



*English translation for courtesy purposes only. In case of discrepancies between the Italian version and the English version, the Italian version shall prevail.*

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

**ORDINARY SHAREHOLDERS' MEETING**

15 April 2026 (single call)

**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS  
CONCERNING ITEM 1) ON THE AGENDA**

pursuant to Article 125-ter of Legislative Decree no. 58 of 24 February 1998,  
as subsequently amended (“**TUF**”).

**INDIVIDUAL FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025, ACCOMPANIED BY THE REPORTS OF THE BOARD OF DIRECTORS, THE INDEPENDENT AUDITORS AND THE BOARD OF STATUTORY AUDITORS. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025; RELATED AND CONSEQUENT RESOLUTIONS:**

- 1.1) APPROVAL OF 2025 PARENT COMPANY'S FINANCIAL STATEMENTS;**
- 1.2) PROFIT ALLOCATION AND DIVIDEND DISTRIBUTION TO SHAREHOLDERS.**



## REPORT OF THE BOARD OF DIRECTORS PURSUANT TO ARTICLE 125-TER OF THE TUF

Dear Shareholders,

You were convened to resolve upon the following **item 1** on the agenda of the Ordinary Shareholders' Meeting:

**“Individual financial statements as at 31 December 2025, accompanied by the Reports of the Board of Directors, the Independent Auditors and the Board of Statutory Auditors. Presentation of the Consolidated financial statements as at 31 December 2025, related and consequent resolutions:**

- 1.1) approval of 2025 Parent Company's 2025 financial statements;**
- 1.2) profit allocation and dividend distribution to shareholders.”**

### **1.1) Approval of 2025 Parent Company's financial statements;**

Pursuant to Article 2364 of the Italian Civil Code and to articles 13, 30 and 31 of the By-Laws of Banca Monte dei Paschi di Siena S.p.A. (the “**Bank**” or the “**Parent Company**”), the Shareholders' Meeting is called to approve the Bank's financial statements for the year ended 31 December 2025, which show a EUR 3,104,816,452.59 net profit for the year.

Moreover, the Shareholders' Meeting is presented with the consolidated financial statements of Monte dei Paschi di Siena Group as at 31 December 2025, which closed with a net profit of EUR 2,711,329,415, of which EUR 2,715,706,903 pertaining to the Parent Company.

As a preliminary point, it should be recalled that Article 26 of Italian Decree Law no. 104 of 10 August 2023 (converted, with amendments, into Law no. 136 of 9 October 2023) introduced an extraordinary tax payable by banks, determined by applying a rate of 40% to the amount of net interest income for 2023 financial year exceeding by at least 10% the net interest income for 2021 financial year; the amount of such tax could not exceed a share equal to 0.26% of risk-weighted assets as at 31 December 2022. The provision also established that, as an alternative to paying the tax, banks could allocate an amount not lower than 2.5 times the tax due to a specifically identified non-distributable reserve.

In this regard, it should be noted that the Ordinary Shareholders' Meeting of the Bank held on 11 April 2024 resolved - in view of the option granted by law to strengthen the corporate capital - to allocate the amount of EUR 308,881,204.08 to a specific reserve (unavailable reserve pursuant to Article 26 of Italian Decree Law no. 104 of 10 August 2023, converted into Law no. 136 of 9 October 2023 – the “**2023 Reserve**”).

In this respect, Law no. 199 of 30 December 2025 introduced under Article 1:

- i) in paragraph 68, a legal presumption of priority distribution, which, with effect from the profit distributions made as of 1 January 2029, entails the obligation to pay the extraordinary tax (at the rate of 40%) provided for by the aforementioned Article 26 of Italian Decree Law no. 104 of 10 August 2023, previously suspended through the establishment of the 2023 Reserve; and



- ii) in paragraphs 69 to 73, a transitional regime that allows the above-mentioned legal presumption to be disappplied, provided that the 2023 Reserve is subject to a special contribution at a preferential rate (the “**Contribution**”), in an amount equal to:
- 27.5% of the reserve existing as at 31 December 2025, to be paid by 30 June 2026,
  - 33% of the reserve existing as at 31 December 2026, to be paid by 30 June 2027.

In relation to the above, it should be noted that on 22 January 2026 the Bank’s Board of Directors resolved to approve the release of the 2023 Reserve through payment, to be made by 30 June 2026, of the Contribution amounting, pursuant to the aforementioned provisions, to EUR 84,942,331.12. The liability arising from the Contribution was recognised with a corresponding entry under “Reserves: other” within shareholders’ equity. As a result, that the Bank’s net equity as at 31 December 2025 includes a negative reserve equal to the aforementioned amount of the Contribution.

For further details, please refer to 2025 draft individual financial statements approved by the Board of Directors on 10 March 2026, together with the reports of the Board of Directors, the Independent Auditors and the Board of Statutory Auditors, as well as the 2025 consolidated financial statements approved by the Board of Directors on the same date, together with the reports of the Board of Directors and the Independent Auditors, made available to Shareholders in accordance with the procedures and deadlines prescribed by the applicable laws and regulations, and which may be consulted on the [www.gruppomps.it/en](http://www.gruppomps.it/en) website, in the *Corporate Governance – Shareholders Meetings and BoD* section, at the *link*:

<https://www.gruppomps.it/corporate-governance/assemblea-azionisti/archivio-assemblee.html>.

### **Resolution proposal.**

Dear Shareholders, we invite you to resolve on the following:

*“The Shareholders’ Meeting of Banca Monte dei Paschi di Siena S.p.A., in ordinary session,*

- *examined the individual financial statements at 31 December 2025, including the reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors;*
- *having acknowledged the data of the consolidated financial statements as at 31 December 2025 with the related reports submitted by the Board of Directors and the Independent Auditors;*

### **RESOLVES**

- *to approve the financial statements as at 31 December 2025 of Banca Monte dei Paschi di Siena S.p.A., which closed with a profit of EUR 3,104,816,452.59.*

### **1.2) Profit allocation and dividend distribution to shareholders.**

As anticipated on 10 February 2026, the Bank’s Board of Directors informed the market about the distribution of a dividend. On 10 March 2026, the Board of Directors resolved to propose to the Shareholders’ Meeting the payment of a dividend under the terms and conditions outlined below.

It should be noted, that this proposal for the distribution of profits to the Shareholders refers to the Bank’s By-Laws, as amended and approved by the Extraordinary Shareholders’ Meeting of the Bank held on 4 February 2026,



with the favourable vote of 99.92% of the share capital represented, authorised by a decision of the European Central Bank notified on 4 March 2026<sup>1</sup>, filed and registered in the Companies' Register of Arezzo-Siena on 5 March 2026. In particular, for the purposes of this Report, the amendments to the Bank's By-Laws concern the reduction to the statutory minimum (5%) of the percentage of profits to be allocated to the legal reserve and the elimination of the statutory reserve (Article 31, paragraph 1 of the By-Laws).

It is therefore proposed that the Shareholders' Meeting resolve on the distribution of the profit for the year 2025, according to the allocation showed below, in compliance with the laws and regulations in force.

In this regard, please note that:

- Article 2430 of the Italian Civil Code states that an amount corresponding to at least the twentieth part of the annual net profits must be deducted from them to constitute the legal reserve, until the latter has reached one-fifth of the share capital;
- Article 31 of the Bank's By-Laws, as amended by the Extraordinary Shareholders' Meeting of the Bank held on 4 February 2026, states that:
  - "1. The net profits resulting from the financial statements are assigned as follows: 5% to the legal reserve, until this reaches the amount of 1/5 of the share capital.*
  - 2. The residual net profits are made available to the Shareholders' Meeting for distribution to shareholders and/or for the creation and growth of other reserves".*
- Article 6 of Legislative Decree no. 38/2005 states that: (i) *"profits for the year may not be distributed to the extent of the capital gains recognised in the income statement, net of the relevant tax burden and other than those relating to financial trading instruments if they result from the financial statements and to foreign exchange and hedging transactions, which arise from the application of the fair value criterion (fair value) or equity method"* (paragraph 1, letter a); (ii) *"the profits corresponding to such capital gains are recognised in an unavailable reserve"* (paragraph 2); and (iii) *"the reserve pursuant to paragraph 2 shall be reduced by an amount corresponding to the capital gains realised, including through amortisation, or which have become non-existent as a result of depreciation"* (paragraph 3). In this regard, it should be noted that, as at 31 December 2024 the unavailable reserve, pursuant to paragraph 2, amounted to EUR 72,667,229.92. In relation to the movements recorded for assets and liabilities measured at fair value in 2025 financial year, the unavailability restriction established in previous years decreased, pursuant to paragraph 3, by EUR 16,680,420.33, thereby making this amount available for distribution.

---

<sup>1</sup>See press releases of 4 February 2026 and 4 March 2026, available on the institutional website [www.gruppompis.it](http://www.gruppompis.it) under the *Investor Relations – Press Releases* section.



In light of the above regulatory provisions, taking into account the reduction of Euro 16,680,420.33 – and therefore from EUR 72,667,229.92 to EUR 55,986,809.59 – of the unavailability restriction established in previous financial years pursuant to Article 6, paragraph 3, of Legislative Decree no. 38/2005, it is proposed to:

- (i) allocate the negative reserve of EUR 84,942,331.12 as an offset against the “Share Premium” reserve, reducing it from EUR 3,146,576,345.42 to EUR 3,061,634,014.30, and to allocate, with effect from the settlement of the Contribution in the income tax return for the period in which it is applied (2025), the entire amount recorded in the 2023 Reserve, equal to EUR 308,881,204.08, to the extraordinary reserve, with the consequent elimination of the 2023 Reserve, on the basis that, once the obligation to apply the aforementioned Contribution has been fulfilled, the 2023 Reserve will become freely available with no further charges for the Bank;
- (ii) allocate the net profit for the 2025 financial year of EUR 3,104,816,452.59 as follows:
  - to legal reserve of an amount equal to 5% of the accrued profit corresponding to EUR 155,240,822.63, pursuant to art. 31 of the By-Laws;
  - to the Shareholders, with distribution of a unit dividend of EUR 0.86 for each outstanding share, entitled to the payment of dividend, for a maximum total amount of EUR 2,613,039,637.38;
  - to extraordinary reserve for the remaining profit of EUR 336,535,992.58.

If this proposal is approved by the Shareholders’ Meeting, the consolidated capital requirements would show a Common Equity Tier 1 Ratio of 16.4% and a Total Capital Ratio of 18.5%<sup>2</sup>, both amply meeting the requirements of the competent Authorities.

Pursuant to the laws and regulations in force, it is proposed that the distribution of the dividend takes place with the following methods and timing:

- ✓ ex-dividend date: 18 May 2026.
- ✓ payment date: 20 May 2026.

Pursuant to art. 83-*terdecies* of Legislative Decree no. 58/1998, as subsequently amended (“**TUF**”), those who are shareholders on the basis of the accounting records as at the end of the accounting day of 19 May 2026 (*record date*) will be entitled to receive the dividend.

If this proposal is approved, the net equity of Banca Monte dei Paschi di Siena S.p.A. will be as shown in the table below.

<sup>2</sup> The consolidated capital requirements indicated differ from those reported as at 31 December 2025 in that they include the allocation to reserves of the profit attributable to the Parent Company (equal to EUR 102,667,266) that remains after the distribution of the dividend.



(EUR/ million)

Net Equity	2025 Financial Statement	Changes	Pro-forma Net equity in the 2025 Financial Statement after Shareholders' Meeting resolutions and dividend payment
Capital	17,978	-	17,978
Share premium	3,147	(85)	3,062
Reserves	3,754	577	4,331
Valuation Reserves	38	-	38
Profit (loss) for the year	3,105	(3,105)	-
<b>Total</b>	<b>28,022</b>	<b>(2,613)</b>	<b>25,409</b>

### Resolution proposal.

Dear Shareholders, we invite you to resolve on the following:

*‘The Ordinary Shareholders’ Meeting of Banca Monte dei Paschi di Siena S.p.A., following the approval of the Separate financial statements of the Bank as at 31 December 2025*

#### ACKNOWLEDGING

*the reduction by EUR 16,680,420.33 - and therefore from EUR 72,667,229.92 to EUR 55,986,809.59 - of the unavailability restriction established in previous financial years pursuant to Article 6, paragraph 3, of Legislative Decree no. 38/2005;*

#### RESOLVES

- (i) *to allocate the negative reserve of EUR 84,942,331.12 as an offset against the “Share Premium” reserve, reducing it from EUR 3,146,576,345.42 to EUR 3,061,634,014.30, and to allocate, with effect from the settlement of the Contribution in the income tax return for the period in which it is applied (2025), the entire amount recorded in the 2023 Reserve, equal to EUR 308,881,204.08, to the extraordinary reserve, with the consequent elimination of the 2023 Reserve, on the basis that, once the obligation to apply the aforementioned Contribution has been fulfilled, the 2023 Reserve will become freely available with no further charges for the Bank;*
- (ii) *to allocate the net profit for the 2025 financial year of EUR 3,104,816,452.59 as follows:*
- *to legal reserve for an amount equal to 5% of the accrued profit corresponding to EUR 155,240,822.63 pursuant to art. 31 of the By-Laws;*
  - *to the Shareholders, with distribution of a unit dividend of EUR 0.86 for each outstanding share, entitled to the payment of dividend, for a maximum total amount of EUR 2,613,039,637.38;*
  - *to extraordinary reserve for the remaining profit of EUR 336,535,992.58.”*

Siena, 25 March 2026

For the Board of Directors

Nicola Maione

Chairperson of the Board of Directors