

PRESS RELEASE

MPS GROUP: ECB NOTIFIES SREP OWN FUNDS REQUIREMENTS FOR 2021

Minimum SREP requirements reduced by 25 bps vs. 2020

Siena, 29 December 2020 – Banca Monte dei Paschi di Siena (“BMPS”) announces that it has received the European Central Bank’s (“ECB”) final decision regarding own funds requirements to be met starting from 1 January 2021.

According to this decision, in 2021, MPS Group must fulfil a Total SREP Capital Requirement (TSCR) of 10.75% on a consolidated basis, which includes:

- a Pillar 1 minimum requirement (P1R) of 8% (of which 4.50% in terms of CET1) and
- an additional Pillar 2 requirement (P2R) of 2.75% (vs. 3% in the 2020 SREP Decision), of which at least 56.25% must be met in terms of CET1 and at least 75% must be composed of Tier 1.

The reduction of the P2R by 25bps compared to 2020 reflects, among other things, the significant derisking implemented by the Bank.

The overall minimum requirement in terms of Total Capital Ratio is 13.44%, obtained by adding a 2.69%¹ Combined Buffer Requirement (CBR) to the TSCR.

The overall minimum requirement in terms of CET1 ratio is 8.74%, the sum of P1R (4.50%), P2R (1.55%²) and CBR (2.69%); the overall minimum requirement in terms of Tier 1 is 10.75%, inclusive of P1R of 6%, P2R of 2.06%³ and CBR of 2.69%.

This press release shall be available on www.gruppomps.it

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¹ The Combined Buffer Requirement (CBR) is composed by: Capital Conservation Buffer (2.50%) + O-SII Buffer (0.19% for 2021 compared to 0.13% in 2020) + Countercyclical Capital Buffer (0.001%), calculated considering the exposure as at 30 September 2020 in the various countries where the MPS Group operates and the requirements established by the competent national authorities.

² Calculated considering the fulfilment of 56.25% of the P2R with CET1.

³ Calculated considering the fulfilment of 75% of the P2R with Tier 1.