

FOURTH SUPPLEMENT DATED 24 AUGUST 2023 TO THE
BASE PROSPECTUS DATED 16 JANUARY 2023

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 16 January 2023, supplemented by the first supplement dated 10 February 2023, by the second supplement dated 17 February 2023 and by the third supplement dated 22 May 2023 (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 the press release headed “*Banca MPS: Moody’s improves outlook from stable to positive. Affirmed the bank’s ratings already upgraded in February by two/three notches*”, the press release headed “*MPS: 2023 EBA EU-wide stress test results; best ever results, confirming the strong solidity achieved by the Group*” and the consolidated half-yearly financial statements of the Group for the period ended 30 June 2023; (iii) the “*Banca Monte dei Paschi di Siena S.p.A.*” section of the Base Prospectus; and (iv) the “*General Information*” section of the Base Prospectus.

RISK FACTORS

The “*Risk Factors*” section on pages 16-75 of the Base Prospectus is amended as follows:

- A. The last outline in the sub-paragraph entitled “*1.3 Risks related to capital adequacy*” of the paragraph entitled “*1. Risk factors relating to the Issuer and the Group*” on page 26 of the Base Prospectus shall be deleted in its entirety and replaced with the following one:

“For further information in such regard, please refer to the “*Capital adequacy*” paragraph of the 2022 Consolidated Financial Statements and to the “*Capital adequacy*” paragraph of the 2023 Consolidated Half-Yearly Report.”

- B. In the sub-paragraph entitled “*1.7 Liquidity risk for the 12-month period and risks related to the Issuer’s indebtedness and system liquidity support measures*” of the paragraph entitled “*1. Risk factors relating to the Issuer and the Group*” on page 33 of the Base Prospectus, the following sentence:

“For further information in such regard, please refer to the “*Funding strategy*” paragraph of the Consolidated Interim Report as at 30 September 2022, to the “*Funding strategy and MREL capacity*” paragraph of the 2022 Consolidated Financial Statements and to paragraphs “*MREL capacity*” and “*Funding strategy*” of the Consolidated Interim Report as at 31 March 2023.”

shall be deleted in its entirety and replaced with the following one:

“For further information in such regard, please refer to the “*Funding strategy and MREL capacity*” paragraph of the 2022 Consolidated Financial Statements and to paragraphs “*MREL capacity*” and “*Funding strategy*” of the 2023 Consolidated Half-Yearly Report.”

- C. The last outline in the sub-paragraph entitled “*1.8. Risk of exposure to debt securities issued by sovereign states*” of the paragraph entitled “*1. Risk factors relating to the Issuer and the Group*” on page 35 of the Base Prospectus shall be deleted in its entirety and replaced with the following one:

“For more information on the Issuer’s risks related to the exposure to debt securities issued by sovereign states, please refer to the 2022 Consolidated Half-Yearly Financial Statements, to the 2022 Consolidated Financial Statements and to the “*Exposure to sovereign debt risk*” paragraph of the 2023 Consolidated Half-Yearly Report.”

- D. The last outline in the sub-paragraph entitled “*1.12 Risks Related to Assumptions and Methodologies for Fair Value Measurement of the Issuer’s Assets and Liabilities*” of the paragraph entitled “*1. Risk factors relating to the Issuer and the Group*” on page 39 of the Base Prospectus shall be deleted in its entirety and replaced with the following one:

“For more information on the Issuer’s risks related to the exposure to debt securities issued by sovereign states, please refer to the to the 2022 Consolidated Financial Statements and to the 2023 Consolidated Half-Yearly Report.”

- E. In the sub-paragraph entitled “*2.1 Risks related to outstanding legal proceedings*” of the paragraph entitled “*2. Risk factors related to the operating activity and the industry in which the Issuer and the Group operate*” on page 42 of the Base Prospectus, the second outline shall be deleted in its entirety and replaced with the following one:

“As of 30 June 2023, the Group is a party to court proceedings arising from the conduct of its business (excluding labour and tax proceedings) with a total *petitum*, where quantified, of Euro

4.1 billion (rounded) and out-of-court claims for a *petitum* of approximately Euro 2.2 billion, mainly pertaining to claims classified as "probable" at risk of losing.”

- F. The sub-paragraph entitled “2.7 Risks related to the speculative rating assigned to the Issuer and its debt” of the paragraph entitled “2. Risk factors related to the operating activity and the industry in which the Issuer and the Group operate” on page 49 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

“The Issuer and its debt are subject to ratings by Moody's Investors Service (“**Moody's**”), Fitch Ratings Ireland Limited (“**Fitch**”), and DBRS Morningstar (“**DBRS**”, and together with Moody’s and Fitch, the “**Agencies**”), which, as of the date of the Base Prospectus, have assigned ratings to the Issuer that fall into the non-investment grade category, which is characterised by an accentuated risk profile and includes debt securities that are particularly exposed to adverse economic, financial, and sectoral conditions. Specifically, the ratings assigned are:

- (i) for Moody's: b1 (Baseline Credit Assessment), Ba2 (long-term deposit rating) and B1 (long-term senior unsecured debt rating), NP (short-term deposit rating), as per the rating action dated 31 May 2023, in which the rating agency has improved the outlook on long-term deposit and senior unsecured debt ratings from “stable” to “positive”, affirming the bank’s ratings already upgraded by 2/3 notches in the rating action dated 16 February 2023. The change of the outlook is based on the expectations that BMPS’s improved creditworthiness, in particular reflected in its higher recurrent profitability and ability to access to the bond market, would result in a higher Baseline Credit Assessment (BCA) if such improvements were to be sustained over the next 12 to 18 months. Furthermore, additional bond issuances aiming to fulfill MREL requirements, will strengthen BMPS liquidity position. The positive outlook also reflects Moody’s expectation that the ongoing implementation of the plan, which has gained momentum thanks to the €2.5 billion capital increase, will yield additional results; if these objectives are met over the outlook period, this could prompt an upgrade of BMPS’ ratings of more than one notch.
- (ii) for DBRS: BB (low) (Intrinsic Assessment), BB (long-term deposit rating) and BB (low) (long-term senior unsecured debt rating), R-4 (short-term deposit rating) as per the latest rating action dated 17 May 2023. The outlook is "stable."

The upgrade of ratings takes into account the improvements in BMPS’s fundamentals in the last few years, thanks to which DBRS considers BMPS much better positioned than in the past. In particular, the EUR 2.5 billion capital increase has adequately restored capital levels and provided room to execute the 2022-2026 Business plan, which has already led to structural improvements in BMPS’s earnings generation capacity. In particular, the substantial headcount reduction of around 4,000 employees in December 2022 was key to a structurally improved operating efficiency, which materialised in the results of first quarter of 2023. Moreover, the rating action incorporates an improved revenue outlook, as BMPS is expected to benefit from rising interest rates in 2023. Finally, the upgrade incorporates the Bank’s much cleaner asset quality profile, with asset quality metrics in line with that of its domestic peers.

- (iii) for Fitch: b+ (Viability Rating), BB- (Long-term Deposit Rating), B+ (Long-term Senior Debt Rating) and B (Short-term Deposit Rating) as per the latest Rating action dated 24 November 2022. The outlook is "stable". According to the rating agency Fitch, the upgrade occurred in the latest rating action reflects the Bank’s strengthened capitalisation following the capital increase which restored adequate capital buffers over regulatory requirements and gives the Bank the necessary resources to complete its restructuring plan, including crucial cost cuts and investments. The upgrade also considers a reduced stock of impaired loans and lower capital encumbrance by the unreserved portion since MPS asset-quality

clean-up. The rating agency Fitch expects the cost reductions, in combination with rising interest rates, to lead to higher and more sustainable profitability and more than offset the impact from expected deterioration in the operating environment in Italy in 2023.

The Issuer's rating may also be affected by the rating of the Italian State which, as of the date of this Supplement, is Baa3 for Moody's with a negative outlook, BBB for S&P with a stable outlook, BBB for Fitch with a stable outlook, and BBB (high) for DBRS with a stable outlook. Any significant downgrade in Italy's sovereign rating could adversely affect the Issuer's ratings, with consequent negative effects on the Bank's and/or the Group's business and economic, capital, and/or financial position.

Should the Issuer experience a deterioration (so-called downgrading) in the ratings assigned by the agencies, there could be a greater burden in raising financing, less easy recourse to the capital market and, more generally, potential negative repercussions for the Group's liquidity.”

- G.** The sub-paragraph entitled “4.2 Risks associated with uncertainty about the future results of stress tests or asset quality review (AQR) exercises” of the paragraph entitled “4. Risk factors related to the legal and regulatory framework of the sector of business in which the Issuer and the Group operate” on page 57 of the Base Prospectus shall be deleted in its entirety and replaced as follows:

“The SSM is responsible for the prudential supervision of all credit institutions in participating member states and ensures that the EU policy on the prudential supervision of credit institutions is implemented consistently and effectively and that credit institutions are subject to the highest quality of supervision. In this context, the ECB has been entrusted with specific prudential supervisory tasks over credit institutions by, among other things, providing for the possibility for credit institutions to conduct, where appropriate in coordination with the European Banking Authority (“EBA”), stress tests (supervisory stress tests) to ascertain whether the measures, strategies, processes and mechanisms put in place by credit institutions and the own funds they hold would enable sound risk management and hedging in dealing with future, but plausible, adverse events. The stress tests are designed to serve as inputs to the SREP: the outcome of the SREP could result in an additional own funds requirement, as well as other qualitative and quantitative measures.

The EBA conducted an EU-wide stress test for 2021 (following the postponement of the 2020 exercise due to the COVID-19 pandemic) aimed at assessing the resilience of the European banking sector, including the Group. The results were published at the end of July 2021 and are available on the EBA website.

On 28 July 2023, the European banking Authority (EBA) announced the results of the 2023 EU-wide stress test in which Banca MPS was subject. Such test was conducted by the EBA, in cooperation with the European Central Bank and the European Systemic Risk Board. The adverse stress test scenario was set by the ECB/ESRB and covers a three-year time horizon (2023-2025). The stress test has been carried out applying a static balance sheet assumption as of December 2022 and a number of constraints to the profit and loss accounts. The results, best ever in the Group’s stress test exercises, has confirmed the strong solidity achieved by the Group and its capability to generate sustainable profitability, proven also by the positive net results in years 2024 and 2025 even in the adverse scenario, considering the HR cost savings. For further information in such regard, please refer to the “Significant events after the end of the first half of the year” paragraph of the 2023 Consolidated Half-Yearly Report and to the information set out in the 2023 Stress Test Press Release.

In addition, the EBA, in cooperation with the relevant Supervisory Authorities, may in the future decide to recommend a new asset quality review (or "Asset Quality Review" or "AQR") on the most important European banks, including the Issuer, in order to verify the classifications and

assessments they have made on their loans in order to address concerns related to deteriorating asset quality. Such an asset quality review exercise may, possibly, also be combined with an additional stress test conducted by the ECB as part of a new global assessment exercise.

Given the impossibility of quantifying the impacts arising from the stress tests before the stress tests are conducted, there can be no assurance where the EBA and other relevant Supervisory Authorities conduct new comprehensive assessment exercises (or stress test exercises or asset quality review exercises) that the Issuer will meet the minimum parameters. In the event of bankruptcy, the Issuer could be subject to ECB measures that, among other things, could require the implementation of new capitalization actions or other appropriate measures to address the capital shortfalls found in the Bank's own funds, with potentially negative impact on the business and the economic, capital and/or financial condition of the Bank and/or the Group.”

DOCUMENTS INCORPORATED BY REFERENCE

On 1 June 2023, the Issuer published on the Issuer’s website the press release headed “*Banca MPS: Moody’s improves outlook from stable to positive. Affirmed the bank’s ratings already upgraded in February by two/three notches*” (the “**Second Moody’s Press Release**”) which is available at https://www.gruppomps.it/static/upload/202/20230601-pr_moody-s-rating-mps.pdf.

On 28 July 2023, the Issuer published on the Issuer’s website the press release headed “*MPS: 2023 EBA EU-wide stress test results; best ever results, confirming the strong solidity achieved by the Group*” (the “**2023 Stress Test Press Release**”) which is available at <https://www.gruppomps.it/static/upload/202/20230728-eng-cs-mps-risultati-stress-test-vf.pdf>.

On 4 August 2023, the Issuer published on the Issuer’s website the consolidated half-yearly financial statements of the Group for the period ended 30 June 2023 (the “**2023 Consolidated Half-Yearly Report**”), which is available at https://www.gruppomps.it/static/upload/_con/consolidated-half_yearly_report_2023.pdf.

A copy of the Second Moody’s Press Release, the 2023 Stress Test Press Release and the 2023 Consolidated Half-Yearly Report have been filed with the *Commission de Surveillance du Secteur Financier (CSSF)* and, by virtue of this Supplement, they are incorporated by reference in, and form part of, the Base Prospectus.

The “*Documents Incorporated by Reference*” section on pages 76-78 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 76 of the Base Prospectus is hereby supplemented as follows:

- “(n) the consolidated half-yearly financial statements of the Group for the period ended 30 June 2023 contained in the consolidated half yearly report as at 30 June 2023 https://www.gruppomps.it/static/upload/_con/consolidated-half_yearly_report_2023.pdf (see cross-reference table below);
- (o) the press release headed “*Banca MPS: Moody’s improves outlook from stable to positive. Affirmed the bank’s ratings already upgraded in February by two/three notches*” (https://www.gruppomps.it/static/upload/202/20230601-pr_moody-s-rating-mps.pdf) (see cross-reference table below);
- (p) the press release headed “*MPS: 2023 EBA EU-wide stress test results; best ever results, confirming the strong solidity achieved by the Group*” (<https://www.gruppomps.it/static/upload/202/20230728-eng-cs-mps-risultati-stress-test-vf.pdf>) (see cross-reference table below).”

B. The table set out under sub-section “*Cross-reference table*” on pages 76-78 of the Base Prospectus is hereby supplemented as follows:

Group’s Consolidated Half Yearly Report as at 30 June 2023 (the “ 2023 Consolidated Half-Yearly Report ”)	Half-Yearly Report on Operations	pp. 3-24
	Condensed Consolidated Half-Yearly Financial Statements	p. 25
	Consolidated balance sheet	pp. 26-27
	Consolidated income statement	p. 28
	Consolidated statement of comprehensive income	p. 29

	Consolidated statement of changes in equity – 30 June 2023	p. 30
	Consolidated statement of changes in equity – 30 June 2022	p. 31
	Consolidated cash flow statement – indirect method	p. 32
	Explanatory Notes	pp. 33-135
	Certification of condensed consolidated half-yearly financial statements pursuant to art. 81-ter of CONSOB Regulation No. 11971 of 14 May 1999, as subsequently amended and supplemented	p. 136
	Independent Auditors' Report	p. 137
Press Release headed " <i>Banca MPS: Moody's improves outlook from stable to positive. Affirmed the bank's ratings already upgraded in February by two/three notches</i> " (the " Second Moody's Press Release ")	Entire document	All
Press Release headed " <i>MPS: 2023 EBA EU-wide stress test results; best ever results, confirming the strong solidity achieved by the Group</i> " (the " 2023 Stress Test Press Release ")	Entire document	All

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

The “*Banca Monte dei Paschi di Siena S.p.A.*” section on pages 152-190 of the Base Prospectus is amended as follows:

- A. The “*Ratings*” sub-section on pages 156-157 of the Base Prospectus shall be deleted in its entirety and replaced by the following paragraph:

“On 17 May 2023, DBRS has upgraded the Bank’s ratings by one notch, upgrading the Intrinsic Assessment (“IA”) and the long-term senior unsecured debt to “BB (low)” from “B (high)”, and the long-term deposit rating to “BB” from “BB (low)”. The subordinated debt rating has been upgraded by two notches to “B (low)” from “CCC”. The trend on all ratings is confirmed “stable”.

On 16 February 2023 Moody’s has improved the Bank’s ratings by two notches, upgrading the Baseline Credit Assessment (“BCA”) to “b1” from “b3”, the long-term deposit rating to “Ba2” from “B1” and the subordinated debt rating to “B2” from “Caa1”. The long-term senior unsecured debt rating has been upgraded by three notches to “B1” from “Caa1”. On 31 May 2023 Moody’s improved the outlook on long-term deposit and senior unsecured debt ratings from “stable” to “positive”.

On 24 November 2022 Fitch completed its annual review, resulting in the decision to upgrade the Long-Term Issuer Default Rating (“IDR”) to “B+” from “B” and the Viability Rating (“VR”) to “b+” from “b”. The outlook has improved to “stable” from “evolving”.

Ratings Agencies	Long term rating	Outlook	Short term rating	Outlook	Last updated
Moody’s	B1 ¹	Positive	(P)NP ²	-	31 May 2023
Fitch	B+	Stable	B ³	-	24 November 2022
DBRS	BB (low) ¹	Stable	R-4 ⁴	Stable	17 May 2023

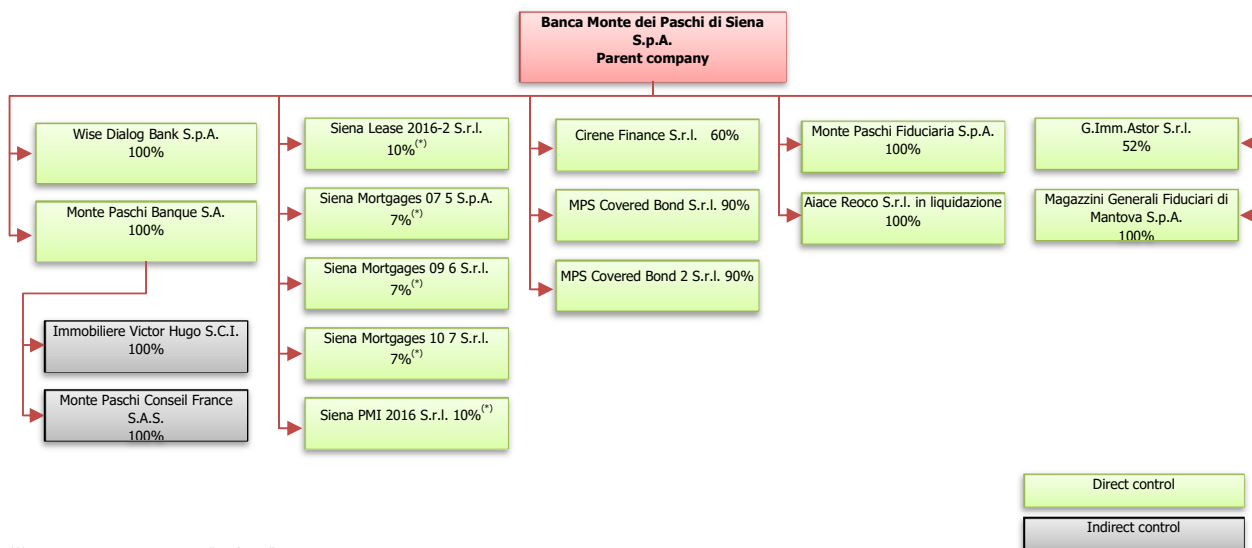
¹ Senior Unsecured debt rating.

² 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).

³ Pursuant to the rating scale of Fitch Ratings, “B” rating refers to minimal capacity for timely payment of financial commitments, plus heightened vulnerability to adverse changes in financial and economic conditions in the in short term.

⁴ Pursuant to the rating scale of DBRS, “R-4” rating refers to a short-term security (or to a short-term securities portfolio) with a highly speculative grade whose short-term redemption capacity is uncertain.

B. The group chart in “Principal companies of the BMPS Group” sub-section on page 157 of the Base Prospectus shall be deleted in its entirety and replaced by the following chart:



C. The “Group overview” sub-paragraph in “Organisational structure” paragraph of “BMPS Group Profile” sub-section on pages 158-159 of the Base Prospectus shall be deleted in its entirety and replaced by the following sub-paragraph:

“Group overview

The BMPS Group is a financial, credit, insurance, integrated and multi-market entity, characterised by an organisation based on:

- a central direction and management coordination structure represented by BMPS as parent company of the Group, which also carries out operational activities on behalf of the commercial network;
- a production structure dedicated to the development of specialist financial instruments to offer the market;
- a distribution structure, consisting of the business units of both BMPS and Banca Widiba, with a network of financial advisors.

The BMPS Group’s operations focus on traditional retail and commercial banking services, with activities prevalent in Italy.

The Group is also active in business areas such as leasing, factoring, corporate finance and investment banking. The insurance-pension sector is covered by a strategic partnership with AXA while asset management activities are based on the offer of investment products of independent third parties.

The Group combines traditional services offered through the network of branches and specialised centres with an innovative self-service and digital services system enhanced by the skills of the Widiba financial advisor network.

Foreign banking operations are focused on supporting the internationalisation processes of corporate clients in all major foreign financial markets.

BMPS Group is also present in specific non-banking business areas with the aim of directly controlling economic areas of particular interest, such as companies operating in the viticulture sector (MPS Poggio Bonelli) and the agricultural sector (Magazzini Generali).

Intragroup transactions primarily regard the financial support from the Bank as parent company to other companies, outsourcing services relative to the auxiliary activities provided by the Bank as parent company (IT services, administrative services and property administration).

The BMPS Group's organisational structure as at the date of this Base Prospectus is set out below



**GRUPPO MONTEPASCHI
ORGANIZATIONAL MODEL**



FIDUCIARIA

”

- D.** The following wording shall be added at the end of sub-paragraph “9.2 *Inspection activity on anti-money laundering*” of paragraph titled “9. *ECB/Bank of Italy and Consob inspections during the period 2015-2022*” on page 162 of the Base Prospectus:

“In November 2022, the Bank of Italy's Anti-Money Laundering Supervision Division II performed an inspection at Banca Widiba, aimed to verify the controls adopted by the Bank to mitigate the money laundering risks associated with the digital on-boarding process.

In December 2022, the Bank of Italy communicated the outcome of the review, signaling some needs of strengthening.

The findings of the Supervisory Authority were duly taken into consideration and the Bank's response letter, attached by the corrective measures included in the 2023 AML-CFT Plan and with its contents approved by the Widiba Board of Directors, was sent to Bank of Italy on 4 April 2023.”

- E.** The “*Legal Proceedings*” sub-section on pages 167 - 190 shall be amended as follows:

1. After the fourth sub-paragraph of the paragraph titled “*10.1 Judicial and arbitration proceedings*” on page 168 of the Base Prospectus, the following sub-paragraph shall be added:

“It should be noted that, in accordance to IAS 37, the amount of *petitum* indicated includes all disputes for which the risk of economic resources disbursement deriving from the potential loss has been assessed as probable or possible and, therefore, does not include disputes for which the risk as been assessed as remote.”

2. The fifth and the sixth sub-paragraphs of the paragraph titled “*10.1 Judicial and arbitration proceedings*” on page 168 of the Base Prospectus shall be deleted in their entirety and replaced by the following sub-paragraphs:

“On 30 June 2023 the following legal disputes and out-of-court claims were pending:

- legal disputes with a *petitum*, where quantified, of Euro 4.1 billion (rounded). In particular:
 - Euro 2.2 billion (rounded) in claims regarding disputes classified as having a “probable” risk of losing the case;
 - Euro 1.9 billion (rounded) in claims attributable to disputes classified as having a “possible” risk of losing the case;
- out-of-court claims totalling, where quantified, Euro 2.3 billion (rounded), of which Euro 1,8 billion (rounded) related to claims classified at “probable” risk of losing the case, and Euro 0.5 billion (rounded) related to claims classified at “possible” risk of losing the case.

The overall *petitum* for tax proceedings of the Group is equal to Euro 40.0 million (rounded) while the overall *petitum* relating to the passive labour proceedings is equal to Euro 68.0 million (including the labour proceedings brought by certain employees of Fruendo S.r.l.) almost entirely relating to the Bank.”

3. The last sub-paragraph of the paragraph titled “*10.1 Judicial and arbitration proceedings*” on page 168 of the Base Prospectus shall be deleted in its entirety and replaced by the following sub-paragraph:

“For more information in this respect, reference is made to the paragraph “*Main types of legal, employment and tax risks*” of the 2022 Consolidated Financial Statements and paragraph “*Main types of legal, employment and tax risks*” of the 2023 Consolidated Half-Yearly Report.”

4. The last sub-paragraph of the paragraph titled “*10.2 Disputes related to criminal investigations and legal affairs in 2012 and 2013*” on page 169 of the Base Prospectus shall be deleted in its entirety and replaced by the following sub-paragraph:

“For more information in this respect, reference is made to the paragraph “*Main types of legal, employment and tax risks*” of the 2022 Consolidated Financial Statements and paragraph “*Main types of legal, employment and tax risks*” of the 2023 Consolidated Half-Yearly Report.”

5. The paragraph titled “10.2.1 Criminal investigations and proceedings” on pages 170 to 173 of the Base Prospectus shall be deleted in its entirety and replaced by the following paragraph:

“10.2.1 Criminal investigations and proceedings

(A) Proceedings no. 29634/14 and no. 13756/20

Proceedings no. 29634/14

With respect to the criminal proceeding related to the structured term repurchase agreements for the “Alexandria” and “Santorini” transactions that the Bank entered into with Nomura International PLC (“**Nomura**”) and Deutsche Bank AG and Deutsche Bank AG London Branch, respectively, the criminal acts alleged to have been committed by the persons under investigation are related to the financial statements as of 31 December 2009, 2010, 2011 and 2012 and the balance sheets as of 31 March 2012, 30 June 2012 and as of 30 September 2012.

During March 2016, this proceeding was combined with the other criminal proceedings pending before the Court of Milan relating to the “Santorini”, “FRESH 2008” and “Chianti Classico” transactions. With its order of 13 May 2016, the Milan Court of the Preliminary Hearing (“**GUP**”) admitted the filing and the admissibility of claims made by civil parties against entities already party to the proceedings pursuant to Italian Legislative Decree n. 231/2001.

On 2 July 2016, with the consent of the public prosecutor’s office, the Bank submitted a plea agreement in the criminal proceedings before the GUP in response to the prosecutor’s charges relating to compliance with Italian Legislative Decree n. 231/2001.

Following the plea bargain, the Issuer’s position was removed, limiting the consequences to a pecuniary administrative sanction of EUR 600 thousand and a confiscation of EUR 10 million, without exposing itself to the risk of greater penalties.

During the proceedings, by order of 6 April 2017 the Court of Milan decided on the requests for the exclusion of civil parties submitted by the defence teams of the defendants and the civilly liable parties, excluding several civil parties. In addition, the claim of damages as a civil party by the Issuer was also excluded on the assumption of its contributory liability with respect to some defendants.

On 8 November 2019, the Court read the conclusion of the ruling in first instance by convicting all defendant natural persons, and pursuant to Italian Legislative Decree 231/2001, the legal persons of Deutsche Bank AG and Nomura International PLC. The reasons were filed on 12 May 2020.

The Issuer, as civilly liable party (not accused pursuant to Legislative Decree 231/2001 as a result of a previous plea bargaining) was convicted – jointly with the accused natural persons and the two foreign banks – and ordered to pay damages to the civil parties still making an appearance, to be settled in separate civil proceedings, the Court having rejected the request to make an amount available on a provisional and immediately enforceable basis, pursuant to article 539 of the Italian Code of Criminal Procedure.

The Issuer filed an appeal before the Court of Appeal of Milan against the ruling of first instance, as the civilly liable party, jointly and severally liable with the defendants. The first

hearing of the appeal judgment was held on 2 December 2021 where some civil parties revoked their appearance as a result of the transactions that took place with the Issuer.

On 6 May 2022, the Court of Appeal of Milan, Second Criminal Division, acquitted all the defendants in the trial with a broad formula, highlighting that the “there is no case to answer”
On 16 November 2022, an appeal was lodged with the Court of Cassation by both the Attorney General's Office at the Court of Appeal of Milan and Consob. The appeals will be discussed at the hearing on 11 October 2023 before the V Criminal division of the Court of Cassation.

Proceedings no. 13756/20

This criminal proceeding originates from the transmission of the documents to the Milan Public Prosecutor's Office ordered in the first instance ruling in criminal trial no. 29634/14, as, during the hearing of oral arguments, relevant elements and circumstances emerged against two former managers of the Issuer not involved in criminal proceedings no. 29634/14 regarding the construction, completion and accounting of the FRESH, Santorini and Alexandria transactions.

It should be remembered in this regard that, as mentioned previously, on 6 May 2022 the Court of Appeal of Milan acquitted all the defendants in criminal proceedings no. 29634/14 with a broad formula, highlighting that the “there is no case to answer”.

As part of criminal proceedings no. 13756/20, CONSOB filed an action as aggrieved party in criminal proceeding which requested and obtained, with the authorisation of the Preliminary Hearing Judge of 13 February 2023, the summons of the Bank as civilly liable party pursuant to article 2049 of the Italian Civil Code for the offence of market manipulation, with reference to the financial statements relating to the years 2008, 2009, 2010, 2011 and the accounting situations as at 31 March, 30 June and 30 September 2012 challenged to the aforementioned former executives, with a claim for damages to be quantified during the trial. At the hearing on 4 May 2023, the Issuer appeared in proceedings as a civilly liable party. The Court adjourned the proceedings to the hearing of 14 September 2023 pending the Court of Cassation hearing date for the main proceedings no. 29634/14, Court of Milan.

(B) Proceedings before the Court of Milan no. 955/2016

On 12 May 2017 the committal for trial of the representatives Alessandro Profumo, Viola Fabrizio and Salvadori Paolo was requested within new criminal proceedings before the Court of Milan, in which they were charged with false corporate disclosures (article 2622 of the Italian Civil Code) in relation to the accounting of the “Santorini” and “Alexandria” transactions with reference to the Issuer’s financial statements, reports and other corporate communications from 31 December 2012 to 31 December 2014 and with reference to the half-yearly report as at 30 June 2015, as well as market manipulation (article 185 of the Italian Legislative Decree no. 58/1998) in relation to the disclosures to the public concerning the approval of the financial statements and the balance sheets specified above.

Following the formalisation of the appearance before the court by the Issuer, the Public Prosecutor requested the issue of a pronouncement of acquittal because there is no case to answer or because the act does not constitute an offence depending on the charge in question. On the outcome of the hearing, the schedule was updated on 13, 20 and 27 April 2018 for the continuance of discussion and the possible issue of the final ruling of the preliminary hearing.

Following the outcome of the preliminary hearing, the Preliminary Hearing Judge found no grounds for a decision not to proceed to judgement and ordered the committal for trial of the defendants, natural persons (Messrs. Viola, Profumo and Salvadori) and the Issuer (as entity liable pursuant to Italian Legislative Decree no. 231/2001). Only Mr Salvadori was found not to be subject to proceedings for the charge pursuant to article 185 of the Italian Legislative Decree no. 58/1998.

At the hearing on 16 June 2020, following the indictment, the representatives of the Public Prosecutor's office requested the acquittal of the defendants.

On 15 October 2020, the Court of Milan read the conclusion of the ruling of first instance, registered under number 10748/20, sentencing all accused natural persons and the Issuer pursuant to Italian Legislative Decree no. 231/2001. The reasons were filed on 7 April 2021.

In its reasons, the Court analysed the conduct with which the defendants were charged with reference to the incriminating circumstances pursuant to article 2622 of the Italian Civil Code (false disclosure) and pursuant to article 185 of the Italian Legislative Decree no. 58/1998 (market manipulation) and confirmed the grounds of the administrative offences with which the Issuer was charged pursuant to articles 5, 6, 8 and 25 ter, letter b) of Italian Legislative Decree no. 231/2001, limited to the offence of false disclosure in relation to the 2012 financial statements and the 2015 half-yearly report, as well as pursuant to articles 5, 8 and 25 sexies of Italian Legislative Decree no. 231/2001 due to market manipulation relating to press releases concerning the approval of the financial statements as at 31 December 2012, 31 December 2013, 31 December 2014 and the half-yearly report as at 30 June 2015, imposing an administrative fine of EUR 0.8 million.

With reference to the Issuer's position as civilly liable party, the grounds of the ruling explained the reasons for the generic sentencing to provide compensation for damages based on which demands for relief from civil parties may be accepted, pursuant to article 2049 of the Italian Civil Code, in separate civil proceedings.

The Issuer filed an appeal before the Court of Appeal of Milan against the ruling of first instance, as the civilly liable party, jointly and severally liable with the defendants, having administrative liability under Italian Legislative Decree no. 231/2001.

In addition, an appeal was also lodged not only by the defendants but also by the counsels for the defence of some civil parties, while 27 civil parties, withdrew their appeal. At the first hearing held on 31 March 2023 before the second criminal division of the Court of Appeal of Milan, the General Public Prosecutor and some civil parties discussed and presented written conclusions. At the subsequent hearings held on 6 April 2023, 28 April 2023, 19 May 2023 and 16 June 2023 the remaining appellant and non-appellant civil parties, the counsels of the defendants and the civilly liable party discussed and submitted written conclusions.

The court adjourned the discussion until 27 October 2023, for replies.

(C) *Audits of the 2012, 2013, 2014 and 2015 interim financial statements in respect of the Non-performing loans – Proceeding 33714/2016*

In relation to criminal proceeding no. 33714/16 pending before the Milan Attorney General's Office, the Issuer was originally implicated as administrative manager pursuant to Legislative Decree no. 231/2001 in connection with an allegation of false corporate communications (pursuant to article 2622 of the Italian Civil Code) relating to the 2012,

2013, 2014 Financial Statements and the 2015 half-yearly report due to the alleged overstatement of so-called non-performing loans.

On 4 May 2018, the Issuer's position was dismissed by the Public Prosecutor's Office due to the groundlessness of the crime (a measure also confirmed by the General Prosecutor's Office on 15 March 2019).

On 25 July 2019, the Preliminary Investigations Judge of the Court of Milan, on the one hand, acknowledged the dismissal of the proceedings against the Issuer, as the liable entity pursuant to Legislative Decree No. 231/2001 (moreover, the Issuer had also taken on the role of injured party in the proceedings) and, on the other hand, ordered the continuation of the investigations of the defendant natural persons (i.e. chairman of the Board of Directors, CEO and pro-tempore Chairman of the Board of Statutory Auditors) thus rejecting the Public Prosecutor's request for the case to be dismissed (supported by a detailed expert report prepared in the interest of the Public Prosecutor's Office). The investigations continued in the form of an evidence gathering procedure (in which the Issuer did not participate) during which two experts were appointed by the Preliminary Investigations Judge, who, on 30 April 2021, filed their report. The questions posed to the experts mainly concerned the verification of the correctness and timeliness of the adjustments to non-performing loans recorded by the Issuer in the period from 2012 to 2017 in compliance with the accrual principle and the other accounting standards in force at the time of the events.

The conclusions of the experts (which contradicted those of the experts initially called upon by the Public Prosecutor's Office) were then included in the notice of conclusion of the investigation.

At the hearing on 8 June 2021, the evidence gathering procedure was closed and the Preliminary Investigations Judge forwarded the documents to the Public Prosecutor's Office assigning it a deadline of 45 days to carry out any further investigations and make their determinations.

As part of this further investigation phase, the Public Prosecutor ordered two new technical consultations. In particular, on 16 November 2021, the Public Prosecutor instructed two additional consultants to review the documentation related to the 100 positions for which the ECB, in the context of the 2015-2016 inspection, had indicated the greater difference between the provisions set aside by the Bank and those indicated by the same Supervisory Authority, in order to identify the actual effect of such deviation.

This analysis was concluded with the preparation of further technical advice. The Public Prosecutor's consultants, while finding some alleged accounting errors, came to different conclusions from those of the expert report ordered by the Preliminary Investigations Judge in 2020 on the same credit positions.

In addition, the Public Prosecutor instructed two officials of the Bank of Italy to review the effects on regulatory capital of major adjustments to non-performing loans that the Bank would have had to make in the financial years covered by the above-mentioned 2020 report. In this case, too, the two appointees have filed their own expert opinion.

On 25 February 2022, the Preliminary Investigations Judge informed the defendants of the extension of the deadline for the conclusion of the investigation (until 31 May 2022) requested by the Public Prosecutor.

On 16 September 2022, a notice was received concerning the conclusion of preliminary investigations pursuant to article 415-bis of the Code of Criminal Procedure against three

former members of the Issuer (two Chairmen of the Board of Directors and one Chief Executive Officer) and a former Executive manager (responsible for the preparation of corporate accounting documents). Despite the previous dismissal, the Issuer also received the same notice as party bearing administrative liability pursuant to Italian Legislative Decree 231/01. On 14 December 2022, a request for committal for trial was issued against the aforementioned exponents and the former Executive manager; on 12 December 2022, the Issuer's position as administrative manager pursuant to 231 Model was instead eliminated.

The natural persons are charged with the offences of false corporate communications (pursuant to article 2622 of the Italian Civil Code) and market manipulation (pursuant to article 185 of the Italian Legislative Decree no. 58/1998) with reference to the 2013-2014-2015 Financial Statements and the 2015-2016 half-yearly reports, as well as of false accounting statements (pursuant to article 173-bis of the Italian Legislative Decree no. 58/1998) in relation to the 2014-2015 prospectuses.

According to the charges, in the above-mentioned corporate communications, the defendants allegedly posted adjustments relating to non-performing loans in violation of accounting standards, thereby misrepresenting the economic and financial position of the Issuer. According to the accusation, this misrepresentation was also reflected in the communications and statements contextually released by the Issuer.

The Bank, as party bearing administrative liability still under investigation despite the withdrawal order mentioned above, is charged with the administrative offences under articles 5, 6, 7, 8 and 25-ter, letter b) and 25-sexies of Legislative Decree no. 231/2001, arising from the aforementioned cases of false corporate communications and market manipulation.

At the first preliminary hearing held on 12 May 2023, more than 4,000 civil parties entered an appearance as aggrieved party. The preliminary hearing continued on 26 June 2023, when new civil parties appeared, for a total number of over 5,000 parties. Consob and Bank of Italy did not appear as civil parties. Almost all the civil parties requested the summoning of the Issuer as civilly liable party.

At the hearing on 26 June 2023, the Judge ruled that no further appearance as civil parties would be admitted. Furthermore, considering that the full scanning by the court's clerk of documents filed at the hearing of 12 May, had been made available only on 23 June 2023, considering also the additional set of documents filed at the hearing of 26 June 2023, in order to allow the defendant to exercise their right, the Judge postponed the hearing previously scheduled for 10 July and 18 September 2023, to 10 November and 1 December 2023.

For the same reasons, the Judge of Preliminary Hearing reserved the right to decide on the petitions for the summoning of the civil liability and represent that the decree to summon the civilly responsible party will be filed by 15 September 2023."

6. The paragraph titled "*10.2.2 Civil Proceedings*" on pages 173 to 176 of the Base Prospectus shall be deleted in its entirety and replaced by the following paragraph:

"10.2.2 Civil Proceedings

- (A) *Litigation and Out-of-Court Requests Related to Financial Information Disseminated in the 2008-2015 period*

The Bank is exposed to civil proceedings, the effects of judgments arising from criminal proceedings (29634/14, 955/16 and 33714/16) and out-of-court requests with regard to financial information disseminated in the period from 2008 to 2015. On 30 June 2023, the overall *petitum* in relation to disputes and out-of-court claims related to financial information distributed in the 2008-2015 period, amounted to Euro 4,1 billion (rounded). Specifically Euro 1.8 billion (rounded) of the civil proceedings related to the suits brought by the shareholders in the context of 2008, 2011, 2014 and 2015 capital increases, of which Euro 0.27 billion requested by civil claimants, where quantified, related to the criminal proceedings no. 29634/14 and no. 955/16.

The detailed analysis of the grounds of the verdict and the breadth of the acquittal of all defendants, resulted in the reclassification, since the third quarter of 2022, of the risk of losing from “likely” to “possible” for legal disputes (of which EUR 741 million refers to Caltagirone Group), civil actions in criminal proceedings 29634/14 and out-of-court claims concerning disputes relating to the 2008-2011 period.

As at 30 June 2023, litigation and out-of-court claims concerning period after 2011 were reclassified to “likely” risk following the ruling of 15 October 2020 concerning criminal proceedings 955/2016 and those connected to criminal proceedings 33714/2016.

Instead, with reference to out-of-court claims classified as “likely” risk of losing the case, in order to take into account the probability of their transformation into real disputes, the provisions were determined by applying an experiential factor, in line with the Issuer policies for similar cases, to requests made by the opposing parties.

In any case, the Issuer has exercised the possibility granted by IAS 37 of not providing disclosures on the provisions allocated in the accounts since it believes that such information could seriously jeopardise its position in disputes and in potential settlement agreements.

(i) *Legal dispute Banca Monte dei Paschi di Siena S.p.A. / the holders of FRESH 2008*

Some holders of FRESH 2008 securities maturing in 2009, with writ of summons served on 15 November 2017, initiated proceedings against the Issuer, the company Mitsubishi UFJ Investors Services & Banking Luxembourg SA (which replaced the Issuer in issuing the bond loan Issuer of New York Mellon Luxembourg), the British company JP Morgan Securities PLC and the American company JP Morgan Chase Bank N.A. (which entered into a swap agreement with the bond loan issuer) so that: (i) the inapplicability of the Burden Sharing Decree to the holders of the FRESH 2008 Securities and, consequently, to hold that the said bonds cannot be forcibly converted into shares, (ii) the validity and effectiveness of the said bonds in accordance with the terms and conditions of their issue be affirmed insofar as they are governed by Luxembourg law, and, finally, (iii) it is declared that the Issuer is not entitled, in the absence of the conversion of the FRESH 2008 Securities, to obtain from JP Morgan the payment of EUR 49.9 million to the detriment of the holders of the FRESH 2008 Securities. The Court of Luxembourg, by order of 11 January 2022, dismissed the requests made by the Issuer to stay the proceedings until the ruling of the international courts with regard to the preliminary objections raised by the Issuer; on the other hand, it upheld the plea of lack of jurisdiction of the court before which the case was brought in relation to the claim concerning the usufruct contract entered into by the Issuer with JP Morgan Securities PLC and JP Morgan Chase in the context of the 2008 share capital increase transaction. In relation to the aforementioned usufruct contract, the Luxembourg Court has reserved its judgement pending the decision of the Italian Court and, on the contrary, has declared its jurisdiction in relation to the swap contract entered into by the Issuer with the same counterparties in the context of the 2008 capital increase transaction.

In view of completeness it is noted that, following the start of the proceedings in question by the holders of the FRESH 2008 Securities, the Issuer, on 19 April 2018, brought a legal action before the Court of Milan against JP Morgan Securities Ltd JP Morgan Chase Bank N.A. London Branch, as well as the representative of the FRESH 2008 securities holders and Mitsubishi Investors Services & Banking (Luxembourg) S.A. to ascertain that the Italian Judge is the only one with jurisdiction and competence to decide about the usufruct contract and the company swap agreement signed by the Issuer with the first two defendants in the context of the operation of the share capital increase in 2008. Consequently, the Bank asked:

- a. to ascertain, pursuant to Article 22, paragraph 4 of Decree 237 of 23 December 2016, the ineffectiveness of the usufruct contract and the company swap agreement that provide for payment obligations in favour of JP Morgan Securities PLC and JP Morgan Chase Bank NA;
- b. to ascertain the ineffectiveness and/or termination and/or settlement of the usufruct contract or, in the alternative;
- c. to ascertain the termination of the usufruct contract due to the capital deficiency event of 30 June 2017.

The first hearing was held on 18 December 2018 and the Investigating Judge, considering the prejudicial nature of the issue of jurisdiction raised by the defendants, in view of the fact that a dispute is pending before the Luxembourg Court involving the same relief sought and the same cause, had granted the parties terms to reply only to the procedural objections and adjourned the hearing to 16 April 2019 for assessment of the disputed issue. At the subsequent hearing on 2 July 2019, the case was held over for decision and by order of 2 December 2019, the Court of Milan ordered the proceedings to be suspended pending the decision of the aforementioned Luxembourg Court. Against this order, the Issuer had filed a petition with the Court of Cassation for the referral to a different competent court. The court has rejected the petition of the Issuer with ruling dated 31 March 2021. Fresh bond holders appealed the first instance ruling by the Luxembourg Court. The notice of appeal was filed at the end of November 2022. The Issuer - in parallel - on the basis of the ruling issued by the Luxembourg Court, filed a petition with the Italian court asking it to rule on the grounds for the termination of the usufruct contract. The Court of Milan scheduled for the continuation of the case a hearing on 12 December 2023 and ordered the notification of appeal and subsequent decree for setting the hearing by 30 September 2023.

In the event of a favourable outcome of the dispute, the FRESH 2008 Securities will be converted into the shares, already issued, of the Issuer which will also collect the amount of EUR 49.9 million, recording a corresponding economic income.

In the event of an unfavourable outcome of the dispute, the principle of burden sharing cannot be applied and therefore the bondholders will retain the right to receive the coupon (equal to Euribor 3M + 425 bps on a notional amount of EUR 1 billion) provided that the Bank generates distributable profits and pays dividends. Since the Bank has not paid dividends since the date of the burden sharing, any unfavourable outcome of the dispute will only produce prospective effects and only in the event of dividend distribution.

(ii) Dispute Banca Monte dei Paschi di Siena S.p.A./ Alken Fund Sicav and Alken Luxembourg S.A.

On 22 November 2017, the counterparties (the “**Funds**”) served a complaint on the Issuer, as well as Nomura International (“**Nomura**”), Giuseppe Mussari, Antonio Vigni, Alessandro Profumo, Fabrizio Viola and Paolo Salvadori, before the Court of Milan,

requesting that the court confirm and declare: (i) the alleged liability of the Issuer pursuant to article 94) of the Italian Legislative Decree no. 58/1998, as well as for the deeds of defendants Mussari, Vigni, Profumo and Viola pursuant to article 2935 of the Italian Civil Code due to the offences perpetrated against the plaintiffs; (ii) the alleged liability of defendants Mussari and Vigni in relation to investments made by the Funds in 2012 on the basis of false information; (iii) the alleged liability of defendants Viola, Profumo and Salvadori in relation to investments made by the Funds subsequent to 2012; and (iv) the alleged liability of Nomura pursuant to article 2043 of the Italian Civil Code and, as a result, order the Issuer and Nomura jointly and severally to provide compensation for financial damages equal to EUR 423.9 million for Alken Funds Sicav and EUR 10 million for lower management fees and reputational damage to the management company Alken Luxembourg SA, as well as jointly and severally with the Issuer and Nomura the defendants Mussari and Vigni for damages resulting from the investments made in 2012, and Viola, Profumo and Salvadori for damages subsequent to 2012. The opposing parties also requested that the defendants be ordered to provide compensation for non-financial damages upon confirmation that they were guilty of the offence of providing false corporate disclosures. The Issuer duly appeared and set out its defence. In the alternative, the Issuer applied for recourse against Nomura. It should be noted that in the judgement, four natural persons intervened, separately and independently, claiming damages for a total of approximately EUR 0.7 million. By order dated 24 July 2019, the Investigating Judge rejected Alken's petition for a court appointed expert report (CTU), deeming the case ready for decision, and adjourned the case to the hearing of 7 July 2020 for closing arguments, during which, having rejected Alken's petition to refer the case to preliminary investigation, the case was retained for decision. With ruling issued on 7 July 2021, the Court of Milan rejected all requests made by the Funds, which were ordered to refund the legal costs of the Issuer. The request of a single intervener was partially accepted, in relation to which the Issuer was ordered to pay the sum of approximately EUR 52 thousand (for principal and interest) jointly with Nomura and in part with Antonio Vigni and the lawyer Giuseppe Mussari. Both the Issuer and Nomura and the Funds appealed (the latter for a relief sought of approximately EUR 454 million) against the ruling before the Milan Court of Appeal in which the above-mentioned intervener also filed a cross-appeal against the Issuer, for a relief-sought of EUR 0.6 million, and another party, also intervened in the first instance, whose claims had been rejected by the Court. On 13 July 2022, the first hearing was held in the three pending appeal proceedings, which were ordered to be joined. The Court postponed the joined cases for closing arguments to the hearing of 5 July 2023 then anticipated to 10 May 2023 at which the case was taken under advisement in accordance with article 190 of Code of Civil Procedure for the closing and answer briefs.

(iii) Dispute York funds / BMPS, Alessandro Profumo, Fabrizio Viola, Paolo Salvadori and Nomura International plc

On 11 March 2019, the York and York Luxembourg Funds served a writ of summons to the Issuer's registered office, bringing an action before the Court of Milan (Section specialised in corporate matters) against the Issuer and Mr Alessandro Profumo, Mr Fabrizio Viola, Paolo Salvadori as well as Nomura International PLC, ordering the defendants, jointly and severally, to pay damages amounting to a total of EUR 186.7 million and - subject to an incidental finding that the offence of false corporate communications has been committed - to compensation for non-monetary damages to be paid on an equitable basis, pursuant to article 1226 of the Italian Civil Code, plus interest, revaluation, interest pursuant to article 1284, para. IV of the Italian Civil Code, and interest compound pursuant to article 1283 of the Italian Civil Code.

The plaintiffs' claim is based on alleged losses incurred as part of its investment transactions in the Issuer totalling EUR 520.3 million, carried out through the purchase of shares (investment of EUR 41.4 million by York Luxembourg) and derivative instruments (investment of EUR 478.9 million by York Funds). The plaintiffs' quantified their comprehensive losses at EUR 186.7 million.

The investment transactions challenged began in March 2014, when Messrs. Fabrizio Viola and Alessandro Profumo held the offices of CEO and Chairman, respectively, of the Issuer. The plaintiffs charge alleged unlawful behaviour by top management of the Issuer in falsifying the financial representation in financial statements, substantially modifying the assumptions used in measurements of financial instruments issued by the Issuer.

The first hearing, initially scheduled for 29 January 2020, was deferred to 4 February 2020. The Issuer duly appeared before the court. The parties filed the preliminary briefs and, at the subsequent hearing, discussed the respective preliminary requests, on which the Judge reserved the right to provide for their admission. At the hearing on 15 July 2022, the Court of Milan: (i) declared the witness evidence requested by York, Nomura, Profumo and Viola to be inadmissible and (ii) referred to the panel - following the outcome of the decision regarding the causal link - the assessment of the need to dispose of the accounting expert witness requested by York. The case was postponed to 23 November 2023, for the finalization of closing arguments.

(iv) Banca Monte dei Paschi di Siena S.p.A./Caputo + 24 other names

On 4 December 2020, Mr Giuseppe Caputo and an additional twenty-five parties (now 24 after one of the plaintiffs died) sued the Issuer before the Court of Milan to challenge the investments made by them in compliance with the share capital increases ordered by the same, or through purchases on the electronic/secondary market between 2014 and 2015. The plaintiffs claim that they have suffered serious damage as a result of the informational asymmetry created on the market by the Issuer (here, referring, moreover, to criminal proceedings R.G.N.R. 29634/14, concluded at first instance with judgement no. 13490/2019, as well as criminal proceedings R.G.N.R. 955/16, concluded at first instance with judgement no. 10748/2020), and they also argue the incorrect accounting of non-performing loans starting from the 2013 Financial Statements, (here, conversely, referring to the ongoing criminal proceedings 33714/16); they also contest the unfair business practices put in place by the Issuer, the investments in diamonds, the 2013 - 2017 Business Plan and the non-compliant business organization.

The plaintiffs therefore requested full compensation for the damage suffered equal to the entire consideration paid for the purchase of the BMPS shares, with a final quantification of the relief sought equal to approximately EUR 25.8 million and - subject to the incidental finding of the crime of false corporate communications - compensation for non-pecuniary damage to be settled on an equitable basis pursuant to article 1226 of the Italian Civil Code, plus interest and revaluation. Following the appearance of the Issuer and the first hearing, the parties filed the preliminary briefs and, at the subsequent hearing, discussed the requests formulated by the plaintiff, on which the Judge reserved the right to provide for their admission. Upon lifting the reservation, the Judge deemed it necessary to refer the case to the deliberating body in order to settle the dispute or to proceed with any expert investigations and therefore postponed the case to the hearing for closing arguments on 4 November 2022 which was then adjourned to 23 February 2023 regarding the same issues. In this date the Judge retained the case for decision, assigning the terms pursuant to Article 190 of the Code of Civil Procedure for the filing of final statements and answer briefs.

(v) Monte dei Paschi di Siena S.p.A. vs. Caltagirone Group

By a writ of summons dated 2 August 2022, the companies Caltagirone Editore SPA, Finced Srl, Capitolium Srl, Mantegna 87 srl, Vianini Lavori Spa, and Fincal Spa brought an action against the Issuer before the Court of Rome alleging that the Issuer had failed to disclose to the market information in relation to investments in MPS shares made by the six companies between 2006 and 2011.

In particular, the counterparties deduced that they had invested a total of approximately EUR 856 million in MPS securities, as well as having resold these financial instruments in the first few months of 2012, reporting a capital loss of approximately EUR 741 million.

On the assumption that such damage is directly related to the allegedly unlawful conduct of the Issuer for the dissemination of erroneous price-sensitive information since 2006, the counterparties claim compensation for damages equal to the entire capital loss suffered, attributing to this allegedly untrue representation of the Issuer's financial situation the fact that they purchased and/or maintained the MPS shares in their respective portfolios over the above-mentioned period of time.

At the first hearing on 30 January 2023, the plaintiff applied for the granting of investigation time limits, while the defendant Bank asked for the case to be sent for closing arguments, after which the Judge reserved its decision.

(vi) Monte dei Paschi di Siena S.p.A. vs. Angelino + 40

By writ of summons dated 31 December 2022, Mr Angelino and forty other persons brought legal action against the Issuer before the Court of Milan to challenge the investments made by them in compliance with the share capital increases ordered by the Bank, i.e. through purchases on the electronic secondary market of BMPS shares between 2013 and 2016. The plaintiffs claim to have suffered a serious loss as a result of the discrepancy of information disclosed on the market by the Issuer (referring both to the criminal proceedings 29634/14 and to the proceedings 955/16); the focus of the opposing objections, also as a result of the acquittal of the former management Mussari and Vigni in 2022 by the Court of Appeal of Milan, is however focused on the alleged offences committed by the former directors Viola and Profumo starting from 2012 both with references - as mentioned - to criminal proceeding 955/16 now at the appeal stage and with regard to the incorrect accounting of non-performing loans starting from the 2013 Financial Statements (in this regard, referring to criminal proceedings 33714/16); the opposing parties also contest the unfair commercial practices implemented by the Issuer, the investments in diamonds, the 2013 - 2017 Business Plan.

The plaintiffs therefore requested full compensation for the damage suffered equal to the entire consideration paid for the purchase of the BMPS shares, with a final quantification of the relief sought equal to approximately EUR 81.2 million in addition to interest and revaluation from the due date to the balance and in addition to the loss of profit; they also requested that the Issuer be sentenced to pay compensation for damages, including non-pecuniary damages, subject to the preliminary assessment of the crime of false corporate communications (article 2622 of the Italian Civil Code) and market manipulation (article 185 of the Italian Legislative Decree no. 58/1998) to be settled on an equitable basis pursuant to article 1226 of the Italian Civil Code. At the first hearing on 13 June 2023, the plaintiffs' counsel reported that – in addition to five plaintiffs already joined the civil action in the criminal proceeding R.G.N.R. 955/2016 – all the other claimants would also transfer the action for damages brought against the Bank, by appearing before the Court as aggrieved party in the criminal proceedings R.G.N.R. 33714/16 renouncing to the civil proceedings pursuant the Article 75, paragraph 1, of the Cod of Criminal Procedure. Therefore, the plaintiff requested a postponement of the hearing, to allow the appearance of claimants as

aggrieved parties in the proceedings R.G.N.R. 33714/16 withdrawing from the present case and to verify the possibility of adjourning the case for the other five named claimants. The Bank did not oppose the request.

The Judge set a new hearing pursuant to Article 183 of the Code of Civil Procedure for 17 October 2023, ordering the case to be dealt with on a paper-bases hearing.

(B) *Out-of-Court claims for the repayment of sums and/or compensation for damages by Shareholders and Investor of Banca Monte dei Paschi di Siena S.p.A. in relation to the 2008, 2011, 2014 and 2015 share capital increases*

The grand total of out-of-court claims (complaints and mediations) received by the Issuer as at 30 June 2023, relating to capital increase transactions and allegedly incorrect financial disclosures in prospectuses and/or Financial Statements and/or price-sensitive information, amounted to EUR 2.264 billion, broken down as follows:

- EUR 52 million as relief sought for claims, net of those converted to court action, relating to the period 2008-2011; classified as having a “possible” risk of losing the case
- EUR 1,979 million as relief sought for claims, net of those converted to court action, relating to the period 2014-2015 and longer time periods; in particular EUR 1,640.8 million as relief sought in dispute classified as having a “likely” risk of losing the case and EUR 337.7 million as relief sought in disputes classified as having a “possible” risk of losing the case;
- EUR 233 million as relief sought for mediations, in principal and net of previous claims, in particular EUR 166 million as relief sought in dispute for which there is “likely” risk of losing the case and EUR 67 million as relief sought in disputes for which there is a “possible” risk of losing the case; These are largely generic claims, received mainly from an advisory firm on behalf of institutional investors, in which the temporal references are not clarified (they claim losses that also refer to events that have never been disputed) and, which require particular investigation with respect to both the cause of action and the legal standing. These are in fact investors who show that they have also made investments in the name and on behalf of third parties, whose ties with the claimant are neither clarified nor documented.

In fact, the information contained in these requests is particularly lacking in this regard and stands out:

- a) for being totally generic or indefinite (i.e. such as not to allow prima facie a verification of the same nature and/or the actual content of the claim);
- b) for the absence of elements enabling the prior ascertainment of possible deficiencies in the basic requirements for the formulation of claims for compensation (for example, in cases in which the complainant is not even able to demonstrate that they have made direct investments influenced by alleged misuse of information) to be ascertained in advance;
- c) for failure to refer to appropriate documentary support that are abstractly suitable to support any claim;
- d) for the absence of precise and reliable data that allow for the investment to be temporarily allocated (and distinguished) so as to be able to appreciate (and weigh)

the unfounded profiles of the claim due to the absence of adequate demonstration of a causal link, also in light of the investment policy followed in practice by the investor.”

7. The first outline of paragraph titled “10.2.3 Disputes relating to securities subject to the Burden Sharing” on page 177 of the Base Prospectus shall be deleted in its entirety and replaced by the following:

“As of 30 June 2023, the overall *petitum* for such disputes amounted to Euro 36.1 million.”

8. Sub-paragraphs “(A) Civil dispute brought by Fatrotek S.r.l. before the Courts of Salerno”, “(B) Civil disputes instituted by Riscossione Sicilia S.p.A. and the Assessorato of Economy of Sicily before the Courts of Palermo”, “(C) Civil Case brought by Marcangeli Giunio S.r.l.” and “(D) Civil Case brought by Nuova Idea S.r.l.” under paragraph titled “10.2.5 Civil disputes arising in connection with the ordinary business of the Issuer” on pages 178 to 180 of the Base Prospectus shall be deleted in their entirety and replaced by the following sub-paragraphs:

“(A) Civil dispute brought by Fatrotek S.r.l. before the Courts of Salerno

This case, where the Issuer was sued together with other credit institutions and companies with the summons of 27 June 2007, seeks the assessment of alleged monetary and non-monetary damage suffered by the plaintiff, as a result of an alleged unlawful report filed with the Italian Central Credit Register. The relative relief sought is EUR 157 million. The plaintiff also asks that the defendant banks be found jointly liable, each proportionately to the seriousness of its behaviour. The Issuer’s defence was based on the fact that the company’s extremely severe financial situation fully justified the Issuer’s initiatives.

At the hearing on 31 May 2018, the Judge reserved his decision on the objections raised by the defendants. On 5 June 2018, the plaintiff company declared bankruptcy, which induced the Official Receivers to resume proceedings. At the end of preliminary investigation, in which a court-appointed expert’s report was carried out, the case was retained for decision on 6 October 2022, after that the Court of Salerno, with a judgement of 11 November 2022, assessed and settled only a non-financial damage, amounting to EUR 20 thousand for each bank (therefore for a total of EUR 100 thousand) plus interest and litigation costs.

The outlay attributable to the Issuer amounted to EUR 34,151.69. The positive outcome of the proceeding indicates that the appeal is not admissible but, however, it was lodged by the plaintiff company in bankruptcy with a summons served on 10 July 2023 (hearing on 15 December 2023).

“(B) Civil disputes instituted by Riscossione Sicilia S.p.A. and the Assessorato of Economy of Sicily before the Courts of Palermo

By writ of summons notified on 15 July 2016 Riscossione Sicilia S.p.A. (today the Italian Revenue Agency – Collection (also, ADER), which took over universally in all legal relationships of Riscossione Sicilia starting from 1 October 2021, pursuant to article 76 of Italian Law Decree no. 73/2021 converted with Italian Law no. 106/2021) had summoned the Issuer before the Court of Palermo, asking for it to be ordered to pay the total sum of EUR 106.8 million.

The claim of Riscossione Sicilia S.p.A. falls within the realm of the complex dealings between the Issuer and the plaintiff, originated from the disposal to Riscossione Sicilia

S.p.A. (pursuant to Italian Law Decree 203/05, converted into Law 248/05) of the equity investment held by the Issuer in Monte Paschi Serit S.p.A. (later Serit Sicilia S.p.A.).

In the preliminary phase of the proceedings, a court-appointed technical consultancy was carried out, the results of which were favourable to the Issuer. In fact, the court appointed expert not only concluded that the Issuer owes nothing to Riscossione Sicilia S.p.A., but also identified a receivable of the Issuer of roughly EUR 2.8 million, equal to the balance of the price for the sale of 60% of Serit Sicilia S.p.A. to Riscossione Sicilia S.p.A. by the Issuer (dating back to September 2006), a sum that has to date been held in escrow by Riscossione Sicilia S.p.A. With judgement no. 2350/22, filed on 30 May 2022, the Court of Palermo, essentially adhering to the conclusions of the court-appointed expert, rejected Riscossione Sicilia's counterclaims and sentenced the latter to pay the Issuer approximately EUR 2.9 million plus legal interest and court fees.

This judgment was appealed on 27 December 2022 by summons before the Court of Appeal of Palermo. The Bank appeared before the Court on 15 April lodging a cross-appeal. The first appearance at the hearing of 5 May 2023 was held in written form; the Bank is awaiting the communication regarding the date of next hearing.

On 17 July 2018, the Finance Department of the Sicily Region sent to the Issuer an order of injunction pursuant to article 2 of Italian Royal Decree no. 639/1910 and of repayment, pursuant to article 823, paragraph 2 of the Italian Civil Code, of the amount of around EUR 68.6 million, assigning the Issuer the term of 30 days to make the payment with the warning that, in the event of failure to do so, it will proceed with the forced recovery through the registration of the claim. The Sicily Region filed a petition for the summons of Riscossione Sicilia, resulting in the postponement of the first appearance hearing, which was held on 26 September 2019 and in which the Judge, upon acknowledging the statements provided by the parties, set out the terms for lodging the statements pursuant to article 183 of the Italian Code of Civil Procedure and adjourned to an evidentiary hearing scheduled for 26 November 2020. On that occasion, the Issuer asked for the hearing closing arguments to be scheduled, requesting the Court to verify the action had become devoid of purpose, as Riscossione Sicilia during the proceedings had proved that the receivable claimed by the Sicily Region had been fully cancelled.

With ruling no. 3649/2021, published on 4 October 2021 and notified on 5 October 2021, the Court of Palermo rejected the Issuer's opposition against the aforementioned order with simultaneous condemnation of the Issuer to pay the litigation costs. The Issuer lodged an appeal against this decision before the Palermo Court of Appeal. By order filed on 11 February 2022, the Court of Appeal ordered the integration of the cross-examination against the Italian Revenue Agency - Collection, as successor of Riscossione Sicilia S.p.A., ordering it to appear at the hearing scheduled for 1 July 2022, during which time the case was postponed to the hearing of 22 November 2024 for the presentation of closing arguments.

For the sake of completeness, it should be noted that the Issuer has also filed an administrative case before the Regional Administrative Court of Sicily - Palermo office for the declaration of nullity and/or annulment of the injunction order pursuant to article 2 of Italian Royal Decree no. 639/1910, notified by the Department on 17 July 2018, by appeal lodged on 16 October 2018 (RG 2201/2018).

The appeal concerns the challenging of the Order of injunction in the part in which, "alternatively, pursuant to article 823, paragraph 2 of the Italian Civil Code, it orders Banca Monte dei Paschi di Siena (...) to return to the Sicily Region, within the same period of 30

days from receipt of the present, the amount of approximately EUR 68.6 million plus interest at the rate established by special legislation for late payment in commercial transactions, as provided for in paragraph 4 of article 1284 of the Italian Civil Code”.

The Department appeared via the Avvocatura dello Stato (office of the State Attorney) on 15 November 2018. The Regional Administrative Court has set 13 November 2023 as the date for the so-called “disposal” hearing, at which the interest in pursuing the case will have to be confirmed or not. On 20 December 2022, the law firm defending the Issuer indicated that “the continuation of the aforesaid administrative lawsuit appears to be of likely futility given that the Sicilian Region has already obtained the enforceable measure in civil proceedings.

Moreover, following the notification of the tax bill against the registration of the claim brought by judgement No. 3649/2021 of the Court of Palermo “for the recovery of amounts under Injunction Order 16465/2018”, the Issuer contested the execution and the file as an enforceable act pursuant to article 615 of the Italian Code of Civil Procedure before the Court of Siena with a summons dated 21 November 2022 and filed an application to suspend the enforceability of the act.

At the same time, the Issuer filed a petition with the Court of Auditors on 21 November 2022 pursuant to article 172 paragraph 1 letter d) of the Italian Accounting Justice Code to annul the acts for the recovery of the amounts.

Finally, the Issuer, on 16 November 2022, petitioned ADER pursuant to Italian Law no. 228/2012 to obtain a suspension of the recovery of the amount due under the tax bill. On 25 January 2023, the Bank was notified by the Sicilian Regional Department of the Economy of a formal notice of rejection of said petition. Consequently, on 27 January 2023, the payment of the amount of EUR 74 million was ordered, and the necessary steps are underway to recover the aforementioned credit of about EUR 68.6 million from ADER, to which the Issuer is entitled, as the sole successor of Riscossione Sicilia.

(C) Civil Case brought by Marcangeli Junio S.r.l.

With a writ of summons, notified on 28 November 2019, the claimant Marcangeli Junio S.r.l. asked the Court of Siena to assess, first and foremost, the contractual liability of the Issuer for not issuing a loan of EUR 24.2 million - necessary to the purchase of land and the construction of a shopping mall with spaces to be leased or sold – and subsequently the conviction of the Issuer with order to pay compensation for damages and loss of profit in the amount of EUR 43.3 million. As an alternative, in view of the facts specified in the writ of summons, a request is made for the Issuer to be found pre-contractually liable for having interrupted the negotiations with the company without disbursing the agreed loan, and to be ordered to pay compensation in the same amount asked first and foremost.

In a judgment filed on 6 June 2022, the Court of Siena rejected the plaintiff company's claims for damages on the grounds of contractual and extra-contractual liability. The Court only upheld the restitutory claim brought by the opposing party with regard to the allegedly unlawful interest applied in connection with the land advances, quantified in EUR 58,038.27, plus legal interest, and splitting the costs. By summons dated 23 December 2022, the company filed an appeal before the Court of Appeal of Florence with first appearance hearing on 15 May 2023. The Bank duly entered an appearance. At the hearing on 26 May 2023, the case was retained for decisions and the legal deadlines were set for the drafting of closing arguments.

(D) Civil Case brought by Nuova Idea S.r.l.

With a writ of summons notified on 21 December 2021, Nuova Idea S.r.l. summoned the Issuer before the Court of Caltanissetta in order to have it declare that it was obliged to compensate all the damages, financial and non-financial, suffered by the company as a consequence of the protest of a bill of EUR 2,947 domiciled at the Caltanissetta Branch, which according to the plaintiff's prospect would have been raised due to the Issuer's exclusive negligence.

The plaintiff argues that the illegitimate protest constituted the only causal antecedent of a chain of events described in the writ of summons which resulted in the net reduction of its shareholdings in a Temporary Grouping of Companies awarded a service contract with ASL Napoli 1 Centro, consequently requesting, principally, that the Issuer was ordered to pay in its favour the amount of EUR 57.3 million by way of loss of earnings as well as an amount of EUR 2.8 million by way of loss of profit, and thus a total of EUR 60.1 million, in addition to compensation for damage to the corporate image and commercial reputation to be paid on an equitable basis.

The first appearance hearing, indicated in the summons as 29 April 2022, was postponed to 4 May 2022. The Issuer promptly appeared, stating the correctness of the behaviour taken when the protest was raised and the absence of any causal link between the Issuer's actions and the alleged damage. The Judge lifting his reservation on the parties' preliminary motions formulated at the hearing of 29 March 2023, admitted the testimonial evidence. At the hearing of 19 May 2023, the witnesses were examined, and the Honorary Judge of the Peace (in Italian G.O.P.) closed the case and remitted the file to the competent Judge for the hearing on 12 July, since at that hearing the parties insisted on their respective preliminary requests, the Judge reserved his decision."

9. After sub-paragraph "(D) Civil Case brought by Nuova Idea S.r.l." under paragraph titled "10.2.5 Civil disputes arising in connection with the ordinary business of the Issuer" on page 180 of the Base Prospectus, the following sub-paragraph shall be added:

"(E) Banca Monte dei Paschi di Siena S.p.A. vs. EUR S.p.A.

The company EUR S.p.A. sued the former subsidiary MPS Capital Services Banca per le imprese S.p.A. (now merged by incorporation into the Issuer) at the Court of Rome, together with three other lending banks, primarily in order to obtain a declaration of invalidity or, alternatively, the cancellation and/or ineffectiveness of the following contracts: 1) Interest rate swap (IRS) concluded on 24 April 2009; 2) IRS of 29 July 2010; 3) the Novation Confirmation of 15 July 2010, with which the IRS sub 2 was transferred from Eur Congressi S.p.A. to EUR S.p.A.; 4) the close out contract dated 29 July 2010 relating to IRS sub 1; 5) the Termination Agreement of 18 December 2015 relating to IRS sub 2. Again primarily, the plaintiff seeks the condemnation of the banks in the pool, jointly and severally, by way of restitution of the debt and compensation for pre-contractual and/or contractual and/or non-contractual damage, to the payment of approximately EUR 57.7 million representing the relief sought as indicated by the plaintiff.

Since this amount relates to all the derivatives concluded by the 4 banks in the pool with EUR S.p.A., it should be noted that in the unlikely event of losing, MPS Capital Services Banca per le imprese S.p.A. having been sentenced to pay the compensation, will be able to distribute the amount paid with the other banks in the pool due to its stake in the loan, which for MPS Capital Services Banca per le imprese S.p.A. is 12.61%.

MPS Capital Services Banca per le imprese S.p.A. appeared in court to have the full validity of its actions recognised and to request the rejection of the plaintiff's claims. In the defence and answer, MPS Capital Services Banca per le Imprese S.p.A. objected in *limine litis* the

lack of jurisdiction of the court, given that the contracts regulating derivative operations between the subsidiary and EUR S.p.A. consist of ISDA Master Agreements governed by English law and subject to the jurisdiction of the Anglo-Saxon courts. The existence of the jurisdiction of the Italian court, according to the plaintiff, is due to the negotiated link between the IRSs and the financing contracts, which are governed precisely by Italian law, as well as to the public nature of EUR S.p.A. “as a company wholly owned by public institutions”, arguments which appear to be unfounded.

In the only hearing held on 22 November 2021, the judge held that before entering into the merits the preliminary objections presented by the defendant banks, concerning: 1) the suspension of this judgement, by virtue of the provisions referred to in article 7 paragraph 1 of Law 218/1995, pending the definition of the separate lawsuit brought by a bank in the pool against EUR S.p.A. in the United Kingdom concerning the verification of the validity and effectiveness of the derivative contracts concluded between the parties; 2) the “*lis pendens*” between the two lawsuits; 3) the lack of jurisdiction of the Italian judge in favour of the English one by virtue of the clauses of exclusive jurisdiction of the English courts contained in the ISDA Agreements between EUR S.p.A. and the defendant banks.

To this end, the court granted the parties time limits for pleadings on these preliminary issues with a deadline for the defendant banks of 22 January 2022 and reserved judgment upon the expiration of the time limits granted.

On 24 January, the Court of Florence, lifting the reservation set out in the minutes of the hearing of 22 November 2021 and considering the case ripe for decision on the objection of jurisdiction of the Italian court raised by the defendants, “taking into account the exclusive jurisdiction of the English court, as well as the lack of application of Italian law to the case in question”, adjourned the parties for the definition of the conclusions to the hearing of 8 November 2022.

On 21 April 2023, the Court of Rome, rejecting the claims made by EUR S.p.A., issued the decision in which: 1) the lack of jurisdiction of the Italian Court was declared, in favour of the UK Court; 2) the objection of *lis pendens* in the alternative raised by the defendant Banks pursuant to article 7, paragraph 1, Law no. 218 of 31 May 1995 was declared absorbed; 3) ordered full division of legal costs between the parties. The decision in agreement with the other defendant banks was not served and therefore has not yet become final.”

10. Sub-paragraphs’ headings “(E) *Civil dispute instituted by the receivership of CO.E.STRA. S.p.A. before the Courts of Florence*” and “(F) *Complaint to the Board of Statutory Auditors pursuant to article 2408 of the Italian Civil Code*” under paragraph titled “10.2.5 *Civil disputes arising in connection with the ordinary business of the Issuer*” on pages 180 and 181 of the Base Prospectus shall be amended as follows: “(F) *Civil dispute instituted by the receivership of CO.E.STRA. S.p.A. before the Courts of Florence*” and “(G) *Complaint to the Board of Statutory Auditors pursuant to article 2408 of the Italian Civil Code*”.
11. Sub-paragraph “(G) *Anti-money laundering*” under paragraph titled “10.2.5 *Civil disputes arising in connection with the ordinary business of the Issuer*” on page 181 of the Base Prospectus shall be deleted in its entirety and replaced by the following:

“(H) *Anti-money laundering*”

As at 30 June 2023, 26 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 3.7 million (rounded).

The Bank's defence in the context of such proceedings aims, in particular, at illustrating the impossibility to detect, at the time of events, the suspicious elements of the transactions/subject matter of the allegations, usually emerging only after an in-depth analysis carried out by the tax authority and/or other competent authority. The upholding of the Bank's position may entail the avoidance by the judicial authority of the sanctioning measure imposed by the MEF and, in case the payment of the sanction has already been executed, the recovery of the related amount.

For the sake of completeness, it is worth noting that, as at 30 June 2023, 23 administrative proceedings are pending in addition to the abovementioned proceedings 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)."

12. The second outline of paragraph titled "*10.2.6 Labour disputes*" on page 181 of the Base Prospectus shall be deleted in its entirety and replaced by the following:

"As at 30 June 2023, the overall *petitum* relating to the passive labour proceedings is equal to Euro 68.0 million (Euro 90.2 million as at 31 December 2022) almost entirely relating to the Bank."

13. The sixth outline of sub-paragraph titled "*(I) CONSOB and Bank of Italy*" under paragraph "*10.2.7 Sanctioning procedures*" on pages 182 and 183 shall be deleted in its entirety and replaced by the following:

"For further information in relation to sanctioning proceedings deriving from the inspection activities carried out by the supervisory authorities, reference is made to paragraph "*Audits*" of the section "*Consolidated Report on Operations*" of the 2022 Consolidated Financial Statements and to paragraph "*Audits*" of the 2023 Consolidated Half-Yearly Report."

14. The eleventh to fifteenth outlines of paragraph "*10.2.8 Judicial proceedings pursuant to Italian Legislative Decree 231/2001*" on pages 185 and 186 shall be deleted in their entirety and replaced by the following outlines:

"The Public Prosecutor, on 18 February 2023, filed a request for the dismissal of all the defendants, natural persons and legal entities, including the Bank, with the exception of the top management positions of the San Marino bank for which separate proceedings will be carried out.

We therefore await the determinations of the Judge of Preliminary Investigations, which, if consistent with the request of the Public Prosecutor, will determine the extinction of the proceedings.

For further information in relation to anti-money laundering proceedings, please refer to sub-paragraph "*(H) Anti-money laundering*" of paragraph "*10.2.5 Civil disputes arising in connection with the ordinary business of the Issuer*" above."

15. The paragraph titled "*10.2.9 Administrative offences pursuant to Legislative Decree 231/2001 challenged in relation to the sale of investment diamonds based on alleged self-*

laundrying crime (article 648-ter of the Italian Criminal Code)” on pages 186 and 187 of the Base Prospectus shall be deleted in its entirety and replaced by the following paragraph:

“10.2.9 Administrative offences pursuant to Legislative Decree 231/2001 challenged in relation to the sale of investment diamonds based on alleged self-laundrying crime (article 648-ter of the Italian Criminal Code)

With reference to the “diamond” affair and the self-money laundrying allegations, the Public Prosecutor's Office at the Court of Siena, with reference to the criminal proceedings, issued a request for dismissal on 12 September 2022 against the natural persons (4 former executive managers and the only executive manager still employed), who had been investigated for self-laundrying and also issued a decree for dismissal with regard to the Issuer as party bearing administrative liability, and also ordered the removal of the attachment order issued in relation to the offence of self-money laundrying pursuant to Italian Legislative Decree no. 231/2001, for the sum of EUR 0.2 million.

The dismissal with respect to the Issuer was transmitted to the Attorney General of the Court of Appeal of Florence, which endorsed it on 16 November 2022, while the Preliminary Investigations Judge issued a decree of dismissal against the natural persons on 5 October 2022.

With regard to the criminal proceedings pending before the Court of Rome under reference no. 44268/21, on 11 July 2023 the first preliminary hearing was held and postponed to 21 November 2023, due to issue concerning defects in the notification against certain defendants.

For the same case, additional criminal proceedings for the offences of aggravated fraud, self-money laundrying and hindering the exercise of the functions of Public Supervisory Authorities were lodged before the Public Prosecutor's Office at the Court of Milan. On 28 September 2021 the Public Prosecutor made a request for committal for trial, against seven former executive managers (of which five in the main line of litigation) and the Chief Executive Officer and pro tempore General Manager of the Issuer.

The preliminary hearing was set for 30 September 2022. At that hearing, the Preliminary Hearing Judge postponed the hearing to 25 January 2023 for any civil action and the relative matters as well as for further preliminary matters, including regarding jurisdiction.

At the hearing of 25 January 2023, the Court ordered a postponement to 5 April 2023 and after to 22 June 2023, pending the filing of the reasoning of the Court of Cassation's ruling that settled the conflict of jurisdiction between the Judicial Authorities of Rome and Verona in the IDB-Banco BPM case, which has the same indictment scheme as the proceedings at issue.

At the hearing of 22 June 2023, the issue of lack of territorial jurisdiction was discussed. The Public Prosecutor did not contest it and referred to the judge's assessment.

At the hearing of 10 July 2023, the Judge for preliminary investigation issuing three ruling s of lack of territorial jurisdictions: (i) in favour of the Judicial Authority of Rome, for the fraud hypothesis alleged against the exponent of DPI and the Issuer; (ii) in favour of the Judicial Authority of Siena for the hypothesis of self-money laundrying and obstacle to the function of Public Surveillance Authorities against the managers of the Issuer; (iii) in favour of the Judicial Authority of Verona for the alleged offences concerning Banco BPM.

The Judge reserved the filing of the motivations within 30 days. In these new proceedings, the Issuer is not involved as party with administrative liability pursuant to Italian Legislative Decree no. 231/2001.

To meet the initiatives taken, the Issuer has set aside provisions which take into account, among other things, the anticipated number of requests and the current wholesale value of the stones to be returned.

As at 30 June 2023, the transactions completed represent 92.2% of the total volume of diamond offers reported by the Issuer. Residual provisions for risks and charges recognised against the compensation initiative amounted to EUR 2.4 million as at 30 June 2023.

As at 30 June 2023, the stones returned were recognised for a total value of EUR 68.8 million.

16. The first two outlines under paragraph titled “10.2.10 Tax Disputes” on page 188 of the Base Prospectus shall be deleted in their entirety and replaced by the following outlines:

“The Bank and the main group companies are involved in a number of tax disputes. As at 30 June 2023 approximately 139 cases are pending, for a total amount at a consolidated level of Euro 40.0 million (rounded) for taxes, sanctions and interests set out in the relevant claim (of which Euro 40.0 million relate to the Bank). The value of disputes also include that associated with tax verifications closed for which no dispute is currently pending since the tax authority has not yet formalised any claim or contention.

In relation to pending tax disputes, which are associated with “likely” unfavourable outcomes, as at 30 June 2023 the Bank allocated to the overall provision for risks and charges an amount equal to Euro 12.1 million (rounded).”

17. The paragraph titled “10.3 New legal proceedings” on pages 189 and 190 of the Base Prospectus shall be deleted in its entirety and replaced by the following paragraph:

“10.3 New legal proceedings

10.3.1 Civil Case brought by Società Italiana per Condotte d'Acqua S.p.A. in amministrazione straordinaria

By means of a writ of summons served on the Issuer on 23 December 2022, Società Italiana per Condotte D'Acqua S.p.A. under the control of a government appointed administrator brought an action for damages against the credit institutions in conjunction with the factoring companies (no. 32 opposing parties), the independent auditors PwC, the members of the Managing Board and of the Supervisory Board of the company in bonis, for having contributed - through the use and granting of credit - to the commission of acts of misadministration that caused (or contributed to causing) serious damage to the company and to the entire creditors. The damage is quantified:

- a. jointly and severally among all defendants in the amount of EUR 389.3 million;
- b. subordinately EUR 322.0 million (increase in insolvency liabilities);
- c. or subordinately in the amount of EUR 39.5 million with reference to individual transactions (referring to associates). The first hearing set for 12 July 2023 was postponed to 25 September 2023.

With a second writ of summons served on 19 April 2023, Società Italiana per Condotte D'Acqua S.p.A. under the control of a government appointed administrator also sued Cassa depositi e prestiti S.p.A. and SACE S.p.A. (case ref. no. 24431/2023) for the same factual events, in addition to all the parties already cited in the legal proceedings previously mentioned.

Given the obvious reasons for joinder (part-subjective and part-objective), in the same writ of summons the Judge was asked to order an immediate preliminary joinder to avoid duplicate decisions, as well as for obvious reasons of procedural economy.

The first hearing is set for 25 October 2023.”

GENERAL INFORMATION

The paragraph titled “*Significant Change or Material Adverse Change*” under “*General Information*” section on page 236 of the Base Prospectus is deleted in its entirety and replaced as follows:

“Save as disclosed in the “*Risk Factors*” section under paragraph “*Risks related to the impact of current uncertainties in the macroeconomic, financial and political environment on the performance of the Issuer and the Group*”, since 30 June 2023 there has been no significant change in the financial performance or position of the Issuer and/or the Group and since 31 December 2022 there has been no material adverse change in the prospects of the Issuer and/or the Group”.

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).