FOURTH SUPPLEMENT DATED 17 FEBRUARY 2025 TO THE

BASE PROSPECTUS DATED 6 MARCH 2024

Banca Monte dei Paschi di Siena S.p.A.

(Incorporated with limited liability in the Republic of Italy)

€50,000,000,000
Debt Issuance Programme

This fourth supplement (the "**Supplement**") to the Base Prospectus dated 6 March 2024, supplemented by the first supplement dated 1 July 2024, by the second supplement dated 19 November 2024 and by the third supplement dated 10 January 2025 (the "**Base Prospectus**") constitutes a supplement for the purposes of article 23 (1) of the Prospectus Regulation and is prepared in connection with the €50,000,000,000 Debt Issuance Programme (the "**Programme**") established by Banca Monte dei Paschi di Siena S.p.A. ("**BMPS**" or the "**Issuer**"). Terms defined in the Base Prospectus have the same meaning when used in this Supplement. When used in this Supplement, "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement will be published on the website of the Luxembourg Stock Exchange website www.luxse.com.

Purpose of the Supplement

The purpose of the submission of this Supplement is to update (i) the "*Risk Factors*" section of the Base Prospectus; (ii) the "*Documents incorporated by reference*" section of the Base Prospectus, to incorporate by reference the Press Release headed "*Board of Directors approves consolidated preliminary results as at 31 December 2024*" (the "**Results as at 31 December 2024 – Press Release**"); (iii) the "*Banca Monte dei Paschi di Siena S.p.A.*" section of the Base Prospectus; and (iv) the "*Regulatory aspects*" section of the Base Prospectus.

RISK FACTORS

The "*Risk Factors*" section on pages 16 – 45 of the Base Prospectus is amended as follows:

A. The second and third outlines of the Risk Factor "*1.1 Risks related to capital adequacy*" on page 17 of the Base Prospectus shall be deleted in their entirety and replaced as follows:

"As of 31 December 2024, the Group has a CET 1 Ratio and a Tier 1 ratio of 18.3%, a Total Capital Ratio of 20.6%; as of 30 September 2024, the Group has a CET 1 Ratio and a Tier 1 ratio of 18.2%, a Total Capital Ratio of 21.4%; as of 30 June 2024, the Group has a CET 1 Ratio and a Tier 1 ratio of 18.1%, a Total Capital Ratio of 21.4% and as of 31 December 2023, the Group has a CET 1 Ratio and a Tier 1 ratio of 18.1%, a Total Capital Ratio of 21.6%[1].

Finally, it should be noted that the Group has a leverage ratio of 7.2% as at 31 December 2024, 7.1% as at 30 September 2024, 6.7% as at 30 June 2024 and 7% as at 31 December 2023[2] which is above the minimum requirement of 3%.";

B. The last outline of the Risk Factor "*1.1 Risks related to capital adequacy*" on page 17 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"For further information in such regard, please refer to the "*Capital adequacy*" paragraph of the 2023 Consolidated Financial Statements, to the "*Capital adequacy*" paragraph of the 2024 Consolidated Half-Yearly Report, to the "*Capital adequacy*" paragraph of the Consolidated Interim Report as at 30 September 2024 and to the information set out in the Results as at 31 December 2024 – Press Release incorporated by reference into this Base Prospectus.";

C. The third outline of the Risk Factor "*1.2. Risks related to non-compliance with MREL requirements*" on pages 17-18 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"As at 31 December 2024, the Group has values higher than the requirements set for 2024:

- an MREL capacity of 28.5% in terms of TREA and 11.2% in terms of LRE; and
- an MREL subordination capacity of 21.24% in terms of TREA and 8.34% in terms of LRE.";

D. The second outline of the Risk Factor "*2.1. Risks related to outstanding legal proceedings*" on pages 22-23 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"As at 31 December 2024, the overall *petitum* of court proceedings, where quantified, amounts to Euro 3.3 billion (rounded) and the out-of-court claims' *petitum* amounts to Euro 0.08 billion; in this respect it should be noted that only a portion of the relevant proceedings and out-of-court claims brought against the Issuer were classified as "probable" for the purposes of estimating the relevant provisions under the accounting and financial reporting rules applicable to the Issuer.";

E. The last sentence of the third outline of the Risk Factor "*2.12. Risks related to Sanctioned Countries*" on pages 28-29 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"As at the date of this Base Prospectus, the overall exposure of the Bank vis-à-vis customers subject to Sanctions is negligible and amounts to approximately Euro 415,000 (equal to the 0.010% of the consolidated revenues of the Group as at 31 December 2024)."

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[1] Coefficients calculated considering the transitional provisions of the regulatory framework in force on the reference date.

[2] Coefficients calculated considering the transitional provisions of the regulatory framework in force on the reference date.

DOCUMENTS INCORPORATED BY REFERENCE

On 6 February 2025, the Issuer published on the Issuer's website the press release headed "*Board of Directors approves consolidated preliminary results as at 31 December 2024*" (the "**Results as at 31 December 2024 – Press Release**"), which is available at https://gruppomps.it/static/upload/pr-/pr-06022025-4q24-fy24-financial-preliminary-results.pdf.

A copy of the Results as at 31 December 2024 – Press Release has been filed with the Commission de Surveillance du Secteur Financier ("**CSSF**") and, by virtue of this Supplement, are incorporated by reference in, and forms part of, the Base Prospectus.

The "*Documents incorporated by reference*" section on pages 46 – 48 of the Base Prospectus is amended as follows:

A. The list of documents under the first paragraph of "*Documents incorporated by reference*" section on page 46 of the Base Prospectus is hereby supplemented as follows:

"(k) the press release headed "*Board of Directors approves consolidated preliminary results as at 31 December 2024*" (https://gruppomps.it/static/upload/pr-/pr-06022025-4q24-fy24-financial-preliminary-results.pdf) (see cross-reference table below);".

B. The table set out under sub-section "*Cross reference table*" on pages 46 – 48 of the Base Prospectus is hereby supplemented as follows:

"

Press Release headed "*Board of Directors approves consolidated preliminary results as at 31 December 2024*" (the "**Results as at 31 December 2024 – Press Release**")	Cover page	pp. 1-2
	Group profit and loss results as at 31 December 2024	pp. 2-5
	Group balance sheet aggregates as at 31 December 2024	pp. 5-8
	Income statement and balance sheet reclassification principles	p. 9
	Reclassified income statement	pp. 9-13
	Reclassified balance sheet	pp. 13-14
	Income statement and balance sheet figures	p. 15
	Alternative performance measures	p. 16
	Regulatory measures	p. 17
	Reclassified Consolidated Income Statement	pp. 18-19
	Reclassified Consolidated Balance Sheet	pp. 20-21

";

C. The first outline after the table set out under sub-section "*Cross-reference table*" on page 48 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"The Issuer confirms that the profit estimates contained in the Results as at 31 December 2023 – Press Release, in the 2024-2028 Business Plan – Press Release and in the Results as at 31 December 2024 – Press Release, incorporated by reference herein, have been compiled and prepared on the basis which is both comparable with historical financial information of the Issuer and consistent with the Issuer's accounting policies."

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BANCA MONTE DEI PASCHI DI SIENA S.P.A.

The "*Banca Monte dei Paschi di Siena S.p.A.*" section on pages 123 - 160 of the Base Prospectus is amended as follows:

A. Sub-paragraph "*h) Third accelerated book building process for the sale of 15% of MEF's shareholding*" in paragraph "*Recent developments*" on pages 126 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"On 13 November 2024, the MEF announced that it had successfully completed the sale of no. 188,975,176 ordinary shares of BMPS, representing 15% of the share capital, through a third accelerated book building process reserved to Italian and foreign institutional investors (the "**Third Transaction**").

In response to the demand collected, which was more than double the initial amount, and with a 5% premium over the market closing price on 13 November 2024, the offer was increased from 7% to 15% of the Issuer's share capital.

The price per share was Euro 5.792 for a total value of approximately Euro 1,100 million. Further to completion of the Third Transaction (with settlement date on 15 November 2024), MEF's shareholding in BMPS has decreased from 26.732% to approximately 11.7% of the share capital resulting in the fulfillment of commitment #12.

Therefore, as envisaged by commitment #12, commitments #1 (*Acquisition prohibition*), #5 (*Remuneration of Bank employees and managers*), #9 (*Operating costs*), #10 (*Total asset target*), #11 (*Loan to deposit ratio*) and #19 (*Closure of foreign branches*) have ceased as a result of disposal of the State equity investment.";

B. After sub-paragraph "*k) Early Redemption of Subordinated Notes due January 2030*" in paragraph "*Recent developments*" on pages 126 of the Base Prospectus, the following sub-paragraphs shall be added:

"*l)* *Voluntary public exchange offer launched by the Bank on the ordinary shares of Mediobanca - Banca di Credito Finanziario Società per Azioni*

On 23 January 2025, the Board of Directors of the Bank approved the launch of a voluntary public exchange offer in respect of all ordinary shares of Mediobanca – Banca di Credito Finanziario Società per Azioni (the "**Offer**"). The decision has been announced in a communication issued by the Bank on 24 January 2025 pursuant to Article 102 of the Italian Legislative Decree no. 58 of 24 February 1998 and Article 37 of CONSOB Regulation no. 11971 of 14 May 1999. The Offer remains subject to the receipt of the relevant regulatory authorisations and to certain conditions set out in the above mentioned communication. Thereafter, on 13 February 2025, the Bank filed with CONSOB the offer document relating to the Offer. For more information please refer to the press releases published by the Bank and available at https://www.gruppomps.it/en/media-and-news/press-releases/index.html.

m) *The Board of Directors of the Bank assessed the requirements of the Directors appointed on 27 December 2024*

The Board of Directors of the Bank, held on 23 January 2025, as the competent body pursuant to Italian Ministerial Decree no. 169/2020, assessed that all Directors appointed by co-optation on 27 December 2024, meet the fit and proper requirements provided for by the applicable laws, regulations and the By-Laws.

In particular, the Direcors Marcella Panucci, Francesca Paramico Renzulli and Barbara Tadolini meet the independence requirements provided for by the By-Laws.

It has also been confirmed that the Directors Alessandro Caltagirone and Elena De Simone meet the Italian Legislative Decree no. 58 of 24 February 1998, but do not meet the independence requirements pursuant to the above-mentioned Ministerial Decree no. 169/2020 and the Corporate Governance Code, and therefore they are not independent pursuant to the By-Laws of the Bank.

n) *Early Redemption of Senior Notes due March 2026*

On 10 February 2025, having obtained all the relevant authorisations under applicable banking regulations, the Bank announced its intention to early redeem the "€750,000,000 Fixed to Floating Rate Callable Senior Notes due 2 March 2026" (ISIN code: XS2593107258) issued on 2 March 2023 and due on 2 March 2026 (the "**2023 Notes**"), in accordance with the relevant conditions and final terms. The 2023 Notes will be redeemed on the interest payment date falling on 2 March 2025 at a redemption price equal to 100% of their nominal amount plus any interest accrued up to the redemption date.";

C. The first and second outlines in paragraph "*4. Ratings*" on pages 127-128 of the Base Prospectus shall be deleted in their entirety and replaced as follows:

"On 31 January 2025 Moody's confirmed the Bank's ratings: (i) the Baseline Credit Assessment at "ba2", (ii) the Long-Term Deposit Rating at "Baa3" and (iii) the Long-Term Senior Unsecured Debt Rating at "Ba2". The outlook on the Long-Term Deposit and Senior Unsecured Debt ratings has been changed to "positive" from "stable". The rating action followed the Bank's announcement of an acquisition offer for Mediobanca – Banca di Credito Finanziario Società per Azioni.

On 25 October 2024 Fitch upgraded the Bank's ratings by one notch, raising, among the others (i) the Long-Term Issuer Default rating to "BB+" from "BB", (ii) the Viability rating to "bb+" from "bb", (iii) the Senior Preferred rating to "BB+" from "BB", and (iv) the Long-Term Deposit rating to "BBB-" from "BB+". The outlook on the Long-Term IDR has been changed to "positive" from "stable".";

D. The first table referring to "Moody's" under the fourth outline in paragraph "*4. Ratings*" on pages 127- 128 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

Moody's	**Baseline Credit Assessment**	**Long Term Senior Unsecured Debt rating**	**Long Term deposit rating**	**Short Term rating**	**Senior Unsecured Debt rating**	**Long Term Deposit and Senior Unsecured Outlook**	**Last updated**
	ba2	Ba2[3]	Baa3	(P)NP[4]	Ba2	Positive	31 January 2025

E. Paragraph "*10.1 Judicial and arbitration proceedings*" on pages 135-136 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"On 31 December 2024 the following legal disputes and out-of-court claims were pending:

- legal disputes with a *petitum*, where quantified, of Euro 3.3 billion (rounded) (Euro 3.3 billion (rounded) as at 30 June 2024) and, in particular:

[3] Senior Unsecured debt rating.

[4] Pursuant to the rating scale of Moody's Investor Service, "NP" rating refers to issuers rated "Not Prime", *i.e.* that do not fall within any of the "Prime" rating categories. The short-term rating is on the issuance programme and is therefore provisional (P).

- o Euro 1.6 billion (rounded) (Euro 1.6 billion (rounded) as at 30 June 2024) of claims regarding disputes classified as having a "likely" risk of losing the lawsuit;
- o Euro 1.7 billion (Euro 1.8 billion (rounded) as at 30 June 2024) (rounded) in claims attributable to disputes classified as having a "possible" risk of losing the lawsuit;

- out-of-court claims totalling, where quantified, Euro 0.08 billion (rounded) (Euro 0.08 billion (rounded) as at 30 June 2024), of which Euro 0.04 billion (rounded) (Euro 0.07 billion (rounded) as at 30 June 2024) related to claims classified as having "likely" risk of losing the lawsuit and Euro 0.04 billion (rounded) (Euro 0.01 billion (rounded) as at 30 June 2024) related to claims classified as having "possible" risk of losing the lawsuit.

For further information regarding the *petitum* and the related provisions, please refer to the sections "*Main types of legal, employment and tax risks*" of the 2022 Consolidated Financial Statements, "*Main types of legal, employment and tax risks*" of the 2023 Consolidated Financial Statements, "*Main types of legal, employment and tax risks*" of the 2024 Consolidated Half-yearly Report and "*Main types of legal, employment and tax risks*" paragraph of the Consolidated Interim Report as at 30 September 2024.

As of 31 December 2024, following the consolidation of the favourable jurisprudential trend recorded since the fourth quarter of 2023, the *petitum* of disputes and out-of-court claims related to financial information distributed in the 2008-2015 period is of Euro 1.3 billion (rounded) (rounded Euro 1.3 billion as at 31 December 2023). Provisions have been made to the "Provision for risks and charges" for amounts that represent the best possible estimate related to each litigation, quantified with sufficient reasonableness and, in any case, in accordance with the criteria set forth in the Issuer's policies.

In this regard, it should be noted that only a part of the proceedings and the out-of-court claims made against the Issuer have been classified as "likely risk" for the purposes of estimating the related provisions in accordance with the accounting and financial reporting rules applicable to the Issuer.

The overall components of the "Provisions for risks and charges" include, in addition to the provisions set aside for "legal and tax disputes", provisions for expected losses on estimated client complaints.";

F. Sub-paragraph "*(G) Anti-money laundering*" under paragraph "*10.2.4 Civil disputes arising in connection with the ordinary business of the Issuer*" on pages 145-146 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"As at 31 December 2024, 24 judicial proceedings are pending before the ordinary judicial authority in opposition to sanctioning decrees issued by the MEF in the past years against some employees of BMPS and the Bank (as a jointly liable party for the payment) for infringements of reporting obligations on suspicious transactions pursuant to Legislative Decree No. 231/2007. The overall amount of the opposed monetary sanctions is equal to Euro 2.16 million (rounded).

The Bank's defence in the context of such proceedings aims, in particular, at illustrating the impossibility of detecting, at the time of events, the suspicious elements of the transactions/subject matter of the allegations, which usually emerged only after an in-depth analysis carried out by the tax authority and/or other competent authority. If the Bank's position is uphold the judicial authority may vacate the sanctioning measure imposed by the MEF and, if the payment of the sanction has already been made, the the related amount may be recovered.

For the sake of completeness, it is worth noting that, as at 31 December 2024, in addition to the abovementioned proceedings 23 administrative proceedings are pending in respect of which the opposition proceedings are in progress and are instituted by the competent authorities for the alleged violation of the anti-money laundering regime. The overall amount of the *petitum* (the maximum amount of the applicable penalties) related to the abovementioned administrative proceedings is equal to Euro 0.33 million (rounded).";

G. The second outline of paragraph "*10.2.5 Labour disputes*" on pages 146-147 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"As at 31 December 2024, the overall *petitum* relating to the passive labour proceedings is equal to Euro 44.6 million (Euro 51.4 million as at 30 June 2024) almost entirely relating to the Bank.";

H. The first and second outlines of paragraph "*10.2.8 Tax disputes*" on page 151 shall be deleted in their entirety and replaced as follows:

"The Bank and the main group companies are involved in a number of tax disputes. As at 31 December 2024 approximately 100 cases (105 as at 30 June 2024) pending are classified with a "probable" or "possible" risk, for a total amount at a consolidated level of Euro 35.5 million (rounded) (Euro 35.8 million (rounded) as at 30 June 2024) for taxes, sanctions and interest set out in the relevant claim (of which Euro 35.5 million relate to the Bank, Euro 35.8 million as at 30 June 2024). The value of disputes also includes the value of closed tax audits for which no dispute is currently pending since the tax authority has not yet formalised any claim or dispute.

In relation to pending tax disputes, with "probable" unfavourable outcomes, as at 31 December 2024 the Bank allocated to the overall provision for risks and charges an amount equal to Euro 12 million (rounded) (Euro 12.2 million (rounded) as at 30 June 2024).";

I. The first outline of the section "*Management of the Bank*" on page 154 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"Pursuant to the BMPS' By-Laws the Bank is managed by a Board of Directors tasked with strategic supervision. Following the resignation on 17 December 2024 of Paolo Fabris De Fabris, Lucia Foti Belligambi, Laura Martiniello, Annapaola Negri-Clementi and Donatella Visconti, on 27 December 2024, 5 new members of the Board of Directors were appointed by co-optation (Alessandro Caltagirone, Elena De Simone, Marcella Panucci, Francesca Renzulli and Barbara Tadolini). The new directors will remain in office until the next Shareholders' Meeting of the Bank.";

J. The table in paragraph "*Board of Directors*" on pages 154 - 156 of the Base Prospectus shall be supplemented as follows:

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11.	Marcella Panucci (*)	Director	Vibo Valentia, 23 January 1971	University Professor Advisor of Ministry of Universities and Research Director of Human Technopole Foundation Director of Fondazione Cotec
12.	Francesca Paramico Renzulli (*)	Director	Napoli (NA), 18 April 1972	General Counsel of Prima Assicurazioni S.p.A.
13.	Barbara Tadolini (*)	Director	Milano, 20 March 1960	Chairperson of the Board of Statutory Auditors of ENEL S.p.A. Statutory Auditor of Parmalat S.p.A. Statutory Auditor of G.B. Bernucci S.r.l.

				Statutory Auditor of Francesco Baretto S.p.A.
14.	Alessandro Caltagirone	Director	Roma (RM), 27 December 1969	Chairperson of Immobiliare Caltagirone S.p.A. Deputy Chairperson of Cementir Holding N.V. Deputy Chairperson of Aalborg Portland Holding A/S Director of ACEA S.p.A. Director of Caltagirone S.p.A. Director of Caltagirone Editore S.p.A. Director of Società per lo Sviluppo Urbano S.p.A. Director of Vianini Lavori S.p.A.
15.	Elena De Simone	Director	Napoli (NA), 20 August 1975	Chairperson of Domus Italia S.p.A. Director of Caltagirone S.p.A. Director of Immobiliare Caltagirone S.p.A.

";

K. The note "*(Note 2)*" under the table in paragraph "*Board of Directors*" on pages 154 - 156 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"*(Note 2) On 17 December 2024, the following directors (indicated by the Ministry of Economy and Finance in the list presented on 27 March 2023 and appointed by the Ordinary Shareholders' Meeting of the Bank held on 20 April 2023) resigned from their position as Director of the Bank: Paolo Fabris De Fabris, Lucia Foti Belligambi, Laura Martiniello, Annapaola Negri-Clementi and Donatella Visconti. On 27 December 2024, the Board of Directors of the Bank appointed by co-optation the following new directors: Alessandro Caltagirone, Elena De Simone, Marcella Panucci (independent director), Francesca Renzulli (independent director) and Barbara Tadolini (independent director). The new directors will remain in office until the next Shareholders' Meeting of the Bank. For further information please refer to paragraphs "j) New appointments to the Board of Directors" and "l) The Board of Directors of the Bank assessed the requirements of the Directors appointed on 27 December 2024" under sub-section "3.2 Recent developments" above and to the press releases published on 27 December 2024 and 24 January 2025 and available on the Bank's website at www.gruppomps.it/en (section Investor Relations).*";

L. The note "*(Note 1)*" in paragraph "*Board of Statutory Auditors*" on pages 157 - 158 of the Base Prospectus shall be deleted in its entirety;

M. The following outline shall be added under the table in paragraph "*Board of Statutory Auditors*" on pages 157 - 158 of the Base Prospectus:

"*(Note 1) The Ordinary Shareholders' Meeting of the Bank held on 11 April 2024 resolved on the integration of the Board of Statutory Auditors following to the resignation of Piera Vitali (Alternate Auditor) on 2 May 2023, and Roberto Serrentino (Standing Auditor) on 15 May 2023. In accordance with current statutory and regulatory provisions, the above-mentioned Ordinary Shareholders' Meeting of the Bank appointed Giacomo Granata as Standing Auditor and Paola Lucia Isabella Giordano as Alternate Auditor for the remainder of the current term of office. Pierpaolo Cotone, who in turn took over as Standing Auditor on 15 May 2023 (as the sole Alternate Auditor following the resignation of the previous Standing Auditor Roberto Serrentino) returned to the position of Alternate Auditor. For further information please refer to the Bank's website at www.gruppomps.it/en (section Corporate Governance – Shareholders' Meeting and BoD).*";

N. The seventh outline in paragraph "*Main Shareholders*" on pages 158 - 159 of the Base Prospectus shall be deleted in its entirety and replaced a follows:

"For the sake of completeness: (i) Board of Directors Member Stefano Di Stefano, who was appointed by the Shareholders' Meeting on 20 April 2023, holds the position of Director General of the Corporate Shareholdings and Protection of Strategic Assets Directorate of the Department of the Economy of the MEF, which is a Main Shareholder of the Issuer (please refer to next sub-paragraph "Main Shareholders"); (ii) Board of Directors Member Alessandro Caltagirone, according to Bank of Italy's Circular no. 285/2013, is a "close family member" (son) of Francesco Gaetano Caltagirone (a Main Shareholder of the Issuer), holding various directorships in companies belonging to Caltagirone Group and (iii) Board of Directors Member Elena De Simone has professional relationships with Caltagirone Group, working as manager and holding various directorships in companies belonging to Caltagirone Group.";

O. The first outline in paragraph "*Main Shareholders*" on pages 159 - 160 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"According to the communications received by the Bank pursuant to applicable legislation and based on other publicly available information, the entities that, as at 11 February 2025, directly and/or indirectly hold ordinary shares accounting for more than 3% of the voting rights in the Issuer's share capital and that do not fall under the cases of exemption provided for by Article 119-bis of the CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, are as follows:".

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REGULATORY ASPECTS

The "*Regulatory aspects*" section on pages 161 - 179 of the Base Prospectus is amended as follows:

A. The "*Basel III and the CRD IV Package*" paragraph, in "*2) Regulations and Supervision of the ECB, Bank of Italy, CONSOB and IVASS*" sub-section on pages 162 – 170 shall be amended as follows:

"***Basel III and the CRD IV Package***

In the wake of the global financial crisis that began in 2008, the Basel Committee on banking supervision ("**BCBS**") approved, in the fourth quarter of 2010, revised global regulatory standards ("**Basel III**") on bank capital adequacy and liquidity, which impose requirements for, *inter alia*, higher and better-quality capital, better risk coverage, measures to promote the build-up of capital that can be drawn down in periods of stress and the introduction of a leverage ratio as a backstop to the risk-based requirement as well as two global liquidity standards.

In January 2013 the BCBS revised its original proposal in respect of the liquidity requirements in light of concerns raised by the banking industry, providing for a gradual phasing-in of the Liquidity Coverage Ratio (the "**LCR**") with a full implementation in 2019 as well as expanding the definition of high quality liquid assets to include lower quality corporate securities, equities and residential mortgage backed securities. Regarding the other liquidity requirement, the net stable funding ratio, the BCBS published the final rules in October 2014 which were to be effective from 1 January 2018. A binding detailed net stable funding ratio was intoduced as part of the Capital Requirements Directive reforms published in June 2019 and applicable from June 2021, as better detailed below.

The Basel III framework has been implemented in the European Union ("**EU**") through new banking requirements: Directive 2013/36/EU (the "**CRD IV**") of the European Parliament and the European Council on 26 June 2013 which relates to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, and Regulation (EU) No 575/2013 (the "**CRR**" and together with the CRD IV, the "**CRD IV Package**") of the European Parliament and the European Council on 26 June 2013 which relates to prudential requirements for credit institution and investment firms, subsequently and respectively updated with the Directive (EU) 2019/878 (the "**CRD V**") and Regulation (EU) 2019/876 (the "**CRR II**" and, together with the CRD V, the "**EU Banking Reform Package**") and, recently, by the CRD VI and CRR III (both as defined below).

National options and discretions under the CRD IV Package that were previously only exercised by national competent authorities, are now exercised by the Single Supervisory Mechanism ("**SSM**") (as defined below) in a largely harmonised manner throughout the European banking union. In this respect, on 14 March 2016, the ECB adopted Regulation (EU) No. 2016/445 on the exercise of options and discretions, as subsequently amended. Depending on the manner in which these options/discretions had been exercised by the national competent authorities and on the manner in which the SSM will exercise them in the future, additional/lower capital requirements may result.

Moreover, the Bank of Italy published supervisory regulations on banks in the Bank of Italy Regulations which came into force on 1 January 2014, implementing the CRD IV Package and then the CRD V Package, and setting out additional local prudential rules. The CRD IV Package has also been supplemented in the Republic of Italy by technical standards and guidelines finalized by the European supervisory authorities, mainly EBA and the European Securities and Markets Authority, and delegated regulations of the European Commission and guidelines of the EBA which can be either of direct application under Italian law or built into the Bank of Italy's supervisory expectations.

According to Article 92 of the CRR, as amended by the CRR II, institutions shall at all times satisfy the following own fund requirements: (i) a CET1 Capital ratio of 4.5 per cent. of the total risk exposure amount; (ii) a Tier 1 Capital ratio of 6 per cent. of the total risk exposure amount; (iii) a Total Capital ratio of 8 per cent. of the total risk exposure amount and (iv) a Leverage Ratio of 3%. These minimum ratios are complemented by the following capital buffers to be met with CET1 Capital, reported below as applicable with reference to 31 December 2024:

- *Capital conservation buffer*: set at 2.5 per cent. from 1 January 2019 (pursuant to article 129 of the CRD IV and Part I, Title II, Chapter I, Section II of the Bank of Italy Regulations);

- *Counter-cyclical capital buffer*: calculated on a quarterly basis depending on the geographic distribution of the relevant credit exposures of the institution and on the decisions of each competent national authorities setting the specific rates applicable in the home Member State, other Member States or third countries (pursuant to article 130 of the CRD IV and Part I, Title II, Chapter I, Section III of the Bank of Italy Regulations). The Bank of Italy has set, and decided to maintain, the countercyclical capital buffer rate (relating to exposures towards Italian counterparties) at 0 per cent. for the fourth quarter of 2024;

- *Capital buffers for global systemically important banks* ("**G-SIBs**"): represents an additional loss absorbency buffer varing depending on the sub-categories on which the global systematically important institutions (**G-SIIs**) are divided into. The lowest sub-category shall be assigned a G-SII buffer of 1% of the total risk exposure amount calculated in accordance with Article 92(3) of the CRR and the buffer assigned to each sub-category shall increase in gradients of at least 0.5% of the total risk exposure amount calculated in accordance with Article 92(3) of the CRR. G-SIIs are determined according to specific indicators (e.g. size, interconnectedness, complexity) and, being phased in from 1 January 2016, became fully effective on 1 January 2019 (pursuant to article 131 of the CRD IV and Part I, Title II, Chapter I, Section IV of the Bank of Italy Regulations). Based on the most recently updated list of G-SIIs published by the FSB (as defined below) on 26 November 2024 (updated annually), the Group is not a G-SIB and does not need to comply with a G-SII capital buffer requirement; and

- *Capital buffers for other systemically important banks* ("**O-SIIs**"): up to 3.0 per cent. as set by the relevant competent authority (reviewed at least annually), to compensate for the higher risk that such banks represent to the domestic financial system (article 131 of the CRD IV and Part I, Title II, Chapter I, Section IV of the Bank of Italy Regulations). As of the communication published by the Bank of Italy on 24 November 2023, the Issuer is no longer classified as O-SII and thus is no longer required to maintain the O-SIIs capital buffer.

In addition to the above listed capital buffers, under Article 133 of the CRD IV, as amended by CRD V, each Member State may introduce a systemic risk buffer ("**SyRB**") in order to prevent and mitigate long-term non-cyclical systemic or macro prudential risks not otherwise covered by the CRD IV Package, in the sense of a risk of disruption in the financial system with the potential of having serious negative consequences on the financial system and the real economy in a specific Member State.

With update no. 38 of 22 February 2022, the Bank of Italy Regulations were amended in order to provide for, *inter alia,* the introduction of:

(i) the possibility for the Bank of Italy to activate the SyRB for banks and banking groups authorised in Italy. In particular, the requirement to maintain a SyRB Common Equity Tier 1 is intended to prevent and mitigate macro-prudential or systemic risks not otherwise covered with the macro-prudential instruments provided for by the CRR, as amended by CRR II, the anti-cyclical capital buffer and capital buffer for G-SII and O-SII. The buffer ratio for systemic risk can be applied to all exposures or to a subset of exposures and to all banks or to one or more subsets of banks with similar risk profiles; and

(ii) some macro-prudential instruments based on the characteristics of customers or loans (so-called "borrower-based measures"). Specifically, these are measures that are not harmonised at European level, which can be used to counter systemic risks deriving from developments in the real estate market and from high or rising levels of household and non-financial corporate debt.

The Bank of Italy exercised its authority to introduce a SyRB on 26 April 2024. The Bank of Italy has decided to apply to all licensed banks in Italy a SyRB equal to 1.0 per cent. of credit and counterparty risk-weighted exposures to residents in Italy. The target rate of 0.1 per cent. is to be achieved gradually by

building up a reserve equal to 0.5 per cent. of material exposures by 31 December 2024 and the remaining 0.5 per cent. by 30 June 2025.

Failure by an institution to comply with the buffer requirements described ("**Combined Buffer Requirements"**) may trigger restrictions on distributions by reference to the so-called "Maximum Distributable Amounts" and the need for the bank to adopt a capital conservation plan and/or take remedial actions (articles 141 to 142 of the CRD IV).

In addition, the Bank is subject to the Pillar II requirements for banks imposed under the CRD IV Package, which are potentially impacted, on an on-going basis, by further requirements provided by the supervisory authorities under the Supervisory Review and Evaluation Process ("**SREP"**). In particular, the SREP process is aimed at ensuring that institutions have in place adequate arrangements, strategies, processes and mechanisms to maintain the amounts, types and distribution of internal capital commensurate to their risk profile, as well as robust governance and internal control arrangements. The key purpose of the SREP process is to ensure that institutions have adequate arrangements as well as capital and liquidity to ensure sound management and coverage of the risks to which they are or might be exposed, including those revealed by stress testing, as well as risks the institution may pose to the financial system. For more information in this respect reference is made to paragraph "*The Single Supervisory Mechanism*" below.

The quantum of any Pillar II requirement imposed on a bank and the type of capital which a bank is required to apply in order to meet such capital requirements may all impact a bank's ability to comply with the Combined Buffer Requirement.

With reference to the "stacking order" of own funds requirements, as clarified in the "Opinion of the European Banking Authority on the interaction of Pillar I, Pillar II and combined buffer requirements and restrictions on distributions" published on 16 December 2015, competent authorities should ensure that the Common Equity Tier 1 Capital to be taken into account in determining the Common Equity Tier 1 Capital available to meet the combined buffer requirement is limited to the amount not used to meet the Pillar I and Pillar II own funds requirements of the institution. In effect, this would mean that Pillar II capital requirements would be "stacked" below the capital buffers, and thus a firm's CET1 resources would only be applied to meet capital buffer requirements after Pillar I and Pillar II capital requirements have been met in full.

Furthermore, in its publication of the 2016 EU-wide stress test results on 29 July 2016, the EBA has recognised a distinction between "Pillar II requirements" (stacked below the capital buffers) and "Pillar II capital guidance" (stacked above the capital buffers). With regard to Pillar II capital guidance, the publication stated that, in response to the stress test results, competent authorities may (among other things) consider "setting capital guidance, above the combined buffer requirement". Competent authorities have remedial tools if an institution refuses to follow such guidance. The ECB published a set of "Frequently asked questions on the 2016 EU-wide stress test", confirming this distinction between Pillar II requirements and Pillar II capital guidance and noting that "Under the stacking order, banks facing losses will first fail to fulfil their Pillar II capital guidance. In case of further losses, they would next breach the combined buffers, then Pillar II requirements, and finally Pillar I requirements".

This distinction between "Pillar II requirements" and "Pillar II capital guidance" has been introduced in the EU by the CRD V. Whereas the former are mandatory requirements imposed by supervisors to address risks not covered or not sufficiently covered by Pillar I and buffer capital requirements, the latter refers to the possibility for competent authorities to communicate to an institution their expectations for such institution to hold capital in excess of its capital requirements (Pillar I and Pillar II) and combined buffer requirements in order to cope with forward-looking and remote situations. Under the EU Banking Reform Package, and as described above, only Pillar II requirements, and not Pillar II capital guidance, will be relevant in determining whether an institution is meeting its combined buffer requirement.

Non-compliance with Pillar II capital guidance does not amount to failure to comply with capital requirements, but should be considered as a "pre-alarm warning" to be used in a bank's risk management process. If capital levels go below Pillar II capital guidance, the relevant supervisory authorities, which should be promptly informed in detail by the bank of the reasons of the failure to comply with the Pillar II

capital guidance, will take into consideration appropriate and proportional measures on a case by case basis (including, by way of example, the possibility of implementing a plan aimed at restoring compliance with the capital requirements - including capital strengthening requirements).

With update no. 39 of 13 July 2022, the Bank of Italy Regulations were amended in order to align its provisions with Articles 104 to 104c of the CRD IV, as amended by CRD V. In particular, the amendments introduced to Part I, Chapter 1, Title III of the Bank of Italy Regulations provide for, *inter alia*, the introduction of:

(i) a clear differentiation between the components of Pillar 2 Requirements (“**P2R”**) estimated from an ordinary perspective and the Pillar 2 Guidance determined from a stressed perspective wich supervisory authorities may require banks to hold; and

(ii) the possibility for supervisory authorities to require additional capital in the presence of excessive leverage risk, under both ordinary and stressed conditions (P2R and Leverage Ratio and Pillar 2 Guidance Leverage Ratio).

The CRD IV Package also introduced a LCR. This is a stress liquidity measure based on modelled 30-day outflows. The LCR was implemented in 1 October 2015, although it was phased-in and became fully applicable from 1 January 2018 and set at 100 per cent.. The Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 supplementing the CRR in regard to the liquidity coverage requirement for credit institutions (the “**LCR Delegated Act**”) was adopted in October 2014 and published in the Official Journal of the European Union in January 2015. On 20 May 2022, amendments to the LCR Delegated Act were published in the Official Journal (Commission Delegated Regulation (EU) 2022/786 of 10 February 2022) and applied as of July 2022.Most of these amendments were introduced to better allow the credit institutions issuing covered bonds to comply, on one hand, with the general liquidity coverage requirement for a 30 calendar day stress period and, on the other hand, with the cover pool liquidity buffer requirement, as laid down by Directive (EU) 2019/2162 of the European Parliament and of the Council. The Net Stable Funding Ratio (“**NSFR**”) is part of the Basel III framework and aims to promote resilience over a longer time horizon (1 year) by creating incentives for banks to fund their activities with more stable sources of funding on an on-going basis. The NSFR has been introduced as a requirement in the CRR II published in June 2019 and applies from June 2021.

Furthermore, the Bank is bound to comply with the general limit on the investment in equity interests and real estate properties, to be contained within the amount of own funds at consolidated level, and the regulatory limits in the matter of holding of qualifying equity interests in non-financial enterprises and large exposures. The Bank is also subject to the regulatory limits provided for by the national legislation in the matter of transactions with related parties as per the Bank of Italy Regulations for banks as well as the specific obligations set forth by the regulation issued by CONSOB.

With regard to the calculation modalities of regulatory requirements, in order to determine weightings in the context of the credit risk standardised approach, the first pillar prudential regime allows for the possibility to use the creditworthiness assessments issued by external credit assessment institutions (“**ECAI**”). BMPS uses the assessments provided by certain ECAIs and, in particular, those issued by S&P Global Ratings Europe Limited, Moody’s Investor Services and Fitch Ratings. In addition, in relation to credit risk, the prudential regime further allows for the possibility to use internal rating-based assessments for the determination of weightings on exposures falling within the validated perimeters.

The EU Banking Reform Package

The EU Banking Reform Package amends many existing provisions set out in the CRD IV Package, the BRRD (as defined below) and the SRM Regulation (as defined below).

These proposals were agreed by the European Parliament, the European Council and the European Commission and were published in the Official Journal of the European Union on 7 June 2019 entering into force 20 days after, even though most of the provisions apply as of 28 June 2021, allowing for smooth implementation of the new provisions.

Specifically, the new EU regulatory framework introduced by the CRR II includes:

- revisions to the standardised approach for counterparty credit risk;
- revisions to the prudential treatment of exposures in the form of units or shares in collective investment undertakings, envisaging the application of a risk weight of 1250% (fall-back approach) in the event that the bank is unable to apply the look-through approach or the mandate-based approach;
- introduction from September 2021 of new reporting requirement on market risk according to the Alternative Standardised Approach pending implementation in the EU of the latest changes to the Fundamental Review of the Trading Book ("**FRTB**") published in January 2019 by the BCBS and then the application of own funds requirements;
- a binding leverage ratio (and related improved disclosure requirements) introduced as a backstop to risk-weighted capital requirements and set at 3 per cent. of an institution's Tier 1 capital;
- a binding NSFR which requires credit institutions and systematic investment firms to finance their long-term activities (asset and off-balance sheet items) with stable sources of funding (liabilities) in order to increase banks resilience to funding constraints. This means that the amount of available stable funding will be calculated by multiplying an institution's liabilities and regulatory capital by appropriate factors that reflect their degree of reliability over a year. The NSFR will be expressed as a percentage and set at a minimum level of 100 per cent., indicating that an institution holds sufficient stable funding to meet its funding needs during a one-year period under both normal and stressed conditions. The NSFR applies at a level of 100 per cent. at individual and a consolidated level starting from 28 June 2021, unless competent authorities waive the application of the NSFR on an individual basis;
- changes to the large exposure limits, now calculated as the 25% of Tier 1;
- the exemption from deductions of prudently valued software assets from CET 1;
- improvement of own funds calculation adjustments for exposures to SME and infrastructure projects; and
- the CRD V reviews, among other things, the Pillar 2 regulatory framework for capital buffers, which officially introduces the distinction between Pillar 2 requirements and Pillar 2 capital guidance, also specifying the nature the equity instruments with which banks must satisfy the Pillar 2 requirement.

Most of the provisions of the CRR II apply from 28 June 2021, although certain provisions, such as those relating to definition or own funds, were implemented from 27 June 2019. The elements of the package introduced by the CRD V were to implemented into national law by 28 December 2020 excluding some provisions which applied as of a later date. Although it is expected to be gradually implemented, such regulatory evolution, whose aim was to set a higher system stability, may in any case have a significant impact on financial institutions.

In Italy, the Government approved a Legislative Decree on 8 November 2021 ("**182 Decree**") implementing the CRD V and amending the Italian Banking Act. 182 Decree entered into force on 30 November 2021. 182 Decree impacts, *inter alia*, on:

- proposed acquirers of holdings in credit institutions, requirements for shareholders and members of the management body (Articles 22, 23 and 91 of the CRD V Directive);
- competent authorities' powers to impose additional own fund requirements (Articles 104 and 104a of the CRD V Directive);
- authorisation regime applicable to financial holding companies and mixed financial holding companies (Article 21a of the CRD V Directive); and

- regime governing the banking groups and introduction of the status of "intermediate EU parent" (Article 21c of the CRD V Directive).

On 27 October 2021, the European Commission published a legislative proposal to amend CRD V and the CRR II (the "**2021 Reform Package**"). In particular, the 2021 Reform Package legislative initiative aims at implementing in the EU the Basel IV (as defined below) and further elements not included in such international framework contributing to financial stability and to the steady financing of the economy in the context of the post-COVID 19 crisis recovery. On 19 June 2024, Directive (EU) 1619/2024 of the European Parliament and Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks ("**CRD VI**") and Regulation (EU) 1623/2024 of the European Parliament and Council of 31 May 2024 amending Regulation (EU) 2013/575 as regards requirements for credit risks, credit valuation, adjustment risk, operational risk and the output floor ("**CRR III**") were published in the Official Journal of the European Union and entered into force on 9 July 2024. Save for certain exemptions, most of the provisions set forth in the CRR III applies from 1 January 2025, while the domestic acts and regulations enacted by the Member States to implement the changes brought by CRD VI shall become effective on 11 January 2026. On 31 October 2024, the Delegated Regulation (EU) 2024/2795 amending the CRR in relation to the market risk requirement was published in the Official Journal of the European Union and postponed the date of application of the *Fundamental Review of the Trading Book* to 1 January 2026. Until then, the current market risk requirements, including the calculation of own funds requirements for market risk, market risk reporting and disclosure requirements, remain applicable.

The main changes CRD VI and CRR III are about to introduce relate to:

(i) the introduction of the output floor to reduce the excess variability of banks' capital requirements calculated with internal models. Notably, the output floor works as a lower limit ("floor") on the capital requirements ("output") the banks calculate when using their internal models. The output floor aims at enhancing the confidence in risk-based capital requirements and to improve the solidity of banks that make use of internal models, making capital requirements more comparable across banks;

(ii) implementation of the Basel III agreement to strengthen Union banks' resilience face at the main risk areas (credit risk; market risk and operational risk);

(iii) Environmental, Social and Governance (ESG) risk. Under the newly introduced banking package, banks would need to draw up transition plans under the prudential framework that will need to be consistent with the sustainability commitments banks undertake under other pieces of Union laws, such as the Corporate Sustainability Reporting Directive. Competent authorities will oversee how banks handle ESG risks and include ESG considerations in the context of the annual supervisory examination review (i.e. SREP);

(iv) strengthened supervision. The supervisory powers and tools have been increased and further harmonized. Notably, supervisors will be given more powers to check if certain transactions (e.g. large acquisitions) undertaken by banks are sound and do not entail excessive risks for banks; and

(v) clear rules for third-country banks operating in the European Union. The CRD VI will introduce minimum harmonising conditions on the establishment of third-country banks in the EU.

Once CRD VI and CRR III are fully implemented and transposed in the European Union, the regulatory changes brought by these pieces of legislation will impact the entire banking system and consequently could determine changes in the capital calculation and capital requirements, which as at the date of this Base Prospectus cannot be entirely quantified.

The EBA has been conducting regular and ad-hoc quantitative impact studies to assess or monitor the impact of various rules on th EU banking sector.

Regular monitoring exercise includes also a monitoring exercise to assess the impact of the Basel III framework on a sample of EU banks that the EBA conducts in coordination and in parallel with the BCBS

("**Basel III Monitoring Exercise**"). This exercise assesses the impact of the latest regulatory developments at BCBS level in the following area: (a) global regulatory framework for more resilient banks and banking systems; (b) the Liquidity Coverage Ratio and liquidity risk monitoring tools; (c) the leverage ratio framework and disclosure requirements; (d) the Net Stable Funding Ratio; and (e) the post-crisis reforms.

The impact of the Basel III is assessed using mostly the following measures:

(i) percentage impact on minimum required Tier 1 capital (MRC);

(ii) impact, in basis point, on the current actual Tier 1 capital ratio; and

(iii) Tier 1 shortfall resulting from the full implementation of Basel III, namely the capital amount that banks need to fulfill the Basel III MCR.

According to the EBA Decision no. EBA/DC/2021/373, concerning information required for the monitoring of Basel supervisory standards published on 18 February 2021, as subsequently amended, ("**EBA Decision**"), the Basel III Monitoring Exercise became mandatory and is carried out on an annual basis, for a representative set of EU and EEA credit institutions identified by the relevant competent authorities.

On 4 October 2024, EBA published its third mandatory Basel III Monitoring Report which assess the impact that Basel III full implementation will have on EU banks in 2033. According to this assessment, the full Basel III implementation would result in an average increase of 7.8% at the full implementation date in 2033 of the current Tier 1 minimum required capital. The main contribution factors are the output floor and the operational risks. Thus, to comply with the new framework, banks would need EUR 0.9 billion of additional Tier 1 capital.

On 4 May 2020, EBA published its final draft technical standards on specific reporting requirements for market risk, in accordance with the mandate set out in the provisions of the CRR II.

In particular, the implementing technical standards ("**ITS**") introduced uniform reporting templates, the template related instructions, the frequency and the dates of the reporting, the definitions and the IT solutions for the specific reporting for market risk. These ITS introduce the first elements of the Fundamental Review of the Trading Book (FRTB) into the EU prudential framework by means of a reporting requirement. Based on the ITS submitted by the EBA, the European Commission adopted the Implementing Regulation no. 2021/453/EU of 15 March 2021 which applied from 5 October 2021.

In order to mitigate the impact of COVID-19 on the European banking system, Regulation (EU) 2020/873 of the European Parliament and of the Council (the "**CRR Quick-fix**"), brought forward the application date of certain CRR II measures to 27 June 2020, including the SME supporting factor, the infrastructure supporting factor and the more favourable treatment of certain loans granted by credit institutions to pensioners or employees, and the application date of the new prudential treatment of software assets to the date on which the EBA's regulatory technical standards enter into force (Delegated Regulation (EU) 2020/2176 was published on 22 December 2020 and became effective from 23 December 2020).

In July 2020, the European Commission adopted a legislative package on capital markets recovery (the "**Capital Markets Recovery Package**") as part of its overall strategy to tackle the economic impacts of the COVID-19 pandemic. Under the Capital Markets Recovery Package targeted amendments to (i) the Prospectus Regulation and Directive 2004/109/EC (such amendments having been introduced by Regulation (EU) 2021/337), (ii) the MiFID II (such amendments having been introduced by Directive (EU) 2021/338) and (iii) the Securitisation Regulation (such amendments having been introduced by Regulation (EU) 2021/557), have been introduced in the EU legislative framework.

As a final note, on 9 January 2025, the EBA published its final Guidelines on the management of Environmental, Social and Governance (ESG) risk. The Guidelines set out requirements for institutions for the identification, measurement, management and monitoring of ESG risks, including through plans aimed at ensuring their resilience in the short, medium and long term.

For more details on the amendments to the Securitisation Regulation, please see paragraph "*The Securitisation Framework*" below.

B. The "*Single Resolution Mechanism*" paragraph, in "*2) Regulations and Supervision of the ECB, Bank of Italy, CONSOB and IVASS*" sub-section on pages 171 – 172 shall be amended as follows:

Single Resolution Mechanism

In August 2014, Regulation (EU) No 806/2014 (as amended, the "**SRM Regulation**") establishing the single resolution mechanism ("**SRM**") entered into force. The SRM became fully operational on 1 January 2016. Certain provisions, including those concerning the preparation of resolution plans and provisions relating to the cooperation of the Single Resolution Board ("**SRB**") with national resolution authorities, entered into force on 1 January 2015.

The SRM, which complements the SSM, applies to all banks supervised by the ECB SSM. It mainly consists of the SRB and a Securitisation Regulation Framework ("**SRF**").

Decision-making is centralised with the SRB, and involves the European Commission and the European Council (which will have the possibility to object to the SRB's decisions) as well as the ECB and national resolution authorities.

The establishment of the SRM is designed to ensure that supervision and resolution is exercised at the same level for countries that share the supervision of banks within the ECB Single Supervisory Mechanism.

The SRM Regulation was subsequently updated by Regulation (EU) 2019/877 ("**SRM II Regulation**"), as part of the EU Banking Reform Package, published on 7 June 2019 and entered into force on 27 June 2019. In line with the changes to BRRD II (as defined below), the SRM II Regulation which applies from 28 December 2020 introduced several amendments such as changing the MREL for banks and G-SIBs, in order to measure it as a percentage of the total risk-exposure amount and of the leverage ratio exposure measure of the relevant institution. BRRD and SRM Regulation require institutions to meet MREL at all times, which has to be determined by the resolution authority in order to ensure the effectiveness of the bail-in tool and other resolution tools.

Lastly, the SRM Regulation was amended by the Daisy Chain Act (as defined below). As bettered detailed in the SRB Communication on the Daisy Chain Act, published on 30 September 2024, according to Article 12d(2a) of the SRM Regulation, as amended by Article 2 of the Daisy Chain Act:

(i) the SRB shall not determine the MREL for liquidation entities unless it considers justified to determine said requirement in an amount exceeding the amount sufficient to absorb losses. As per the definition laid down by the SRM Regulation, "liquidation entity" shall be read as referencing to an entity in respect of which the group resolution plan or, for an entity which is not part of a group, the resolution plan, provides that the entity is to be wound up under the normal insolvency proceedings, or an entity, within the resolution group other than a resolution entity, in respect of which the group resolution does not provide for the exercise of write-down and conversion powers; and

(ii) Article 77(2) and Article 78(a) of the CRR, setting forh the prior authorisation regime to reduce eligible liabilities instruments, shall not apply to liquidation entities for which the board of the SRB has not determinated a MREL.

The above changes apply from 14 November 2024. The SRB announced that – in line with the principles of good administration and legal certainty – in the course of 2024 resolution planning cycle, the previously adopted decisions setting the MREL at level equal to the loss absorption amount will be repealed with effect as of 14 November 2024. In this regard, it should be noted that on 22 November 2024 the Bank of Italy communicated to Wise Dialog Bank S.p.A. that the previously notified MREL decision is no longer applicable as of 14 November 2024.

As a final note, it is worth noting that, as part of the CMDI Reform (as defined below), amendments to the SRM, have been recently proposed by the European co-legislator. The main purpose of this legislative reform is to build on the objectives of the crisis management framework and to ensure a more consistent approach to resolution so that any bank in crisis can exit the market in an orderly manner, while preserving the financial stability, taxpayer money and ensuring deposit confidence.

C. The "*The BRRD and the revision of the BRRD framework*" paragraph, in "*2) Regulations and Supervision of the ECB, Bank of Italy, CONSOB and IVASS*" sub-section on pages 172 - 175 shall be amended as follows:

The BRRD and the revision of the BRRD framework

The BRRD completes the legislative framework applicable to banks, identifying the powers and tools which national authorities in charge of resolving banking crisis may adopt for the resolution of a bank's crisis or a collapse situation. This was for the purpose of guaranteeing continuity of the essential functions of the institution, reducing to a minimum the collapse impact on the economy and the financial system as well as on costs for taxpayers. On 9 July 2015, the enabling act for the implementation of the BRRD was approved, identifying, *inter alia*, the Bank of Italy, as national resolution authority pursuant to article 3 of the BRRD. On 16 November 2015, contemporaneously with the publication in the Official Journal, Legislative Decrees no. 180 and 181 of 16 November entered into force and respectively implemented the BRRD and adapted the provisions of the Italian Banking Act to the changed legislative framework.

With specific reference to the bail-in instrument, the BRRD has provided a minimum requirement for own funds and eligible liabilities ("**MREL**") in order to ensure that a bank, in case of an application of the bail-in tool, has sufficient liabilities to absorb losses and to assure compliance with the Common Equity Tier 1 requirement provided for the authorisation to exercise the banking business, as well as to generate confidence in the market. Regulatory technical standards specifying the criteria to determine the MREL requirements are set out in Delegated Regulation EU 2016/1450 which was published in the Official Journal of the European Union on 3 September 2016.

In April 2021, Implementing Regulation (EU) 2021/763 on disclosure reporting on MREL and TLAC (as defined below) has been published, providing for: (i) draft uniform disclosure formats for MREL and TLAC disclosure according – respectively – to Articles 45i(6) of the BRRD and 434a of the CRR; and (ii) draft uniform reporting templates, instructions and methodology for MREL and TLAC reporting according – respectively – to Articles 45i(5) of the BRRD and 430(7) of the CRR. Title I of Implementing Regulation (EU) 2021/763 shall apply from 28 June 2021, while Title II shall apply as of 1 June 2021 as regards the disclosures in accordance with Article 437a and point (h) of Article 447 of CRR, and as of the date of application of the disclosure requirements in accordance with the third subparagraph of Article 3(1) of Directive (EU) 2019/879, as regards the disclosures in accordance with Article 45i(3) of BRRD.

The BRRD also requires Member States to ensure that national insolvency laws contain a prescribed creditor hierarchy. The insolvency hierarchy directive (Directive (EU) 2017/2399), due to be transposed in Member States by 29 December 2018, amends this hierarchy by introducing a new asset class of non-preferred senior debt that can only be bailed-in in resolution after capital instruments but before senior liabilities. In the Republic of Italy, such directive has been implemented by the Italian Law No. 205/2017 which introduced article 12 *bis* into the Italian Consolidated Banking Act.

In addition to the general bail-in tool, the BRRD provides for resolution authorities to have the further power to permanently write-down/convert into shares or other instruments of ownership (including the Subordinated Notes) at the point of non-viability and before any other resolution action is taken (**non-viability loss absorption**). Any shares issued to holders of Subordinated Notes upon any such conversion may also be subject to any application of the general bail-in tool. The point of non-viability under the BRRD is the point at which the relevant authority determines that the institution meets the conditions for resolution (but no resolution action has yet been taken) or that the institution or its group will no longer be viable unless the relevant capital instruments (including the Subordinated Notes) are written-down/converted or extraordinary public support is to be provided.

Resolution authorities have the power to amend or alter the maturity of certain debt instruments (such as the Senior Preferred Notes, Senior Non-Preferred Notes and Subordinated Notes) issued by an institution under resolution, amend the amount of interest payable under such instruments, the date on which the interest becomes payable (including by suspending payment for a temporary period) and to restrict the termination rights of holders of such instruments. The BRRD also provides for a Member State, after having assessed and exhausted the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. Resolution authorities may provide public equity support to an institution and/or take the institution into public ownership. Such measures must be taken in accordance with the EU state aid framework and will require a contribution to loss absorption from shareholders and creditors via write- down, conversion or otherwise, in an amount equal to at least 8 % of total liabilities (including own funds).

As an exemption from these principles, the BRRD allows for three kinds of extraordinary public support to be provided to a solvent institution without triggering resolution: 1) a State guarantee to back liquidity facilities provided by central banks according to the central banks' conditions; 2) a State guarantee of newly issued liabilities; or 3) an injection of own funds in the form of precautionary recapitalisation. In the case of precautionary recapitalization EU state aid rules require that shareholders and junior bond holders (such as holders of the Subordinated Notes) contribute to the costs of restructuring.

Revisions to the BRRD framework

The EU Banking Reform Package includes Directive (EU) 2019/879, which provides for a number of significant revisions to the BRRD (known as "**BRRD II**") published in the Official Journal of the European Union on 7 June 2019 and entered into force on 27 June 2019. With regard to the date of application, Member States were required to ensure implementation into local law by 28 December 2020 with certain requirements relating to the implementation of the total loss absorbency capacity standard ("**TLAC**") applying from January 2022 while the transitional period for full compliance with MREL requirements is foreseen until 1 January 2024, with interim targets for a linear build-up of MREL set at 1 January 2022. The BRRD II has been transposed under Italian law, in accordance with the European Delegation Law (Law No. 53/2021) of 22 April 2021, by the 193 Decree, which has mainly amended the provisions set out under Legislative Decree No. 180 of 16 November 2015, the Italian Consolidated Banking Act and the Consolidated Finance Act to take into account the provisions of the BRRD II.

The EU Banking Reform Package includes, amongst other things:

- full implementation of the Financial Stability Board's TLAC standard ("**FSB**") in the EU and revisions to the existing MREL regime. Additional changes to the MREL framework that include changes to the calculation methodology for MREL, criteria for the eligible liabilities which can be considered as MREL, the introduction of internal MREL and additional reporting and disclosure requirements on institutions;

- the introduction of a new category of "top-tier" banks, being banks which are resolution entities that are not G-SIIs but are part of a resolution group whose total assets exceed Euro 100 billion;

- the introduction of a new moratorium power for resolution authorities and requirements on the contractual stays in resolution; and

- amendments to the article 55 regime in respect of the contractual recognition of bail-in.

In particular, with a view to ensuring full implementation of the TLAC standard in the EU, the EU Banking Reform Package and the BRRD II introduce MREL applicable to G-SIIs with the TLAC standard and to allow resolution authorities, on the basis of bank-specific assessments, to require that G-SIIs comply with a supplementary MREL requirement strictly linked to the resolvability analysis of a given G-SII. Neither the Bank nor any member of BMPS has been identified as a G-SIB in the 2024 list of global systemically important banks published by the FSB on 21 November 2022.

In order to ensure compliance with MREL requirements, and in line with the FSB standard on TLAC, the BRRD II provides that in case a bank does not have sufficient eligible liabilities to comply with its MREL requirements, the resultant shortfall is automatically filled up with CET1 Capital that would otherwise be counted towards meeting the combined capital buffer requirement. However, under certain circumstances, BRRD II envisages a nine-month grace period before restrictions to discretionary payments to the holders of regulatory capital instruments senior management of the bank and employees take effect due to a breach of the combined capital buffer requirement.

On 20 May 2020, the SRB published a non-binding policy named "*Minimum Requirements for Own Funds and Eligible Liabilities (MREL) Policy under the Banking Package*", aiming at helping to ensure that MREL is set in the context of fully feasible and credible resolution plans for all types of banks, as well as promoting a level playing field across banks including subsidiaries of non-banking Union (EU) banks. The policy addresses the following topics:

(a) calibration: the policy provides for modifications and extensions of the SRB's approach to MREL calibration in accordance with the framework set out by the EU Banking Reform Package;

(b) subordination for resolution entities: the policy sets the following subordination requirements: (i) Pillar 1 Banks are subject to subordination requirements composed of a non-adjustable Pillar 1 MREL requirement that must be met with own funds instruments and eligible liabilities that are subordinated to all claims arising from excluded liabilities; (ii) Pillar 1 Banks' resolution authorities shall ensure that the subordinated MREL resources of Pillar 1 Banks are equal to at least 8% of total liabilities and own funds (TLOF); and (iii) non Pillar 1 Banks will be subject to a subordination requirement only upon the decision of the resolution authority to avoid a breach of the No Creditor Worse Off principle, following a bank-specific assessment carried out as part of resolution planning;

(c) internal MREL for non-resolution entities: the policy states that the SRB will progressively expand the scope of non-resolution entities for which it will adopt internal MREL decisions, and it may waive subsidiary institutions qualifying as non-resolution entities from internal MREL at certain conditions. In addition, the policy defines criteria for the SRB's possibly permitting the use of guarantees to meet the internal MREL within the Member State of the resolution entity;

(d) MREL for cooperative groups: the policy sets out minimum conditions to authorise certain types of cooperative networks to use eligible liabilities of associated entities other than the resolution entity to comply with the external MREL, as well as minimum conditions to waive the internal MREL of the legal entities that are part of the cooperative network;

(e) eligibility of liabilities issued under the law of a third country: the policy expands on how liabilities issued under the law of third countries can be considered eligible through contractual recognition; and

(f) transition arrangements: the policy explains the operation of transitional periods up to the 2024 deadline, including binding intermediate targets in 2022 and informative targets in 2023, also stating that transitional arrangements must be bank-specific (since they depend on the MREL tailored to that bank and its resolution plan, and the bank's progress to date in raising MREL-eligible liabilities).

Such "*Minimum Requirements for Own Funds and Eligible Liabilities (MREL) Policy under the Banking Package*" is periodically reviewed and updated by the SRB to keep it aligned and consistent with the regulatory changes and developments brought abaout at an European level.

On 13 June 2023, EBA published its Guidelines addressed to institutions and resolution authorities on resolvability testing. The Guidelines aim to set-out a framework to ensure that resolvability capabilities developed to comply with the resolvability and transferability Guidelines are fit for the purpose and effectively maintained. In particular, the Guidelines aimed to promote the involvement of firms into the resolvability assessment process and increase their ownership of resolvability. As such, as a starting point, the Guidelines require institutions to submit a resolvability self-assessment at least every two years to set out how they meet the resolvability and transferability capabilities and how they have gained assurance of their adequacy. The first self-assessment is expected by year-end 2024. On the basis of this self-assessment,

the Guidelines require authorities to develop testing programme to gain assurance of firms' resolvability, covering three years, so as to provide banks with sufficient visibility. The multi-annual testing programme is expected by year-end 2025. Finally, for most complex banks, the Guideline require the most complex banks to develope a master playbook to ensure a holistic approach to resolution planning. The first master playbook should be submitted by year-end 2025.

On 24 April 2024, Directive (EU) 2024/1174 of the European Parliament and Council of 11 April 2024, amending Directive 2014/59/EU and Regulation (EU) 2014/806 as regards certain aspects of the minimum requirements for own funds and eligible liabilities was published in the European Official Journal (the "**Daisy Chain Act**"). Whilst the amendments to Article 12d of the SRM Regulation are directly applicable to Member States from 14 November 2024, Member States shall adopt and publish the measures necessary to comply with changes brought by the provisions laid down by the BRRD by 13 November 2024. The relevant implementing national acts and regulations shall apply from 14 November 2024. On 22 November 2024, Wise Dialog Bank S.p.A. received from the Bank of Italy a communication stating that as of 14 November 2024 the MREL decision previously notified was no longer applicable.

Among the others, the new rules of the Daisy Chain Act aim to give the resolution authorities the power of setting internal MREL on a consolidated basis subject to certain conditions. Where the resolution authority allows a bank or a banking group to apply such consolidated treatment, the intermediate subsidiaries will not be obliged to deduct their individual holdings of internal MREL.

Moreover, the Daisy Chain Act would introduce a specific MREL treatment for "liquidated entities". Those are defined as entities within a banking group earmarked for winding-up in accordance with insolvency laws, which would, therefore, not be subject to resolution action (conversion or write-down of MREL instruments). On this basis and as a rule, liquidation entities will not be obliged to comply with a MREL requirement unless the resolution authority decides otherwise on a case-by-case basis for financial stability protection reasons. The own funds of these liquidation entities issued to the intermediate entities will not need to be reducted except when they represent material share of the own funds and eligible liabilities of the intermediate entity.

In addition to this, it is worth mentioning that on 18 April 2023, the European Commission published a legislative proposal on the Crisis Management and Deposits Insurance ("**CMDI Reform**") framework. The package consists of four legislative proposals that would amend existing EU legislation: the BRRD, the Deposit Guarantee Scheme Directive ("**DGSD**") and the SRMR. New aspects of the framework could include: i) expanding the scope of resolution through a revision of the public interest assessment to include a regional impact so more eurozone banks could be brought into the resolution framework, ii) the use of deposit guarantee schemes to help banks, especially the small ones, to meet a key threshold for bearing losses of 8% of their own funds and liabilities, which then allows them to have access to the Single Resolution Fund, also funded by bank contributions, and help sell the problem banks' assets and fund their exit from the market, iii) amending the hierarchy of claims in insolvency and scrapping the "super-preference" of the DGS to put all deposits on equal pegging in an insolvency, but still above ordinary unsecured creditors with the aim of enabling the use of DGS funds in measures other than pay out of covered deposits without violating the least cost test. The proposal will need to be agreed by the Member States and the European Parliament, a process whose duration and outcome remains uncertain as at the date of this Base Prospectus.

D. The "*5) Revisions to the Basel III framework*" sub-section on page 179 shall be deleted in its entirety.

GENERAL

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or any other document incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

In accordance with article 21 of the Prospectus Regulation, copies of this Supplement and all documents incorporated by reference in the Base Prospectus can be obtained free of charge from the Issuer's website (https://www.gruppomps.it/en/) and from the office of the Issuer and, in case of Notes admitted to the Official List and to trading on the Luxembourg Stock Exchange's regulated market, from the principal office in Luxembourg of *Banque Internationale à Luxembourg, société anonyme*, being at 69 Route d'Esch, L-2953 Luxembourg. Copies of this Supplement and all documents incorporated by reference in the Base Prospectus will also be published on the Luxembourg Stock Exchange's website (www.luxse.com).