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

**ORDINARY SHAREHOLDERS' MEETING**

12 April 2022 (on a single call)

**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS**

**ON POINT 1) OF THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING**

**INDIVIDUAL FINANCIAL STATEMENTS AS AT 31 DECEMBER 2021, 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 2021;  
RELATED AND CONSEQUENT RESOLUTIONS.**



Dear Shareholders,

You have been called to this Shareholders' Meeting to resolve upon the following **item 1)** on the agenda of the Ordinary Session:

**“Individual financial statements as at 31 December 2021, 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 2021; related and consequent resolutions.”**

In accordance with article 2364 of the Italian Civil Code and articles 13 and 30 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 closed on 31 December 2021, which show a EUR 151,005,319 profit for the year.

Moreover, Monte dei Paschi di Siena Group's consolidated financial statements as at 31 December 2021 are presented to the Shareholders' Meeting. They closed with a profit of EUR 309,330,833, of which EUR 309,506,687 pertaining to the Parent Company.

To delve into their content, please refer to the 2021 draft financial statements, approved by the Board of Directors on 2 March 2022, together with the reports by the Board of Directors, Independent Auditor and the Board of Statutory Auditors, made available to the Shareholders by the means and deadlines prescribed by the applicable laws and regulations which may be consulted on the web site [www.gruppomps.it](http://www.gruppomps.it), in the *Corporate Governance – Annual General 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 ask you to approve the following resolution proposal:

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

- *having agreed with the content and the arguments presented in the Board of Directors' Report, and reviewed the content of the Board of Statutory Auditors' Report and Independent Auditor's Report,*
- *taking into account the duty suspension arrangement, for the subsequent five years, of the loss reported in 2020, the application of the obligations pursuant to article 2446, paragraphs 2 and 3 of the Italian Civil Code in compliance with the provisions of article 6 of Italian Law Decree no. 23, 8 April 2020, converted with amendments by Italian Law no. 40, 5 June 2020, as amended by Italian Law no. 178, 30 December 2020,*



- *taking into account that as from 2020, due to the loss for that period, the Bank is in the situation envisaged by article 2446, paragraph 1 of the Italian Civil Code as the share capital has decreased by more than one third and that on 6 April 2021 the Shareholders' Meeting resolved, pursuant to the aforementioned provision, to postpone the decisions pursuant to article 2446, paragraph 2 of the Italian Civil Code, relating to the reduction of share capital, to the Shareholders' Meeting that will be called to resolve on the capital strengthening measures and therefore to carry forward the loss reported in 2020,*
- *being understood that these decisions are postponed also with reference to 2021, nonetheless deeming it to be appropriate to partially cover the losses carried forward of the years before 2020 by using the profit for the year at 31 December 2021 for this purpose*

#### RESOLVES

- *to approve the financial statements for the year ended 31 December 2021 of Banca Monte dei Paschi di Siena S.p.A., which show a profit of EUR 151,005,319;*
- *to postpone, in accordance with the provisions of article 6 of Italian Law Decree no. 23, 8 April 2020, converted with amendments by Law no. 40, 5 June 2020, as novated by Law no. 178, 30 December 2020, to the Shareholders' Meeting that will be called upon to resolve on the capital strengthening measures of the Bank, the decisions pursuant to article 2446, paragraph 2 of the Italian Civil Code with reference to the coverage of the loss reported in 2020;*
- *to allocate this profit to reduce the outstanding loss reported in 2017".*

Siena, 21 March 2022

For the Board of Directors  
Maria Patrizia Grieco  
Chairperson of the Board of Directors