual Consolidated Financial Report 2023, it should be noted that at the end of April 2024 Banca Mediolanum S.p.A. and Mediolanum International Funds received the letters from the Italian and Irish competent authorities for the tax periods 2010 - 2016,through which the two companies were informed of the outcome of the procedure. Furthermore, during 2024, Banca Mediolanum S.p.A. reached tax assessment settlements for tax years 2017 (April 2024) and 2018 (December 2024). These settlements were preliminary to a subsequent application to the Irish Tax Authority for a corresponding tax credit in order to eliminate the double taxation which will be made in 2025 by means of the procedure under Convention No. 90/436/EEC of 23 July 1990 for the former, and by the procedure under Article 24 of the Convention between Italy and Ireland for the avoidance of double taxation. The agreement signed with the Italian competent authority would provide for a rate of retrocession of management fees to Banca Mediolanum of 59.65% and a rate of retrocession of performance fees to Banca Mediolanum of 7.7%.

In particular, in respect of the settlement proposals, Banca Mediolanum paid higher corporation tax (IRES) and regional business tax (IRAP) taxes totalling €13.9 million. Accordingly, Banca Mediolanum updated its estimate of the liability recognised for the said tax risk, based on the terms of the mutual agreement procedure and the consequent charges, accounting for an economic effect in the year of €11.5 million.
It should also be noted that, in light of the above, Banca Mediolanum adjusted the economic term of contracts in place with the Irish entity with effect as of 1 July 2024.

Guarantee Fund for Life Insurance Policies

It should be recalled that the Budget Law 2024 (Law No. 213 of 30 December 2023), passed on 30 December 2023, had introduced a new Chapter VI-bis to the Private Insurance Code establishing and regulating the Guarantee Fund for Life Insurance Policies (the "Guarantee Fund" or "Fund"), the function of which will be to intervene to protect beneficiaries and those entitled to insurance benefits deducted in life insurance policies in the event that the insurance company is subject to insolvency proceedings. To this end, the Guarantee Fund will have an independent endowment, which will be financed by the insurance undertakings and member intermediaries on the basis of the amount of their technical provisions.
Article 274-quater, paragraph 1, provides that the Fund will have a financial endowment proportionate to its liabilities, and in all cases equal to at least 0.4 per cent of the amount of the technical reserves of the life classes (i.e. Class C and Class D life policies) - calculated on the basis of the Solvency II prudential rules (sum of the best estimate and the risk margin) - held by the member companies, as at 31 December of the previous year. This is to be achieved gradually by 31 December 2035, with the option for an extension according to the provisions of the Ministry of Economy and Finance.

Article 274-quinquies, paragraph 1, provides that the said endowment will be made up of ordinary contributions paid at least annually in the amount determined by the Fund and communicated to the members from year to year. Contributions are paid and commitments are made until the target level of the fund's budget is reached.
When applied for the first time, the contributions payable by the member companies are 0.4 per mille of the amount of the life insurance reserves calculated in accordance with the methodology outlined above.
In 2024, the Minister of Economy and Finance appointed a three-person Board of Trustees to convene the Fund's Founding Shareholder's Meeting. The Shareholders' Meeting was held on 13 December 2024 and subsequently the Management Committee was appointed to define its Statutes.

With regard to the contribution levied on insurance intermediaries, contributions are determined in relation to the total volume of life insurance products distributed and the revenues associated with them, it being understood that the contribution levied on them shall not exceed one-fifth of the annual contribution. However, upon first application, contributions due by intermediaries registered in section D of the RUI amount to 0.1 per mille of the amount of intermediated life technical reserves, while those due by other participating intermediaries amount to 0.1 per mille of intermediated life premium income in the previous year.

Partly on the basis of what emerged during convocation of the Shareholders' Meeting to establish the Fund which enabled the identification of the member companies, Banca Mediolanum considered both Compagnie Mediolanum Vita S.p.A. and Banca Mediolanum, as intermediary, to be within the scope of interest, and therefore recorded a charge of €3.2 million in 2024.

MAIN RISKS AND UNCERTAINTIES

Information on the risks and uncertainties to which Banca Mediolanum is exposed is described in this Report on Operations and in the notes.
In particular, the risks associated with the performance of the world's economies and financial markets are set out in the Report on Operations in the sections entitled "The macroeconomic scenario" and "The financial markets", and in the "Business outlook" section below. Details of financial and operational risks are provided in Part E of the notes.

INTERCOMPANY AND RELATED PARTY TRANSACTIONS

Transactions with related parties, including intercompany transactions, cannot be classed as atypical or unusual, as they are part of the normal course of Group operations. These transactions are settled under market conditions, taking into account the characteristics of the goods and services provided.
In accordance with the provisions of Article 2391-bis of the Italian Civil Code, Article 71-bis of Consob Regulation No. 11971/99 (Issuers' Regulations) and the recommendations of the Corporate Governance Code, adopted by the Company by specific resolutions of the Board of Directors, the treatment of transactions with related parties is described in the relevant section of the notes appended to this report.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

With regard to the tax dispute, it should be noted that on 10 February 2025, the Lombardy Regional Directorate – Large Taxpayers Sector, served on Banca Mediolanum a number of "Questionnaires" on corporation tax (IRES) and regional business tax (IRAP), in preparation for the closure of the bilateral procedures on the *transfer pricing* issue for the years 2019 to 2023. It should be noted that the company has already provided these documents and is awaiting the next communications from the tax authorities.

Regarding the contribution for the Life Insurance Fund, it is reported that on 21 February 2025 a letter was received from the Fund, in which the Provisional Management Committee requested that the contribution as calculated by the member companies be paid within 10 working days from the date of the letter. Banca Mediolanum proceeded to pay the allocated amount.

Apart from the foregoing, no other events occurred after 31 December 2024 that could have a material impact on the Company's financial position and results of operations.

BUSINESS OUTLOOK

For information on business outlook, please refer to the consolidated Report on Operations.
Given the risks typical of the sector to which it belongs and the occurrence of events that are exceptional or that depend on variables that cannot essentially be controlled by the Directors and management (which are currently not possible in any case), a positive operating performance is expected for 2025.

THANK YOU

For all the business successfully done and the results achieved, we would like to extend our heartfelt thanks, on behalf of all the Companies of the Mediolanum Banking Group, in Italy and abroad, to the Family Bankers and all employees of every kind at every level who, with their managers, have helped to reach these important goals. We reserve special appreciation and recognition to our customers for choosing us. Finally, we extend a respectful greeting to the European Central Bank, the Bank of Italy and the Italian and European Supervisory Authorities, which conscientiously support us and whose suggestions are always useful and much appreciated.

PROPOSAL TO THE SHAREHOLDERS MEETING

Dear Shareholders,

The draft financial statements for the year ended 31 December 2024, submitted for your review and approval, have been

prepared in accordance with current legislation; in inviting you to approve them, together with this report, we propose that you allocate the profit for the year of €1,135,169,913.97 as follows:

- distribution to shareholders of a dividend of €1 for 2024, of which €0.37 was distributed as an interim dividend in November 2024 by Banca Mediolanum S.p.A., and of €0.63 per share to be distributed from the date of the Shareholders' Meeting;
- the remainder is allocated the extraordinary reserve to the exact amount remaining after actual payment.

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

Asset items

Euro		31/12/2024	31/12/2023
10.	Cash and cash equivalents	387,350,698	49,886,538
20.	Financial assets at fair value through profit or loss	491,840,128	1,085,792,807
	a)financial assets held for trading	347,633,428	951,715,873
	c)other financial assets mandatorily measured at fair value	144,206,700	134,076,934
30.	Financial assets measured at fair value through other comprehensive income	345,675,202	319,472,073
40.	Financial assets measured at amortised cost	32,528,504,310	31,991,304,122
	a)loans to banks	685,020,443	67,382,483
	b)loans to customers	31,843,483,867	31,923,921,639
50.	Hedging derivatives	-	53,078
70.	Equity investments	2,509,632,375	2,038,393,610
80.	Tangible assets	101,973,082	99,307,436
90.	Intangible assets	58,767,824	54,274,264
100.	Tax assets	276,595,948	178,840,466
	a) current	206,437,133	107,863,181
	b) prepaid	70,158,815	70,977,285
120.	Other assets	1,220,736,931	1,224,854,597
TOTAL ASSETS		**37,921,076,498**	**37,042,178,991**

Liabilities and shareholders' equity

Euro		31/12/2024	31/12/2023
10.	Financial liabilities measured at amortised cost	32,624,194,110	32,370,477,747
	a) payables to banks	111,110,653	591,170,431
	b) payables to customers	32,199,454,563	31,466,191,052
	c) debt securities in issue	313,628,894	313,116,264
20.	Financial liabilities held for trading	2,586	8,457,450
40.	Hedging derivatives	-	3,604,994
60.	Tax liabilities	235,631,245	203,139,867
	a) current	203,441,206	185,552,626
	b) deferred	32,190,039	17,587,241
80.	Other liabilities	680,382,005	696,226,311
90.	Employee severance benefits	9,419,324	9,044,368
100.	Provisions for risk and charges	313,299,460	279,458,278
	a) commitments and guarantees given	668,136	1,257,586
	c) other provisions for risk and charges	312,631,324	278,200,692
110.	Valuation reserves	120,268,631	39,883,181
140.	Reserves	2,543,185,629	2,217,880,653
145.	Interim dividends	(272,832,483)	(207,518,818)
150.	Issue premiums	9,082,256	7,035,428
160.	Capital	600,687,653	600,563,828
170.	Treasury shares (-)	(77,413,832)	(19,780,989)
180.	Net income for the year (+/-)	1,135,169,914	833,706,693
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**37,921,076,498**	**37,042,178,991**

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

INCOME STATEMENT

Euro		31/12/2024	31/12/2023
10.	Interest income and similar income	1,149,695,923	1,058,272,772
	of which: interest income calculated using the effective interest method	1,096,574,410	1,010,048,953
20.	Interest expense and similar expenses	(549,796,166)	(479,626,428)
30.	**Net interest income**	**599,899,757**	**578,646,344**
40.	Commission income	1,035,564,846	860,242,080
50.	Commission expenses	(826,516,729)	(679,494,416)
60.	**Net commission income**	**209,048,117**	**180,747,664**
70.	Dividends and similar income	25,402,562	20,530,112
80.	Net gains (losses) from trading	6,428,327	35,084,286
90.	Net gains (losses) from hedging	10,251	(665,573)
100.	Gains (losses) from disposal or repurchase of:	(117)	3,652
	a) financial assets measured at amortised cost	(117)	3,652
110.	Net gain (loss) from other financial assets and liabilities at fair value through profit or loss	8,073,979	(844,572)
	b) other financial assets mandatorily measured at fair value	8,073,979	(844,572)
120.	**Operating income**	**848,862,876**	**813,501,913**
130.	Credit-risk induced net value adjustments/write-backs of:	(17,609,786)	(23,928,305)
	a) financial assets measured at amortised cost	(17,678,069)	(23,995,121)
	b) financial assets measured at fair value through other comprehensive income	68,283	66,816
150.	**Net gain (loss) from financial operations**	**831,253,090**	**789,573,608**
160.	Administrative expenses:	(593,875,083)	(540,678,984)
	a) staff costs	(237,763,960)	(206,990,720)
	b) other administrative expenses	(356,111,123)	(333,688,264)
170.	Net provisions for risk and charges	(54,288,355)	(21,105,516)
	a) commitments and guarantees given	589,450	(796,901)
	b) other net provisions	(54,877,805)	(20,308,615)
180.	Net value adjustments/write-backs of tangible assets	(13,355,872)	(17,675,987)
190.	Net value adjustments/write-backs of intangible assets	(14,162,880)	(13,064,157)
200.	Other operating income/expenses	21,330,714	18,713,225
210.	**Operating costs**	**(654,351,476)**	**(573,811,419)**
220.	Gains (losses) on equity investments	1,063,662,918	706,614,559
250.	Gains (losses) on disposal of investments	173	46
260.	**Net income from continuing operations before tax**	**1,240,564,705**	**922,376,794**
270.	Taxes on income from continuing operations	(105,394,791)	(88,670,101)
280.	**Net income from continuing operations after tax**	**1,135,169,914**	**833,706,693**
300.	**Net income for the year**	**1,135,169,914**	**833,706,693**

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

Statement of comprehensive income

Euro		31/12/2024	31/12/2023
10.	**Net income for the year**	**1,135,169,914**	**833,706,693**
	Other income net of taxes without reversal to the income statement	**78,856,355**	**61,899,590**
20.	Equity securities designated at fair value through other comprehensive income	61,086,677	48,358,535
70.	Defined benefit plans	512,898	(44,068)
90.	Share of valuation reserves of equity investments measured at equity	17,256,780	13,585,123
	Other income net of taxes with reversal to the income statement	**1,529,095**	**7,060,190**
140.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	424,514	1,133,881
160.	Share of valuation reserves of equity investments measured at equity	1,104,581	5,926,309
170.	**Total other income net of taxes**	**80,385,450**	**68,959,780**
180.	**Comprehensive income (Item 10+170)**	**1,215,555,364**	**902,666,473**

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 DECEMBER 2024

Euro	Balances at 31/12/2023	Change in opening balances	Balances at 01/01/2024	Allocation of previous year's result		Changes during the year								Shareholders' equity at 31/12/2024
				Reserves	Dividends and other destinations	Changes in reserves	Transactions on shareholders' equity						Comprehensive income at 31/12/2024	
							Issue of new shares	Share buybacks	Extraordinary dividend distribution	Change in equity instruments	Derivatives on treasury shares	Stock options e Performance Share		
Capital:														
a) ordinary shares	600,563,828	-	600,563,828	-	-	-	123,825	-	-	-	-	-	-	600,687,653
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue premiums	7,035,428	-	7,035,428	-	-	-	2,046,828	-	-	-	-	-	-	9,082,256
Reserves:	-													-
a) earnings	2,147,987,911	-	2,147,987,911	313,937,762	-	-	-	-		-	-		-	2,461,925,673
b) other	69,892,742	-	69,892,742	-	-	1,332,348	-	-	-	-	-	10,034,866	-	81,259,956
Valuation reserves	39,883,181	-	39,883,181	-	-	-	-	-	-	-	-	-	80,385,450	120,268,631
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interim dividends	(207,518,818)	-	(207,518,818)	-	207,518,818		-	-	(272,832,483)	-	-	-	-	(272,832,483)
Treasury shares	(19,780,989)	-	(19,780,989)	-	-	-	8,294,212	(65,927,055)	-	-	-	-	-	(77,413,832)
Net profit (loss) for the year	833,706,693	-	833,706,693	(313,937,762)	(519,768,931)	-	-	-	-	-	-	-	1,135,169,914	1,135,169,914
SHAREHOLDERS' EQUITY	**3,471,769,976**	**-**	**3,471,769,976**	**-**	**(312,250,113)**	**1,332,348**	**10,464,865**	**(65,927,055)**	**(272,832,483)**	**-**	**-**	**10,034,866**	**1,215,555,364**	**4,058,147,768**

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 DECEMBER 2023

Euro	Balances at 31/12/2022	Change in opening balances*	Balances at 01/01/2023	Allocation of previous year's result		Changes during the year								Shareholders' equity at 31/12/2023
							Transactions on shareholders' equity						Comprehensive income at 31/12/2023	
				Reserves	Dividends and other destinations	Changes in reserves	Issue of new shares	Share buybacks	Extraordinary dividend distribution	Change in equity instruments	Derivatives on treasury shares	Stock options e Performance Share		
Capital:														
a) ordinary shares	600,451,903	-	600,451,903	-	-	-	111,925	-	-	-	-	-	-	600,563,828
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue premiums	5,296,736	-	5,296,736	-	-	-	1,738,692	-	-	-	-	-	-	7,035,428
Reserves:														-
a) earnings	1,992,949,610	16,290,497	2,009,240,107	138,747,804	-	-	-	-		-	-		-	2,147,987,911
b) other	69,782,515	-	69,782,515	-	-	(1,606,822)	-	-	-	-	-	1,717,049	-	69,892,742
Valuation reserves	(41,002,842)	11,926,243	(29,076,599)	-	-	-	-	-	-	-	-	-	68,959,780	39,883,181
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interim dividends	(177,132,514)	-	(177,132,514)	-	177,132,514		-	-	(207,518,818)	-	-	-	-	(207,518,818)
Treasury shares	(33,145,921)	-	(33,145,921)	-	-	-	13,364,932	-	-	-	-	-	-	(19,780,989)
Net profit (loss) for the year	516,777,062	(8,484,244)	508,292,818	(138,747,804)	(369,545,014)	-	-	-	-	-	-	-	833,706,693	833,706,693
SHAREHOLDERS' EQUITY	**2,933,976,549**	**19,732,496**	**2,953,709,045**	**-**	**(192,412,500)**	**(1,606,822)**	**15,215,549**	**-**	**(207,518,818)**	**-**	**-**	**1,717,049**	**902,666,473**	**3,471,769,976**

* The balances have been restated due to the adoption of IFRS 17.

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

STATEMENT OF CASH FLOWS

Indirect method

Euro	31/12/2024	31/12/2023
A. OPERATING ACTIVITIES		
1. Management	**1,182,234,692**	**973,584,740**
_ profit (loss) for the year (+/-)	1,135,169,914	833,706,693
- capital gains (losses) on financial assets held for trading and on other financial assets/liabilities measured at fair value through profit or loss (-/+)	(7,414,827)	(23,071,152)
_ capital gains (losses) on hedging activities (-/+)	(121,051)	338,055
_ credit-risk induced net adjustments/write-backs (+/-)	17,609,786	23,928,305
_ net value adjustments/write-backs of tangible and intangible assets (+/-)	27,518,752	30,740,144
_ net provisions for risk and charges and other costs/revenues (+/-)	54,288,355	21,105,516
_ unpaid taxes, duties and tax credits (+/-)	(54,851,103)	85,120,130
_ other adjustments (+/-)	10,034,866	1,717,049
2. Cash generated by/utilised for financial assets	**(971,753,586)**	**(2,108,888,373)**
_ financial assets held for trading	603,411,693	142,677,719
_ other assets mandatorily measured at *fair value*	(2,044,187)	(11,749,712)
_ financial assets measured at fair value through other comprehensive income	35,889,243	37,918,678
_ financial assets measured at amortised cost	(554,878,257)	(1,204,648,350)
- other assets	(1,054,132,078)	(1,073,086,708)
3. Cash generated by/utilised for financial liabilities	**178,835,013**	**(1,005,455,571)**
_ financial liabilities measured at amortised cost	253,716,363	(1,105,008,951)
_ financial liabilities held for trading	(8,454,864)	(3,494,782)
_ other liabilities	(66,426,486)	103,048,162
Net cash generated by/utilised for operating activities	**389,316,119**	**(2,140,759,204)**
B. INVESTMENT ACTIVITIES		
1. Cash generated by	**743,007,126**	**572,629,463**
_ dividends received on equity investments	743,007,126	572,629,463
2. Cash utilised for	**(154,500,332)**	**(74,866,650)**
_ purchases of equity investments	(131,900,000)	(45,100,000)
_ purchases of tangible assets	(3,943,892)	(8,888,513)
_ purchases of intangible assets	(18,656,440)	(20,878,137)
Net cash generated by/utilised for investment activities	**588,506,794**	**497,762,813**
C. FINANCING ACTIVITIES		
_ issues/purchases of treasury shares	(57,632,843)	13,476,857
_ issues/purchases of equity instruments	2,170,653	1,738,692
_ dividend distribution and other purposes	(584,896,563)	(400,860,655)
Net cash generated by/utilised for financing activities	**(640,358,753)**	**(385,645,106)**
NET CASH GENERATED/UTILISED DURING THE YEAR	**337,464,160**	**(2,028,641,497)**

LEGEND: (+) generated (-) absorbed

RECONCILIATION TABLE

	31/12/2024	31/12/2023
Line items		
Cash and cash equivalents at beginning of year	49,886,538	2,078,528,035
Total net cash generated/utilised during the year	337,464,160	(2,028,641,497)
Cash and cash equivalents: effect of changes in exchange rates		
Cash and cash equivalents at end of year	**387,350,698**	**49,886,538**

Basiglio, 12 March 2025

For and on behalf of the Board of Directors
The Chief Executive Officer
Massimo Antonio Doris

NOTES TO THE FINANCIAL STATEMENTS

PART A – ACCOUNTING POLICIES

A.1 – GENERAL PART

Section 1 – Declaration of Compliance with International Accounting Standards

The financial statements of Banca Mediolanum at 31 December 2024 have been compiled in application of Legislative Decree No. 38 of 28 February 2005, in accordance with the accounting standards issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and approved by the European Commission, as established in Community Regulation No. 1606 of 19 July 2002, as amended.

The financial statements at 31 December 2024 have been prepared on the basis of the "Instructions for the preparation of the financial statements of banks and financial parent companies of banking groups" issued by the Bank of Italy, in the exercise of the powers established by Article 9 of Legislative Decree No. 38/2005 with Circular 262 of 22 December 2005, as amended.
The financial statements have been prepared using the approved IAS/IRFS international accounting standards in force as at 31 December 2024 (including the SIC and IFRIC interpretation documents).

SECTION 2 – General basis of preparation

The financial statements consist of the statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders' equity, statement of cash flows and notes to the financial statements. They are also accompanied by a directors' Report on Operations.
In accordance with the provisions of Article 5 of Legislative Decree 38 of 28 February 2005, the financial statements have been prepared using the euro as the reporting currency.

The financial statements and notes include figures for the period under review as well as comparative data at 31 December 2023.

The financial statements have been prepared in accordance with the following general principles:

- going concern: the financial statements have been prepared on a going concern basis. In light of key economic and financial indicators, the directors have the reasonable expectation that the Bank will continue to operate in the foreseeable future;
- accrual basis accounting: the financial statements have been prepared according to the accrual principle;
- relevance and aggregation: the balance sheet and income statement consist of items, sub-items and further details. The schedules comply with those defined by the Bank of Italy in Circular No. 262 of 22 December 2005 as updated. New items may be added to these formats if their content is not attributable to any of the items already covered by the formats and only if they consist of significant amounts. The balance sheet, income statement and statement of comprehensive income do not include accounts with zero amounts, either for the year to which the financial statements refer or for the previous year;

- presentation: the classification of balance sheet items is constant over the years, unless there are changes that may occur as a result of a new standard or interpretation that require an amendment for which specific information is provided in the notes. For each balance sheet and income statement account, comparative information relating to the previous year is provided, unless an accounting standard or interpretation does not allow it or provides otherwise;
- prevalence of substance over form: operations and other events are recognised and represented in accordance with their substance and economic reality.

With regard to the going concern assumption, the Directors of Banca Mediolanum S.p.A. believe that they have a reasonable expectation that Banca Mediolanum will continue as a going concern in the foreseeable future, and accordingly, the financial statements of Banca Mediolanum have been compiled on a going concern basis. They also specify that they have not found any cause for doubt regarding the going concern principle in the Group's financial position or operating performance.

Contents of the financial statements

Statement of financial position and income statement

The statement of financial position and the income statement consist of items, sub-items and more detailed information (the "of which" within items and sub-items). With respect to the formats defined by the Bank of Italy, items with zero amounts have not been presented, either for the year to which the financial statements relate or for the previous year. In the income statement, revenues are indicated with no sign, whereas costs are shown in parentheses.

Statement of comprehensive income

The statement of comprehensive income consists of items that show the changes in the value of the assets recorded during the year as balancing items of the valuation reserves, net of the relevant tax effect. Negative amounts are presented in parentheses.

Statement of changes in shareholders' equity

The table shows the breakdown of and changes in the shareholders' equity accounts during the reporting year and the previous year, broken down into share capital, capital reserves, earnings reserves and reserves from the valuation of assets or liabilities in the statement of financial position and the income statement. No equity instruments other than ordinary and savings shares were issued.

Statement of cash flows

The statement of cash flows for the reporting year and the previous year has been prepared using the indirect method, whereby cash flows from operating activities are represented by the net result for the year adjusted for the effects of non-monetary transactions. Cash flows are divided between operating activities, investment activities and financing activities. The table shows the flows generated during the year with no sign, while utilised flows are shown in parentheses.

Contents of the notes to the financial statements

The notes include the information required by the international accounting standards and Circular No. 262/2005 of the Bank of Italy, as updated. With respect to the formats defined by the Bank of Italy, the headings of the sections relating to financial statement items with zero amounts have not been presented, for either the year to which the financial statements relate or for the previous year. In the tables relating to the income statement items, revenues are indicated with no sign, whereas costs are shown in parentheses.

SECTION 3 – Events after the reporting date

With regard to the tax dispute, it should be noted that on 10 February 2025, the Lombardy Regional Directorate – Large Taxpayers Sector, served on Banca Mediolanum a number of "Questionnaires" on corporation tax (IRES) and regional business tax (IRAP), in preparation for the closure of the bilateral procedures on the *transfer pricing* issue for the years 2019 to 2023. It should be noted that the company has already provided these documents and is awaiting the next communications from the tax authorities.

Regarding the contribution for the Life Insurance Fund, it is reported that on 21 February 2025 a letter was received from the Fund, in which the Provisional Management Committee requested that the contribution as calculated by the member companies be paid within 10 working days from the date of the letter. Banca Mediolanum proceeded to pay the allocated amount.

No events took place after 31 December 2024 that could have a material effect on the Bank's financial position or results.

Use of estimates

These financial statements entailed the use of complex valuations and estimates which had an impact on the assets, liabilities, costs and revenues recognised and on the identification and quantification of potential assets and liabilities.
The production of such estimates involved the use of the available information and the adoption of subjective assessments, also based on historical experience, which was used to make reasonable assumptions for the recognition of events during the year. By their nature, the estimates and assumptions used may vary from one year to the next and, it cannot be ruled out that in subsequent years the values recognised in the financial statements may also vary significantly as a result of changes in the subjective assessments used.
If there are more significant uncertainties and/or activities subject to measurement of particular materiality, the valuation is supported by external experts.
The main circumstances in which subjective assessments are most required are:

- the quantification of impairment losses on loans, equity investments and other financial assets in general;
- the use of valuation models to recognise the fair value of financial instruments not listed on active markets;
- the assessment of the appropriateness of the value of other intangible assets;
- The quantification of staff provisions and provisions for other risk and charges;
- the estimate of tax liabilities and the assessment of the related risk of an unfavourable outcome;
- estimates and assumptions regarding the recoverability of deferred tax assets;

For some of the cases listed above, the main factors that are estimated and therefore are involved in determining the carrying value of assets and liabilities may be identified.
It should be noted that:

- for the determination of the fair value of financial instruments not listed on active markets, if it is necessary to use parameters that cannot be inferred from the market, the main estimates concern trends in future financial flows (or income flows, in the case of shares), possibly contingent on future events, as well as the level of certain input parameters not listed on active markets;
- for allocation to the three credit risk stages provided for by IFRS 9 of receivables and debt securities classified among financial assets at amortised cost and financial assets measured at fair value, with an impact on comprehensive income and calculation of the relevant expected losses, the main estimates concern: either determination of the parameters for a significant increase in credit risk, based essentially on models for measuring the probability of default (PD) at the origination of financial assets and the reporting date; the inclusion of forward-looking factors, including macroeconomic factors, for the determination of the PD and LGD "lifetime"; or determination of the probability of the sale of impaired financial assets;
- for the determination of the estimates of future cash flows from non-performing loans, certain elements are taken into account: expected recovery times, the presumed realisable value of any guarantees and the costs that are expected to be incurred for recovery of the credit exposure;
- for appraisals of real estate, rents, sale prices, discount rates and capitalisation rates are estimated.
- for the quantification of provisions for risk and charges– where possible – the estimate process includes the amount of the disbursements required to fulfil the obligations, as well as the relative probability and timing of their occurrence;
- for the determination of the items relating to deferred taxation, the probability of actual future tax liability (taxable temporary differences) is estimated, along with the degree of reasonable certainty – if any – of future taxable amounts at the time tax deductibility applies (deductible temporary differences and tax losses carried forward).

The directors periodically monitor the estimates and assessments made on the basis of historical performance, the current macroeconomic and geopolitical environment and other factors considered to be reasonable. Due to the uncertainty inherent in these financial statement items, the actual values may differ from estimates made due to unexpected factors not known at the time the estimates were produced.

A.2 – PART RELATING TO THE MAIN BALANCE SHEET ITEMS

The accounting policies used to prepare these financial statements, with reference to the phases of classification, recognition, measurement and derecognition of assets and liabilities, as well as the methods of recognising revenues and costs, are consistent with those used to prepare the annual financial report as at 31 December 2023 of Banca Mediolanum.

The following section describes:

- IFRS accounting standards, amendments and interpretations applicable as of 1 January 2024;
- the IFRS and IFRIC accounting standards, amendments and interpretations endorsed by the European Union not yet mandatorily applicable that had not been adopted early as at 31 December 2024;
- the IFRS accounting standards, amendments and interpretations not yet endorsed by the European Union.

IFRS accounting standards, amendments and interpretations applicable as of 1 January 2024

The following table shows the new international accounting standards or amendments to accounting standards that came into force in the 2024 financial year.

Title of document issued by the IASB	Date of publication of the IASB document	Number and date of EU approval regulation	Date of effect	Date of publication in the OJEU
Lease liabilities in a sale and leaseback transaction (Amendments to IFRS 16)	September 2022	(EU) 2023/2579 20 November 2023	1 January 2024	21 November 2023
Classification of liabilities as current and non-current (Amendments to IAS 1) and non-current liabilities with clauses (Amendments to IAS 1)	January 2020 October 2022	(EU) 2023/2822 19 December 2023	1 January 2024	20 December 2023
Financing agreements for supplies / (Amendments to IAS 7 and IFRS 7)	May 2023	(EU) 2024/1317 15 May 2024	1 January 2024	16 May 2024

In terms of new accounting requirements applicable from 1 January 2024, the following amendments to IFRS should be noted:

Amendments to IFRS 16– Lease Liability in a Sale and Leaseback;

The amendment to the standard aims to provide clarification on how an entity should book a sale and leaseback in the periods following the transaction.
The adoption of this amendment had no impact on the Banca Mediolanum financial statements, as no sale and leaseback transactions were conducted.

Amendments to IAS 1 – Non-current Liabilities with Covenants;

The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current, but the company is required to provide adequate disclosure on covenants in the notes to the financial statements.
The adoption of this amendment had no effect on Banca Mediolanum's financial statements.

Amendments to IAS 7 and IFRS 7 – Supplier finance arrangements;

The amendments introduced by the amendment respond to a request from investors to provide more information on supplier finance arrangements in order to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.
The adoption of this amendment has not had any effect on the financial statements of Banca Mediolanum, as there are no outstanding financing agreements with suppliers.

IFRS and IFRIC accounting standards, amendments and interpretations endorsed by the European Union not yet mandatorily applicable that had not been adopted early by Banca Mediolanum as at 31 December 2024

The following IFRS accounting standards, amendments and interpretations have been approved by the European Union but are not yet mandatorily applicable and had not been adopted in advance by Banca Mediolanum at 31 December 2024.

Accounting standards or amendments	Date of IASB publication	Number and date of EU approval regulation	Date of effect	Date of publication in the OJEU
Impossibility of change (Amendments to IAS 21)	15 August 2023	(EU) 2024/2862 12 November 2024	1 January 2025	13 November 2024

Banca Mediolanum has assessed and verified the absence of any impact of the amendment to IAS 21 in relation to situations where a currency is not tradable in regulated markets or mechanisms. This amendment will have no impact on the Company's financial statements.

IFRS accounting standards, amendments and interpretations not yet endorsed by the European Union

Below are the interpretations of the IFRS Interpretations Committee, which have not yet been endorsed by the European Union and will be effective in the future.

Accounting standards and impacts	'Final agenda decisions'	Date of approval of the IASB
IAS 27 - applicable to parent companies that prepare separate financial statements in accordance with IAS 27 and must account for a merger with a subsidiary in their separate financial statements.	*Merger between a parent and its subsidiary in separate financial statements*	23 January 2024
IFRS 3 - accounting for payments due to the seller as part of a business combination when they are contingent upon the continued employment of the sellers during a post-acquisition handover period	*Payments contingent on continued employment during handover periods.*	29 April 2024
IAS 37 - applicable to companies entering into transition commitments with zero net emissions and the accounting or non-accounting for bonds in line with the provisions of IAS 37	*Climate-related commitments*	29 April 2024
IFRS 8 - clarifies certain aspects of the disclosures to be made under IFRS 8	*Disclosure of revenues and expenses for reportable segments*	29 April 2024

The IFRS changes and Agenda decisions have been analysed and it can be affirmed that, given the nature of Banca Mediolanum's business capital structure, these new changes will have no impact on the financial statements.

Finally, the following table shows the new international accounting standards and amendments to accounting standards that have not yet been endorsed by the European Union but will be effective in the future.

Accounting standards or amendments	Date of IASB publication	Date of effect
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	30 May 2024	1 January 2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	18 December 2024	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	9 April 2024	1 January 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	9 May 2024	1 January 2027

Banca Mediolanum will adopt these standards and amendments on the basis of their expected date of application and assess their potential impact before their adoption, following their endorsement by the European Union.

1 - Assets measured at fair value through profit or loss (FVTPL)

Item "20. Financial assets measured at fair value through profit or loss" includes:

- Financial assets held for trading;
- Other financial assets mandatorily measured at fair value.

Financial assets held for trading

A financial asset (debt securities, equity securities, UCIs and derivatives) is recognised under this item if it is acquired primarily with the aim of realising cash flows from its sale (the "OTHER" business model) in order to take advantage of profit opportunities. This item includes the positive value of derivative contracts that are not designated and effective as hedging instruments.

Other financial assets mandatorily measured at fair value

Classification criteria

A financial asset (debt securities, equity securities, shares of UCIs) is recognised in this item if it is a financial instrument whose return is measured on the basis of fair value and is characterised by the absence, in contractual terms, of cash flows on pre-established dates that represent only payments of capital and interest on the capital to be repaid, i.e. if the Solely Payment of Principal and Interest test (the SPPI test) is failed.

Recognition criteria

Such instruments are initially recognised at the time of settlement if they are debt securities, equity securities or loans. The initial value is equal to the fair value of the instrument (generally the same as the consideration paid), without considering any transaction costs or income directly attributable to the instruments.

Measurement criteria

After initial recognition, the valuation is made at fair value with the relevant changes recognised in the income statement. In particular:

- in Item "80. Net gains (losses) from trading" for financial assets recognised in item "20.a Financial assets held for trading";
- in Item "110. b) Net result of other financial assets and liabilities at fair value through profit or loss: other financial assets mandatorily measured at fair value", for financial assets recognised in Item "20. c) Other financial assets mandatorily measured at fair value".

The fair value of financial assets is determined based on prices recorded in active markets or on internal valuation models generally used in financial practice as described in more detail in Part A.4 "Fair value reporting".

Derecognition criteria

Financial assets are derecognised when the contractual rights to the cash flows from the assets expire or when the financial assets are sold with the transfer of substantially all the associated risks and benefits.

Reclassification criteria

Financial assets measured at fair value through profit or loss other than equity securities may be reclassified to "Financial assets measured at fair value through other comprehensive income" and "Financial assets measured at amortised cost". Reclassification may occur in the rare event that the entity decides to change its business model for the management of financial assets. The transfer value is represented by the fair value on the reclassification date, with prospective effects as of that date.

2 - Financial assets measured at fair value through other comprehensive income (FVOCI)

Classification criteria

This item includes financial assets with contractual terms that provide for cash flows on pre-established dates that represent only payments of capital and interest on the capital to be repaid, and which have therefore passed the SPPI test, and with the Held to Collect and Sell business model, the aim of which is to manage short-term financial instruments solely to meet liquidity needs.

This category also includes equity securities not held for trading purposes and not qualifying as being under exclusive control, connection or joint control, to which the option to classify them among financial assets measured at fair value through other comprehensive income applies. This option, which may be exercised at the time of initial recognition of the individual financial instrument, is irrevocable.

Recognition criteria

Initial recognition takes place on the settlement date for debt securities and equities and on the disbursement date for loans.

Initial recognition takes place only when the Company becomes a party to the contractual clauses of the instrument, i.e. at the time of settlement. The carrying value is equal to the fair value, generally the same as the cost of the instrument including directly attributable transaction costs/revenues.

Measurement criteria

After initial recognition, these assets continue to be measured at fair value, with changes in value recognised in Item "120. Valuation reserves".

Value adjustments are recognised in the income statement in item "130. Credit-risk induced net value adjustments/write-backs", balancing item "120. Valuation reserves". Write-backs are recognised when there is an improvement in the creditworthiness of the asset. For the methods of determining fair value, see the criteria described above for "Financial assets measured at fair value through profit or loss" and "Part A.4 – Fair value reporting" below.

Derecognition criteria

Financial assets are derecognised when the contractual rights to the cash flows from the assets expire or when the financial assets are sold with the transfer of substantially all the associated risks/benefits. If it is not possible to ascertain the transfer of risks and rewards, financial assets are derecognised where no control over them is retained. Lastly, transferred assets are derecognised if the contractual right to receive the cash flows from the assets is maintained, but at the same time a contractual obligation is undertaken to pay only such flows received to a third party without delay.

Reclassification criteria

Financial assets measured at fair value through other comprehensive income other than equity securities may be reclassified to the accounting categories "Financial assets measured at fair value through profit or loss" and "Financial assets measured at amortised cost". Reclassification may take place in the very rare circumstances in which a decision is made to change the business model. The transfer value is the fair value as at the reclassification date.

In the event of reclassification to "Financial assets measured at amortised cost", the gain (loss) accumulated in the valuation reserve is eliminated against an adjustment of the fair value of the financial asset as at the reclassification date.

In the event of reclassification to "Financial assets measured at fair value through profit or loss", the gain (loss) accumulated in the valuation reserve is reclassified from shareholders' equity to the income statement.

3 - Financial assets measured at amortised cost

Classification criteria

Item "40. Financial assets measured at amortised cost" includes financial assets (debt securities and loans) whose contractual terms include cash flows on pre-established dates that represent only payments of capital and interest on the capital to be repaid, and which have therefore passed the SPPI test, held with the aim of collecting financial cash flows in the medium to long term. ("Held To Collect" business model)

In particular, the following are recognised under this item:

a)loans to banks;

b)loans to customers.

Recognition criteria

Initial recognition of the financial asset takes place on the settlement date for debt securities and on the disbursement date for loans.

Upon initial recognition, financial assets are recognised at fair value, which corresponds to the consideration paid, including any costs and income directly attributable to the instrument.

Measurement criteria

After initial recognition, the financial assets in question are measured at amortised cost. Such financial instruments are measured by using the effective interest rate criterion, i.e. the rate that exactly discounts future payments or receipts estimated over the expected life of the financial instrument. In order to determine the effective interest rate, cash flows must be measured taking into account all the contractual terms of the financial instrument.

The carrying value is adjusted to take into account any provision to cover expected losses at each annual or interim reporting date. Such assets are tested for impairment to estimate the expected losses recognised through the income statement in item "130. Net credit risk-induced adjustments/write-backs".

The impairment model involves three separate stages based on changes to the borrower's creditworthiness, corresponding to different criteria for measuring expected losses:

- Stage 1: includes performing financial assets for which there has been no significant decrease in credit risk since the date of initial recognition or whose credit risk is considered low. Impairment is based on the estimated expected loss with a time horizon of one year;

- Stage 2: includes performing financial assets that have suffered a significant deterioration in credit risk since initial recognition. Impairment is based on an estimate of the expected loss over a time horizon representing the entire residual life of the financial asset;
- Stage 3: includes non-performing financial assets to be measured on the basis of an estimate of the expected loss over the entire life of the instrument.

For stage I and 2 assets, expected losses are determined according to a process that takes into account certain risk parameters consisting of the probability of default (PD), the loss rate in the event of default (LGD) and the exposure value (EAD), deriving from internal regulatory credit risk calculation models that take into account the specific requirements of accounting regulations.
For level 3 assets, impairment is quantified on the basis of a measurement process - analytical or lump-sum based on homogeneous risk categories - aimed at determining the present value of expected recoverable future flows, discounted on the basis of the original effective interest rate or a reasonable approximation thereof, where the original rate is not directly available. Non-performing assets include exposures classified as doubtful, unlikely to pay or past due by more than 90 days, according to the definitions established by the relevant supervisory legislation and cited in Bank of Italy Circular 262.

Derecognition criteria

Financial assets are derecognised when the contractual rights to the cash flows from the assets expire or when the financial assets are sold with the transfer of substantially all the associated risks and benefits. Where it is not possible to ascertain the substantial transfer of risks and rewards, financial assets are derecognised where no control over them is retained.

Value adjustments

In accordance with IFRS 9, financial assets at amortised cost, financial assets measured at fair value with an impact on comprehensive income (other than equity securities) and off-balance sheet exposures are subject to an "impairment" assessment. In particular, the standard provides for these instruments to be classified in stages I, 2 or 3 depending on their credit quality with respect to their initial recognition, as described above.
Banca Mediolanum has adopted specific models for calculating the one-year expected credit loss for Stage I and the lifetime credit loss for Stage 2 and 3 exposures. These models are based on the following parameters:

- PD: Probability of Default – probability of a default on the credit exposure in a specific time period;
- LGD: Loss Given Default – percentage estimated loss on occurrence of the default event;
- EAD: Exposure at Default – exposure at the time of the default of the credit position.

For further details on how to determine value adjustments, see Part E - Risks section.

4 - Hedging transactions

It should be noted that, in accordance with the provisions of IFRS 9, the Company opted to continue to apply all of the provisions of IAS 39 on hedge accounting.

Classification criteria

Assets and liabilities include hedging financial derivatives that have a positive and negative fair value at the reporting date or interim period respectively.

The purpose of hedging transactions is to neutralise changes in fair value or cash flows on a certain financial instrument or group of items due to a certain risk, in the event that this particular risk actually occurs.
Of the hedges provided for in IFRS 9, the Company uses fair value hedging, the purpose of which is to hedge exposure to changes in the fair value of a financial statement item due to a particular risk. In particular, the Company has hedged the fair value of a portfolio of fixed-rate mortgages against interest rate risk.
Only instruments that involve a counterparty external to the Group can be designated as hedging instruments. Net amounts resulting from imbalances between financial assets and liabilities may not be hedged.

Recognition criteria

Hedging derivatives are recognised at fair value on the date the related contracts are entered into.

Measurement criteria

Hedging derivatives are measured at fair value. As they are accounted for as fair value hedges, changes in the fair value of the hedged item are offset by changes in the fair value of the hedging instrument. Hedge accounting recognises the offsetting effects on profit or loss of changes in the fair values of the hedging instrument and the hedged item (in relation to changes generated by the underlying risk factor).
Any resulting difference, which represents the partial ineffectiveness of the hedge, is the net effect on profit or loss. Fair value is determined on the basis of quoted prices in an active market, prices quoted by market participants or internal valuation models commonly used in financial practice, which take into account all risk factors associated with the instruments and are based on market information.
A derivative instrument is designated as a hedging derivative if there is formal documentation of the hedging relationship between the hedged item and the hedging instrument and if it is effective at the inception of the hedge and, prospectively, throughout the term of the hedge. The effectiveness of a hedging relationship depends on the extent to which changes in the fair value of the hedged item are offset by changes in the hedging instrument. Hedging relationships are generally regarded as effective if, at the inception of the hedge and in subsequent periods, changes in the fair value of the financial hedging instrument are offset by changes in the fair value of the hedged item and if the actual results fall within a defined range (80%-125%).
Effectiveness is assessed at each year-end reporting date or when interim statements are prepared, using:

- prospective tests, which justify the application of hedge accounting as they prove expected effectiveness;
- retrospective tests, which highlight the degree of effectiveness of the hedge in the period to which they refer. In other words, they measure to what extent the actual results differ from the perfect hedge.

If the tests performed do not confirm the effectiveness of the hedge, from that moment on hedge accounting is discontinued, the derivative hedging contract is reclassified to trading instruments and the hedged financial instrument again acquires the measurement criterion corresponding to its classification in the financial statements, and the changes in fair value recognised on the hedged instrument until the date of discontinuation of the hedge are subsequently amortised using the effective interest rate method.

Derecognition criteria

If the tests do not confirm the effectiveness of the hedge, either retrospectively or prospectively, the hedge accounting is discontinued. Subsequently, the hedging derivative contract is reclassified to "Financial assets measured at fair value through profit or loss" and, in particular, to financial assets held for trading. In addition, the hedging relationship ceases when the derivative or hedged item expires, is extinguished or exercised or it is no longer highly likely that the future hedged transaction will be put in place.

5 - Equity investments

Equity investments include interests in subsidiaries. It should be noted that control exists when an investor simultaneously has:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee;
- the ability to use its power over the investee to affect the amount of the investor's returns. An investor exercises control if it is able to exercise sufficient voting rights to determine the operating and financial policies of the investee. In complex situations, the following are taken into account in determining whether control exists:
- the nature of the relevant activities;
- how decisions relating to such activities are taken;
- whether the rights of investors confer the current ability to direct the activities concerned;
- whether the investor is exposed or has rights to variable returns from its involvement with the investee;
- whether the investor has the ability to use its power over the investee to affect the amount of the investor's returns.

According to IAS 28, an investor/associate relationship exists when the investor exercises significant influence over an investee. Significant influence is the power to participate in the decisions of the investee's financial and operating policies, without having control or joint control. As a general rule, significant influence is assumed to exist when an entity owns, directly or indirectly through subsidiaries, 20% or more of the voting power of an investee. In more complex situations, for example in cases of stakes lower than 20%, the definition of significant influence takes account of:

- representation on the board of directors or equivalent body of the investee;
- participation in decision-making processes, including participation in decisions on dividends or other distributions;
- significant transactions between the entity and the investee;
- exchanges of management personnel;
- the provision of essential technical information.

IAS 27 – Separate Financial Statements stipulates in paragraph 10 that equity investments in subsidiaries are accounted for on a cost basis or in accordance with IFRS 9 or the equity method. With effect from 1 January 2019, the Company adopted the option in the separate financial statements of valuing investments in subsidiaries according to the equity method, as an alternative to the cost method. The equity method provides for initial recognition at cost and subsequent adjustment based on the share of the result and other changes in the shareholders' equity of the investee company. This method involves recognising capital gains (losses) from valuation on an accruals basis equal to the net profit generated by the subsidiaries in the period under review. The relevant dividends received are no longer pass through to the income statement. Instead they are treated as a simple capital exchange, reducing the value of the investment against the cash received. The equity method has been applied to the entire cluster of wholly owned subsidiaries.
It should be emphasised that, following the introduction of IFRS 17, there was an impact on the carrying amount of the equity investments held in companies, as specified in greater detail in the consolidated financial statements.

6 - Tangible assets

Classification criteria

Tangible assets include land, operating properties, property investments, technical plant, furniture, fixtures and equipment of any kind.
These are tangible items that are held for use in the production or supply of goods or services, to be leased to third parties, or for administrative purposes and are expected to be used for more than one period.
Any assets used in the context of finance leases are also recorded under this item, although their legal ownership remains with the leasing company.
The rights of use acquired with a lease relating to the use of a tangible asset (for lessees), operating lease assets (for lessors) and the improvements and incremental expenses incurred on owned assets and rights of use on tangible assets under leases, are also included.

Recognition criteria

Tangible assets are initially recognised at cost, which includes not only the purchase price but also any ancillary costs directly attributable to purchasing and commissioning the asset.
Extraordinary maintenance expenses that increase the future economic benefits associated with the asset are added to the carrying value of the asset, while the costs of day-to-day servicing are recognised in the income statement.
Improvements and incremental expenses incurred on third party assets arising from lease agreements pursuant to IFRS 16 that are expected to deliver future benefits are recognised if they are individually identifiable and separable in item "90. Tangible assets" in the most appropriate category and provided they are not individually identifiable and separable in item "90. Tangible assets", to increase the right of use, recognised in accordance with IFRS 16, to which they refer.

Measurement criteria

Tangible assets, including non-operating properties, are valued at cost, less any depreciation and amortisation. Assets are systematically depreciated over their useful life, using the straight-line method as the depreciation criterion, with the exception of land, whether acquired individually or incorporated into the value of buildings, since they have an indefinite useful life. Where the value of land is incorporated into the value of the building due to application of the component approach, it is regarded as an asset that can be separated from the building; the subdivision between the value of the land and the value of the building takes place on the basis of appraisals by independent experts, only in the case of self-contained buildings.

At each interim or year-end reporting date, if there is any evidence that an asset may be impaired, a comparison is made between the carrying value of the asset and its recoverable value, equal to the greater of the fair value, net of any costs to sell, and the relative value in use of the asset, understood as the present value of future flows generated by the asset. Any adjustments are recognised in the income statement. If the grounds for impairment cease to apply, a write-back is recognised, which may not exceed the value that the asset would have had, net of depreciation calculated in the absence of previous impairment.

Derecognition criteria

A tangible asset is derecognised on disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Tangible assets represented by the right to use assets under leases

Pursuant to IFRS 16, a lease is a contract or part of it which, in exchange for a consideration, transfers the right to use an asset (the underlying asset) for a period of time. A finance "lease" agreement essentially transfers to the lessee all the risks and benefits of ownership of the asset. Otherwise, the agreement is an operating "lease". The lease agreement starts from the date on which the lessee is authorised to exercise their right to use the leased asset and corresponds to the date of initial recognition of the lease. On that date, the lessee takes on:

- an activity that consists of the right to use the leased asset. The asset is recognised at cost and determined by the sum of a financial liability for the lease, the lease payments paid before or on the start date of the lease, the initial direct costs and any costs incurred to restore the asset underlying the lease or to dismantle it;
- a financial liability corresponding to the present value of lease payments due. The discount rate used is, if determinable, the implicit interest rate; otherwise, the lessee's marginal loan interest rate is used.

The term of the lease is determined taking into account periods covered by an extension option and/or periods covered by a lease termination option, if reasonably certain.

During the term of the lease agreement, the lessee must:

- assess the right of use at cost, net of accumulated depreciation and cumulative value adjustments determined and recognised in accordance with IAS 36 "Impairment of assets", adjusted to take account of any recalculations of the lease liability;
- increase the liability arising from the lease transaction due to the accrual of interest expenses calculated at the implicit interest rate of the lease or at the marginal loan rate and reduce it for payments of principal and interest.

In the event of changes in lease payments, the liability must be recalculated; the impact of the recalculation of the liability is recognised as a balancing item of the asset consisting of the right of use.
Based on the requirements of IFRS 16, the Group uses the implicit discount rate for each lease, where available.

Derecognition criteria

The right of use deriving from lease agreements is eliminated from the financial statements at the end of the term of the lease.

For more information, see the relevant section of the notes (Part M – Leasing).

7 - Intangible assets

Classification criteria

Intangible assets mainly include software applications for multi-year use. Other intangible assets are recognised as such if they are identifiable and arise from legal or contractual rights.

Recognition criteria

Intangible assets are recognised at purchase cost, including direct costs incurred to prepare the asset for use, and increased by any subsequent expenses incurred to increase its initial economic functionality, net of accumulated amortisation and any impairment losses recorded.

Measurement criteria

The cost of intangible assets is amortised on a straight-line basis over their useful life (defined mainly as a flat rate of 3 years for software where there are no conclusive elements that can be used to define useful life). If their useful life is indefinite, the assets are not depreciated, but only periodically tested for impairment.
If there is objective evidence that an individual asset may have become impaired, the book value of the asset and its recoverable amount, which is equal to the greater of its fair value less the costs of sale and its value in use, understood as the present value of the future cash flows that are expected to arise from the asset, are compared. Any adjustments are recognised in item 190 "Charges/write-backs on impairment of intangible assets" in the income statement.
If the value of an intangible asset previously written down is restored, the new book value may not exceed the net book value that would have been determined if no impairment loss had been recognised in the previous years.

Derecognition criteria

An intangible asset is derecognised from the statement of financial position on disposal or when no additional future economic benefits are envisaged from its use or disposal, and any difference between its disposal value or recoverable value and its book value is recognised in the income statement in item 250 "Gains (losses) on disposal of investments".

8 - Current and deferred taxation

The Italian companies of the Mediolanum Group adhere to the so-called "national tax consolidation", governed by Articles 117-129 of the TUIR, introduced into the tax legislation by Legislative Decree No. 344/2003. This is an optional scheme under which the taxable profits or tax loss of each subsidiary participating in the tax consolidation – together with withholdings, deductions and tax credits – are consolidated into the Parent Company, for which a single taxable income or single tax loss amount is determined that can be carried forward (given by the algebraic sum of own income/losses and that of the participating subsidiaries and, consequently, a single tax debit/credit).

Under this option, Group companies that are members of the tax consolidation scheme calculate their own tax charge and the corresponding taxable income is consolidated into the Parent Company. In case of tax losses of one or more Group companies against which consolidated taxable profit for the current year is available or against which there is a high probability that future taxable profits will be available, those tax losses are also consolidated into the Parent Company.

Income taxes are recognised in the income statement, except for items which are credited/charged directly to shareholders' equity. Provisions for income taxes are calculated on the basis of an estimate of the current, prepaid and deferred tax expense. Prepaid and deferred taxes are calculated in respect of the temporary differences, with no time limit, arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recorded to the extent that it is probable that they will be recovered, i.e. to the extent that the Company – or the Parent Company under Italy's tax consolidation regime – is likely to continue to generate positive taxable income.

Prepaid and deferred taxes are recognised in the statement of financial position at open balances without offsetting, the former under "Tax assets" and the latter under "Tax liabilities", when the prepaid and deferred taxes have the characteristics to be transferred from the subsidiaries to the parent company, with the former recognised under "Other assets" and the latter under "Other liabilities". Deferred taxes are calculated using the liability method based on the temporary differences recognised at the reporting date between the tax values used for the assets and liabilities and the values reported in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences and for tax assets and liabilities carried forward, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the tax assets and liabilities can be utilised, unless:

- the deferred tax asset associated with the deductible temporary differences arises from initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, has no effect on the profit for the year calculated for financial reporting purposes or on the profit or loss calculated for tax purposes;
- with regard to taxable temporary differences associated with equity investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that deductible temporary differences will reverse in the immediate future and that there are adequate tax profits against which temporary differences can be utilised. Assets and liabilities recognised for prepaid and deferred taxes are systematically measured to take account of any changes in the rules or rates and of any subjectively different situations of the Group companies.

Any tax disputes fall within the scope of IAS 12, which does not include specific valuation principles for the associated tax liabilities. The valuation of tax disputes was therefore carried out on the basis of IAS 37, without prejudice to the presentation principles of IAS 12.

9 - Provisions for risk and charges

Commitments and guarantees given

Provisions for risk and charges in respect of commitments and guarantees given are recognised for all commitments and guarantees, whether revocable or irrevocable, in accordance with both IFRS 9 and IAS 37. This item includes an estimate of the expected loss calculated on these instruments resulting from the valuation process, as described in the section Value Adjustments.
The provision for the period is recorded in item "170. Net provisions for risk and charges: a) commitments and guarantees given".
For these cases, the same methods of allocation between credit risk stages and calculation of the expected loss are adopted as shown with regard to financial assets measured at amortised cost or at fair value through other comprehensive income.

Pensions and similar obligations

Pension provisions include employee benefit provisions that will be paid after employment is terminated and may be classified as defined-contribution or defined-benefit plans. In particular:

- Defined benefit plan: this ensures benefits that depend on different elements, such as age, years of service and remuneration policies. In this case the actuarial risk and the investment risk ultimately fall on the company;
- Defined contribution plan: for this type of plan, the company pays pre-determined contributions. The benefit is the accumulated amount represented by the contributions and their return.

The provider has no actuarial and/or investment risk linked to this type of plan as it has no legal or implicit obligation to pay additional contributions if the fund does not have sufficient assets to pay benefits to all employees.
The contributions made in each financial year are considered as separate units, recognised and valued individually for the purposes of determining the final obligation. Actuarial gains and losses (i.e. changes in the present value of the obligation arising from changes in actuarial assumptions and adjustments based on past experience) are recognised in the statement of comprehensive income.

Other funds

Provisions for risk and charges are liabilities of uncertain maturity or amount. A contingent liability is defined as such when:

- the company has a current obligation as a result of a past event;
- it is probable that an outlay of resources to produce economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount arising from fulfilment of the obligation.

The amounts set aside are determined so as to represent the best estimate of the expenditure required to meet the obligations. Risks and uncertainties relating to the facts and circumstances at issue are considered in determining this estimate. Provisions set aside are periodically reviewed and may be adjusted to reflect the best current estimate. Provisions are released when it becomes unlikely that resources capable of yielding economic benefits will be expended in order to discharge the obligation or when the obligation is extinguished.

"Other funds" include, inter alia, obligations concerning benefits payable to agents and in particular supplementary client benefits, portfolio and structure benefits and manager promoter benefits, relating to agents carrying out assistance and coordination activities whose remuneration is based on specific commercial parameters and is granted on the achievement of an old-age pension - conditional on the requirement not to carry out competitive activities in the two-year period following the end of their period in office - or in cases of permanent total disability or death. The provision for unlawful risks of promoters is also included, established to cover the risk of liabilities for losses not covered by the insurance policy to cover damage caused to customers by unlawful conduct on the part of financial promoters and potential liabilities arising from legal disputes.

10 - Financial liabilities measured at amortised cost

Classification criteria

Financial liabilities measured at amortised cost comprise:

- Item: "10. a) Financial liabilities measured at amortised cost: Payables to banks";
- Item: "10. b) Financial liabilities measured at amortised cost: Payables to customers";
- Item: "10. c) Financial liabilities measured at amortised cost: Debt securities in issue".

Payables entered by the lessee in the context of lease transactions, as well as repurchase agreements for funding and securities lent with the receipt of money guarantees that are fully available to the lender, are also included. Finally, operating payables associated with the provision of financial services are included.

Recognition criteria

The value at which they are initially recognised is equal to their fair value, usually equal to the consideration received or the issue price including costs/income directly attributable to the transaction. Lease payables are recognised on the basis of the present value of future lease payments still to be paid for the contractual term.

Measurement criteria

After initial recognition, medium/long-term financial liabilities are measured at amortised cost using the effective interest rate method as defined above.
Short-term liabilities, for which the time factor is not significant, are valued at cost.
Lease payables must be restated in the event of a change in the payments due (lease modification). The impact of the redetermination will be recorded as a balancing item to the right of use asset.

Derecognition criteria

Financial liabilities are derecognised on the annual or interim financial statements when they expire or are extinguished. The difference between the carrying amount of the liability and the amount paid to purchase it is recorded in the income statement.

11 - Financial liabilities held for trading

Financial liabilities held for trading include:

- trading derivatives with a negative value;
- uncovered short positions on securities trading.

Recognition criteria

Such financial liabilities are initially recognised on receipt of the sums collected or on settlement of the financial instruments underlying the transaction. The fair value of any financial liabilities issued below market value is subject to appraisal and the difference from the market value is directly recognised in the income statement. After initial recognition, financial liabilities are measured at fair value.

Measurement criteria

After initial recognition, the financial instruments in question are measured at fair value, with changes in value recognised in item "80. Net gains (losses) from trading".
Financial liabilities are derecognised when they expire or are extinguished.

Derecognition criteria

Financial liabilities held for trading are derecognised when the contractual rights to the related cash flows expire or when financial liabilities are transferred with the substantial transfer of all the risks and rewards of ownership.

12 - Foreign-currency transactions

Assets and liabilities denominated in foreign currencies are recorded, at initial recognition, in the reporting currency, by applying the exchange rate in force on the transaction date to the foreign currency amount.
At each interim or year-end reporting date, financial statement items in foreign currencies are valued as follows:

- monetary financial assets and liabilities are converted at the exchange rate at the reporting date;
- non-monetary items measured at historical cost are translated at the exchange rate in force at the transaction date;
- non-monetary assets measured at fair value are converted using the exchange rates in force at the reporting date.

Foreign exchange differences resulting from the settlement of monetary items or the conversion of monetary items at rates other than the initial conversion rates or the conversion rates in the previous financial statements are recognised in the income statement for the period in which they arise.
When a gain or loss relating to a non-monetary item is recognised in shareholders' equity, the foreign exchange difference relating to that item is also recognised in equity. Conversely, when a gain or loss is recognised in the income statement, the relevant foreign exchange difference is also recognised in the income statement.

13 Other information

Other assets and liabilities

This item includes assets and liabilities not attributable to other assets in the balance sheet.
Other assets mainly include receivables associated with the provision of non-financial goods or services and tax payables other than those recorded in item "100. Tax assets" and other assets for transit items that will close at the beginning of the following year.
Other liabilities mainly include transit items, payables associated with the payment of the supply of non-financial goods and services and miscellaneous tax credit items other than those recognised in item "60. Tax liabilities".

Severance benefits

Employee severance benefits are recorded on the basis of the actuarial value calculated in line with the rules for "defined benefit" plans. The estimate of future disbursements is made on the basis of historical statistical analyses (for example turnover and retirements) and the demographic curve, including the salary increase assumptions provided for by Article 2120 of the Italian Civil Code (application of a fixed rate of 1.5% and 75% of the ISTAT inflation index where applicable). These flows are then discounted using the projected unit credit method. The discounting rate is determined on the basis of the market rates of high-quality bonds, in line with the estimated residual maturity of the commitments. The values thus determined entail recognition in the income statement of the cost components relating to work and net financial expenses, as well as the recognition of actuarial gains and losses deriving from the remeasurement of liabilities in other comprehensive income. The amounts accrued from 1 January 2007 allocated to the supplementary pension plan or the INPS treasury fund are classified as a "defined contribution" plan, since the company's obligation to the employee ceases with payment of the amounts accrued to the fund. These amounts are booked on the basis of the contributions accrued during the year.

Employee pension funds

Defined contribution plans for pension funds for which the company, through payment of contributions, does not assume any further obligation towards the fund members, entail recognition in the income statement of the benefits accrued during the year.

Share-based payments

These are payments to employees or similar persons as consideration for work or other services/goods received based on shares which may consist in the allocation of:

- rights to subscribe for paid capital increases (stock options);
- rights to receive shares when the qualitative/quantitative targets settled with equity instruments are met (performance shares);
- rights to receive shares when the quantitative/qualitative targets settled by cash are met (phantom shares).

For such cases, the cost of the transaction, together with the corresponding increase on the balance sheet (shareholders' equity or liabilities), is recognised in relation to the fair value of the benefits at the grant date, which is recognised during the vesting period.

For stock option plans, the fair value of the option was calculated using a model that took into account not only information such as the exercise price and life of the option, the current price of the shares and their expected volatility, the expected dividends and the risk-free interest rate, but also the specific characteristics of the plan in place. The option and the probability of realising market conditions are valued separately in the pricing model. The combination of the two values provides the fair value of the granted instrument. The cumulative costs recognised at each reporting date until the vesting date are commensurate with the maturity of the vesting period and the best available estimate of the number of participating instruments that will actually be exercised on vesting.
The reversal of the cost recognised in the income statement in each year represents the change in the cumulative cost between what is recognised at the end of the year and the cumulative cost at the end of the previous year. No cost is recognised for rights that do not reach full accrual. Incentive schemes are also provided for key staff that are based on group share-based payments in accordance with the rules on the remuneration of such staff.

Capital and treasury shares

The capital item includes the amount of shares issued net of any capital subscribed but not yet paid up as at the reporting date. This item is shown gross of the treasury shares held by the Bank. These are recognised in the financial statements under a specific item as a negative component of shareholders' equity.

The original cost of repurchased treasury shares and the gains or losses arising from their subsequent sale are recognised as changes in shareholders' equity.
Dividends on ordinary shares are recognised as a reduction in shareholders' equity in the year in which the Shareholders' Meeting resolved to distribute them. Any interim dividends are recognised in the "Interim dividends" liability item of the balance sheet with a negative sign.

Tax credits related to the "Cure Italy" and "Relaunch" decrees acquired due to transfer by direct beneficiaries or previous acquirers (such as the "Ecobonus")

The credits introduced by Decree No. 18/2020 ("Cure Italy") and Decree No. 34/2020 ("Relaunch") acquired following disposal by direct beneficiaries or previous purchasers refer to tax incentive measures related to investment expenditure (e.g. the Ecobonus and the Sismabonus).
These tax incentives, applicable to households or businesses, are commensurate with a percentage of the expenditure incurred and are paid in the form of tax credits or tax deductions.
The main features of the tax credits introduced by the decrees are:

- the option of offsetting over a limited period of time;
- the possibility of transfer to third-party buyers; and
- no refunding by the tax authorities.

The accounting treatment of the above credits is not governed by any IAS/IFRS accounting standard and it is therefore necessary to refer to the provisions of IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, which require that a specific accounting policy be defined that ensures a faithful representation of the entity's financial position, income and cash flows and reflects the economic substance.

Also under the guidelines set forth by the Supervisory Bodies in the joint document published by them, taking into account that the tax credits referred to in the decrees are substantially more similar to a financial asset, as they may be used to offset a debt usually extinguished in cash (tax payables), and may be exchanged for other financial assets under conditions that might potentially be favourable to the entity and can be framed in a business model, it is believed that the accounting model based on IFRS 9 represents the accounting policy of reference.

In order to define the accounting treatment to be adopted for the tax credits in question, reference was therefore made to certain provisions of the IFRS 9 accounting standard for financial instruments. In particular, the acquisition price of the tax credits is affected by:

- the time value of money;
- the ability to use it within the relevant timeframe.

This price meets the condition of IFRS 9, according to which financial assets and liabilities are initially recognised at fair value and regarded as being at Level 3 of the fair value hierarchy provided for by IFRS 13, as there are currently no active markets or comparable transactions. At the time of initial recognition, the tax credit must therefore be recognised at the transaction price. In order to subsequently measure financial assets at amortised cost, the following must be considered:

- the time value of money;
- the use of an effective interest rate;
- the flows of the use of the tax credit through offsetting.

The effective interest rate used is therefore the rate determined at the outset so that the discounted cash flows associated with the expected future offsetting estimated over the projected duration of the tax credit are equal to the acquisition price. It is therefore necessary to estimate the expected offsetting taking into account all the terms of the tax credit, including the fact that any tax credit not used in each offsetting period will be lost.

Using the amortised cost method, pursuant to paragraph B5.4.6 of IFRS 9, it is necessary to periodically review the estimates of cash flows and to adjust the gross book value of the financial asset to reflect actual and restated cash flows.

Applying IFRS 9 as the best approximation of the accounting standard that should be adopted, it is therefore necessary to define the correct portfolio among those covered by this standard, i.e. the held-to-collect (HTC) business model, in accordance with the classification currently adopted by the Group, according to which this is the reference portfolio for loans to customers, also considering the aim of holding these loans and using them for future offsetting.
With regard to presentation, given that the tax credits obtained do not represent, pursuant to the international accounting standards, tax assets, public contributions, intangible assets or financial assets, the most appropriate classification for the purposes of presentation in the financial statements is the residual classification of "other assets" in the balance sheet in line with IAS 1.
Income and expenses (interest and other valuation aspects such as adjustments for impairment and gains (losses) on disposal) are recognised in the income statement, in line with the HTC business model selected.

Income statement

Revenues

Revenues are gross flows of economic benefits arising from the company's ordinary business and are recognised when the control of goods or services is transferred to the client, for an amount that represents the consideration to which it considers it is entitled. Specifically, revenue is recognised through the application of a model that must meet the following criteria:

- the parties to the contract approved the contract and undertook to fulfil their respective obligations;
- the entity can identify the rights of each of the parties with regard to the goods or services to be transferred;
- determination of the expected consideration for the transfer of the goods or services to the client (transaction price);
- recognition of revenues when the obligation to perform is fulfilled by transferring the good or service to the customer.

Interest income and expense

Interest income and expense and similar income and expense comprise cash and cash equivalents and financial instruments classified under IFRS 9 (financial assets held for trading, designated at fair value or mandatorily measured at fair value, measured at fair value with an impact on comprehensive income, measured at amortised cost and financial liabilities at amortised cost).
Interest income and expense is recognised in the income statement for all instruments valued according to the amortised cost criterion, using the effective interest rate method.

Commission income and other income

Fee income and other operating income is recognised in the income statement in accordance with IFRS 15: Revenue from contracts with customers. In particular:

- if the obligation to perform is fulfilled at a certain time, the relevant revenue is recognised in the income statement at the time the service is provided;
- if the obligation to perform is fulfilled over time, the relevant revenue is recognised in the income statement in such a way as to reflect the degree of fulfilment of the obligation.

The amount of revenue recognised on commission income and other operating income is measured according to the contractually established amounts.

Dividends

Dividends are recognised in the income statement in the financial year in which the resolution to distribute them is approved.
Dividends received from subsidiaries fully measured using the equity method are not recognised in the income statement, but reduce the value of the investment.

Costs

Costs are recognised when they are incurred in accordance with the principle of the correlation of costs and revenues. Costs that cannot be associated with revenue are immediately recognised in the income statement. Costs directly attributable to financial instruments measured at amortised cost are recorded in the income statement using the effective interest rate.

The effective interest method is the method of allocating interest income or expense over the duration of a financial asset or liability. The effective interest rate is the rate that exactly discounts future payments or receipts expected over the life of the financial instrument to the net book value of the financial asset or liability.
Impairment is recognised in the income statement in the financial year in which it is recognised.

A.3 – REPORTING OF TRANSFERS OF FINANCIAL ASSETS BETWEEN PORTFOLIOS

A.3.1 Reclassified financial assets: change in business model, carrying amount and interest income

Type of financial instrument (1)	Reclassified from (2)	Reclassified to (3)	Date of reclassification (4)	Reclassified carrying amount (5)	Interest income recorded in the year (before tax) (6)
Debt securities	Financial assets measured at fair value through other comprehensive income	Financial assets measured at amortised cost	01/10/2018	1,192,542	N.A.

The above value, in euro, represents the carrying amount of the residual securities at the end of 2024.
It should be noted that the reclassification date is the date of the accounting effect of the change of business model.

A.3.2 Reclassified financial assets: change in business model and effective interest rate

As reported in previous years, following a change in the business model by the Parent Company, which allowed the risk profile to be maintained unchanged with respect to the risk appetite assumed by the corporate governance bodies, the Held to Collect (HTC) portfolio is the portfolio in which financial instruments have a significant position compared with the HTCS portfolio, in which financial instruments continue to have a very marginal position. It should therefore be noted that all variable-rate securities and medium/long-term fixed-rate securities are assigned to the HTC portfolio as, according to the Bank, they are more consistent with stable funding.
2024 confirmed the choice of the prevalence of the HTC portfolio, following which the relative importance of the exposure to securities classified in the HTC portfolio and the substantial absence of sales of securities classified in this portfolio should be noted.

A.4 - FAIR VALUE REPORTING

QUALITATIVE INFORMATION

Fair value is defined as the price that would be received for the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants, under current conditions in the main or most advantageous market at the measurement date (exit price). Underlying the measurement of fair value is the presumption that the entity is a going concern. IFRS 13 establishes a fair value hierarchy according to the degree of observability of the inputs and parameters applied to the measurements. Three levels are envisaged:

- Level 1: the FV of the instruments classified at this level is determined on the basis of list prices observed in active markets;
- Level 2: the FV of the instruments classified at this level is determined on the basis of valuation models that mainly use inputs observable in active markets;
- Level 3: the FV of the instruments classified at this level is determined on the basis of valuation models that mainly use significant inputs not observable in active markets.

The COMPANY adopts a policy for recognising the fair value level of individual positions which contains the rules both for the definition of an "active market" and for the consequent operating procedure for valuing portfolios, in order to remove any discretionary power in identifying levels.
Securities not belonging to either of the above two categories are regarded as belonging to a "non-active market". Securities covering Class III policies for which the issuer has a repurchase agreement are excluded from this definition. As part of coordination activities for all Group companies, the Risk Management function provides methodology and/or operational support to the corresponding risk structures of the companies in the Conglomerate, including with regard to the definition of an active market.

The following are deemed to be listed on an active market:

- securities traded on Italian and foreign regulated markets (e.g. MTS (electronic government securities market) and MOT (electronic bond and government securities market);
- securities traded on organised exchange systems authorised or recognised by Consob (multilateral trading facilities) for which the materiality of the price has been determined by the procedure described below;
- securities for which an executable list price is available that meets the following criteria:
- the reference time series is complete;
- the bid-ask price tolerance thresholds differ according to the financial instrument;
- significant variability in the daily price in the reference month;
- maximum monthly price variation limit;
- maximum limit of the price deviation from a benchmark quotation.

Securities that meet the above criteria are classified as listed on an active market and their fair value is determined according to the type of financial instrument, as follows:

- for equity securities listed on the Italian stock exchange Borsa Italia and/or foreign stock exchanges, the closing price on the last trading day of the reference month;

- debt securities will be valued at the bid price (for long positions) and the ask price (for short positions) from an executable source.

Financial instruments that are not in active markets are measured by assigning them to fair value Level 2 or Level 3.

A.4.1 Fair value levels 2 and 3: measurement techniques and inputs used

The Group's Level 2 instruments comprise bonds and some derivative instruments. Securities in this category are valued on the basis of directly or indirectly observable market data.
The fair value of the bonds is calculated as the sum of the present values at the end of the financial year of the cash flows deriving from them. The discount rate is determined as the sum of the following components:

- the risk-free rate
- the credit spread
- any illiquidity spread.

The risk-free rate is inferred from the implicit value in IRS (interest rate swap) contracts, while the credit spread is inferred from the price of bonds of the same issuer with a fixed coupon and maturity comparable to the security being valued. Where there are no securities from the same issuer, and for own bonds, an estimated credit spread is used through the use of issuers with similar characteristics.
If the values of coupon flows are not fixed, but variable and indexed to market interest rates, they are identified on the basis of:

- the forward rates implicit in the risk-free rates for the various maturities;
- in the event that future flows have implicit optionality, then implicit volatilities in the prices of cap and floor options are used in the estimate. Expected flows are determined based on implied volatilities (where relevant) using the Black-Scholes model.

In the case of Level 2 derivative financial instruments on rates (amortising interest rate swaps and interest rate options) with collateralisation activities, the present value is determined taking into account the rates deducted from the values implicit in the OIS (overnight interest swap) contracts) and Basis Swap contracts.
Potential Level 3 assets fall into the following asset classes:

- units of real estate funds;
- unlisted equity securities positions;
- unlisted bond positions;
- units of closed-end UCI funds;

With regard to real estate fund units, the rationale behind real estate valuations is to determine a fair value through a mark to model. The starting point for determining the fair value of real estate (included in the real estate funds) is the (contractually fixed) rents that the tenant of the property undertakes to pay the property owner for an agreed number of years. These fees are discounted and capitalised using the valuation practice adopted by independent third-party valuers. In accordance with current legislation, the assets in real estate funds are valued by independent experts every six months.

With reference to the other types of funds in the portfolio managed by leading asset management companies, the NAV of the fund's share is assumed as an approximation of the fair value, provided that it can actually be considered an approximation of the FV.

For some of the most significant equities, the Group has determined the fair value of these instruments on the basis of established academic valuation methods (DCF).

Less significant unlisted equity securities have been assumed to be equal to their historical cost in the absence of facts and information considered sufficiently reliable to determine the fair value reliably, such as recent transactions to be taken as a reference or the presence of inherent characteristics of the company that allow it to be compared with other listed players.

With regard to unlisted bonds, the FV estimation method presupposes the use of input parameters derived from market values and adjusted according to liquidity premium or other variables.

Fair value Level 3 relating to assets and liabilities not measured at fair value on a recurring basis includes receivables and payables from/to customers and banks and real estate assets.

For short-term receivables and payables from/to customers and banks the fair value was assumed to be equal to the carrying amount, as this was considered a good approximation. For medium/long-term performing and non-performing exposures (past due by more than 90 days and unlikely to pay), mainly consisting of loans to customers for mortgage contracts, the measurement of fair value took into account the discounting of contractual flows.
A fair value corresponding to the carrying amount was assumed for non-performing exposures (non-performing loans). The assumptions underlying the determination of fair value, which are specific to the model and not observable in the market, determine classification at Level 3.
The fair value of real properties directly owned by the Company and Group companies has generally been determined using the "comparative" method.

A.4.2 Valuation processes and sensitivity

In order to determine the fair value of Level 3 financial instruments, the company uses valuation methods in line with generally accepted and utilised market methodologies.
The valuation models include techniques based on discounting future cash flows, using estimated valuation parameters not directly observable on the market, which are reviewed periodically to ensure full consistency with the valuation objectives.
Periodically, for financial instruments with Level 3 fair value levels, the Risk Management function carries out sensitivity analyses of the valuations with respect to the unobservable inputs used, referring to the provisions in this regard in the CRR, which defines the concept of delta (first order sensitivity) and the risk factors specific to each possible risk family.
Financial instruments with Level 3 fair value in the Mediolanum Group's portfolios essentially consist of funds and shares, the risk factor of which is the value of the position itself, as well as debt instruments exposed to interest rate risk.
As required by IFRS 13, 93 (h), for securities with fair value level 3, the sensitivity to inputs is reported (reference date 31/12/2024):

	Fair value hierarchy IFRS 13.93 (b)	Sensitivity
Assets	Level 3 (EUR/000)	Level 3 (EUR/000)
Financial assets held for trading (1) (Equity instruments)	8,012	80
Non-trading financial assets mandatorily at fair value through profit or loss (2) (Funds instruments)	121,211	1,212
Financial assets at fair value through other comprehensive income (Equity instruments)	6,911	69

Sensitivities follow the definitions described in the CRR in force in Article 325r 3(a), the numerator of which is shown in the table. In the specific case of perimeter shares, sensitivity is defined as follows:

$$S_k = \frac{V_i(1{,}01\ EQ_k, x, y, \ldots) - V_i(EQ_k, x, y, \ldots)}{0{,}01}$$

A.4.3 Fair value hierarchy

For the fair value hierarchy, see the description in the paragraph: Fair value reporting – qualitative disclosures.

Description of migrations between asset valuation levels

Banca Mediolanum has a policy in place for the recognition of the fair value level of individual positions. The policy establishes the rules applied by the individual Company for both the definition of an "active market" and the consequent operating procedure for valuing portfolios in order to avoid any discretion in the identification of levels. In the first six months of 2024, following the monthly controls carried out by the Risk Management Function in accordance with internal policies, there were no changes in the fair value level for any of the securities in the portfolios of the Banca Mediolanum.

A.4.4 Other information

There are no situations within the Banca Mediolanum in which the maximum and best use of a non-financial asset differs from its current use. Moreover, there are no situations in which financial assets and liabilities managed on a net basis relating to market risks or credit risk are measured at fair value on the basis of the price that could be received from the sale of a net long position or the transfer of a net short position.

QUANTITATIVE INFORMATION

A.4.5 Fair value hierarchy

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by fair value level

€/000	31/12/2024			31/12/2023		
Assets/liabilities measured at fair value	**L1**	**L2**	**L3**	**L1**	**L2**	**L3**
1. Financial assets at fair value through profit or loss	362,244	303	129,293	966,547	552	118,694
a)Financial assets held for trading	339,248	303	8,082	944,963	552	6,201
b)Financial assets designated at fair value	-	-	-	-	-	-
c)Other financial assets mandatorily measured at fair value	22,996	-	121,211	21,584	-	112,493
2. Financial assets measured at fair value through other comprehensive income	338,764	-	6,911	313,217	-	6,256
3. Hedging derivatives	-	-	-	-	53	-
4. Tangible assets	-	-	-	-	-	-
5. Intangible assets	-	-	-	-	-	-
TOTAL	**701,008**	**303**	**136,204**	**1,279,764**	**605**	**124,950**
1. Financial liabilities held for trading	-	3	-	-	8,452	5
2. Financial liabilities designated at fair value	-	-	-	-	-	-
3. Hedging derivatives	-	-	-	-	3,605	-
TOTAL	**-**	**3**	**-**	**-**	**12,057**	**5**

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

A.4.5.2 Changes during the year in assets measured at fair value on a recurring basis (Level 3)

€/000	Financial assets at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Tangible assets	Intangible assets
	Total	of which: a) financial assets held for trading	of which: b) financial assets designated at fair value	of which: c) other financial assets mandatorily measured at fair value				
1. Opening balances	**118,694**	**6,201**	**-**	**112,493**	**6,256**	**-**	**-**	**-**
2. Increases	**31,709**	**2,441**	**-**	**29,268**	**655**	**-**	**-**	**-**
2.1. Purchases	20,825	577	-	20,248	-	-	-	-
2.2. Profits booked to:	10,884	1,864	-	9,020	-	-	-	-
2.2.1. Income statement	10,884	1,864	-	9,020	-	-	-	-
- of which, capital gains	10,823	1,857	-	8,966	-	-	-	-
2.2.2. Shareholders' equity	-	X	X	X	-	-	-	-
2.3. Transfers from other levels	-	-	-	-	-	-	-	-
2.4. Other increases	-	-	-	-	655	-	-	-
3. Decreases	**(21,110)**	**(560)**	**-**	**(20,550)**	**-**	**-**	**-**	**-**
3.1. Sales	(18,674)	(521)	-	(18,153)	-	-	-	-
3.2. Redemptions	-	-	-	-	-	-	-	-
3.3. Losses charged to:	(2,436)	(39)	-	(2,397)	-	-	-	-
3.3.1. Income statement	(2,436)	(39)	-	(2,397)	-	-	-	-
- of which, capital losses	(2,351)	-	-	(2,351)	-	-	-	-
3.3.2. Shareholders' equity	-	X	X	X	-	-	-	-
3.4. Transfers to other levels	-	-	-	-	-	-	-	-
3.5. Other decreases	-	-	-	-	-	-	-	-
4. Closing balances	**129,293**	**8,082**	**-**	**121,211**	**6,911**	**-**	**-**	**-**

A.4.5.3 Annual changes in liabilities measured at fair value (Level 3)

€/000	Financial liabilities held for trading	Financial liabilities designated at fair value	Hedging derivatives
1. Opening balances	**5**	**-**	**-**
2. Increases	**-**	**-**	**-**
2.1. Emissions	-	-	-
2.2. Losses charged to:	-	-	-
2.2.1. Income statement	-	-	-
- of which, capital losses	-	-	-
2.2.2. Shareholders' equity	X	-	-
2.3. Transfers from other levels	-	-	-
2.4. Other increases	-	-	-
3. Decreases	**(5)**	**-**	**-**
3.1. Redemptions	-	-	-
3.2. Repurchases	(5)	-	-
3.3. Profits booked to:	-	-	-
3.3.1. Income statement	-	-	-
- of which, capital gains	-	-	-
3.3.2. Shareholders' equity	X	-	-
3.4. Transfers to other levels	-	-	-
3.5. Other decreases	-	-	-
4. Closing balances	**-**	**-**	**-**

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value level

€/000	31/12/2024				31/12/2023			
	CA	L1	L2	L3	CA	L1	L2	L3
1. Financial assets measured at amortised cost	32,528,504	15,192,391	280,249	18,428,191	31,991,305	15,620,073	-	17,455,947
2. Tangible assets held for investment purposes	-	-	-	-	-	-	-	-
3. Non-current assets and disposal groups	-	-	-	-	-	-	-	-
TOTAL	**32,528,504**	**15,192,391**	**280,249**	**18,428,191**	**31,991,305**	**15,620,073**	**-**	**17,455,947**
1. Financial liabilities measured at amortised cost	32,624,194	306,378	-	32,310,565	32,370,476	322,880	-	32,057,362
2. Liabilities associated with assets held for sale	-	-	-	-	-	-	-	-
TOTAL	**32,624,194**	**306,378**	**-**	**32,310,565**	**32,370,476**	**322,880**	**-**	**32,057,362**

KEY:

CA = Carrying amount

L1 = Level 1

L2=Level 2

L3 = Level 3

A.5 – REPORTING OF DAY ONE PROFIT/LOSS

Nothing to report.

PART B – INFORMATION ON THE STATEMENT OF FINANCIAL POSITION

ASSETS

Section 1 – Cash and cash equivalents – Item 10

1.1 Cash and cash equivalents: breakdown

€/000	31/12/2024	31/12/2023
a) Cash	2,210	2,441
b) Current accounts and demand deposits with central banks	369,700	15,000
Current accounts and demand deposits with banks	15,441	32,446
TOTAL	**387,351**	**49,887**

Section 2 – Financial assets measured at fair value through profit or loss – Item 20

2.1 Financial assets held for trading: breakdown by type

€/000	31/12/2024			31/12/2023		
	L1	L2	L3	L1	L2	L3
A. On-balance sheet assets						
1. Debt securities	299,569	-	30	888,788	-	-
1.1 Structured notes	-	-	30	-	-	-
1.2 Other debt securities	299,569	-	-	888,788	-	-
2. Equity securities	39,676	-	8,052	56,175	-	6,201
3. Units in investment funds (UCIs)	3	-	-	-	-	-
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
TOTAL (A)	**339,248**	**-**	**8,082**	**944,963**	**-**	**6,201**
B. Derivative instruments						
1. Financial derivatives	-	303	-	-	552	-
1.1 for trading	-	303	-	-	552	-
1.2 associated with the fair value option	-	-	-	-	-	-
1.3 other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 For trading	-	-	-	-	-	-
2.2 Associated with the fair value option	-	-	-	-	-	-
2.3 Other	-	-	-	-	-	-
TOTAL (B)	**-**	**303**	**-**	**-**	**552**	**-**
TOTAL (A+B)	**339,248**	**303**	**8,082**	**944,963**	**552**	**6,201**

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

Fair value I equity securities include the NEXI security for €39,608 thousand.
The decrease in this item in the comparison period is due to the reduction in the stock of debt securities in this portfolio.

2.2 Financial assets held for trading: breakdown by borrower/issuer/counterparty

€/000	31/12/2024	31/12/2023
A. ON-BALANCE SHEET ASSETS		
I. Debt securities	299,599	888,788
a) Central banks	-	-
b) General government	190,306	888,788
c) Banks	109,263	-
d) Other financial corporations	30	-
of which: insurance companies	-	-
e) Non-financial corporations	-	-
2. Equity securities	47,728	62,376
a) Banks	-	-
b) Other financial corporations	47,662	62,372
of which: insurance companies	-	-
c) Non-financial corporations	66	4
d) Other issuers	-	-
3. Units of UCIs	3	-
4. Loans	-	-
a) Central banks	-	-
b) General government	-	-
c) Banks	-	-
d) Other financial corporations	-	-
of which: insurance companies	-	-
e) Non-financial corporations	-	-
f) Households	-	-
TOTAL (A)	**347,330**	**951,164**
B. DERIVATIVE INSTRUMENTS		
a) Central counterparties	-	-
b) Other	303	552
TOTAL (B)	**303**	**552**
TOTAL (A+B)	**347,633**	**951,716**

2.5 Other financial assets mandatorily measured at fair value: breakdown by type

€/000	31/12/2024			31/12/2023		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Structured notes	-	-	-	-	-	-
1.2 Other debt securities	-	-	-	-	-	-
2. Equity securities	**-**	**-**	**-**	**-**	**-**	**-**
3. Units in investment funds (UCIs)	**22,996**	**-**	**121,211**	**21,584**	**-**	**112,493**
4. Loans	**-**	**-**	**-**	**-**	**-**	**-**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
TOTAL	**22,996**	**-**	**121,211**	**21,584**	**-**	**112,493**

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

2.6 Other financial assets mandatorily measured at fair value: breakdown by borrower/issuer

€/000	31/12/2024	31/12/2023
1. Equity securities	**-**	**-**
of which: banks	-	-
of which: other financial corporations	-	-
of which: non-financial corporations	-	-
2. Debt securities	**-**	**-**
a) Central banks	-	-
b) General government	-	-
c) Banks	-	-
d) Other financial corporations	-	-
of which: insurance companies	-	-
e) Non-financial corporations	-	-
3. Units in investment funds (UCIs)	**144,207**	**134,077**
4. Loans	**-**	**-**
a) Central banks	-	-
b) General government	-	-
c) Banks	-	-
d) Other financial corporations	-	-
of which: insurance companies	-	-
e) Non-financial corporations	-	-
f) Households	-	-
TOTAL	**144,207**	**134,077**

Section 3 – Financial assets measured at fair value through other comprehensive income – Item 30

3.1 Financial assets at fair value through other comprehensive income: breakdown by type

€/000	31/12/2024			31/12/2023		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**20,038**	**-**	**-**	**59,481**	**-**	**-**
1.1 Structured notes	-	-	-	-	-	-
1.2 Other debt securities	20,038	-	-	59,481	-	-
2. Equity securities	**318,726**	**-**	**6,911**	**253,736**	**-**	**6,255**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**338,764**	**-**	**6,911**	**313,217**	**-**	**6,255**

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

3.2 Financial assets measured at fair value through other comprehensive income: breakdown by borrower/issuer

€/000	31/12/2024	31/12/2023
1. Debt securities	**20,038**	**59,481**
a) Central banks	-	-
b) General government	20,038	19,871
c) Banks	-	39,610
d) Other financial corporations	-	-
of which: insurance companies	-	-
e) Non-financial corporations	-	-
2. Equity securities	**325,637**	**259,991**
a) Banks	318,724	253,734
b) Other issuers:	6,913	6,257
- other financial corporations	1,190	534
of which: insurance companies	-	-
- non-financial corporations	5,723	5,723
- other	-	-
3. Loans	**-**	**-**
a) Central banks	-	-
b) General government	-	-
c) Banks	-	-
d) Other financial corporations	-	-
of which: insurance companies	-	-
e) Non-financial corporations	-	-
f) Households	-	-
TOTAL	**345,675**	**319,472**

3.3 Financial assets measured at fair value through other comprehensive income: gross value and overall adjustments

€/000		Gross value					Overall value adjustments				
		Stage 1	of which: Instruments with low credit risk	Stage 2	Stage 3	Purchased or originated impaired	Stage 1	Stage 2	Stage 3	Purchased or originated impaired	Overall partial write-offs*
Debt securities		20,049	20,049	-	-	-	(11)	-	-	-	-
Loans		-	-	-	-	-	-	-	-	-	-
TOTAL	**31/12/2024**	**20,049**	**20,049**	**-**	**-**	**-**	**(11)**	**-**	**-**	**-**	**-**
TOTAL	**31/12/2023**	**59,560**	**59,560**	**-**	**-**	**-**	**(79)**	**-**	**-**	**-**	**-**

* Value to be displayed for information purposes

Section 4 – Financial assets measured at amortised cost – Item 40

4.1 Financial assets measured at amortised cost: breakdown by type of loans to banks (Part 1 of 2)

€/000	31/12/2024					
	Carrying amount			Fair value		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3
A. Loans to central banks	**254,400**	**-**	**-**	**-**	**-**	**254,400**
1. Deposits at notice	-	-	-	X	X	X
2. Mandatory reserve	254,400	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X
4. Other	-	-	-	X	X	X
B. Loans to banks	**430,620**	**-**	**-**	**30,943**	**280,249**	**120,722**
1. Loans	120,722	-	-	-	-	120,722
1.1 Current accounts	-	-	-	X	X	X
1.2. Deposits at notice	120,338	-	-	X	X	X
1.3. Other loans:	384	-	-	X	X	X
-Reverse repurchase agreements	-	-	-	X	X	X
-Leasing loans	-	-	-	X	X	X
- Other	384	-	-	X	X	X
2. Debt securities	309,898	-	-	30,943	280,249	-
2.1 Structured notes	-	-	-	-	-	-
2.2 Other debt securities	309,898	-	-	30,943	280,249	-
TOTAL	**685,020**	**-**	**-**	**30,943**	**280,249**	**375,122**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

4.1 Financial assets measured at amortised cost: breakdown by type of loans to banks (Part 2 of 2)

€/000	31/12/2023					
	Carrying amount			Fair value		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3
A. Loans to central banks	**324**	**-**	**-**	**-**	**-**	**324**
1. Deposits at notice	-	-	-	X	X	X
2. Mandatory reserve	324	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X
4. Other	-	-	-	X	X	X
B. Loans to banks	**67,058**	**-**	**-**	**30,874**	**-**	**36,944**
1. Loans	36,944	-	-	-	-	36,944
1.1 Current accounts	-	-	-	X	X	X
1.2. Deposits at notice	25,009	-	-	X	X	X
1.3. Other loans:	11,935	-	-	X	X	X
- Reverse repurchase agreements	-	-	-	X	X	X
- Leasing loans	-	-	-	X	X	X
-Other	11,935	-	-	X	X	X
2. Debt securities	30,114	-	-	30,874	-	-
2.1 Structured notes	-	-	-	-	-	-
2.2 Other debt securities	30,114	-	-	30,874	-	-
TOTAL	**67,382**	**-**	**-**	**30,874**	**-**	**37,268**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

4.2 Financial assets measured at amortised cost: breakdown of loans to customers by type (Part 1 of 2)

€/000	31/12/2024					
	Carrying amount			Fair value		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3
1. Loans	**16,671,878**	**101,853**	**3,025**	**-**	**-**	**18,053,069**
1.1 Current accounts	453,340	7,458	377	X	X	X
1.2 Reverse repurchase agreements	90,148	-	-	X	X	X
1.3 Mortgages	11,280,126	62,543	-	X	X	X
1.4 Credit cards, personal loans and salary-backed loans	1,108,844	6,977	2,546	X	X	X
1.5. Leasing loans	-	-	-	X	X	X
1.6 Factoring	-	-	-	X	X	X
1.7 Other loans	3,739,420	24,875	102	X	X	X
2. Debt securities	**15,066,728**	**-**	**-**	**15,161,448**	**-**	**-**
2.1 Structured notes	-	-	-	-	-	-
2.2 Other debt securities	15,066,728	-	-	15,161,448	-	-
TOTAL	**31,738,606**	**101,853**	**3,025**	**15,161,448**	**-**	**18,053,069**

4.2 Financial assets measured at amortised cost: breakdown of loans to customers by type (Part 2 of 2)

€/000	31/12/2023					
	Carrying amount			Fair value		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	L1	L2	L3
1. Loans	**16,185,646**	**101,749**	**2,919**	**-**	**-**	**17,418,679**
1.1 Current accounts	490,100	5,070	389	X	X	X
1.2 Reverse repurchase agreements	-	-	-	X	X	X
1.3 Mortgages	10,987,873	60,813	-	X	X	X
1.4 Credit cards, personal loans and salary-backed loans	1,178,522	6,791	2,441	X	X	X
1.5. Leasing loans	-	-	-	X	X	X
1.6 Factoring	-	-	-	X	X	X
1.7 Other loans	3,529,151	29,075	89	X	X	X
2. Debt securities	**15,633,608**	**-**	**-**	**15,589,199**	**-**	**-**
2.1 Structured notes	-	-	-	-	-	-
2.2 Other debt securities	15,633,608	-	-	15,589,199	-	-
TOTAL	**31,819,254**	**101,749**	**2,919**	**15,589,199**	**-**	**17,418,679**

4.3 Financial assets measured at amortised cost: breakdown of loans to customers by borrower/issuer

€/000	31/12/2024			31/12/2023		
	Stages 1 and 2	Stage 3	Purchased or originated impaired	Stages 1 and 2	Stage 3	Purchased or originated impaired
1. Debt securities	**15,066,728**	**-**	**-**	**15,633,608**	**-**	**-**
a) General government	15,066,728	-	-	15,633,608	-	-
b) Other financial corporations	-	-	-	-	-	-
of which: insurance companies	-	-	-	-	-	-
c) Non-financial corporations	-	-	-	-	-	-
2. Loans to:	**16,671,878**	**101,853**	**3,025**	**16,185,647**	**101,749**	**2,918**
a) General government	64	16	-	58	16	-
b) Other financial corporations	2,808,178	12	-	2,506,335	10	-
of which: insurance companies	33,851	-	-	26,481	-	-
c) Non-financial corporations	591,165	23,301	-	619,923	27,176	-
d) Households	13,272,471	78,524	3,025	13,059,331	74,547	2,918
TOTAL	**31,738,606**	**101,853**	**3,025**	**31,819,255**	**101,749**	**2,918**

4.4 Financial assets measured at amortised cost: gross value and overall value adjustments

€/000		Gross value					Overall value adjustments				
		Stage 1	of which: Instruments with low credit risk	Stage 2	Stage 3	Purchased or originated impaired	Stage 1	Stage 2	Stage 3	Purchased or originated impaired	Overall partial write-offs*
Debt securities		15,386,884	15,386,884	-	-	-	(10,258)	-	-	-	-
Loans		16,421,806	-	673,684	198,303	4,900	(20,486)	(28,004)	(96,450)	(1,875)	(242)
TOTAL	**31/12/2024**	**31,808,690**	**15,386,884**	**673,684**	**198,303**	**4,900**	**(30,744)**	**(28,004)**	**(96,450)**	**(1,875)**	**(242)**
TOTAL	**31/12/2023**	**31,326,542**	**15,675,458**	**616,118**	**198,550**	**4,395**	**(29,410)**	**(26,612)**	**(96,802)**	**(1,476)**	**(171)**

Section 5 – Hedging derivatives – Item 50

5.1 Hedging derivatives: breakdown by type of hedge and level

€/000	31/12/2024				31/12/2023			
	Fair value			NV	Fair value			NV
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives								
1. Fair value	-	-	-	-	-	53	-	3,556
2. Cash flows	-	-	-	-	-	-	-	-
3. Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives								
1. Fair value	-	-	-	-	-	-	-	-
2. Cash flows	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**53**	**-**	**3,556**

Key:

NV: Notional value
L1 = Level 1
L2 = Level 2
L3 = Level 3

Section 7 – Partecipazioni – Item 70

7.1 Equity investments: information on investment relationships

Company name	Registered office	Operational HQ	% held	% votes available
A. Exclusive subsidiaries				
Mediolanum Vita S.p.A.	Basiglio	Basiglio	100.0%	100%
Mediolanum Comunicazione S.p.A.	Basiglio	Basiglio	100.0%	100%
PI Servizi S.p.A.	Basiglio	Basiglio	100.0%	100%
Mediolanum International Life DAC	Dublin	Dublin	100.0%	100%
Mediolanum Assicurazioni S.p.A.	Basiglio	Basiglio	100.0%	100%
Mediolanum Gestione Fondi SGR p.A.	Basiglio	Basiglio	100.0%	100%
Mediolanum International Funds Ltd	Dublin	Dublin	95.4%	95.4%
Mediolanum Fiduciaria S.p.A.	Basiglio	Basiglio	100.0%	100%
Prexta S.p.A.	Basiglio	Rome	100.0%	100%
Flowe S.p.A. - SB	Basiglio	Basiglio	100.0%	100%
August Lenz & Co. AG*	Munich	Munich	100.0%	100%
Banco Mediolanum S.A.	Valencia	Barcelona	100.0%	100%

* Please note that the German subsidiary returned its banking licence on 7 November 2022.

7.2 Significant equity investments: carrying amount, fair value and dividends received

For the reporting regarding this item, see the description in the consolidated financial statements.

7.3 Significant equity investments: accounting information

For the reporting regarding this item, see the description in the consolidated financial statements.

7.5 Equity investments: changes during the year

€/000	31/12/2024	31/12/2023
A. Opening balances	**2,038,394**	**1,840,820**
B. Increases	**1,237,296**	**822,672**
B.1 Purchases	-	-
B.2 Write-backs	-	-
B.3 Write-ups	1,105,075	777,203
B.4 Other changes	132,221	45,469
C. Decreases	**(766,058)**	**(625,098)**
C.1 Sales	-	-
of which: Business combinations	-	-
C.2 Value adjustments	-	-
C.3 Write-downs	(25,166)	(38,438)
C.4 Other changes	(740,892)	(586,660)
D. Closing balances	**2,509,632**	**2,038,394**
E. Total write-ups	**1,105,075**	**777,203**
F. Total adjustments	**(25,166)**	**(38,438)**

Equity investments incorporate the valuation of equity investments in subsidiaries using the equity method. The other decreases include dividends received by the subsidiaries.

In accordance with IAS 36 and taking into account the recommendations of the joint Bank of Italy/Consob/ISVAP document of 3 March 2010, the reporting on the impairment testing performed on the equity investments in place at 31 December 2024 is provided below. The impairment process aims to verify that the carrying amount of the equity investments does not exceed the recoverable amount, i.e. the greater of the value in use and the possible sale price on the market (fair value net of selling costs or exchange value) of the equity investments. In order to carry out the impairment testing on equity investments, the directors of Banca Mediolanum were assisted by a company with specific experience in company valuations (the independent expert). The impairment testing was conducted on the basis of the methods and assumptions described below.

EQUITY INVESTMENTS TESTED FOR IMPAIRMENT

Impairment testing was therefore performed on the following equity investments:

Equity investment	% held	Carrying amount to be tested for impairment (€/m)
Banco Mediolanum S.A.	100.00%	324.3

The carrying amount of €324.3 million used for the purposes of the impairment test was that of November 2024. At date of preparation of the financial statements, the carrying amount of the equity investment was €332,7 million. It is confirmed that this difference does not affect the results of the test carried out.

VALUATION METHODS

As in previous years, the recoverable amount of the equity investments has been determined by reference to their value in use.
For the determination of value in use, IAS 36 provides for the possibility of using the financial method known as the Discounted Cash Flow (DCF) method. This method identifies the value in use of an equity investment, or company, by estimating the future (operational) cash flows it generates, discounted to reflect the explicit time frame over which it is assumed that these will be achieved.
In operating practice, when credit companies are valued, the Free Cash Flow to Equity (FCFE) approach, known in the Anglo-Saxon world as the Dividend Discount Model (DDM) in the Excess Capital version, is used. This determines the value of a company on the basis of future cash flows that it will be able to distribute to its shareholders, without affecting the assets necessary to sustain the expected development and in accordance with the capital regulations imposed by the supervisory authority, discounted at a rate that expresses the specific risk. It should also be noted that although the phrase "Dividend Discount Model" contains the word "dividend", the cash flows considered by the model are not the dividends that are expected to be distributed to shareholders, but the cash flows that a shareholder could potentially benefit from within the limits of the capital resources required by company operations.

BANCO MEDIOLANUM

The recoverable value of Banco Mediolanum was estimated considering the value in use obtained from the application of the Excess Capital version of the Dividend Discount Model valuation methodology, in accordance with the prevailing principles, on the basis of the latest business plan approved by the directors of Banco Mediolanum and Banca Mediolanum S.p.A. and updated with the most recent projections.
The approved plan was developed on the basis of reasonable and consistent assumptions, which constitute the best estimate currently available to management of Banco Mediolanum's future economic performance. In particular, the objective of developing Banca Mediolanum's typical business model in Spain has been confirmed, based on the experience and track record of the management of the Mediolanum Group, with sustained development of the sales network and a consequent increase in net funding and assets under management. The projections incorporate an update of the most recent expectations concerning the trend in interest rates in the forecasting period, the expected evolution of funding based on volumes and the sales network in place at

31 December 2024 and the forecast of the profitability of assets under management. The main figures and parameters considered when determining the recoverable value of the equity investment are described below:

- expected cash flows from the latest approved plan and the most recent projections;
- growth in the Family Banker sales network, from 1,610 to 1,805;
- an increase in assets under administration at an average annual rate of 11.2%;
- the discount rate for future cash flows (Ke) is estimated at 12.23% based on the Capital Asset Pricing Model and considering the following parameters:
    - a risk-free rate of 3.00%, based on the average historical half-yearly return on 10-year bonds issued by the Spanish government;
    - the beta coefficient of 1.20, which indicates the risk level of a specific equity with respect to the equity market as a whole, estimated on the basis of the average value of a sample of companies operating in the Spanish banking sector;
    - a market premium, i.e. the difference in the return required by investors for an investment in equity securities compared with a risk-free investment, quantified at 6%, in line with the most common professional practice;
    - a specific risk premium, estimated conservatively at 2.0% to take into account the volatility underlying the achievement of the plan.

At the end of the explicit planning horizon, Banco Mediolanum's value was estimated on the basis of the available flow in 2027, conservatively excluding the contribution of institutional cash, and considering a long-term growth rate of 2.0%, in line with long-term inflation expectations. Particularly stressed sensitivity analyses were carried out, which concerned, separately:

- the discount rate;
- the long-term growth rate;
- net profitability.

In light of the analyses that was conducted, the Directors did not find any evidence of impairment.
It should be noted that the carrying amount of equity investments is subject to adjustment to their respective asset values.

Section 8 – Tangible assets – Item 80

8.1 Tangible assets for business use: breakdown of assets measured at cost

€/000	31/12/2024	31/12/2023
1. Own assets	**52,547**	**52,381**
a) land	28,326	29,376
b) buildings	18,970	19,478
c) furniture	1,398	1,296
d) electronic equipment	1,449	1,660
e) other	2,404	571
2. Rights of use acquired through leasing	**49,426**	**46,926**
a) land	-	-
b) buildings	49,426	46,926
c) furniture	-	-
d) electronic equipment	-	-
e) other	-	-
TOTAL	**101,973**	**99,307**
of which: obtained through the realisation of collateral	-	-

8.6 Tangible assets for business use: changes during the year

€/000	Land	Buildings	Furniture	Electronic equipment	Other	TOTAL
A. Gross opening balances	**29,376**	**132,180**	**22,971**	**24,845**	**575**	**209,947**
A.1 Total net impairment losses	-	65,776	21,675	23,185	4	110,640
A.2 Net opening balances	**29,376**	**66,404**	**1,296**	**1,660**	**571**	**99,307**
B. Increases:	**-**	**12,709**	**1,041**	**439**	**1,833**	**16,022**
B.1 Purchases	-	631	1,041	439	1,833	3,944
- of which business combinations	-	-	-	-	-	-
B.2 Capitalised improvement costs	-	-	-	-	-	-
B.3 Write-backs	-	-	-	-	-	-
B.4 Increases in fair value recognised in	-	-	-	-	-	-
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
B.5 Foreign exchange gains	-	-	-	-	-	-
B.6 Transfers from investment property	-	-	X	X	X	-
B.7 Other changes	-	12,078	-	-	-	12,078
C. Decreases:	**(1,050)**	**(10,717)**	**(939)**	**(650)**	**-**	**(13,356)**
C.1 Sales	-	-	-	-	-	-
- of which business combinations	-	-	-	-	-	-
C.2 Depreciation & amortization	-	(10,702)	(939)	(650)	-	(12,291)
C.3 Impairment losses recognised in	(1,050)	(15)	-	-	-	(1,065)
a) shareholders' equity	-	-	-	-	-	-
b) income statement	(1,050)	(15)	-	-	-	(1,065)
C.4 Decreases in fair value recognised in	-	-	-	-	-	-
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.5 Foreign exchange losses	-	-	-	-	-	-
C.6 Transfers to:	-	-	-	-	-	-
a) tangible assets held for investment purposes	-	-	X	X	X	-
b) non-current assets and disposal groups	-	-	-	-	-	-
C.7 Other changes	-	-	-	-	-	-
D. Net closing balances	**28,326**	**68,396**	**1,398**	**1,449**	**2,404**	**101,973**
D.1 Total net impairment losses	-	(75,947)	(22,571)	(23,822)	(4)	(122,344)
D.2 Gross closing balances	**28,326**	**144,343**	**23,969**	**25,271**	**2,408**	**224,317**
E. Valuation at cost	-	-	-	-	-	-

Section 9 – Intangible assets – Item 90

9.1 Intangible assets: breakdown by type of asset

€/000	31/12/2024		31/12/2023	
	Definite life	Indefinite life	Definite life	Indefinite life
A.1 Goodwill	X	-	X	-
A.2 Other intangible assets	**58,768**	-	**54,274**	-
of which: software	**58,768**	-	**54,274**	-
A.2.1 Assets measured at cost:	58,768	-	54,274	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	58,768	-	54,274	-
A.2.2 Assets measured at fair value:	-	-	-	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	-	-	-	-
TOTAL	**58,768**	-	**54,274**	-

9.2 Intangible assets: changes during the year

€/000	Goodwill	Other intangible assets: generated internally		Other intangible assets: other		TOTAL
		DEF	INDEF	DEF	INDEF	
A. Opening balances	-	-	-	**54,274**	-	**54,274**
A.1 Total net impairment losses	-	-	-	-	-	-
A.2 Net opening balances	-	-	-	**54,274**	-	**54,274**
B. Increases	-	-	-	**18,657**	-	**18,657**
B.1 Purchases	-	-	-	18,657	-	18,657
- of which business combinations	-	-	-	-	-	-
B.2 Increases in internal intangible assets	X	-	-	-	-	-
B.3 Write-backs	X	-	-	-	-	-
B.4 Increases in fair value	-	-	-	-	-	-
- in shareholders' equity	X	-	-	-	-	-
- in the income statement	X	-	-	-	-	-
B.5 Foreign exchange gains	-	-	-	-	-	-
B.6 Other changes	-	-	-	-	-	-
C. Decreases	-	-	-	**(14,163)**	-	**(14,163)**
C.1 Sales	-	-	-	-	-	-
- of which business combinations	-	-	-	-	-	-
C.2 Value adjustments	-	-	-	(14,163)	-	(14,163)
- Depreciation & amortization	X	-	-	(14,163)	-	(14,163)
- Write-downs	-	-	-	-	-	-
+ shareholders' equity	X	-	-	-	-	-
+ income statement	-	-	-	-	-	-
C.3 Decreases in fair value:	-	-	-	-	-	-
- in shareholders' equity	X	-	-	-	-	-
- in the income statement	X	-	-	-	-	-
C.4 Transfers to non-current assets held for sale	-	-	-	-	-	-
C.5 Foreign exchange losses	-	-	-	-	-	-
C.6 Other changes	-	-	-	-	-	-
D. Net closing balances	-	-	-	**58,768**	-	**58,768**
D.1 Total net value adjustments	-	-	-	-	-	-
E. Gross closing balances	-	-	-	**58,768**	-	**58,768**
F. Valuation at cost	-	-	-	-	-	-

Section 10 – Tax assets and tax liabilities – Item 100 of assets and Item 60 of liabilities

10.1 Deferred tax assets: breakdown

€/000	31/12/2024	31/12/2023
Balancing item in the income statement	70,159	70,746
Balancing item in shareholders' equity	-	231
TOTAL	**70,159**	**70,977**

10.2 Deferred tax liabilities: breakdown

€/000	31/12/2024	31/12/2023
Balancing item in the income statement	25,434	15,402
Balancing item in shareholders' equity	6,756	2,185

10.3 Changes in prepaid taxes (balancing item of the income statement)

€/000	31/12/2024	31/12/2023
1. Initial amount	**70,746**	**65,400**
2. Increases	**16,993**	**23,172**
2.1 Prepaid taxes recognised during the year	16,993	23,172
a) relating to previous years	-	-
b) due to the change in accounting policies	-	-
c) write-backs	-	-
d) other	16,993	23,172
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
- of which business combinations	-	-
3. Decreases	**(17,580)**	**(17,826)**
3.1 Prepaid taxes cancelled during the year	(17,580)	(17,336)
a) reversals	-	-
b) write-downs due to non-recoverability	-	-
c) due to the change in accounting policies	-	-
d) other	(17,580)	(17,336)
3.2 Reductions in tax rates	-	-
3.3 Other decreases:	-	(490)
a) conversion into tax credits pursuant to Law 214/2011	-	(490)
b) other	-	-
- of which business combinations	-	-
4. Final amount	**70,159**	**70,746**

10.3 bis Changes in prepaid taxes pursuant to Law 214/2011

€/000	31/12/2024	31/12/2023
1. Initial amount	**2,603**	**4,370**
2. Increases	**-**	**-**
- of which business combinations	-	-
3. Decreases	**(1,206)**	**(1,767)**
3.1 Reversals	(1,206)	(1,277)
3.2 Transformation into tax credits	-	(490)
a) deriving from operating losses	-	-
b) deriving from tax losses	-	(490)
3.3 Other decreases	-	-
4. Final amount	**1,397**	**2,603**

10.4 Changes in deferred taxes (balancing item of the income statement)

€/000	31/12/2024	31/12/2023
1. Initial amount	**15,402**	**10,409**
2. Increases	**24,591**	**14,560**
2.1 Deferred taxes recognised in the year	24,591	14,560
a) relating to previous years	-	-
b) due to the change in accounting policies	-	-
c) other	24,591	14,560
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
- of which business combinations	-	-
3. Decreases	**(14,559)**	**(9,567)**
3.1 Deferred taxes cancelled during the year	(14,559)	(9,567)
a) reversals	-	-
b) due to the change in accounting policies	-	-
c) other	(14,559)	(9,567)
3.2 Reductions in tax rates	-	-
3.3 Other decreases	-	-
- of which business combinations	-	-
4. Final amount	**25,434**	**15,402**

10.5 Changes in prepaid taxes (balancing item of shareholders' equity)

€/000	31/12/2024	31/12/2023
1. Initial amount	**231**	**703**
2. Increases	**-**	**119**
2.1 Prepaid taxes recognised during the year	-	119
a) relating to previous years	-	-
b) due to the change in accounting policies	-	-
c) other	-	119
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
- of which business combinations	-	-
3. Decreases	**(231)**	**(591)**
3.1 Prepaid taxes cancelled during the year	(231)	(591)
a) reversals	-	-
b) write-downs due to non-recoverability	-	-
c) due to the change in accounting policies	-	-
d) other	(231)	(591)
3.2 Reductions in tax rates	-	-
3.3 Other decreases	-	-
- of which business combinations	-	-
4. Final amount	**-**	**231**

10.6 Changes in deferred taxes (balancing item of shareholders' equity)

€/000	31/12/2024	31/12/2023
1. Initial amount	**2,185**	**-**
2. Increases	**4,839**	**2,185**
2.1 Deferred taxes recognised in the year	4,839	2,185
a) relating to previous years	-	-
b) due to the change in accounting policies	-	-
c) other	4,839	2,185
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	**(268)**	**-**
3.1 Deferred taxes cancelled during the year	(268)	-
a) reversals	-	-
b) due to the change in accounting policies	-	-
c) other	(268)	-
3.2 Reductions in tax rates	-	-
3.3 Other decreases	-	-
4. Final amount	**6,756**	**2,185**

Section 12 – Other assets – Item 120

12.1 Other assets: breakdown

€/000	31/12/2024	31/12/2023
Receivables from the tax authorities	846,435	868,075
Receivables from financial advisors	5,879	1,267
Advances to suppliers and professionals	13,839	16,298
Security deposits	260	77
Receivables from employees	180	125
Other receivables	153,133	168,539
Assets for transit items	76,867	68,597
Prepaid expenses	25,622	18,975
Receivables for collection	-	1,000
Receivables from parent companies, subsidiaries, associates and affiliates	9,779	8,485
Other sundry assets	12,244	13,224
Receivables from associates for tax consolidation	76,499	60,193
TOTAL	**1,220,737**	**1,224,855**

Other assets amounted to €1,220,737 thousand, an increase compared with the comparative period (31.12.2023: €1,224,855 thousand).

LIABILITIES

Section 1 – Financial liabilities measured at amortised cost – Item 10

1.1 Financial liabilities measured at amortised cost: breakdown of payables to banks by type

€/000	31/12/2024				31/12/2023			
	CA	Fair Value			CA	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Payables to central banks	**-**	X	X	X	**-**	X	X	X
2. Payables to banks	**111,110**	X	X	X	**591,170**	X	X	X
2.1 Current accounts and demand deposits	8,432	X	X	X	92,455	X	X	X
2.2 Term deposits	-	X	X	X	3,030	X	X	X
2.3 Loans	99,293	X	X	X	490,406	X	X	X
2.3.1 Repurchase agreements	99,293	X	X	X	490,406	X	X	X
2.3.2 Other	-	X	X	X	-	X	X	X
2.4 Payables for commitments to repurchase own shares	-	X	X	X	-	X	X	X
2.5 Lease liabilities	784	X	X	X	915	X	X	X
2.6 Other payables	2,601	X	X	X	4,364	X	X	X
TOTAL	**111,110**	**-**	**-**	**111,110**	**591,170**	**-**	**-**	**591,171**

Key:
CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

Payables to banks came to €111.1 million, down €480.1 million compared with 31 December 2023, a decline mainly related to repurchase agreements.

1.2 Financial liabilities measured at amortised cost: breakdown of payables to customers by type

€/000	31/12/2024				31/12/2023			
	CA	Fair Value			CA	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Current accounts and demand deposits	23,110,047	X	X	X	22,614,166	X	X	X
2. Deposits at notice	2,993,006	X	X	X	1,537,032	X	X	X
3. Loans	5,823,922	X	X	X	7,062,375	X	X	X
3.1 Repurchase agreements	5,823,922	X	X	X	7,062,375	X	X	X
3.2 Other	-	X	X	X	-	X	X	X
4. Payables for commitments to repurchase own shares	-	X	X	X	-	X	X	X
5. Lease liabilities	51,734	X	X	X	49,240	X	X	X
6. Other payables	220,746	X	X	X	203,378	X	X	X
TOTAL	**32,199,455**	**-**	**-**	**32,199,455**	**31,466,191**	**-**	**-**	**31,466,191**

Key:
CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

Payables to customers came to €32,199.5 million, up €733.3 million compared with 31 December 2023. Compared with an increase in demand deposits of €495.9 million and term deposits of €1,456.0 million, repurchase agreements fell by €1,238.5 million.

1.3 Financial liabilities measured at amortised cost: breakdown of securities in issue by type

€/000	31/12/2024				31/12/2023			
	CA	Fair Value			CA	Fair Value		
		L1	L2	L3		L1	L2	L3
A. Securities								
1. Bonds	**313,629**	306,378	-	-	**313,116**	322,880	-	-
1.1 structured	-	-	-	-	-	-	-	-
1.2 other	313,629	306,378	-	-	313,116	322,880	-	-
2. Other securities	-	-	-	-	-	-	-	-
2.1 structured	-	-	-	-	-	-	-	-
2.2 Other	-	-	-	-	-	-	-	-
TOTAL	**313,629**	**306,378**	**-**	**-**	**313,116**	**322,880**	**-**	**-**

Key:
CA = Carrying amount
L1=Level 1
L2=Level 2
L3=Level 3

At 31 December 2024, the item totalled €313.6 million.

It should be recalled that in November 2022, Banca Mediolanum issued a "Green Senior Preferred" Bond in the amount of €300,000,000, with a transaction that came under the €1 billion EMTN plan approved by the Bank, maturing on 22/01/2027, and a "BBB" rating assigned by Fitch and S&P.
The issued bond provides for an early coupon at a fixed rate of 5.035%, an option of early redemption at 22/01/2026 and no repricing mechanisms. The proceeds collected are used to finance or refinance loans or projects included in the ESG Bond Framework issued in July 2022.

Due to the characteristics of the issue, the bond was classified among financial liabilities measured at amortised cost and has a carrying amount of €313.6 million.

1.6 Lease liabilities

€/000	31.12.2024	
Breakdown of the contractual flows of lease agreements based on contractual term	**Payables to banks**	**Payables to customers**
Up to 1 year	-	254
1 to 5 years	-	18,941
Over 5 years	784	32,539
Overall total	**784**	**51,734**

For more information, see Section M–Leasing.

Section 2 – Financial liabilities held for trading – Item 20

2.1 Financial liabilities held for trading: breakdown by type

€/000	31/12/2024					31/12/2023				
	NV	Fair Value			Fair Value*	NV	Fair Value			Fair Value*
		L1	L2	L3			L1	L2	L3	
A. On-balance sheet liabilities										
1. Payables to banks	-	-	-	-	-	-	-	-	-	-
2. Payables to customers	-	-	-	-	-	-	-	-	5	5
3. Debt securities	-	-	-	-	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
TOTAL (A)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5**	**5**
B. Derivative instruments										
1. Financial derivatives	-	-	3	-	-	-	-	8,452	-	-
1.1 For trading	X	-	3	-	X	X	-	8,452	-	X
1.2 Associated with the fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit derivatives	-	-	-	-	-	-	-	-	-	-
2.1 For trading	X	-	-	-	X	X	-	-	-	X
2.2 Associated with the fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
TOTAL (B)	**X**	**-**	**3**	**-**	**X**	**X**	**-**	**8,452**	**-**	**X**
TOTAL (A+B)	**X**	**-**	**3**	**-**	**X**	**X**	**-**	**8,452**	**5**	**X**

Key:
NV= Nominal or notional value
L1=Level 1
L2=Level 2
L3=Level 3
Fair value*= Fair value calculated excluding changes in value due to a change in the issuer's credit rating since the issue date

Section 4 – Hedging derivatives – Item 40

4.1 Hedging derivatives: breakdown by type of hedge and level

€/000	31/12/2024				31/12/2023			
	Fair value			NV	Fair value			NV
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives	**-**	**-**	**-**	**-**	**-**	**3,605**	**-**	**47,365**
1) Fair value	-	-	-	-	-	3,605	-	47,365
2) Cash flows	-	-	-	-	-	-	-	-
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**3,605**	**-**	**47,365**

Key:
NV= Notional value
L1 = Level 1
L2 = Level 2
L3 = Level 3

Section 6 – Tax liabilities– Item 60

For tables containing the quantitative data, see Section 10 of the assets section.

Tax dispute

Banca Mediolanum

With reference to the Mutual Agreement Procedure under the Convention of 23 July 1990 No. 90/436/EEC on the elimination of double taxation in connection with the adjustment of profits of associated enterprises (i.e. tax years 2014-2016) and Article 24 of the Convention between Italy and Ireland for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (tax years 2010 - 2013), already referred to in the Annual Consolidated Financial Report 2023, it should be noted that at the end of April 2024 Banca Mediolanum S.p.A. and Mediolanum International Funds received the letters from the Italian and Irish competent authorities for the tax periods 2010 - 2016, through which the two companies were informed of the outcome of the procedure. Furthermore, during 2024, Banca Mediolanum S.p.A. reached tax assessment settlements for tax years 2017 (April 2024) and 2018 (December 2024). These settlements were preliminary to a subsequent application to the Irish Tax Authority for a corresponding tax credit in order to eliminate the double taxation which will be made in 2025 by means of the procedure under Convention No. 90/436/EEC of 23 July 1990 for the former, and by the procedure under Article 24 of the Convention between Italy and Ireland for the avoidance of double taxation. The agreement signed with the Italian competent authority would provide for a rate of retrocession of management fees to Banca Mediolanum of 59.65% and a rate of retrocession of performance fees to Banca Mediolanum of 7.7%.

In particular, in respect of the settlement proposals, Banca Mediolanum paid higher corporation tax (IRES) and regional business tax (IRAP) taxes totalling €13.9 million. Accordingly, Banca Mediolanum updated its estimate of the liability recognised for the said tax risk, based on the terms of the mutual agreement procedure and the consequent charges, accounting for an economic effect in the year of €11.5 million.

It should also be noted that, in light of the above, Banca Mediolanum adjusted the economic term of contracts in place with the Irish entity with effect as of 1 July 2024.

Section 8 – Other liabilities – Item 80

8.1 Other liabilities: breakdown

€/000	31/12/2024	31/12/2023
Provision for agency termination indemnities	7,865	7,134
Payables to promoters, producers and mediators	64,228	41,249
Trade payables	68,874	72,345
Payables to parent companies, subsidiaries and associates	3,524	2,877
Payables to the tax authorities	121,240	88,091
Social security contributions	9,040	9,908
Payables to employees	36,441	27,158
Payables to professionals, directors and statutory auditors	3,630	3,292
Payables for transit items	275,674	384,906
Deferred income	1,159	1,725
Accrued expenses	454	246
Other sundry liabilities	25,366	21,128
Tax consolidation	62,887	36,167
TOTAL	**680,382**	**696,226**

Payables for transit items include DD payment instructions, bank transfers arranged by customers and settled on the Interbank Network in the early days of 2025 and other items in processing that are regularly closed during the early days of the new year.
Payables due to tax authorities mainly include withholdings on interest expenses and virtual stamp duty.
Trade payables refer to goods and services received and not yet settled at the reporting date.
Payables to promoters, producers and mediators mainly include commissions to be paid to the network on new business.
Other sundry liabilities primarily consist of taxes to be paid on behalf of customers through F24 tax forms.

Section 9 – Employee termination benefits – Item 90

9.1 Employee severance benefits: changes during the year

€/000	31/12/2024	31/12/2023
A. Opening balances	**9,044**	**9,055**
B. Increases	**10,863**	**8,689**
B.1 Provision for the year	10,545	8,269
B.2 Other changes	318	420
C. Decreases	**(10,488)**	**(8,700)**
C.1 Settlement payments	17	(431)
C.2 Other changes	(10,505)	(8,269)
D. Closing balances	**9,419**	**9,044**
TOTAL	**9,419**	**9,044**

The discount rate adopted for the provision for employee severance benefits is consistent with the risk level of the cash flows to be discounted of liabilities by maturity and reflects current market conditions.

9.2 Other information

As described in "Part A – Accounting Policies", as a result of the supplementary pension scheme reform, post-employment benefits are recognised under this balance sheet item, and for companies with an average of at least 50 employees during 2006, refer to the portion accrued until 31 December 2006 only.
The provision therefore does not include portions which, as a result of the aforementioned reform, are paid to supplementary pension schemes or to the INPS treasury fund. Employee severance benefits accrued from 1 January 2007 are in fact a "defined contribution plan" and are recognised under personnel costs on the basis of the contributions due without the application of actuarial calculation methods.

The actuarial assumptions adopted for the purposes of valuing the employee severance indemnity at 31 December 2024 are:

- Mortality rate: table RG48;
- Inflation rate: 2%;
- Frequency of early severance pay: 3.7%;
- Turnover rate: 6%.

Section 10 – Provisions for liabilities and charges – Item 100

10.1 Provisions for risk and charges: breakdown

€/000	31/12/2024	31/12/2023
1. Provisions for credit risk relating to commitments and financial guarantees given	191	482
2. Provisions on other commitments and guarantees given	477	776
3. Company pension funds	-	-
4. Other provisions for risk and charges	312,631	278,200
4.1 legal and tax disputes	12,566	11,339
4.2 staff costs	-	-
4.3 Other	300,065	266,861
TOTAL	**313,299**	**279,458**

10.2 Provisions for risk and charges: changes during the year

€/000	Provisions on other commitments and guarantees given	Pension funds	Other provisions for risk and charges	TOTAL
A. Opening balances	**776**	**-**	**278,200**	**278,976**
B. Increases	**81**	**-**	**64,118**	**64,199**
B.1 Provision for the year	81	-	48,004	48,085
B.2 Changes due to the passage of time	-	-	8,891	8,891
B.3 Changes due to changes in the discount rate	-	-	7,223	7,223
B.4 Other changes	-	-	-	-
- of which business combinations	-	-	-	-
C. Decreases	**(380)**	**-**	**(29,687)**	**(30,067)**
C.1 Utilisation during the year	-	-	(20,447)	(20,447)
C.2 Changes due to changes in the discount rate	-	-	(119)	(119)
C.3 Other changes	(380)	-	(9,121)	(9,501)
- of which business combinations	-	-	-	-
D. Closing balances	**477**	**-**	**312,631**	**313,108**

10.3 Provisions for credit risk relating to commitments and financial guarantees given

Euro	31/12/2024				
	Stage 1	Stage 2	Stage 3	Impaired, acquired or originated	Total
Commitments to disburse funds	185	6	-	-	191
Financial guarantees given	-	-	-	-	-
Total	**185**	**6**	**-**	**-**	**191**

10.6 Provisions for risk and charges: other provisions

€/000	Balance as of 31/12/2023	Allocations in the period	Other changes	Utilisations in the period	Balance as of 31/12/2024
Provision name:					
- legal disputes	11,339	4,860	(2,530)	(1,103)	**12,566**
- other:					
Managers' allowance	77,440	12,247	(2,145)	(7,099)	**80,443**
Risk of misconduct by financial advisors	7,258	3,049	(2,986)	(951)	**6,370**
Additional customers' allowance	154,539	28,916	(1,095)	(3,737)	**178,623**
Portfolio and structure allowance	22,820	10,943	(481)	(3,392)	**29,890**
Sundry provisions	4,804	4,100	-	(4,165)	**4,739**
TOTAL	**278,200**	**64,115**	**(9,237)**	**(20,447)**	**312,631**

The above table shows the breakdown of, and changes in, the provisions in question.
The **provision for legal disputes** mainly includes legal liabilities (litigation and pre-litigation) relating to the Company.
The **additional customers' allowance** comprises the accrued provision for financial advisors. This was calculated according to whether retirement age was reached and on the basis of a calculation of probability determined on the basis of the Bank's historical trend, in accordance with IAS 37.

In addition to the benefits due contractually under its own voluntary, unilateral and discretionary rules, the Bank recognises additional and bonus allowances for its financial advisors. These allowances, consisting of the manager advisors' allowance and the portfolio and structure allowance, are described below.
The **manager advisor's allowance** is paid to agents providing assistance and coordination, whose compensation is based on specific commercial parameters and is granted upon the achievement of an old-age pension – provided that no competing activities have been performed in the two years following the end of the mandate – or in cases of total permanent disability or death. As with the portfolio and structure allowance, the manager advisors' allowance is paid within three years of the end of the agency mandate. The actuarial calculation, based on the estimate of the probability of pension payments of the manager advisors present at the end of the financial year, as well as the risk of death or total permanent disability, took into account the ratio of the length of service of the MA at the calculation date to the length of service at the date of occurrence of the events determining payment (so-called pro-rata application), with the application of a discount rate.

The **portfolio and structure allowance** consists, depending on the case, of remuneration related to the value of the customer portfolio or the agent structure managed by a financial advisor. The regulations adopted govern the transfer between financial advisors of responsibility for managing the portfolios of bank customers or the support and assistance of a financial advisors' structure. Transfers may take place during the relationship, due to a reduction in the customers or agents portfolio, or when financial advisors leave due to the termination of the agency relationship and are succeeded by another financial advisor. The Bank continues to play an active role in identifying the incoming financial advisor.

At the time of transfer, the regulations provide for:

- payment to the transferring financial advisor - provided that he or she meets certain subjective requirements and does not perform competing activities in the next two years - of an allowance deriving from the valuation of the transferred portfolio or structure, according to predetermined criteria;
- the relative charging to the incoming financial advisor of an equivalent amount, equal to the value of the portfolio and/or structure acquired under management.

The Bank liaises between the transferor and successor, paying the transferor directly and exercising its right of recourse in respect of the successor.

In the course of the activity of the transferring agent, the compensation will be paid in a maximum of 60 equal monthly instalments in arrears from the time of transfer, will be recovered from the successor agent in the same period. In the event of termination of the relationship by the transferring agent, the payment of the indemnity will be made on the basis of the agent's age, from the following two months until the end of the third year. Neither of these cash flows provides for the application of an interest rate in operations currently in progress. It is understood that if no successor is identified, no allowance is paid to the transferring advisor. The actuarial calculation took account of the effect of any future cash-flow mismatches (due to the different timing between payment and collection and no interest being applied), and also of counterparty risk through the application of a discount rate.

The **provision for misconduct by financial advisors** covers the risk of future liabilities for claims below the excess of the insurance policy taken out to cover losses suffered by customers as a result of misconduct on the part of the Bank's financial advisors. The provision is estimated on the basis of updated historical trends and takes into account the situation of claims reported to the Bank at the reporting date.

Section 12 – Shareholders' equity – Items 110, 130, 140, 150, 160, 170 and 180

12.1 "Share capital" and "treasury shares": breakdown

For more information on this section, see Section 12.3.

12.2 Share capital – Number of shares: changes during the year

Units	Ordinary	Other
A. Shares existing at the beginning of the year	**744,040,141**	**-**
- fully paid-up	744,040,141	-
- not fully paid-up	-	-
A.1 Treasury shares (-)	(2,899,295)	-
A.2 Shares in issue: opening balances	741,140,846	-
B. Increases	**2,467,550**	**-**
B.1 New issues	1,238,250	-
- for payment	1,238,250	-

- business combinations	-	-
- bond conversion	-	-
- exercise of warrants	-	-
- other	1,238,250	-
- free of charge	-	-
- for employees	-	-
- for directors	-	-
- other	-	-
B.2 Sale of treasury shares	1,229,300	-
B.3 Other changes		-
C. Decreases	**(6,223,308)**	**-**
C.1 Cancellation	-	-
C.2 Share buybacks	(6,223,308)	-
C.3 Transactions involving the sale of companies	-	-
C.4 Other changes	-	-
D. Shares in issue: closing balances	**737,385,088**	**-**
D.1 Treasury shares (+)	7,893,303	-
D.2 Shares existing at the end of the year	745,278,391	-
- fully paid-up	745,278,391	-
- not fully paid-up	-	-

12.3 Share capital: other information

At 31 December 2024, the fully subscribed and paid-up share capital amounted to €600.7 million, divided into 745,278,391 ordinary shares with no par value.
The Company holds 7,893,303 treasury shares, with a value of €77.4 million at 31 December 2024.

12.4 Earnings reserves: other information

Earnings reserves include: the legal reserve, the extraordinary reserve, the FTA reserve and other earnings reserves.
Details of the breakdown of the company's shareholders' equity, showing the origin, availability and eligibility for distribution of the reserves, are set out in the table below.

€/000	Amount	Possibility of use (A, B, C)	Available amount	Summary of uses	
				to cover losses	other reasons
Share capital	600,688				
Share premium reserve	9,082	**A B C**	9,082		
Reserves:					
Legal reserve	121,026	**B**	121,026	-	-
Extraordinary reserve	1,677,106	**A B C**	1,677,106	-	-
Extraordinary tax reserve on increase in net interest income	67,354	**A B**	67,354		
Reserve for treasury shares	77,414	**-**	-		
FTA reserve	(63,413)		(63,413)	-	-
Other reserves: equity method (other changes)	597,677	**B**	597,677		

Other reserves for incentives in equity instruments	61,762	A B C	61,762		
Interim dividends	(272,832)	-	(272,832)		
Merger reserve	4,260	A B C	4,260	-	-
Valuation reserve*	120,269	-		-	-
Total	3,000,393	-	2,202,022	-	-
Of which non-distributable portion		-	449,812	-	-
Of which distributable residual portion		-	1,752,210	-	-

Key:
A= for capital increase
B= to cover losses
C= for distribution to shareholders
(*) The reserve is unavailable pursuant to Article 6 of Legislative Decree 38/2005).

OTHER INFORMATION

1. Financial commitments and guarantees given (other than those designated at fair value)

Euro	Nominal value of financial commitments and guarantees given				Total	Total
	Stage 1	Stage 2	Stage 3	Impaired, acquired or originated	31/12/2024	31/12/2023
1. Commitments to disburse funds	**2,076,235**	**14,708**	**209**	**-**	**2,091,152**	**1,044,218**
a) Central banks	-	-	-	-	-	-
b) General government	-	-	-	-	-	-
c) Banks	-	-	-	-	-	-
d) Other financial corporations	1,532,036	908	-	-	1,532,944	478,322
e) Non-financial corporations	183,447	5,183	24	-	188,654	190,240
f) Households	360,752	8,617	185	-	369,554	375,656
2. Financial guarantees given	**90,772**	**-**	**-**	**-**	**90,772**	**75,324**
a) Central banks	-	-	-	-	-	-
b) General government	-	-	-	-	-	-
c) Banks	90,772	-	-	-	90,772	75,324
d) Other financial corporations	-	-	-	-	-	-
e) Non-financial corporations	-	-	-	-	-	-
f) Households	-	-	-	-	-	-

2. Other commitments and guarantees given

€/000	31/12/2024	31/12/2023
1. Other guarantees given	**91,044**	**107,471**
of which: non-performing credit exposures	350	446
a) Central banks	-	-
b) General government	-	-
c) Banks	57	57
d) Other financial corporations	2,022	11,030
e) Non-financial corporations	29,206	26,197
f) Households	59,759	70,187
2. Other commitments	**49,385**	**58,605**
of which: non-performing credit exposures	-	-
a) Central banks	-	-
b) General government	-	-
c) Banks	-	-
d) Other financial corporations	49,385	58,605
e) Non-financial corporations	-	-
f) Households	-	-

3. Assets pledged as collateral for liabilities and commitments

€/000	31/12/2024	31/12/2023
1. Financial assets at fair value through profit or loss	130,580	81,611
2. Financial assets measured at fair value through other comprehensive income	-	-
3. Financial assets measured at amortised cost	5,659,800	7,526,546
4. Tangible assets	-	-
of which: tangible assets constituting inventories	-	-

4. Asset management and trading on behalf of third parties

€/000	31/12/2024
1. Execution of orders on behalf of customers	
a) purchases	505,065
1. settled	505,065
2. not settled	-
b) sales	243,121
1. settled	243,121
2. not settled	-
2. Individual portfolio management	**1,563,510**
3. Securities custody and administration	
a) third-party securities in custody: connected to custodian bank operations (excluding portfolio management)	-
1. securities issued by the bank that prepares the financial statements	-
2. other securities	-
b) third-party securities in custody (excluding portfolio management): other	26,045,263
1. securities issued by the bank that prepares the financial statements	4,030
2. other securities	26,041,233
c) third-party securities held with third parties	25,950,234
d) own securities held with third parties	16,105,609
4. Other transactions	**17,204,281**

PART C –INFORMATION ON THE INCOME STATEMENT

Section 1 – Interest – Items 10 and 20

1.1 Interest income and similar income: breakdown

€/000	Debt securities	Loans	Other transactions	Total 31/12/2024	Total 31/12/2023
1. Financial assets at fair value through profit or loss:	**12,904**	**-**	**-**	**12,904**	**7,880**
1.1 Financial assets held for trading	12,904	-	-	12,904	7,880
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	-	-	-	-	-
2. Financial assets measured at fair value through other comprehensive income	**576**	**-**	**X**	**576**	**628**
3. Financial assets measured at amortised cost:	**510,438**	**585,560**	**-**	**1,095,998**	**1,009,136**
3.1 Loans to banks	6,035	14,839	X	20,874	24,239
3.2 Loans to customers	504,403	570,721	X	1,075,124	984,897
4. Hedging derivatives	**X**	**X**	**271**	**271**	**2,051**
5. Other assets	**X**	**X**	**39,631**	**39,631**	**38,293**
6. Financial liabilities	**X**	**X**	**X**	**316**	**285**
TOTAL	**523,918**	**585,560**	**39,902**	**1,149,696**	**1,058,273**
of which: interest income on impaired financial assets	-	7,995	-	7,995	7,940
of which: interest income on finance leases	X	-	X	-	-

1.2 Interest income and similar income: other information

1.2.1 Interest income on foreign-currency financial assets

€/000	31/12/2024	31/12/2023
Interest income on foreign-currency financial assets	938	1,214
TOTAL	**938**	**1,214**

1.3 Interest expense and similar expenses: breakdown

€/000	Payables	Securities	Other transactions	Total 31/12/2024	Total 31/12/2023
1. Financial liabilities measured at amortised cost	(531,249)	(15,618)	X	(546,867)	(476,840)
1.1 Payables to central banks	-	X	X	-	-
1.2 Payables to banks	(31,268)	X	X	(31,268)	(11,130)
1.3 Payables to customers	(499,981)	X	X	(499,981)	(450,199)
1.4 Debt securities in issue	X	(15,618)	X	(15,618)	(15,511)
2. Financial liabilities held for trading	-	-	-	-	-
3. Financial liabilities designated at fair value	-	-	-	-	-
4. Other liabilities and provisions	X	X	(2,668)	(2,668)	(343)
5. Hedging derivatives	X	X	(261)	(261)	(2,333)
6. Financial assets	X	X	X	-	(110)
TOTAL	**(531,249)**	**(15,618)**	**(2,929)**	**(549,796)**	**(479,626)**
of which: interest expense relating to lease liabilities	(1,119)	X	X	(1,119)	(1,062)

1.4 Interest expense and similar expenses: other information

1.4.1 Interest expense on foreign-currency liabilities

€/000	31/12/2024	31/12/2023
Interest expense on foreign-currency liabilities	(2,047)	(1,622)
TOTAL	**(2,047)**	**(1,622)**

Section 2 – Commission – Items 40 and 50

2.1 Commission income: breakdown

€/000	Total 31/12/2024	Total 31/12/2023
a) Financial instruments	90,085	88,051
1. Placement of securities	55,990	60,730
1.1 With an underwriting commitment and/or based on an irrevocable commitment	-	-
1.2 Without irrevocable commitment	55,990	60,730
2. Receipt and transmission of orders and execution of orders on behalf of clients	12,217	9,961
2.1 Receipt and transmission of orders for one or more financial instruments	-	-
2.2 Execution of orders on behalf of clients	12,217	9,961
3. Other fees for activities associated with financial instruments	21,878	17,360
of which: own-account trading	-	-
of which: management of individual portfolios	21,878	17,360
b) Corporate finance	-	-
1. Merger and acquisition advisory	-	-
2. Treasury services	-	-
3. Other fees related to corporate finance services	-	-
c) Investment advisory activities	3,025	2,047
d) Clearing and settlement	-	-
e) Custody and administration	2,133	1,921
1. Custodian bank	-	-
2. Other custody and administration fees	2,133	1,921
f) Central administrative services for collective portfolio management	-	-
g) Trust activity	35	10
h) Payment services	87,307	71,467
1. Current account	30,327	28,086
2. Credit cards	43,999	25,603
3. Debit and other payment cards	5,202	11,170
4. Wire transfers and other payment orders	3,747	2,777
5. Other payment service fees	4,032	3,831
i) Distribution of third-party services	834,985	678,362
1. Collective portfolio management	482,764	390,815
2. Insurance products	348,045	282,888
3. Other products	4,176	4,659
of which: management of individual portfolios	-	-
j) Structured finance	-	-
k) Securitisation servicing services	-	-
l) Commitments to disburse funds	-	-
m) Financial guarantees given	778	776
of which: derivatives on receivables	-	-
n) Financing transactions	16,783	17,180
of which: for factoring transactions	-	-
o) Foreign exchange trading	-	-
p) Goods	-	-
q) Other commission income	434	428
of which: for management of multilateral trading facilities	-	-
of which: management of organised trading systems	-	-
TOTAL	**1,035,565**	**860,242**

2.2 Commission income: distribution channels for products and services

€/000	31/12/2024	31/12/2023
a) at own branches:	**-**	**-**
1. portfolio management	-	-
2. placement of securities	-	-
3. services and products of third parties	-	-
b) solicitation:	**912,854**	**756,453**
1. portfolio management	47,296	17,360
2. placement of securities	55,990	60,730
3. services and products of third parties	809,568	678,363
c) other distribution channels:	**-**	**-**
1. portfolio management	-	-
2. placement of securities	-	-
3. services and products of third parties	-	-

2.3 Commission expense: breakdown

€/000	Total 31/12/2024	Total 31/12/2023
a) Financial instruments	-	-
of which: trading of financial instruments	-	-
of which: placement of financial instruments	-	-
of which: management of individual portfolios	-	-
- Own	-	-
- Delegated to third parties	-	-
b) Clearing and settlement	-	-
c) Custody and administration	(1,743)	(1,315)
d) Collection and payment services	(73,561)	(57,256)
of which: credit cards, debit cards and other payment cards	(60,507)	(39,868)
e) Securitisation servicing services	-	-
f) Commitments to receive funds	-	-
g) Financial guarantees received	-	-
of which: derivatives on receivables	-	-
h) Financial solicitation	(681,339)	(570,888)
i) Foreign exchange trading	-	-
j) Other commission expenses	(69,874)	(50,035)
TOTAL	**(826,517)**	**(679,494)**

Section 3 – Dividends and similar income – Item 70

3.1 Dividends and similar income: breakdown

€/000	Total 31/12/2024		Total 31/12/2023	
	Dividends	Similar income	Dividends	Similar income
A. Financial assets held for trading	62	-	40	-
B. Other financial assets mandatorily measured at fair value	-	1,050	-	1,233
C. Financial assets measured at fair value through other comprehensive income	24,291	-	19,257	-
D. Equity investments	-	-	-	-
TOTAL	**24,353**	**1,050**	**19,297**	**1,233**

Dividends from financial assets measured at fair value through other comprehensive income include the dividend received by Mediobanca of €24,230 thousand.

Section 4 – Net gains (losses) from trading – Item 80

4.1 Net gains (losses) from trading: breakdown

€/000	Capital gains (A)	Gains from trading (B)	Capital losses (C)	Losses from trading (D)	Net result [(A+B)-(C+D)]
1. Financial assets held for trading	**4,623**	**8,567**	**(15,119)**	**(221)**	**(2,150)**
1.1 Debt securities	2,331	8,507	-	(171)	10,667
1.2 Equity securities	2,292	60	(15,119)	(50)	(12,817)
1.3 Units in investment funds (UCIs)	-	-	-	-	-
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	-	-
2. Financial liabilities held for trading	**-**	**10**	**-**	**(4)**	**6**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	10	-	(2)	8
2.3 Other	-	-	-	(2)	(2)
3. Financial assets and liabilities: foreign exchange gains and losses	**X**	**X**	**X**	**X**	**548**
4. Derivative instruments	**10,202**	**5,418**	**(377)**	**(13,971)**	**8,024**
4.1 Financial derivatives	10,202	5,418	(377)	(13,971)	8,024
- On debt securities and interest rates	10,202	5,398	(377)	(13,971)	1,252
- On equity instruments and equity indices	-	20	-	-	20
- On currencies and gold	X	X	X	X	6,752
- Other	-	-	-	-	-
4.2 Credit derivatives	-	-	-	-	-
of which: natural hedges associated with the fair value option	X	X	X	X	-
TOTAL	**14,825**	**13,995**	**(15,496)**	**(14,196)**	**6,428**

Section 5 – Net gains (losses) from hedging – Item 90

5.1 Net gains (losses) from hedging: breakdown

€/000	31/12/2024	31/12/2023
A. Income relating to:		
A.1 Fair value hedging derivatives	1,125	210
A.2 Hedged financial assets (fair value)	871	1,444
A.3 Hedged financial liabilities (fair value)	-	-
A.4 Financial derivatives hedging cash flows	-	-
A.5 Assets and liabilities in foreign currencies	-	-
Total income from hedging (A)	**1,996**	**1,654**
B. Expenses relating to:		
B.1 Fair value hedging derivatives	(244)	(2,320)
B.2 Hedged financial assets (fair value)	(1,742)	-
B.3 Hedged financial liabilities (fair value)	-	-
B.4 Financial derivatives hedging cash flows	-	-
B.5 Assets and liabilities in foreign currencies	-	-
Total hedging expenses (B)	**(1,986)**	**(2,320)**
C. Net gains (losses) from hedging (A - B)	**10**	**(666)**
of which: result of hedges on net positions	-	-

Section 6 – Gains (losses) from disposal/repurchase – Item 100

6.1 Gains (losses) from disposal/repurchase: breakdown

€/000	31/12/2024			31/12/2023		
	Gains	Losses	Net result	Gains	Losses	Net result
A. Financial assets						
I. Financial assets measured at amortised cost	-	-	-	8	(4)	4
I.1 Loans to banks	-	-	-	-	-	-
I.2 Loans to customers	-	-	-	8	(4)	4
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-
2.1 Debt securities	-	-	-	-	-	-
2.2 Loans	-	-	-	-	-	-
TOTAL ASSETS (A)	**-**	**-**	**-**	**8**	**(4)**	**4**
B. financial liabilities measured at amortised cost						
I. Payables to banks	-	-	-	-	-	-
2. Payables to customers	-	-	-	-	-	-
3. Debt securities in issue	-	-	-	-	-	-
TOTAL LIABILITIES (B)	**-**	**-**	**-**	**-**	**-**	**-**

Section 7 – Net gain (loss) from other financial assets and liabilities at fair value through profit or loss – Item 110

7.2 Net change in the value of other financial assets and liabilities at fair value through profit or loss: breakdown of other financial assets mandatorily measured at fair value

€/000	Capital gains (A)	Gains from disposals (B)	Capital losses (C)	Losses on disposals (D)	Net result [(A+B)-(C+D)]
1. Financial assets	**10,437**	**45**	**(2,351)**	**(57)**	**8,074**
1.1 Debt securities	-	-	(137)	-	(137)
1.2 Equity securities	-	-	-	-	-
1.3 Units in investment funds (UCIs)	10,437	45	(2,214)	(57)	8,211
1.4 Loans	-	-	-	-	-
2. Foreign-currency financial assets: foreign exchange gains and losses	**X**	**X**	**X**	**X**	**-**
TOTAL	**10,437**	**45**	**(2,351)**	**(57)**	**8,074**

Section 8 – Credit-risk induced net adjustments/write-backs – Item 130

8.1 Credit-risk induced net value adjustments relating to financial assets measured at amortised cost: breakdown

€/000	Value adjustments (1)						Write-backs (2)				Total	Total
	Stage 1	Stage 2	Stage 3		Purchased or originated impaired		Stage 1	Stage 2	Stage 3	Purchased or originated impaired	31/12/2024	31/12/2023
			Write-offs	Other	Write-offs	Other						
A. Loans to banks	**(89)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(89)**	**(9)**
- Loans	-	-	-	-	-	-	-	-	-	-	-	-
- Debt securities	(89)	-	-	-	-	-	-	-	-	-	(89)	(9)
B. Loans to customers	**(2,949)**	**(2,041)**	**(1,004)**	**(26,454)**	**-**	**-**	**1,566**	**786**	**12,491**	**16**	**(17,589)**	**(23,987)**
- Loans	(2,949)	(2,041)	(1,004)	(26,454)	-	-	-	786	12,491	16	(19,155)	(24,105)
- Debt securities	-	-	-	-	-	-	1,566	-	-	-	1,566	118
TOTAL	**(3,038)**	**(2,041)**	**(1,004)**	**(26,454)**	**-**	**-**	**1,566**	**786**	**12,491**	**16**	**(17,678)**	**(23,996)**

8.2 Credit risk-induced net value adjustments relating to financial assets at fair value through other comprehensive income: breakdown

€/000	Value adjustments (1)						Write-backs (2)				Total	Total
			Stage 3		Purchased or originated impaired							
	Stage 1	Stage 2	Write-offs	Other	Write-offs	Other	Stage 1	Stage 2	Stage 3	Purchased or originated impaired	31/12/2024	31/12/2023
A. Debt securities	-	-	-	-	-	-	68	-	-	-	68	67
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-
- To customers	-	-	-	-	-	-	-	-	-	-	-	-
- To banks	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**68**	**-**	**-**	**-**	**68**	**67**

Section 10 –Administrative expenses – Item 160

10.1 Administrative expenses

€/000	31/12/2024	31/12/2023
1) Employees	(216,061)	(187,372)
a) wages and salaries	(143,894)	(124,556)
b) social security contributions	(40,843)	(36,308)
c) severance benefits	-	-
d) social security costs	-	-
e) provision for employee severance benefits	(10,478)	(8,458)
f) provision for pensions and similar obligations:	-	-
- defined contribution	-	-
- defined benefit	-	-
g) payments to external supplementary pension funds:	(2,840)	(2,332)
- defined contribution	(2,840)	(2,332)
- defined benefit	-	-
h) costs arising from share-based payment agreements	(5,479)	(5,677)
i) other employee benefits	(12,527)	(10,041)
2) Other staff in service	(17,700)	(16,000)
3) Directors and statutory auditors	(4,003)	(3,619)
4) Retired staff	-	-
5) Recoveries of expenses for employees seconded to other companies	-	-
6) Reimbursement of expenses for third-party employees seconded to the company	-	-
TOTAL	**(237,764)**	**(206,991)**

10.2 Average number of employees by category

Units	31/12/2024	31/12/2023
1) Employees	2,397	2,277
a) executives	86	84
b) management	497	460
c) other employees	1,814	1,733
2) Other staff	287	255
TOTAL	**2,684**	**2,532**

10.4 Other employee benefits

Other employee benefits, shown in Table 10.1 Staff costs, came to €12.5 million and mainly include contributions to the company canteen and costs incurred for insurance policies taken out for employees.

10.5 Other administrative expenses: breakdown

€/000	31/12/2024	31/12/2023
Information systems services	(110,863)	(96,033)
Infoprovider services	(15,670)	(14,777)
Financial services fees and charges	(719)	(1,018)
Other sundry services	(38,610)	(35,713)
Taxes and duties	(1,227)	(976)
Television and internet communications services	(4,492)	(4,542)
Measures in support of the banking system	(33,452)	(37,250)
Rentals, hiring, leases	(19,976)	(18,373)
Maintenance and repairs	(4,845)	(3,993)
Telephone and postal expenses	(9,509)	(10,333)
Other consultancy and collaborations	(27,793)	(26,317)
Contributions to "Family Banker Offices"	(1,019)	(836)
Consumables	(2,454)	(2,649)
Insurance	(3,196)	(3,117)
Membership contributions	(4,008)	(4,626)
Advertising and promotional expenses	(27,891)	(28,723)
Organisation of conventions	(29,177)	(20,660)
Sales network consulting, education and training	(4,353)	(3,752)
Energy utilities	(2,731)	(4,053)
Entertainment, gifts and donations	(10,796)	(12,548)
Market research	(712)	(781)
Search and selection of employees	(457)	(414)
Travel expenses	(554)	(674)
Fuel costs	(430)	(456)
Other administrative expenses	(1,177)	(1,074)
TOTAL	**(356,111)**	**(333,688)**

Section 11 – Net provisions for liabilities and charges – Item 170

11.1 Net provisions for credit risk relating to commitments to disburse funds and financial guarantees given: breakdown

€/000	31/12/2024	31/12/2023
Commitments to disburse funds and financial guarantees given	589	(797)
TOTAL	**589**	**(797)**

11.3 Other net provisions for risk and charges: breakdown

€/000	31/12/2024	31/12/2023
Portfolio and structure allowance	(10,462)	(2,063)
Additional customer allowance	(27,821)	(6,280)
Risk of misconduct by financial advisors	(63)	2,035
Legal disputes	(2,330)	(867)
Managers' allowance	(10,102)	(9,084)
Other provisions for risk and charges	(4,100)	(4,050)
TOTAL	**(54,878)**	**(20,309)**

Section 12 – Net value adjustments/write-backs of tangible assets – Item 180

12.1. Net value adjustments of tangible assets: breakdown

Assets/income components	Amortisation (a)	Impairment losses (b)	Write-backs (c)	Net result (a + b - c)
A. Tangible assets				
1. For business use	(12,291)	(1,065)	-	(13,356)
- Owned	(2,712)	(1,065)	-	(3,777)
- Rights of use acquired through leasing	(9,579)	-	-	(9,579)
2. Held for investment purposes	-	-	-	-
- Owned	-	-	-	-
- Rights of use acquired through leasing	-	-	-	-
3. Inventories	X	-	-	-
TOTAL	**(12,291)**	**(1,065)**	**-**	**(13,356)**

The "Impairment losses" item includes value adjustments of €1,065 thousand on properties owned by the Company in order to align the carrying amount with the market value, as defined by a report by an independent expert.

Section 13 – Net value adjustments/write-backs of intangible assets – Item 190

13.1 Net value adjustments of intangible assets: breakdown

Assets/income components	Amortisation (a)	Impairment losses (b)	Write-backs (c)	Net result (a + b - c)
A. Intangible assets				
of which: software	(14,163)	-	-	(14,163)
A.1 Owned	(14,163)	-	-	(14,163)
- Generated internally by the company	(14,163)	-	-	(14,163)
- Other	-	-	-	-
A.2 Rights of use acquired through leasing	X	-	-	-
TOTAL	**(14,163)**	**-**	**-**	**(14,163)**

Section 14 – Other operating income and expenses – Item 200

14.1/14.2 Other revenues and expenses: breakdown

€/000	31/12/2024	31/12/2023
Recovery of costs for procurement and services rendered	15,723	15,008
Rental income on owned properties	120	558
Chargebacks to customers	3,273	3,788
Chargebacks to advisors	23	21
Other sundry income	17,186	9,884
Total - Breakdown of "Other operating income"	**36,325**	**29,260**
Settlements and compensation	(6,620)	(2,442)
Depreciation of leasehold improvements	(2,871)	(2,918)
Other expenses	(5,503)	(5,187)
Total - Breakdown of "Other operating expenses"	**(14,994)**	**(10,547)**
TOTAL OTHER OPERATING REVENUE/EXPENSES	**21,331**	**18,713**

Section 15 – Gains (Losses) on equity investments – Item 220

15.1 Gains (losses) on equity investments: breakdown

€/000	31/12/2024	31/12/2023
A. Income	1,086,525	744,938
1. Write-ups	1,086,525	744,938
2. Profits on disposal	-	-
3. Write-backs	-	-
4. Other income	-	-
B. Expenses	(22,862)	(38,324)
1. Write-downs	(22,862)	(38,324)
2. Impairment losses	-	-
3. Losses on disposal	-	-
4. Other expenses	-	-
Net result	**1,063,663**	**706,614**

Write-ups and Write-downs include the shares of the results of the investee companies measured according to the equity method.

Section 18 – Gains (losses) on disposal of investments – Item 250

18.1 Gains (losses) on disposal of investments: breakdown

€/000	31/12/2024	31/12/2023
A. Real estate	-	-
- Profits on disposal	-	-
- Losses on disposal	-	-
B. Other assets	-	-
- Profits on disposal	2	-
- Losses on disposal	(2)	-
Net result	**-**	**-**

Section 19 –Taxes on income from continuing operations – Item 270

19.1 Taxes on income from continuing operations: breakdown

€/000	31/12/2024	31/12/2023
1. Current taxes (-)	(94,778)	(91,608)
2. Changes in current taxes in previous years (+/-)	2	394
3. Reduction of current taxes for the year (+)	-	-
3.bis Reduction of current taxes for the year due to tax credits pursuant to Law 214/2011 (+)	-	-
4. Change in prepaid taxes (+/-)	(588)	7,538
5. Change in deferred taxes (+/-)	(10,031)	(4,994)
6. Taxes for the year (-) (-1+/-2+3+3bis+/-4+/-5)	(105,395)	(88,670)

19.2 Reconciliation between theoretical tax liability and current actual tax liability recognised

Euro	Rate	Rate	Taxes
Determination of corporate income tax (IRES)			
Profit before tax including the tax credit due		1,240,564,705	
Theoretical tax charge	27.50%		(341,155,294)
Temporary differences taxable in future years		17,509,096	
Temporary differences deductible in future years		44,855,387	
Temporary differences from previous years		(39,456,281)	
Permanent differences		(1,059,708,460)	
Previous losses additional IRES		(163,624,613)	
Total tax base		**40,139,833**	
Current income tax for the year			(50,308,361)
Taxes relating to tax disputes			(10,607,523)
Tax relating to previous years			(377)
Current taxes in the income statement			**(60,916,262)**
Average rate on pre-tax profit	4.91%		
Determination of the IRAP tax base			
Gross value of production before changes		471,874,773	
Employee deduction		(215,064,297)	
Deduction of compulsory, consortium and voluntary contributions		(29,894,583)	
Net value of production		226,915,893	
Theoretical tax charge	5.57%		(12,639,215)
Temporary differences taxable in future years			
Temporary differences deductible in future years			
Temporary differences from previous years		(15,355,025)	
Permanent differences		422,222,403	
Value of production		**633,783,271**	
Current income tax for the year			(35,301,728)
Taxes relating to tax disputes			1,439,445
Tax relating to previous years			2,405
Current taxes in the income statement			**(33,859,879)**
Average rate on value-added result	14.92%		

SECTION 22 – EARNINGS PER SHARE

22.1 Average number of ordinary shares (fully diluted)

	31/12/2024	31/12/2023
Net income (€/000)	1,135,170	833,707
Weighted average number of shares outstanding (units)	739,262,967	739,601,774
Adjustment for stock options with potential dilutive effect	210,388	1,252,098
Weighted average number of shares outstanding for diluted EPS purposes	747,366,658	743,753,167
Diluted earnings per share (€)	**1.519**	**1.121**

22.2 Other information

There is no other material information to report beyond that provided in the previous sections.

PART D – COMPREHENSIVE INCOME

DETAILED STATEMENT OF COMPREHENSIVE INCOME

€/000		31/12/2024	31/12/2023
10.	**Net income for the year**	**1,135,170**	**833,707**
	Other income items without reversal to the income statement	**78,856**	**61,900**
20.	Equity securities designated at fair value through other comprehensive income:	65,646	50,543
	a) change in fair value	65,646	50,543
	b) transfers to other items of shareholders' equity		-
30.	Financial liabilities designated at fair value through profit or loss (changes in creditworthiness):	-	-
	a) change in fair value	-	-
	b) transfers to other items of shareholders' equity	-	-
40.	Hedges on equity securities designated at fair value through other comprehensive income:	-	-
	a) change in fair value (hedged instrument)	-	-
	b) change in fair value (hedging instrument)	-	-
50.	Tangible assets	-	-
60.	Intangible assets	-	-
70.	Defined benefit plans	766	(66)
80.	Non-current assets and disposal groups		-
90.	Share of valuation reserves of equity investments measured at equity	17,257	13,585
100.	Income taxes relating to other income items without reversal to the income statement	(4,813)	(2,162)
	Other income items with reversal to the income statement	**1,529**	**7,060**
110.	Hedging of foreign investments:	-	-
	a) changes in fair value	-	-
	b) reversal to income statement	-	-
	c) other changes	-	-
120.	Foreign exchange gains and losses:	-	-
	a) change in value	-	-
	b) reversal to income statement	-	-
	c) other changes	-	-
130.	Cash flow hedges:	-	-
	a) changes in fair value	-	-
	b) reversal to income statement	-	-
	c) other changes	-	-
	of which: result of net positions	-	-
140.	Hedging instruments (non-designated elements):	-	-
	a) change in value	-	-
	b) reversal to income statement	-	-
	c) other changes	-	-
150.	Financial assets (other than equity securities) measured at fair value through other comprehensive income:	668	1,603
	a) changes in fair value	83	911
	b) reversal to income statement	585	692
	- credit-induced adjustments	(68)	(67)
	- gains (losses) on disposals	653	759
	c) other changes	-	-
160.	Non-current assets and disposal groups:	-	-
	a) changes in fair value	-	-
	b) reversal to income statement	-	-
	c) other changes	-	-
170.	Share of valuation reserves of equity investments measured at equity:	1,105	5,926
	a) changes in fair value	1,105	5,926
	b) reversal to income statement	-	-
	- impairment losses	-	-
	- gains (losses) on disposals	-	-
	c) other changes	-	-
180.	Income taxes relating to other income items with reversal to the income statement	(244)	(469)
190.	**Total other income**	**80,385**	**68,960**
200.	**Comprehensive income (Item 10+190)**	**1,215,555**	**902,667**

PART E – INFORMATION ON RISKS AND THE RELATIVE HEDGING POLICIES

INTRODUCTION

The qualitative information in this Part E " Information on risks and the relative hedging policies" is presented in the same section of the consolidated financial statements where they are presented in the order established by Bank of Italy Circular No. 262, which governs in detail – not only the form of information tables – but also the sequence of the various topics, with the exception of the section on market risks in relation to the application of internal models.

SECTION 1 – CREDIT RISK

QUALITATIVE INFORMATION

For qualitative information on "credit risk", see the section on credit risk in the consolidated financial statements.

QUANTITATIVE INFORMATION

A. Credit quality

A.1 Non-performing and performing credit exposures: amounts, value adjustments, trends and economic distribution

A.1.1 Distribution of financial assets by portfolio and credit quality (carrying amount)

€/000	Non-performing loans	Unlikely to pay	Non-performing past due exposures	Other performing past due exposures	Other performing exposures	TOTAL
1. Financial assets measured at amortised cost	12,667	66,736	23,907	40,380	32,384,814	**32,528,504**
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	20,038	**20,038**
3. Financial assets designated at fair value	-	-	-	-	-	**-**
4. Other financial assets mandatorily measured at fair value	-	-	-	-	-	**-**
5. Financial assets held for sale	-	-	-	-	-	**-**
TOTAL 31/12/2024	**12,667**	**66,736**	**23,907**	**40,380**	**32,404,852**	**32,548,542**
TOTAL 31/12/2023	**14,308**	**65,497**	**23,204**	**45,131**	**31,902,646**	**32,050,786**

A.1.2 Distribution of financial assets by portfolio and credit quality (gross and net values)

€/000	Non-performing				Performing			TOTAL
	Gross exposure	Overall value adjustments	Net exposure	Overall partial write-offs*	Gross exposure	Overall value adjustments	Net exposure	(Net exposure)
1. Financial assets measured at amortised cost	201,578	(98,268)	103,310	(242)	32,483,999	(58,805)	32,425,194	**32,528,504**
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	20,049	(11)	20,038	**20,038**
3. Financial assets designated at fair value	-	-	-	-	X	X	-	**-**
4. Other financial assets mandatorily measured at fair value	-	-	-	-	X	X	-	**-**
5. Financial assets held for sale	-	-	-	-	-	-	-	**-**
TOTAL 31/12/2024	**201,578**	**(98,268)**	**103,310**	**(242)**	**32,504,048**	**(58,816)**	**32,445,232**	**32,528,504**
TOTAL 31/12/2023	**201,216**	**(98,207)**	**103,009**	**(171)**	**32,003,948**	**(56,172)**	**31,947,776**	**32,050,785**

* Value to be displayed for information purposes

€/000	Assets clearly of poor credit quality		Other assets
	Cumulative capital losses	Net exposure	Net exposure
1. Financial assets held for trading	-	-	299,902
2. Hedging derivatives	-	-	-
TOTAL 31/12/2024	**-**	**-**	**299,902**
TOTAL 31/12/2023	**-**	**-**	**889,393**

A.1.3 Distribution of financial assets by maturity brackets (carrying amounts)

€/000	Stage 1			Stage 2			Stage 3			Purchased or originated impaired		
	1 day to 30 days	Over 30 days to 90 days	Over 90 days	1 day to 30 days	Over 30 days to 90 days	Over 90 days	1 day to 30 days	Over 30 days to 90 days	Over 90 days	1 day to 30 days	Over 30 days to 90 days	Over 90 days
1. Financial assets measured at amortised cost	11,506	-	-	10,513	9,656	8,656	3,747	3,669	66,151	1	176	430
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
3. Financial assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL 31/12/2024	**11,506**	**-**	**-**	**10,513**	**9,656**	**8,656**	**3,747**	**3,669**	**66,151**	**1**	**176**	**430**
TOTAL 31/12/2023	**3,668**	**-**	**-**	**3,122**	**34,619**	**3,638**	**93**	**9,070**	**69,526**	**3**	**216**	**331**

A.1.4 Financial assets, commitments to disburse funds and financial guarantees given: changes in overall value adjustments and overall provisions (Part 1 of 2)

Euro	Overall value adjustments																	
	Stage 1 assets						Stage 2 assets						Stage 3 assets					
	Loans to banks and central banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	Loans to banks and central banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	Loans to banks and central banks on demand	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs
Overall initial adjustments	**79**	**29,410**	**79**			**29,568**		**26,612**				**26,612**		**96,802**				**96,802**	**-**
Increases in acquired or originated financial assets		6,187				6,187		1,348				1,348		836				836	-
Derecognitions other than write-offs		(5,726)	(15)			(5,741)		(3,322)				(3,322)		(16,665)				(16,665)	-
Credit-risk induced net value adjustments/write-backs (+/-)		873	(53)			820		3,366				3,366		15,933				15,933	-
Contractual changes without derecognition																			-
Changes in estimation methods																			-
Write-offs not recognised directly in the income statement																			-
Other changes														-456				-456	-
Overall final adjustments	**79**	**30,744**	**11**			**30,834**		**28,004**				**28,004**		**96,450**				**96,450**	**-**
Recoveries from collection of financial assets subject to write-offs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs recognised directly in the income statement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

A.1.4 Financial assets, commitments to disburse funds and financial guarantees given: changes in overall value adjustments and overall provisions (Part 2 of 2)

Euro	Overall value adjustments					Overall provisions for commitments to disburse funds and financial guarantees given				Tot.
	Purchased or originated impaired financial assets									
	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	Stage 1	Stage 2	Stage 3	Commitments to disburse finance and purchased or originated financial guarantees given/	
Overall initial adjustments	**1,476**			**1,405**	**71**	**477**	**5**			**154,940**
Increases in acquired or originated financial assets	X	X	X	X	X	150	6			**8,527**
Derecognitions other than write-offs	(117)			(116)	(1)	(392)	(5)			**(26,242)**
Credit-risk induced net value adjustments/write-backs (+/-)	79			93	(14)	-50				**20,148**
Contractual changes without derecognition										
Changes in estimation methods										
Write-offs not recognised directly in the income statement										
Other changes	437			437						**(19)**
Overall final adjustments	**1,875**			**1,819**	**56**	**185**	**6**			**157,354**
Recoveries from collection of financial assets subject to write-offs	-	-	-	-	-	-	-	-	-	**-**
Write-offs recognised directly in the income statement	-	-	-	-	-	-	-	-	-	**-**

A.1.5 Financial assets, commitments to disburse funds and financial guarantees given: transfers between different stages of credit risk (gross and nominal values)

Portfolios/stages of risk		Gross exposure/nominal value					
		Transfers from Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3	
		From Stage 1 to Stage 2	From Stage 2 to Stage 1	From Stage 2 to Stage 3	From Stage 3 to Stage 2	From Stage 1 to Stage 3	From Stage 3 to Stage 1
1. Financial assets measured at amortised cost		429,765	251,773	28,608	8,112	25,259	6,810
2. Financial assets measured at fair value through other comprehensive income		-	-	-	-	-	-
3. Financial assets held for sale		-	-	-	-	-	-
4. Commitments to disburse funds and financial guarantees given		8,526	11,146	14	17	137	34
TOTAL	**31/12/2024**	**438,291**	**262,919**	**28,622**	**8,129**	**25,396**	**6,844**
TOTAL	**31/12/2023**	**375,430**	**280,547**	**39,732**	**20,468**	**26,171**	**2,090**

A.1.6 On- and off-balance sheet credit exposures to banks: gross and net values

Euro	Gross exposure				Overall value adjustments and overall provisions				Net exposure	Overall partial write-offs*
		Stage 1	Stage 2	Stage 3	Purchased or originated	Stage 1	Stage 2	Stage 3	Purchased or originated		
A. On-balance sheet credit exposures											
A.1 On demand	**385,220**	**385,220**	**-**	**-**	**-**	**(79)**	**(79)**	**-**	**-**	**-**	**385,141**	**-**
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	385,220	385,220	-	X	-	(79)	(79)	-	X	-	385,141	-
A.2 Other	**794,382**	**685,119**	**-**	**-**	**-**	**(99)**	**(99)**	**-**	**-**	**-**	**794,283**	**-**
a) Non-performing loans	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
c) Non-performing past due exposures	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Performing past due exposures	-	-	-	X	-	-	-	-	X	-	-	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other performing exposures	794,382	685,119	-	X	-	(99)	(99)	-	X	-	794,283	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
Total (A)	**1,179,602**	**1,070,339**	**-**	**-**	**-**	**(178)**	**(178)**	**-**	**-**	**-**	**1,179,424**	**-**
B. Off-balance sheet credit exposures	-	-	-	-	-	-	-	-	-	-	-	-
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	190,586	90,829	-	X	-	-	-	-	X	-	190,586	-
Total (B)	**190,586**	**90,829**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**190,586**	**-**
Total (A+B)	**1,370,188**	**1,161,168**	**-**	**-**	**-**	**(178)**	**(178)**	**-**	**-**	**-**	**1,370,010**	**-**

* Value to be displayed for information purposes

A.1.7 On- and off-balance sheet credit exposures to customers: gross and net values

Euro	Gross exposure					Overall value adjustments and overall provisions					Net exposure	Overall partial write-offs*
		Stage 1	Stage 2	Stage 3	Purchased or originated impaired		Stage 1	Stage 2	Stage 3	Purchased or originated impaired		
A. ON-BALANCE SHEET CREDIT EXPOSURES												
a) Non-performing loans	68,620	X	-	67,760	860	(55,953)	X	-	(55,167)	(786)	12,667	242
- of which: forborne exposures	9,885	X	-	9,025	860	(7,197)	X	-	(6,411)	(786)	2,688	9
b) Unlikely to pay	104,363	X	-	102,256	2,107	(37,627)	X	-	(36,656)	(971)	66,736	-
- of which: forborne exposures	30,210	X	-	28,123	2,087	(9,513)	X	-	(8,556)	(957)	20,697	-
c) Non-performing past due exposures	28,595	X	-	28,286	309	(4,688)	X	-	(4,627)	(61)	23,907	-
- of which: forborne exposures	7,428	X	-	7,167	261	(1,206)	X	-	(1,159)	(47)	6,222	-
d) Performing past due exposures	44,331	11,593	32,685	X	53	(3,951)	(84)	(3,861)	X	(6)	40,380	-
- of which: forborne exposures	5,949	-	5,921	X	28	(568)	-	(566)	X	(2)	5,381	-
e) Other performing exposures	31,964,934	31,132,027	640,999	X	1,571	(54,766)	(30,572)	(24,143)	X	(51)	31,910,168	-
- of which: forborne exposures	73,799	-	73,015	X	784	(3,104)	-	(3,070)	X	(33)	70,695	-
TOTAL (A)	**32,210,843**	**31,143,620**	**673,684**	**198,302**	**4,900**	**(156,985)**	**(30,656)**	**(28,004)**	**(96,450)**	**(1,875)**	32,053,858	**242**
B. OFF-BALANCE SHEET CREDIT EXPOSURES												
a) Non-performing	559	X	-	559		(70)	X	-	(70)		489	-
b) Performing	8,054,842	2,160,466	21,114	X		(598)	(451)	(147)	X		8,054,244	-
TOTAL (B)	**8,055,401**	**2,160,466**	**21,114**	**559**		**(668)**	**(451)**	**(147)**	**(70)**		**8,054,733**	**-**
TOTAL (A+B)	**40,266,244**	**33,304,086**	**694,798**	**198,861**	**4,900**	**(157,653)**	**(31,107)**	**(28,151)**	**(96,520)**	**(1,875)**	**40,108,591**	**242**

* Value to be displayed for information purposes

A.1.8 On-balance sheet credit exposures to banks: changes in gross non-performing exposures

Nothing to report.

A.1.9 On-balance sheet credit exposures to customers: changes in gross non-performing exposures

Euro	Non-performing loans	Unlikely to pay	Non-performing past due exposures
A. Initial gross exposure	**66,547**	**107,117**	**27,552**
- of which: exposures transferred and not written off	-	-	-
B. Increases	**17,331**	**53,085**	**29,222**
B.1 inflows from performing exposures	861	31,080	21,673
B.2 inflows from purchased or originated impaired financial assets	-	1,250	52
B.3 transfers from other categories of non-performing exposures	14,430	10,443	604
B.4 contractual changes without derecognition	-	-	-
B.5 other increases	2,040	10,312	6,893
C. Decreases	**15,258**	**55,839**	**28,179**
C.1 outflows to performing exposures	78	8,824	6,632
C.2 write-offs	5,943	393	8
C.3 collections	2,539	17,476	10,358
C.4 proceeds from disposals	-	-	-
C.5 losses from disposals	-	-	-
C.6 transfers to other categories of non-performing exposures	612	14,497	10,368
C.7 contractual changes without derecognition	-	-	-
C.8 other decreases	6,086	14,649	813
D. Final gross exposure	**68,620**	**104,363**	**28,595**
- of which: exposures transferred and not written off	-	-	-

A.1.9bis On-balance sheet credit exposures to customers: changes in gross forborne exposures by credit quality

Euro	Forborne exposures: non-performing	Forborne exposures: performing
A. Initial gross exposure	**47,226**	**79,174**
- of which: exposures transferred and not written off	-	-
B. Increases	**21,419**	**39,420**
B.1 inflows from performing non-forborne exposures	9,526	31,619
B.2 inflows from performing forborne exposures	4,335	X
B.3 inflows from non-performing forborne exposures	X	4,435
B.4 inflows from non-performing non-forborne exposures	2,844	378
B.5 other increases	4,714	2,988
C. Decreases	**21,122**	**38,846**
C.1 outflows to performing non-forborne exposures	X	18,376
C.2 outflows to performing forborne exposures	4,435	X
C.3 outflows to non-performing forborne exposures	X	4,335
C.4 write-offs	345	-
C.5 collections	5,573	5,313
C.6 proceeds from disposals	-	-
C.7 losses from disposals	-	-
C.8 other decreases	10,769	10,822
D. Final gross exposure	**47,523**	**79,748**
- of which: exposures transferred and not written off	-	-

A.1.10 On-balance sheet non-performing credit exposures to banks: changes in overall value adjustments

Nothing to report.

A.1.11 On-balance sheet non-performing credit exposures to customers: changes in overall value adjustments

Euro	Non-performing loans		Unlikely to pay		Non-performing past due exposures	
	Total	of which forborne exposures	Total	of which forborne exposures	Total	of which forborne exposures
A. Overall initial adjustments	**52,239**	**6,375**	**41,620**	**14,665**	**4,349**	**1,067**
- of which: exposures transferred and not written off	-	-	-	-	-	-
B. Increases	**15,464**	**2,628**	**25,026**	**9,690**	**4,328**	**1,179**
B.1 value adjustments of purchased or originated impaired assets	-	X	436	X	6	X
B.2 other value adjustments	5,727	769	9,771	3,089	3,370	751
B.3 losses from disposals	-	-	-	-	-	-
B.4 transfers from other categories of non-performing exposures	6,226	1,179	1,661	426	154	139
B.5 contractual changes without derecognition	-	-	-	-	-	-
B.6 other increases	3,511	680	13,158	6,175	798	289
C. Decreases	**11,750**	**1,806**	**29,020**	**14,842**	**3,988**	**1,040**
C.1 write-backs from valuation	887	239	2,156	724	795	188
C.2 write-backs from collection	3,502	768	9,134	6,832	909	464
C.3 profits from disposals	-	-	-	-	-	-
C.4 write-offs	5,943	344	393	1	8	-
C.5 transfers to other categories of non-performing exposures	269	64	6,134	1,364	1,638	109
C.6 contractual changes without derecognition	-	-	-	-	-	-
C.7 other decreases	1,149	391	11,203	5,921	638	279
D. Overall final adjustments	**55,953**	**7,197**	**37,626**	**9,513**	**4,689**	**1,206**
- of which: exposures transferred and not written off	-	-	-	-	-	-

A.2 Classification of financial assets, commitments to disburse funds and financial guarantees given on the basis of external and internal ratings

A.2.1 Distribution of financial assets, commitments to disburse funds and financial guarantees given: by external rating classes (gross values)

Euro	External rating classes						Unrated	Total
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6		
A. Financial assets measured at amortised cost	**1,239,998**	**12,725**	**14,216,148**	**368,931**	**55,755**	**40,830**	**16,751,190**	**32,685,577**
- Stage 1	1,239,998	12,725	14,211,389	265,494	47,619	40,830	15,990,635	31,808,690
- Stage 2	-	-	4,759	102,695	8,136	-	558,094	673,684
- Stage 3	-	-	-	742	-	-	197,561	198,303
- Impaired acquired or originated	-	-	-	-	-	-	4,900	4,900
B. Financial assets measured at fair value through other comprehensive income	**-**	**-**	**20,049**	**-**	**-**	**-**	**-**	**20,049**
- Stage 1	-	-	20,049	-	-	-	-	20,049
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Impaired acquired or originated	-	-	-	-	-	-	-	-
C. Financial assets held for sale	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Impaired acquired or originated	-	-	-	-	-	-	-	-
Total (A+B+C)	**1,239,998**	**12,725**	**14,236,197**	**368,931**	**55,755**	**40,830**	**16,751,190**	**32,705,626**
D. Commitments to disburse funds and financial guarantees given	**100,000**	**800**	**24,598**	**25,529**	**4,689**	**1,265**	**2,025,043**	**2,181,924**
- Stage 1	100,000	800	24,036	24,322	3,901	1,265	2,012,683	2,167,007
- Stage 2	-	-	562	1,207	788	-	12,151	14,708
- Stage 3	-	-	-	-	-	-	209	209
- Impaired, acquired or originated	-	-	-	-	-	-	-	-
Total (D)	**100,000**	**800**	**24,598**	**25,529**	**4,689**	**1,265**	**2,025,043**	**2,181,924**
Total (A+B+C+D)	**1,339,998**	**13,525**	**14,260,795**	**394,460**	**60,444**	**42,095**	**18,776,233**	**34,887,550**

The table shows a breakdown of exposures to counterparties without ratings and those without an external rating (CERVED). The rating agencies provide a summary judgement on the creditworthiness of the counterparties.

The rating companies used to prepare the table are: Moody's, Standard & Poor's and Fitch.

In the event that there are ratings by several agencies for the same counterparty, the following order of priority is used, as defined in the specific policy document: Moody's, Standard & Poor's, and finally Fitch.

However, the Risk Management Function may, following appropriate considerations and on a prudential basis, modify the rating resulting from the automatic allocation and calculation system, where deemed necessary. The following is a reconciliation between the risk classes and ratings of the agencies used, with an indication of the Investment Grade/Speculative Grade.

Creditworthiness class	CERVED	ECAI		
		MOODY'S	STANDARD&POORS	FITCH
1	-	Aaa Aa1 Aa2 Aa3	AAA AA+ AA AA-	AAA AA+ AA AA-
2	A1.1 A1.2 A1.2 A1.3 A2.1 A2.1 A3.1	A1 A2 A3	A+ A A-	A+ A A-
3	B1.1 B1.2	Baa1 Baa2 Baa3	BBB+ BBB BBB-	BBB+ BBB BBB-
4	B2.1 B2.2	Ba1 Ba2 Ba3	BB+ BB BB-	BB+ BB BB-
5	C1.1 C1.2	B1 B2 B3	B+ B B-	B+ B B-
6	C1.2 C2.1	Caaa/Ca/C	CCC/C	CCC/C

Investment Grade

Speculative Grade

A.2.2 Distribution of on- and off-balance sheet exposures by internal rating classes

The bank does not have models for defining internal ratings.

A.3 Distribution of secured credit exposures by type of guarantee

A.3.1 Secured on- and off-balance sheet credit exposures to banks

Nothing to report.

A.3.2 Secured on- and off-balance sheet credit exposures to customers (Part 1 of 2)

€/000	Gross exposure	Net exposure	Collateral (1)				Personal guarantees (2)	
							Credit derivatives	
			Property - Mortgages	Property - Finance leases	Securities	Other collateral	CLNS	Other derivatives: CCPs
1. Secured on-balance sheet credit exposures:	**12,023,465**	**11,925,166**	**11,306,284**	**-**	**89,943**	**120,110**	**-**	**-**
1.1. fully secured	11,848,566	11,754,452	11,291,260	-	89,943	57,631	-	-
- of which non-performing	134,654	75,347	61,192	-	-	7	-	-
1.2. partially secured	174,899	170,714	15,024	-	-	62,479	-	-
- of which non-performing	13,471	10,016	286	-	-	-	-	-
2. Secured off-balance sheet credit exposures:	**64,580**	**64,515**	**9,231**	**-**	**-**	**13,444**	**-**	**-**
2.1. fully secured	59,867	59,802	9,231	-	-	11,282	-	-
- of which non-performing	3	3	-	-	-	-	-	-
2.2. partially secured	4,713	4,713	-	-	-	2,162	-	-
- of which non-performing	27	27	-	-	-	-	-	-

A.3.2 Secured on- and off-balance sheet credit exposures to customers (Part 2 of 2)

€/000	Personal guarantees (2)							TOTAL (1) + (2)
	Credit derivatives			Unsecured loans				
	Other derivatives							
	Banks	Other financial corporations	Other entities	General government	Banks	Other financial corporations	Other entities	
1. Secured on-balance sheet credit exposures:	**-**	**-**	**-**	**192,449**	**82**	**569**	**164,286**	**11,873,723**
1.1. fully secured	-	-	-	132,856	78	569	154,385	**11,726,722**
- of which non-performing	-	-	-	13,604	-	-	545	**75,348**
1.2. partially secured	-	-	-	59,593	4	-	9,901	**147,001**
- of which non-performing	-	-	-	7,899	4	-	1,263	**9,452**
2. Secured off-balance sheet credit exposures:	**-**	**-**	**-**	**-**	**-**	**-**	**40,596**	**63,271**
2.1. fully secured	-	-	-	-	-	-	39,226	**59,739**
- of which non-performing	-	-	-	-	-	-	3	**3**
2.2. partially secured	-	-	-	-	-	-	1,370	**3,532**
- of which non-performing	-	-	-	-	-	-	27	**27**

B. DISTRIBUTION AND CONCENTRATION OF CREDIT EXPOSURES

B.1 Distribution of on- and off-balance sheet credit exposures to customers by sector (carrying amount) (Part 1 of 2)

€/000	General government		Financial corporations		Financial corporations (of which: insurance companies)	
	Net exposure	Overall value adjustments	Net exposure	Overall value adjustments	Net exposure	Overall value adjustments
A. On-balance sheet credit exposures						
A.1 Non-performing loans	-	-	-	-	-	-
- of which forborne exposures	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	12	(12)	-	-
- of which forborne exposures	-	-	-	-	-	-
A.3 Non-performing past due exposures	16	(2)	-	-	-	-
- of which forborne exposures	-	-	-	-	-	-
A.4 Performing exposures	15,277,136	(10,171)	2,808,208	(2,989)	33,851	-
- of which forborne exposures	-	-	-	-	-	-
TOTAL A	**15,277,152**	**(10,173)**	**2,808,220**	**(3,001)**	**33,851**	**-**
B. Off-balance sheet credit exposures						
B.1 Non-performing exposures	-	-	-	-	-	-
B.2 Performing exposures	-	-	1,584,321	(35)	-	-
TOTAL B	**-**	**-**	**1,584,321**	**(35)**	**-**	**-**
TOTAL (A+B) 31/12/2024	**15,277,152**	**(10,173)**	**4,392,541**	**(3,036)**	**33,851**	**-**
TOTAL (A+B) 31/12/2023	**16,542,341**	**(11,747)**	**3,054,223**	**(2,654)**	**26,481**	**-**

B.1 Distribution of on- and off-balance sheet credit exposures to customers by sector (carrying amount) (Part 2 of 2)

€/000		Non-financial corporations		Households	
		Net exposure	Overall value adjustments	Net exposure	Overall value adjustments
A. On-balance sheet credit exposures					
A.1 Non-performing loans		4	(2,623)	12,663	(53,330)
- of which forborne exposures		-	-	2,688	(7,197)
A.2 Unlikely to pay		18,956	(14,414)	47,768	(23,201)
- of which forborne exposures		1,099	(2,033)	19,598	(7,480)
A.3 Non-performing past due exposures		4,341	(704)	19,550	(3,982)
- of which forborne exposures		2,188	(327)	4,034	(879)
A.4 Performing exposures		591,165	(7,129)	13,274,039	(38,428)
- of which forborne exposures		13,120	(696)	62,956	(2,976)
TOTAL A		**614,466**	**(24,870)**	**13,354,020**	**(118,941)**
B. Off-balance sheet credit exposures					
B.1 Non-performing exposures		24	-	465	(70)
B.2 Performing exposures		217,552	(287)	428,503	(276)
TOTAL B		**217,576**	**(287)**	**428,968**	**(346)**
TOTAL (A+B)	**31/12/2024**	**832,042**	**(25,157)**	**13,782,988**	**(119,287)**
TOTAL (A+B)	**31/12/2023**	**862,609**	**(25,206)**	**13,582,388**	**(115,953)**

B.2 Distribution of on- and off-balance sheet credit exposures to customers by geographical area (Part 1 of 2)

€/000		Italy		Other European countries		America	
		Net exposures	Overall value adjustments	Net exposures	Overall value adjustments	Net exposures	Overall value adjustments
A. On-balance sheet credit exposures							
A.1 Non-performing loans		12,666	(55,947)	1	(6)		
A.2 Unlikely to pay		66,725	(37,602)	11	(25)		
A.3 Non-performing past due exposures		23,413	(4,622)	29	(9)		
A.4 Performing exposures		29,196,434	(57,822)	2,148,841	(619)	4,613	(205)
Total (A)		**29,299,238**	**(155,993)**	**2,148,882**	**(659)**	**4,613**	**(205)**
B. Off-balance sheet credit exposures							
B.1 Non-performing exposures		489	(70)				
B.2 Performing exposures		2,228,956	(598)	1,017		28	
Total (B)		**2,229,445**	**(668)**	**1,017**		**28**	
Total (A+B)	**31/12/2024**	**31,528,683**	**(156,661)**	**2,149,899**	**(659)**	**4,641**	**(205)**
Total (A+B)	**31/12/2023**	**31,845,289**	**(154,658)**	**1,807,920**	**(805)**	**4,697**	**(5)**

B.2 Distribution of on- and off-balance sheet credit exposures to customers by geographical area (Part 2 of 2)

€/000		Asia		Rest of world	
		Net exposures	Overall value adjustments	Net exposures	Overall value adjustments
A. On-balance sheet credit exposures					
A.1 Non-performing loans		-	-	-	-
A.2 Unlikely to pay		-	-	-	-
A.3 Non-performing past due exposures		465	(57)	-	-
A.4 Performing exposures		5,260	(5)	595,400	(66)
Total (A)		**5,725**	**(62)**	**595,400**	**(66)**
B. Off-balance sheet credit exposures					
B.1 Non-performing exposures		-	-	-	-
B.2 Performing exposures		94	-	281	-
Total (B)		**94**	**-**	**281**	**-**
Total (A+B)	**31/12/2024**	**5,819**	**(62)**	**595,681**	**(66)**
Total (A+B)	**31/12/2023**	**4,970**	**(35)**	**378,685**	**(56)**

B.3 Distribution of on- and off-balance sheet credit exposures to banks by geographical area (Part 1 of 2)

Exposures/Geographical areas		Italy		Other European countries		America	
		Net exposures	Overall value adjustments	Net exposures	Overall value adjustments	Net exposures	Overall value adjustments
A. On-balance sheet credit exposures							
A.1 Non-performing loans		-	-	-	-	-	-
A.2 Unlikely to pay		-	-	-	-	-	-
A.3 Non-performing past due exposures		-	-	-	-	-	-
A.4 Performing exposures		851,989	(77)	173,711	(71)	1,794	(2)
Total (A)		**851,989**	**(77)**	**173,711**	**(71)**	**1,794**	**(2)**
B. Off-balance sheet credit exposures							
B.1 Non-performing exposures		-	-	-	-	-	-
B.2 Performing exposures		90,926	-	198	-	-	-
Total (B)		**90,926**	**-**	**198**	**-**	**-**	**-**
Total (A+B)	**31/12/2024**	**942,915**	**(77)**	**173,909**	**(71)**	**1,794**	**(2)**
Total (A+B)	**31/12/2023**	**153,362**	**(96)**	**73,923**	**(24)**	**3,138**	**(35)**

B.3 Distribution of on- and off-balance sheet credit exposures to banks by geographical area (Part 2 of 2)

Exposures/Geographical areas		Asia		Rest of world	
		Net exposures	Overall value adjustments	Net exposures	Overall value adjustments
A. On-balance sheet credit exposures					
A.1 Non-performing loans		-	-	-	-
A.2 Unlikely to pay		-	-	-	-
A.3 Non-performing past due exposures		-	-	-	-
A.4 Performing exposures		-	-	151,930	(28)
Total (A)		**-**	**-**	**151,930**	**(28)**
B. Off-balance sheet credit exposures					
B.1 Non-performing exposures		-	-	-	-
B.2 Performing exposures		-	-	-	-
Total (B)		**-**	**-**	**-**	**-**
Total (A+B)	**31/12/2024**	**-**	**-**	**151,930**	**(28)**
Total (A+B)	**31/12/2023**	**-**	**-**	**-**	**-**

B.4 Large exposures

€/000	31/12/2024
a) Amount (carrying amount)	29,593,474
b) Amount (weighted value)	485,523
c) Number	8

The number and amount of large risks have been determined in accordance with existing EU and national provisions. The provisions specify the nominal value of exposures as the parameter for identifying large risks.

C. SECURITISATION

QUALITATIVE INFORMATION

The company has no exposures arising from its own securitisation operations.

QUANTITATIVE INFORMATION

C.1 Exposures arising from the main "own" securitisation operations, by type of securitised asset and type of exposure

The company has no exposures arising from its own securitisation operations.

C.2 Exposures arising from the main "third-party" securitisation operations, by type of securitised asset and type of exposure

The company has no exposures arising from third-party securitisation operations.

E. SALE TRANSACTIONS

A. Financial assets sold but not fully derecognised

QUALITATIVE INFORMATION

Financial assets sold but not derecognised relate to repurchase agreements with the Cassa di Compensazione e Garanzia.

QUANTITATIVE INFORMATION

E.1 Financial assets sold but fully recognised and related financial liabilities: carrying amount

€/000	Financial assets sold but fully recognised				Related financial liabilities		
	Carrying amount	of which: subject to securitisation operations	of which: subject to repurchase agreements	- of which non-performing	Carrying amount	of which: subject to securitisation operations	of which: subject to repurchase agreements
A. Financial assets held for trading	**130,580**	**-**	**130,580**	**X**	**220,885**	**-**	**220,885**
1. Debt securities	130,580	-	130,580	X	220,885	-	220,885
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	X	-	-	-
4. Derivatives	-	-	-	X	-	-	-
B. Other financial assets mandatorily measured at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets measured at amortised cost	**5,659,800**	**-**	**5,659,800**	**-**	**5,702,330**	**-**	**5,702,330**
1. Debt securities	5,659,800	-	5,659,800	-	5,702,330	-	5,702,330
2. Loans	-	-	-	-	-	-	-
TOTAL 31/12/2024	**5,790,380**	**-**	**5,790,380**	**-**	**5,923,215**	**-**	**5,923,215**
TOTAL 31/12/2023	**7,595,713**	**-**	**7,595,713**	**-**	**7,552,782**	**-**	**7,552,782**

F. CREDIT RISK MEASUREMENT MODELS

Banca Mediolanum uses various models to measure credit risk, based on the area of activity.
In particular, quantitative models have been developed which, incorporating the regulatory framework, are used for accounting purposes, to quantify the Expected Credit Loss (ECL).
Management scoring models are also used for credit control, with the outcomes monitored for institutional reporting.
Finally, there are also forward-looking simulation models that are used to determine, including in stress-test scenarios, the various income statement and balance sheet values used to draw up the economic and financial plan and for the related determination of the risk appetite and risk tolerance thresholds.

SECTION 2 – MARKET RISK

2.1 Interest rate risk and price risk – regulatory trading book

QUALITATIVE INFORMATION

For qualitative disclosures regarding "market risk" with regard to interest rate risk, see the section on market risk in the consolidated financial statements.

QUANTITATIVE INFORMATION

1. Regulatory trading book: breakdown by time to maturity (repricing date) of on-balance sheet financial assets and liabilities and financial derivatives – EURO

€/000	Demand	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Undetermined duration
1. On-balance sheet assets	**-**	**129,949**	**64,722**	**59,488**	**43,750**	**-**	**1**	**-**
1.1 Debt securities	-	129,949	64,722	59,488	43,750	-	1	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	129,949	64,722	59,488	43,750	-	1	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance sheet liabilities	**-**	**220,885**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repurchase agreements	-	220,885	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	5,162	-	-	-	-	-	-
+ Short positions	-	50,107	-	-	-	-	-	-

1. Regulatory trading book: breakdown by time to maturity (repricing date) of on-balance sheet financial assets and liabilities and financial derivatives – OTHER CURRENCIES

€/000	Demand	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Undetermined duration
1. On-balance sheet assets	-	-	-	-	-	-	-	-
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance sheet liabilities	-	-	-	-	-	-	-	-
2.1 Repurchase agreements	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	50,442	-	-	-	-	-	-
+ Short positions	-	5,142	-	-	-	-	-	-

2. Regulatory trading book: distribution of exposures in equity securities and equity indices by main country of listing

€/000	Listed		Unlisted
	SWITZERLAND	ITALY	
A. Equity securities			
Long positions	2	39,674	8,052
Short positions			
B. Trading in equity securities not yet settled			
Long positions			
Short positions			
C. Other equity derivatives			
Long positions			
Short positions			
D. Equity index derivatives			
Long positions			
Short positions			

2.2 Interest rate risk and price risk – banking book

QUALITATIVE INFORMATION

For qualitative disclosures regarding "market risk" with regard to interest rate risk, see the section on market risk in the consolidated financial statements.

QUANTITATIVE INFORMATION

1. Banking book: breakdown by residual duration (repricing date) of financial assets and liabilities – Euro

€/000	Demand	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Undetermined duration
1. On-balance sheet assets	**2,530,233**	**10,699,348**	**6,818,245**	**1,735,701**	**6,704,984**	**2,739,566**	**1,700,301**	**-**
1.1 Debt securities	-	1,713,778	6,379,814	1,407,705	3,454,965	2,162,968	277,434	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	1,713,778	6,379,814	1,407,705	3,454,965	2,162,968	277,434	-
1.2 Loans to banks	380,560	374,400	-	-	-	-	-	-
1.3 Loans to customers	2,149,673	8,611,170	438,432	327,997	3,250,019	576,598	1,422,866	-
- current account	27,845	433,172	3	4	150	-	-	-
- other loans	2,121,828	8,177,998	438,429	327,993	3,249,869	576,598	1,422,866	-
- with early redemption option	1,846,136	7,747,868	438,333	327,868	3,249,129	576,205	1,422,866	-
- other	275,692	430,130	96	125	739	393	-	-
2. On-balance sheet liabilities	**20,345,621**	**9,512,811**	**2,134,947**	**4,908**	**344,049**	**11,152**	**1,212**	**-**
2.1 Payables to customers	20,340,851	9,413,518	2,134,875	4,763	29,924	11,152	1,212	-
- current account	19,926,128	3,810,260	2,132,413	19	-	-	-	-
- other payables	414,723	5,603,258	2,462	4,744	29,924	11,152	1,212	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	414,723	5,603,258	2,462	4,744	29,924	11,152	1,212	-
2.2 Payables to banks	4,770	99,293	72	145	496	-	-	-
- current account	2,098	-	-	-	-	-	-	-
- other payables	2,672	99,293	72	145	496	-	-	-
2.3 Debt securities	-	-	-	-	313,629	-	-	-
- with early redemption option	-	-	-	-	313,629	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ Long positions	-	416	1,230	3,531	47,148	42,668	80,960	-
+ Short positions	-	175,953	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
4. Other off-balance sheet transactions								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-

1. Banking book: breakdown by residual duration (repricing date) of financial assets and liabilities – OTHER CURRENCIES

€/000	Demand	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	Undetermined duration
1. On-balance sheet assets	**5,304**	-	-	-	-	-	-	-
1.1 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
1.2 Loans to banks	5,303	-	-	-	-	-	-	-
1.3 Loans to customers	1	-	-	-	-	-	-	-
- current account	1	-	-	-	-	-	-	-
- other loans	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2. On-balance sheet liabilities	**48,225**	-	-	-	-	-	-	-
2.1 Payables to customers	41,891	-	-	-	-	-	-	-
- current account	41,891	-	-	-	-	-	-	-
- other payables	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.2 Payables to banks	6,334	-	-	-	-	-	-	-
- current account	6,334	-	-	-	-	-	-	-
- other payables	-	-	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
4. Other off-balance sheet transactions								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-

2.3 Currency risk

QUALITATIVE INFORMATION

For qualitative information on "currency risk", see the section on currency risk in the consolidated financial statements.

QUANTITATIVE INFORMATION

1. Breakdown by currency of denomination of assets and liabilities and of derivatives

€/000	US DOLLAR	BRITISH POUND	SWISS FRANC	ZLOTY	NORWEGIAN KRONE	OTHER CURRENCIES	Total
A. Financial assets	850	697	1679	239	268	1,571	**5,304**
A.1 Debt securities							
A.2 Equity securities							
A.3 Loans to banks	849	697	1679	239	268	1,571	**5,303**
A.4 Loans to customers	1						**1**
A.5 Other financial assets							
B. other assets	54	44	9			26	**133**
C. Financial liabilities	46,317	687	1157			64	**48,225**
C.1 Payables to banks	6270					64	**6,334**
C.2 Payables to customers	40047	687	1157				**41,891**
C.3 Debt securities							
C.4 Other financial liabilities							
D. Other liabilities							
E. Financial derivatives	54,989	62	452			45	**55,548**
- Options							
+ Long positions							
+ Short positions							
- Other	54,989	62	452			45	**55,548**
+ Long positions	50,293	30	114			4	**50,441**
+ Short positions	4,696	32	338			41	**5,107**
Total Assets	51,197	771	1,802	239	268	1601	**55,878**
Total Liabilities	51,013	719	1,495			105	**53,332**
Imbalance (+/-)	184	52	307	239	268	1496	**2,546**

SECTION 3 – DERIVATIVE INSTRUMENTS AND HEDGING POLICIES

3.1 Trading derivative instruments

A. Financial derivatives

A.1 Financial trading derivatives: period-end notional amounts

€/000	31/12/2024				31/12/2023			
	Over the counter			Organised markets	Over the counter			Organised markets
	CCPs	Without CCPs			CCPs	Without CCPs		
		With netting arrangements	Without netting arrangements			With netting arrangements	Without netting arrangements	
1. Debt securities and interest rates	**-**	**-**	**-**	**-**	**-**	**-**	**128,380**	**-**
a) Options	-	-	-	-	-	-	33,503	-
b) Swaps	-	-	-	-	-	-	94,877	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and equity indices	**-**	**-**	**-**	**-**	**-**	**-**	**48**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	45	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	3	-
3. Currencies and gold	**-**	**-**	**55,584**	**-**	**-**	**-**	**110,369**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	55,584	-	-	-	110,369	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**-**	**-**	**55,584**	**-**	**-**	**-**	**238,797**	**-**

A.2 Trading financial derivatives: positive and negative gross fair value – breakdown by product

€/000	31/12/2024				31/12/2023			
	Over the counter			Organised markets	Over the counter			Organised markets
	CCPs	Without CCPs			CCPs	Without CCPs		
		With netting arrangements	Without netting arrangements			With netting arrangements	Without netting arrangements	
1. Positive fair value								
a) Options	-	-	-	-	-	-	361	-
b) Interest rate swaps	-	-	-	-	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	-	303	-	-	-	191	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**303**	**-**	**-**	**-**	**552**	**-**
2. Negative fair value								
a) Options	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	-	-	-	-	-	7,499	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	-	3	-	-	-	953	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**3**	**-**	**-**	**-**	**8,452**	**-**

A.3 OTC trading financial derivatives – notional values, gross positive and negative fair value by counterparty

€/000	CCPs	Banks	Other financial corporations	Other entities
Contracts not based on netting arrangements				
1) Debt securities and interest rates				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
2) Equity securities and equity indices				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Currencies and gold				
- notional value	X	52,467	2,003	1,114
- positive fair value	X	295	3	5
- negative fair value	X	3	-	-
4) Commodities				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts based on netting arrangements				
1) Debt securities and interest rates				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
2) Equity securities and equity indices				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Currencies and gold				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
4) Commodities				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 Residual life of OTC financial trading derivatives: notional values

€/000	Up to 1 year	Over 1 year and up to 5 years	Over 5 years	TOTAL
A.1 Financial derivatives on debt securities and interest rates	-	-	-	-
A.2 Financial derivatives on equity securities and equity indices	-	-	-	-
A.3 Financial derivatives on currencies and gold	55,584	-	-	55,584
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
TOTAL 31/12/2024	**55,584**	**%**	**%**	**55,584**
TOTAL 31/12/2023	**118,438**	**33,626**	**86,733**	**238,797**

B. Credit derivatives

The Bank did not use credit derivatives during the year and at 31 December 2024 there were no outstanding positions on such instruments.

3.2 Accounting hedges

QUALITATIVE INFORMATION

For qualitative information on 'accounting hedges', see the section on accounting policies in the consolidated financial statements.

QUANTITATIVE INFORMATION

A. Hedging financial derivatives

A.1 Hedging financial derivatives: period-end notional amounts

A.1 Hedging financial derivatives: period-end notional amounts

€/000	Total 31/12/2024				Total 31/12/2023			
	Over the counter			Organised markets	Over the counter			Organised markets
	CCPs	Without CCPs			CCPs	Without CCPs		
		With netting arrangements	Without netting arrangements			With netting arrangements	Without netting arrangements	
1. Debt securities and interest rates	**-**	**-**	**-**	**-**	**-**	**-**	**50,921**	**-**
a) Options	-	-	-	-	-	-	3,556	-
b) Swaps	-	-	-	-	-	-	47,365	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and equity indices	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**50,921**	**-**

A.2 Hedging financial derivatives: gross positive and negative fair value – breakdown by product

€/000	Positive and negative fair value								Change in value used to detect ineffectiveness of the hedge	
	31/12/2024				31/12/2023					
	Over the counter				Over the counter					
		Without CCPs				Without CCPs				
	CCPs	With netting arrangements	Without netting arrangements	Organised markets	CCPs	With netting arrangements	Without netting arrangements	Organised markets	31/12/2024	31/12/2023
Positive fair value										
a) Options	-	-	-	-	-	-	53	-	-	-
b) Interest rate swaps	-	-	-	-	-	-	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**53**	**-**	**-**	**-**
Negative fair value										
a) Options	-	-	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	-	-	-	-	-	3,605	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**3,605**	**-**	**-**	**-**

A.4 Residual life of OTC hedging financial derivatives: notional values

€/000	Up to 1 year	Over 1 year and up to 5 years	Over 5 years	TOTAL
A.1 Financial derivatives on debt securities and interest rates	-	-	-	-
A.2 Financial derivatives on equity securities and equity indices	-	-	-	-
A.3 Financial derivatives on currencies and gold	-	-	-	-
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
TOTAL 31/12/2024	**-**	**-**	**-**	**-**
TOTAL 31/12/2023	**3,972**	**16,948**	**30,001**	**50,921**

B. Hedging credit derivatives

Nothing to report.

C. Hedging non-derivative instruments

Nothing to report.

D. Hedged instruments

D.1 Fair value hedges

€/000			Specific hedges				
		Specific hedges: carrying amount	Specific hedges – net positions: carrying amount of assets or liabilities (before netting)	Cumulative changes in the fair value of the hedged instrument	Discontinuation of hedge: residual cumulative changes in fair value	Change in value used to detect ineffectiveness of the hedge	Generic hedges: Carrying amount
A. BUSINESS							
1. Financial assets measured at fair value through other comprehensive income - hedging of:		-	-	-	-	-	-
1.1 Debt securities and interest rates		-	-	-	-	-	x
1.2 Equity securities and equity indices		-	-	-	-	-	x
1.3 Currencies and gold		-	-	-	-	-	x
1.4 Loans		-	-	-	-	-	x
1.5 Other		-	-	-	-	-	x
2. Financial assets measured at amortised cost - hedging of:		-	-	-	-	-	-
1.1 Debt securities and interest rates		-	-	-	-	-	x
1.2 Equity securities and equity indices		-	-	-	-	-	x
1.3 Currencies and gold		-	-	-	-	-	x
1.4 Loans		-	-	-	-	-	x
1.5 Other		-	-	-	-	-	x
TOTAL	**31/12/2024**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**31/12/2023**	**47,630**	**-**	**3,072**	**(899)**	**1,471**	**-**
B. LIABILITIES							
1. Financial liabilities measured at amortised cost - hedging of:		-	-	-	-	-	-
1.1 Debt securities and interest rates		-	-	-	-	-	x
1.2 Currencies and gold		-	-	-	-	-	x
1.3 Other		-	-	-	-	-	x
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**

E. Effects of hedging operations on equity

Nothing to report

SECTION 4 - LIQUIDITY RISK

QUALITATIVE INFORMATION

For qualitative information on 'liquidity risk', see the section on liquidity risk in the consolidated financial statements.

Liquidity position of Banca Mediolanum

The liquidity position of Banca Mediolanum remained within the risk limits provided for in the current Liquidity Policy throughout 2024. Both short-term (LCR) and long-term (NSFR) indicators are well above the regulatory requirements, supported by adequate high-quality liquid assets (HQLA) and the significant retail funding contribution. In 2024, in accordance with regulatory instructions, Banca Mediolanum's LCR remained well above 100%, averaging 333%, and its NSFR averaged 174%.

QUANTITATIVE INFORMATION

1. Distribution of financial assets and liabilities by residual contractual maturity (PART 1 OF 2) - EURO

€/000	Demand	Over 1 day to 7 days	Over 7 days to 15 days	Over 15 days to 1 month	Over 1 month to 3 months
A. On-balance sheet assets	**1,345,626**	**445,034**	**511,009**	**190,460**	**943,838**
A.1 Government securities	5,361	-	509,183	-	634,861
A.2 Other debt securities	373	-	-	33	-
A.3 UCI units	144,210	-	-	-	-
A.4 Loans	1,195,682	445,034	1,826	190,427	308,977
- Banks	380,251	59	-	120,700	-
- Customers	815,431	444,975	1,826	69,727	308,977
B. On-balance sheet liabilities	**23,296,628**	**5,839,329**	**116,541**	**85,018**	**766,492**
B.1 Deposits and current accounts	23,070,955	18,302	17,227	69,913	762,196
- Banks	2,098	-	-	-	-
- Customers	23,068,857	18,302	17,227	69,913	762,196
B.2 Debt securities	-	-	-	15,105	-
B.3 Other liabilities	225,672	5,821,027	99,314	-	4,296
C. Off-balance sheet transactions					
C.1 Financial derivatives with capital exchange					
- Long positions	-	5,162	-	-	-
- Short positions	-	6,107	-	44,000	-
C.2 Financial derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Commitments to disburse funds					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.5 Financial guarantees given	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1. Distribution of financial assets and liabilities by residual contractual maturity (PART 2 OF 2) – EURO

€/000	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years	Undetermined duration
A. On-balance sheet assets	**3,846,533**	**3,198,163**	**11,450,224**	**11,866,925**	**254,400**
A.1 Government securities	3,361,635	2,215,549	5,888,801	2,388,001	-
A.2 Other debt securities	71,537	71,892	533,230	275,000	-
A.3 UCI units	-	-	-	-	-
A.4 Loans	413,361	910,722	5,028,193	9,203,924	254,400
- Banks	-	-	-	-	254,400
- Customers	413,361	910,722	5,028,193	9,203,924	-
B. On-balance sheet liabilities	**2,171,048**	**5,403**	**330,420**	**12,364**	**-**
B.1 Deposits and current accounts	2,168,230	19	-	-	-
- Banks	-	-	-	-	-
- Customers	2,168,230	19	-	-	-
B.2 Debt securities	-	-	300,000	-	-
B.3 Other liabilities	2,818	5,384	30,420	12,364	-
C. Off-balance sheet transactions					
C.1 Financial derivatives with capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.2 Financial derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Commitments to disburse funds					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.5 Financial guarantees given	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1. Distribution of financial assets and liabilities by residual contractual maturity (PART 1 OF 2) – OTHER CURRENCIES

€/000	Demand	Over 1 day to 7 days	Over 7 days to 15 days	Over 15 days to 1 month	Over 1 month to 3 months
A. On-balance sheet assets	**5,307**	**%**	**%**	**%**	**-**
A.1 Government securities	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-
A.3 UCI units	-	-	-	-	-
A.4 Loans	5,307	-	-	-	-
- Banks	5,306	-	-	-	-
- Customers	1	-	-	-	-
B. On-balance sheet liabilities	**48,225**	**%**	**%**	**%**	**-**
B.1 Deposits and current accounts	48,225	-	-	-	-
- Banks	6,334	-	-	-	-
- Customers	41,891	-	-	-	-
B.2 Debt securities	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-
C. Off-balance sheet transactions					
C.1 Financial derivatives with capital exchange					
- Long positions	-	6,115	-	44,327	-
- Short positions	-	5,142	-	-	-
C.2 Financial derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Commitments to disburse funds					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.5 Financial guarantees given	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1. Distribution of financial assets and liabilities by residual contractual maturity (PART 2 OF 2) – OTHER CURRENCIES

€/000	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years	Undetermined duration
A. On-balance sheet assets	-	-	-	-	-
A.1 Government securities	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-
A.3 UCI units	-	-	-	-	-
A.4 Loans	-	-	-	-	-
- Banks	-	-	-	-	-
- Customers	-	-	-	-	-
B. On-balance sheet liabilities	-	-	-	-	-
B.1 Deposits and current accounts	-	-	-	-	-
- Banks	-	-	-	-	-
- Customers	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-
C. Off-balance sheet transactions					
C.1 Financial derivatives with capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.2 Financial derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Commitments to disburse funds					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.5 Financial guarantees given	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without capital exchange					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

SECTION 5 – OPERATIONAL RISKS

QUALITATIVE INFORMATION

For qualitative information on "operational risks", see the section on operational risks in the consolidated financial statements.

QUANTITATIVE INFORMATION

In 2024, the Risk Assessment process covered almost all corporate processes, identifying for Banca Mediolanum over 2,000 operational risk control points, which in around 82% of cases proved to be effective. In general, detailed studies were performed of the controls that were deemed ineffective, and plans and actions designed to reinforce control of risks detected are being assessed and/or have been implemented.

PART F – INFORMAZIONI - INFORMATION ON CAPITAL

SECTION 1 – COMPANY CAPITAL

A. QUALITATIVE INFORMATION

Capital is the main means of safeguarding the stability of a bank. International and local supervisory bodies have established strict rules for determining the regulatory capital and minimum capital requirements that banks must meet. In order to comply with the requirements of the supervisory bodies, Banca Mediolanum adopts the measures necessary to maintain adequate capital monitoring. Constant monitoring of the Bank's capital helps to prevent situations of tension from arising. Monitoring of the Group's capital helps to prevent potential situations of tension from arising. This activity is entrusted to the strategic supervisory body (the Board of Directors), which is responsible for the Group's management functions, and is tasked with defining the guidelines for the various operational functions, including the relevant acceptable risk profiles (formalised in the Risk Appetite Framework (RAF) document). The RAF, which is reviewed periodically, is the frame of reference that determines the risk appetite, tolerance thresholds, risk limits, risk governance policies and the reference processes for defining and implementing such policies, in accordance with the risk capacity. At 31 December 2024, the ratios of Banca Mediolanum were above the regulatory thresholds.

B. QUANTITATIVE INFORMATION

B.1 Company capital: breakdown

€/000	31/12/2024	31/12/2023
1. Capital	600,688	600,564
2. Issue premiums	9,082	7,035
3. Reserves	2,543,186	2,217,881
- earnings	2,538,926	2,213,621
a) legal	121,026	121,026
b) pursuant to the articles of association		
c) treasury shares		
d) other	2,417,900	2,092,595
- other	4,260	4,260
3.5 Interim dividends (-)	(272,832)	(207,519)
4. Equity instruments		
5. (Treasury shares)	(77,414)	(19,781)
6. Valuation reserves	120,269	39,883
- Equity securities designated at fair value through other comprehensive income	90,356	29,269
- Hedges on equity securities designated at fair value through other comprehensive income		
- Financial assets (other than equity securities) measured at fair value through other comprehensive income	36	(388)
- Tangible assets		
- Intangible assets		
- Hedging of foreign investments		
- Cash flow hedges		
- Hedging instruments [non-designated elements]		
- Foreign exchange gains and losses		
- Non-current assets and disposal groups		
- Financial liabilities designated at fair value through profit or loss (changes in creditworthiness)		
- Actuarial gains (losses) relating to defined benefit pension plans	441	(72)
- Share of valuation reserves of equity investments measured at equity	29,436	11,074
- Special revaluation laws		
7. Net income for the year	1,135,170	833,707
TOTAL	4,058,148	**3,471,770**

B.2 Valuation reserves of financial assets measured at fair value through other comprehensive income: breakdown

Assets/Values	Total	31/12/2024	Total	31/12/2024
	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	36	-	-	(388)
2. Equity securities	90,360	(4)	29,273	(4)
3. Loans	-	-	-	-
Total	**90,396**	**(4)**	**29,273**	**(392)**

The table does not include the valuation reserve of subsidiaries measured using the equity method of €29,436 thousand.

B.3 Valuation reserves of financial assets measured at fair value through other comprehensive income: changes during the year

	Debt securities	Equity securities	Loans
1. Opening balances	**(388)**	**29,269**	**-**
2. Increases	**492**	**61,087**	**-**
2.1 Fair value increases	55	61,087	-
2.2 Credit risk-induced value adjustments	-	X	-
2.3 Reversal to the income statement of negative reserves from disposal	437	X	-
2.4 Transfers to other items of shareholders' equity (equity securities)	-	-	-
2.5 Other changes	-	-	-
- of which business combinations	-	-	-
3. Negative changes	**(68)**	**-**	**-**
3.1 Fair value reductions	-	-	-
3.2 Credit risk induced write-backs	-	-	-
3.3 Reversal to the income statement from positive reserves: from disposal	(68)	X	-
3.4 Transfers to other items of shareholders' equity (equity securities)	-	-	-
3.5 Other changes	-	-	-
- of which business combinations	-	-	-
4. Closing balances	**36**	**90,356**	**-**

B.4 Valuation reserves related to defined-benefit plans: annual changes

Valuation reserves for defined benefit plans amount to €441 thousand, an increase of +€531 thousand year on year.

SECTION 2 – OWN FUNDS AND REGULATORY RATIOS

For information on capital ratios as at the date and a comparison with previous periods, see the section on own funds in the Group Information (Pillar III).

PART G – BUSINESS COMBINATIONS INVOLVING BUSINESSES OR BUSINESS UNITS

SECTION 1 – OPERATIONS PERFORMED DURING THE YEAR

1.1 Business combinations

There are no merger operations undertaken during the year to be reported.

SECTION 2 –TRANSACTIONS CARRIED OUT AFTER THE END OF THE FINANCIAL YEAR

2.1 Business combinations

There are no events to report after the close of the financial year.

SECTION 3 –RETROSPECTIVE ADJUSTMENTS

There are no retrospective adjustments to report.

PART H – RELATED PARTY TRANSACTIONS

The Board of Directors of Banca Mediolanum resolved to update the document entitled "Group Policy for the Management of Transactions with Related Parties of Banca Mediolanum and Associates of the Mediolanum Banking Group" (please see this document for further details). The Board of Directors of Banca Mediolanum also adopted the "Regulations on the process for managing related party transactions of Banca Mediolanum and associates of the Mediolanum Banking Group" for the management of transactions with related parties and associates in accordance with the procedures provided for by the regulations. This document serves to regulate any conflicts of interest in transactions involving parties close to company decision-making centres, in accordance with Consob Regulation No. 17221/2010, as amended, and Bank of Italy Circular No. 285.

During the 2024 financial year, Banca Mediolanum entered into transactions with related parties. These transactions are part of the normal operations of the companies belonging to the Mediolanum Group and are regulated under market conditions.
In accordance with IAS 24, the related parties of Banca Mediolanum S.p.A.
are:

- the FinProg companies, wholly owned by the Doris family and the Fininvest company headed by Silvio Berlusconi and Marina Elvira Berlusconi;
- "key management personnel" and close family members of "key management personnel" and companies subject to the control, including joint control, of key management personnel or their close family members;
- the Chief Executive Officer, other members of the Board of Directors and Statutory Auditors, their close family members and companies subject to their control, including joint control.

For the purposes of defining and managing related party transactions, reference is made to the rules defined in Consob Regulation No. 17221/2010, as subsequently updated, and Bank of Italy Circular No. 285.

1. Information concerning the remuneration of key management personnel

€/000	Directors, executives, deputy general managers and statutory auditors	Other key management personnel
Emoluments and social security contributions	(3,959)	(2,363)
Other remuneration	-	(21)

2. Information on related party transactions

€/000	31/12/2024
Asset items	
Loans to customers	45,903
Liability items	
Payables to customers	178,715
Other liabilities	181
Guarantees issued and commitments given	23

€/000	31/12/2024
Income statement items	
Interest income and similar income	1,604
Interest expense and similar expenses	(7,974)
Net interest	**(6,370)**
Commission income	6
Commission expenses	(143)
Net commission income	(137)
Administrative expenses	(4,944)
Other operating revenues and expenses	1

PART I – SHARE-BASED PAYMENT AGREEMENTS

QUALITATIVE INFORMATION

Description of share-based payment agreements

STOCK OPTION PLANS

On 9 March 2010, the Board of Directors of Mediolanum S.p.A. approved the general guidelines for a share ownership plan for the directors and executives of the Company and its subsidiaries, called the "2010 Top Management Plan" and a share ownership plan for the staff – i.e., members of the sales network – of the Company and its subsidiaries, called the "2010 Employee Plan" (collectively the "Plans"), which were subsequently submitted for approval by the extraordinary shareholders' meeting of 27 April 2010. In particular, pursuant to Article 84-bis, paragraph 3, of the Issuers' Regulations, the following is specified:

- The 2010 Top Management Plan is for directors and executives of the Company and its subsidiaries who hold strategic roles within the Company and/or its subsidiaries.
- The 2010 Employee Plan is for the staff of the Company and its subsidiaries, identified from time to time on the basis of the role held by each individual employee and his/her contribution to the development of the business.

The 2010 Top Management Plan specified a vesting period for the options of three to five years from the grant date, and that the options could be exercised for a period of three years from the end of the vesting period. The 2010 Employee Plan specified a vesting period for the options of five to ten years from the grant date, and that the options could be exercised for a period of three years from the end of the vesting period. Under both Plans, the exercise of the options is also conditional on the achievement of specific corporate and/or individual performance objectives. The Plans are designed to incentivise the beneficiaries and are also an appropriate tool for determining value creation and growth for the Company and, consequently, for shareholders.

On 8 July 2010, the Board of Directors of Mediolanum S.p.A. resolved by virtue of the powers conferred by the ordinary and extraordinary shareholders' meeting of 27 April 2010 to:

- approve the regulations of the share ownership plans for company directors and executives (the "2010 Top Management Plan") and the plan for group and company employees (the "2010 Employee Plan");
- to increase the Company's capital for payment by a maximum of €160,000.00 through the issue of up to 1,600,000 shares to service the granting of options under the 2010 Top Management Plan;
- to increase the Company's capital for payment by a maximum of €131,744.20 through the issue of up to 1,317,442 shares to service the granting of options under the 2010 Employee Plan.

On 12 May 2011, the Board of Directors of Mediolanum S.p.A., with the agreement of the Remuneration Committee, resolved, inter alia, by virtue of the powers conferred by the Ordinary and Extraordinary Shareholders' Meeting of 27 April 2010, to:

- approve the updating of the regulations of the share ownership plan for company directors and executives (the "2010 Top Management Plan") and the plan for group and company employees (the "2010 Employee Plan");

- to increase the share capital, partially executing the mandate conferred by the extraordinary shareholders' meeting of 27 April 2010, by a maximum of €188,200.00 through the issue of up to 1,882,000 ordinary shares to service the granting of options under the 2010 Top Management Plan;
- to increase the share capital, partially executing the mandate conferred by the extraordinary shareholders' meeting of 27 April 2010, by a maximum of €67,427.50 through the issue of up to 674,275 ordinary shares to service the granting of options under the 2010 Employee Plan.

On 10 May 2012, in execution of the mandate conferred by the Extraordinary Shareholders' Meeting of 27 April 2010, as amended by the Ordinary and Extraordinary Shareholders' Meeting of 19 April 2012, the Board of Directors resolved:

- to increase the share capital for payment by a maximum of €186,405.00 through the issue of a maximum of no. 1,864,050 ordinary shares to service the granting of Options under the 2010 Top Management Plan;
- to increase the share capital for payment by a maximum of €70,840.00 through the issue of up to 708,400 ordinary shares to service the granting of options under the 2010 Employee Plan.

On 9 May 2013, in execution of the mandate conferred by the Extraordinary Shareholders' Meeting of 27 April 2010, as amended by the Ordinary and Extraordinary Shareholders' Meeting of 19 April 2012, the Board of Directors resolved:

- to approve certain amendments and updates to the regulations of the share ownership plan for directors and executives of the Company and the Group ("2010 Top Management Plan") and the plan for Group and Company employees ("2010 Employee Plan") relating to certain specific corporate and/or individual performance targets which have to be achieved in order for the options to be exercised. The proposed amendments to the exercise conditions also apply to the options already granted in previous granting cycles;
- increase the Company's capital by payment, up to a maximum of €136,155.00, by issuing a maximum of no. 1,361,550 shares servicing the Options granted under the 2010 Top Management Plan;
- to increase the Company's capital for payment by a maximum of €95,100.00 through the issue of up to 951,000 shares to service the granting of options under the 2010 Employee Plan.

On 14 May 2014, in execution of the mandate conferred by the Extraordinary Shareholders' Meeting of 27 April 2010, as amended by the ordinary and Extraordinary Shareholders' Meeting of 19 April 2012, the Board of Directors resolved:

- to increase the Company's capital for payment by a maximum of €97,335.00 through the issue of up to 973,350 shares to service the granting of options under the 2010 Top Management Plan;
- to increase the Company's capital for payment by a maximum of €121,425.00 through the issue of up to 1,214,250 shares to service the granting of options under the 2010 Employee Plan.

On 25 February 2015, in execution of the mandate conferred by the extraordinary shareholders' meeting of 27 April 2010, as amended by the ordinary and extraordinary shareholders' meeting of 19 April 2012, the Board of Directors resolved:

- to increase the Company's capital for payment by a maximum of €700,000.00 through the issue of up to 7,000,000 shares to service the granting of options under the 2010 Employee Plan.
- The issue price was determined in implementation and in full compliance with the objective criteria already approved by the shareholders' meeting resolution and already the subject of a fairness opinion of the independent auditor.

It should be recalled that at the date of these financial statements, the Employee Plan is still in place and its effects are reflected herein.

PERFORMANCE SHARE PLANS

Banca Mediolanum's Ordinary Shareholders' Meeting approved, for the years from 2015 to 2023, performance plans called the "Top Management Key Personnel Plan" for directors and managers and the "Top Management Other Personnel Plan" for Executive Top Management, in addition to performance plans called the "Employee Key Personnel Plan" and the "Employee Other Personnel Plan" for the Sales Network.

In addition, it should be noted that the Shareholders' Meeting of 18 April 2023 had approved another long-term incentive and loyalty plan called the "2023-2025 LTI Plan", again aimed at certain directors and employees (so-called 'key people) who play crucial roles with particular responsibilities and/or competences who have a significant impact on the growth of the business and the governance of the Mediolanum Group.

It should also be recalled that on 18 April 2024, the ordinary shareholders' meeting of Banca Mediolanum, as in previous years, approved the establishment of a new performance share plan, called:

- the "2024 Top Management Plan - Key Personnel", for directors and executives of Banca Mediolanum and/or the subsidiaries of the Mediolanum Banking Group and/or the other companies of the Mediolanum Group;
- the "2024 Top Management Plan - Other Personnel", for the senior management of Banca Mediolanum and/or other companies of the Mediolanum Group known as the "Executive" plan;
- the "2024 Employee Plan - Key Personnel" for employees, i.e. members of the sales network of Banca Mediolanum and/or other Group companies that are classed as Key Personnel;
- the "2024 Employee Plan - Other Personnel" for employees of Banca Mediolanum and/or other Group companies that are not classed as Key Personnel.

Under the Performance Share Plans and the 2023-2025 LTI Plan, a portion of the variable component of the remuneration for beneficiaries, or of the non-recurring component for employees, is granted through the free assignment to each of the beneficiaries of rights ("Units") to receive, again free of charge, ordinary shares in Banca Mediolanum ("Shares") held by the latter in the ratio of one ordinary share for each unit accrued.

At 31 December 2024, the plans approved from 2020 to 2024 were still in place for top management, while for employees, the plans still in place range from 2015 to 2024.

The total number of treasury shares in the portfolio was 7,893,303, with an equivalent value of €77.4 million at 31 December 2024.

Note that the plan described above includes performance targets linked to ESG factors, as described in greater detail in the "Consolidated Sustainability Statement".

The set of circumstances described led the Bank to view the transaction as a share-based payment to be settled with equity instruments ("Equity-settled share-based payment transaction") booked from the performance reference period and throughout the service period, in accordance with IFRS 2.

The cost recognised in 2024 relating to the cost of the aforementioned plans, which resulted in payments in ordinary shares, amounted to €19.2 million.

PHANTOM SHARE PLANS

The Shareholders' Meeting of 16 April 2020 also approved a long-term incentive and loyalty plan called the "2020-2022 Phantom Share LTI Plan" aimed at various top key people who play crucial roles relating to particular responsibilities and/or competences and have a strong impact on the growth of the business and the governance of the Mediolanum Group.

The purpose of the Plan is to encourage and retain the top management and the Bank/Group personnel regarded as key to particular responsibilities and/or competences, with a strong impact on the business growth and governance of the Bank and the Group from a long-term perspective, and to link a component of the variable remuneration of the beneficiaries of the Plan to the achievement of certain corporate performance targets to be assessed over a multi-year future period, in order to align the interests of the beneficiaries with the pursuit of the priority objective of creating value for shareholders in a long-term perspective.

Phantom shares are virtual units of measure that represent a right to payment the valuation of which replicates the performance of an ordinary share of the Bank and which, once vested under the terms and conditions set out in the Plan and after the Retention Period has elapsed, will be redeemed in cash through the payment of a sum to each Beneficiary free of charge.

Note that the plan described above includes performance targets linked to ESG factors, as described in greater detail in the "Consolidated Sustainability Statement".

The imputed cost of the charge for all forms of incentives that give rise to cash payments of a value that replicates the performance of an ordinary share in the Bank for the 2024 financial year amounts to €0.6 million.

QUANTITATIVE INFORMATION

1. Annual changes

	Total 31/12/2024			Total 31/12/2023		
	Number of options	Average exercise price (euro)	Average maturity	Number of options	Average exercise price (euro)	Average maturity
A. Opening balances	**1,577,500**	**1.73**	**Oct-26**	**2,680,875**	**1.70**	**Jul-26**
B. Increases	-		X	-		X
B1. New issues	-			-		
B2. Other changes	-		X	-		X
C. Decreases	**1,330,250**		**X**	**1,103,375**		**X**
C1. Cancelled	47,000	1.63	X			X
C2. Exercised	1,268,250	1.74	X	1,089,250	1.66	X
C3. Expired	15,000	1.10	X	14,125	1.08	X
C4. Other changes			X			X
D. Closing balances	**247,250**	**1.71**	**Oct-26**	**1,577,500**	**1.73**	**Oct-26**
E. Options exercisable at the end of the year	**-**	**-**	**X**	**-**	**-**	**X**

Under the Stock Option Plans, as of 31 December 2024 1,238,250 new ordinary shares of Banca Mediolanum with regular dividend rights were issued to Directors and Employees of the Mediolanum Group companies as a result of the exercise. This entailed an increase in the ordinary capital of Banca Mediolanum of €123.8 thousand and an increase in the share premium reserve of €2,046.8 thousand.
The cost incurred for the performance shares was approximately €19.2 million. The cost recorded for phantom shares was €0.6 million.

PART L –SEGMENT REPORTING

For segment reporting, see to the description provided in Chapter L of the consolidated notes..

PART M – LEASE REPORTING

SECTION 1 – LESSOR

QUALITATIVE INFORMATION

The adoption of IFRS 16 mainly relates to property leases. To estimate the lease term, the first renewal period provided for in the agreements was regarded as reasonably certain, unless any contractual clauses or specific circumstances resulted in the inclusion of additional renewals or vice versa in the term of the contract. These contracts generally do not include options to purchase the property at the end of the lease. Banca Mediolanum takes advantage of the exemption allowed under IFRS 16:5 (a) in relation to short-term leases, understood as leases with a residual term of 12 months or less.
Finally, please note that the events referred to in IFRS 16, paragraph 59, letters b), c) and d) and paragraph 55 are not considered relevant for the Company.

QUANTITATIVE INFORMATION

For quantitative information on the rights of use acquired under the lease, see Part B, Assets, Section 9 – Tangible assets. Information on lease liabilities is contained in Part B, Liabilities, Section 1 – Financial liabilities measured at amortised cost. Information on interest expense on lease liabilities and other charges related to the rights of use acquired with lease is set out in Part C, Income statement.
It should be noted that no gains and losses arising from sales and leaseback transactions, or income from sub-leasing transactions, have been recognised. The depreciation & amortisation recognised in the year for rights of use acquired through leasing, broken down by class of underlying asset, is shown below:

€/000	Amortisation 2024
BUSINESS	
Rights of use acquired through leasing	
1. Tangible assets	(9,579)
1.1 land	
1.2 buildings	(9,579)
1.3 furniture	
1.4 electronic equipment	
1.5 Other	

SECTION 2 – LESSOR

QUALITATIVE INFORMATION

The Bank as lessor has leases in place consisting exclusively of lease agreements classified in the financial statements as operating leases. With respect to the methods by which the lessor manages the risk associated with the rights it holds over the underlying assets, it should be noted that the agreements include clauses prohibiting the lessee from ceding the agreement to third parties without the written consent of the lessor, periodic rent updates according to the confirmed change in the ISTAT consumer price index for blue and white collar worker households, and a contractual term at the end of which, unless renewed where provided for, the lease agreement ceases and the premises become available to the lessor.

QUANTITATIVE INFORMATION

Payments due under operating leases were recognised, on an accruals basis, in the income statement as income.

1. Information about the statement of financial position and income statement

The Bank did not recognise any leasing loans. With regard to the assets granted under operating leases, as described above, the Bank as lessor has leases in place consisting of lease agreements for properties owned by Banca Mediolanum.
Payments due under operating leases were recognised, on an accruals basis, in the income statement as income.
For further details, see Part C – Section 14 – Other operating revenues and expenses – Item 200 of these notes.

2. Finance leases

2.1 Classification of payments to be received by time bands and reconciliation with leasing loans recognised under assets

No data to report.

2.2 Other information

No data to report.

3. Operating leases

3.1 Classification of payments to be received by time bands

The following are the non-discounted lease payments to be received by maturity. Note that the payments relate to the contractual rents provided for in the lease agreements for properties owned by Banca Mediolanum, which allow the lessees early withdrawal subject to the notice provided for in the agreement.

€/000	2024 lease payments to be received
TIME BANDS	
Up to 1 year	254
1 to 5 years	18,941
Over 5 years	33,323
Overall total	**52,518**

3.2 Other information

As previously indicated, the Bank as lessor has leases in place consisting of lease agreements for owned properties. For information about how the Bank manages the risk associated with the rights it holds over the underlying assets, see the paragraph "Qualitative information" in this section.

Disclosure of audit fees

The following tables provide details of the fees paid to the independent auditors PricewaterhouseCoopers S.p.A. and entities in the network to which the Independent Auditor belongs:

MEDIOLANUM GROUP
(in euro, net of VAT and expenses)

TYPE OF SERVICES	PARTY PROVIDING THE SERVICE	FEES
Audit	PricewaterhouseCoopers SpA and other entities of the PwC Network	1,884,028
Certification services	PricewaterhouseCoopers SpA and other entities of the PwC Network	393,232
Other services	PricewaterhouseCoopers SpA and other entities of the PwC Network	46,515
TOTAL		**2,323,775**

It should be noted that for 2024, PwC audited the reports on operations of the mutual funds managed by the Mediolanum Group management companies; the relative fees of €852,743 are a cost to the funds and not to the companies conferring the audit mandate.

BANCA MEDIOLANUM
(in euro, net of VAT and expenses)

TYPE OF SERVICES	PARTY PROVIDING THE SERVICE	FEES
Audit	PricewaterhouseCoopers SpA	751,334
Certification services	PricewaterhouseCoopers SpA and other entities of the PwC Network	200,470
Other services	PricewaterhouseCoopers SpA	32,500
TOTAL		984,304

DECLARATION OF THE FINANCIAL REPORTING OFFICER

CERTIFICATION OF THE FINANCIAL STATEMENTS PURSUANT TO ARTICLE 154-BIS(5) OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998 AND ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS AMENDED

1. The undersigned, Massimo Antonio Doris, as the Chief Executive Officer, and Angelo Lietti, as the Financial Reporting Officer of Banca Mediolanum S.p.A., hereby certify, also taking account of Article 154-bis, paragraphs 3 and 4, of Legislative Decree No. 58 of 24 February 1998:

   - the appropriateness in relation to the characteristics of the company and
   - the effective application of the administrative and accounting procedures for the preparation of the financial statements as at 31 December 2024.

2. The assessment of the adequacy and effective application of the administrative and accounting procedures for the preparation of the financial statements as at 31 December 2024 was based on a process defined by Banca Mediolanum S.p.A. consistent with the Internal Control - Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which is a generally accepted international framework.

3. It is further certified that:

3.1 the financial statements:

- have been prepared in compliance with the international accounting standards recognised by the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, as well as the measures issued in implementation of Article 9 of Legislative Decree No. 38/2005;
- correspond to the figures in the accounting books and records;
- c) provide a true and correct representation of the issuer's financial position and profit performance.

3.2 The Report on Operations includes a reliable analysis of the performance and operating results, as well as the situation, of the issuer, together with a description of the main risks and uncertainties to which it is exposed.

Basiglio, 12 March 2025

The Financial Reporting Officer
(Angelo Lietti)

The Chief Executive Officer
(Massimo Antonio Doris)

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the shareholders of
Banca Mediolanum SpA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Banca Mediolanum SpA (the Company), which comprise the statement of financial position as of 31 December 2024, the income statement, the statement of comprehensive income , statement of changes in shareholders' equity, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2024, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05 and article 43 of Legislative Decree No. 136/15.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	*Auditing procedures performed in response to key audit matters*

Estimation of provisions for risk and charges related to indemnities paid to the network of financial advisors

Notes to the consolidated financial statements:
Part A – Accounting policies, paragraph "10 - Provisions for risk and charges"
Part B – Information on the consolidated statement of financial position, Liabilities, Section 10 "Provisions for risk and charges – item 100"
Part C – Information on the consolidated income statement, Section 13 "Net provisions for liabilities and charges – item 200"

The financial statements as of 31 December 2024 include provisions for risk and charges equal to Euro 313 million, whereof euro 289 million relating to contractual and bonus allowances paid to the Group's financial advisors.

The measurement of provisions for risk and charges recognised for contractual and bonus allowances owed to financial advisors is the subject of a structured evaluation process based on an analysis of contractual terms and internal regulations, on actuarial criteria, as well as on other historical-statistical parameters related to the operation of the network of financial advisors.

In consideration of the materiality of the amounts, the complexity of the estimation processes and the high degree of professional judgement required, we considered the measurement of provisions for risk and charges related to allowance owed to the network of financial advisors as a key audit matter in our audit work.

We understood and evaluated the design of relevant controls for the identification, monitoring and recognition of provisions for risk and charges as of 31 December 2024 and we verified their operating effectiveness.

We discussed with management and with the corporate functions involved about the nature of the provisions recognised and the methodological appropriateness of evaluations made for the purposes of determining provisions for risk and charges.

In detail, we performed the following audit activities, also with the support of actuarial experts from the PwC network:

- we obtained and analysed the recognition and measurement policies applied to provisions for risk and charges in the consolidated financial statements and their reasonableness and consistency with the applicable legislation and the internal regulation;
- we obtained and understood the calculation models used by management to estimate the provisions and we verified their mathematical accuracy;
- we verified the reasonableness of the assumptions and actuarial hypotheses used in the calculation models;
- we verified, on a sample basis, the accuracy of inputs and the reasonableness of the methods adopted;

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
	• we performed a critical analysis of the result of the control activities performed by the corporate functions variously involved in the determination of those provisions for risks and charges; • we analysed the consistency of the models, data and assumptions used to determine the provision for risk and charges, comparing them with the historical dynamics recorded during the year, in order to evaluate the predictive capacity of the models adopted by management. Finally, we verified the completeness and adequacy of disclosures provided in the consolidated financial statements in accordance with the relevant financial reporting standards and the applicable regulatory framework.

Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05 and article 43 of Legislative Decree No. 136/15 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- We evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) No 537/2014

On 9 April 2019, the shareholders of Banca Mediolanum SpA in general meeting engaged us to perform the statutory audit of the Bank's financial statements and consolidated financial statements for the years ending 31 December 2020 to 31 December 2028.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on Compliance with other Laws and Regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors of Banca Mediolanum SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (hereinafter, the "Commission Delegated Regulation") to the financial statements as of 31 December 2024, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) No. 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the financial statements as of 31 December 2024 have been prepared in XHTML format in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree No. 39/10 and with article 123-bis, paragraph 4, of Legislative Decree No. 58/98

The directors of Banca Mediolanum SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Banca Mediolanum SpA as of 31 December 2024, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98, with the financial statements;
- express an opinion on the compliance with the law of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98 are consistent with the financial statements of Banca Mediolanum SpA as of 31 December 2024.

Moreover, in our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/98 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Milan, 24 March 2025

PricewaterhouseCoopers SpA

Signed by

Giovanni Ferraioli
(Partner)

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

GLOSSARY

Acquisition costs/gross commission income ratio

Indicator that expresses the ratio of "Acquisition costs" to "Gross commission income".

Annualised cost of risk

The indicator represents the ratio of value adjustments included in item 130 of the income statement to the total of item 40 "Financial assets measured at amortised cost" b) loans to customers, gross of value adjustments and net of debt securities.

Assets Under Management

These consist of: - managed assets, which include the assets of mutual funds and pension funds and the assets under management and technical provisions of the Life class; - non-managed assets, which include securities in custody (net of shares in the Group's funds), the technical provisions of the non-life class and the debit balances of current accounts.

Basic EPS

Ratio of consolidated net income to the weighted average number of ordinary shares outstanding.

Common Equity Tier 1 or CET 1

The highest quality capital component pursuant to the Basel III regulations, mainly consisting of ordinary paid-up capital, the related share premium reserves, calculable net income for the period, reserves and shareholders' equity of minority interests (calculable within certain limits), net of certain regulatory adjustments, as provided for in Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013, as subsequently updated.

Common Equity Tier 1 Ratio or CET 1 Ratio

The solvency ratio expressed by the relationship between Common Equity Tier 1 and risk weighted assets (RWAs, as defined below) calculated on the basis of Basel III regulations in application of the provisions of Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 and of Directive 2013/36/EU (CRD IV) as subsequently updated.

Cost/income ratio

An indicator that expresses the ratio of operating costs (G&A expenses and regular contributions to the banking industry) to the contribution margin.

Diluted EPS

Diluted earnings per share are determined by dividing net income by the weighted average number of shares outstanding in the period, excluding treasury shares, plus the number of shares that could potentially be added to those outstanding as a result of the assignment or disposal of treasury shares under equity-based remuneration plans.

Extent of the impact

A sustainability issue is significant in terms of its impact when it involves a negative or positive, actual or potential, material impact on the company, on people, or on the environment over the short, medium or long term. An impact-relevant sustainability issue includes impacts related to the firm's own activities and the upstream and downstream value chain, including through its products and services and its commercial relationships.

Family Bankers

This is the word and figurative mark, which distinguishes Banca Mediolanum financial advisors.

Financial significance

A sustainability issue may be significant from a financial standpoint if it generates risks or opportunities that affect or can reasonably be expected to affect the company's financial position, income statement, cash flows, access to financing or cost of capital over the short, medium or long term.

Green Asset Ratio (GAR)

A key indicator introduced by Delegated Regulation (EU) 2021/2178 to measure the share of economic activities aligned with the EU Taxonomy in the total assets of a financial institution. In particular, the GAR (Green Asset Ratio –) is the percentage of a banking institution's assets allocated to the financing of economic activities that are considered sustainable according to the criteria set by the EU Taxonomy.

Gross NPL Ratio

The ratio of total gross non-performing loans to total item 40 "Financial assets measured at amortised cost" b) loans to customers, gross of value adjustments and net of debt securities.

Leverage Ratio

An indicator comparing the assets comprising Tier I capital, defined as the sum of primary Tier I capital and the institution's additional Tier I capital, to the total amount of unweighted on- and off-balance sheet exposures.

Liquidity Coverage Ratio (LCR)

A short-term liquidity indicator measuring the actual availability of highly liquid, unconstrained assets that the bank may use to meet liquidity requirements over the next 30 calendar days in a stress scenario.

Minimum Requirement for own funds and Eligible Liabilities (MREL)

A coefficient calculated as the amount of own funds and eligible liabilities, i.e. with characteristics defined by the regulatory rules, expressed as a percentage of total liabilities and own funds.
This requirement was introduced with the aim of ensuring the proper functioning of the bail-in mechanism by increasing the bank's loss-absorbing capacity.

Net inflows

Amount of inflows into net of outflows from asset management (including insurance) products and administered products.

Net NPL Ratio

The ratio of total net non-performing loans to total item 40 "Financial assets measured at amortised cost" b) loans to customers, net of debt securities.

Own funds

Own funds are made up of a series of items (net of negative items to be deducted) classified on the basis of capital quality and the ability to absorb losses determined pursuant to Part Two of Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 as amended. Own funds consist of Tier I and Tier 2 capital.

Own workforce

All persons who have an employment relationship with the enterprise ("employees") and non-employee workers, who may be individual contractors providing labour to the company ("self-employed workers") or workers supplied by companies who are mainly engaged in 'recruitment, selection and supply of personnel' (NACE code N78).

Risk-Weighted Assets (RWAs)

This is the risk-weighted value of on- and off-balance sheet assets. Depending on the types of assets concerned, bank assets are weighted by factors representing their risk level and default potential in order to calculate a capital adequacy indicator.

Scope I GHG emissions

Direct greenhouse gas emissions from sources that are owned or controlled by the company.

Scope 2 GHG emissions

Indirect emissions from the generation of purchased or acquired electricity, steam, heat or cooling that the enterprise consumes.

Scope 3 GHG emissions

All indirect greenhouse gas emissions (not included in Scope 2 GHG emissions) generated in the value chain of the communicating company, including upstream and downstream emissions. They can be subdivided into Scope 3 categories.

Total Capital Ratio

Solvency ratio expressed by the relationship between Total Capital and RWAs calculated on the basis of the Basel regulation.

Value Chain

All activities, resources and relationships related to the company's business model and the external context in which it operates.
The value chain encompasses the activities, resources and relationships that a company uses and relies on to create its products or services, from conception to delivery, consumption and end-of-life. These activities, resources and relationships include: i. those that are part of the company's own operations, such as human resources; ii. those of its procurement, marketing and distribution channels, such as the purchase of materials and services or the sale and delivery of products and services; and iii. the financial, geographical, geopolitical and regulatory environment in which the company operates.
He value chain includes actors upstream and downstream of the enterprise. Upstream actors (e.g. suppliers) provide the products or services used in the development of the company's products or services. Downstream actors (e.g. distributors and customers) receive the company's products or services.