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*Guidelines for shareholders on the qualitative and quantitative composition of the board of statutory auditors of BMPS*

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

**GUIDELINES FOR SHAREHOLDERS  
ON THE QUALITATIVE AND QUANTITATIVE COMPOSITION  
OF THE BOARD OF STATUTORY AUDITORS  
OF BANCA MONTE DEI PASCHI DI SIENA S.P.A.**

**12 FEBRUARY 2026**



## INTRODUCTION

The term of office of the Board of Statutory Auditors (hereinafter also the “**Board**”, the “**Control Body**” or the “**Body**”) of Banca Monte dei Paschi di Siena S.p.A. (“**BMPS**” or the “**Bank**”) currently in office will expire upon the Shareholders’ Meeting convened to approve the financial statements as at 31 December 2025. On that occasion, the Shareholders’ Meeting will be called upon to appoint a new Board of Statutory Auditors in accordance with the procedures set out in the By-laws and the applicable laws and regulations.

This document, prepared by the outgoing Board of Statutory Auditors of BMPS, is intended to draw shareholders’ attention to the main provisions concerning the requirements and composition of the new Board of Statutory Auditors, in order to support the best possible selection of candidates and the most appropriate composition of the Body.

It also sets out the guidance and considerations that the Board deems appropriate to submit to shareholders in order to support a fully informed and conscious decision-making process, in view of the filing of lists and proposals concerning the appointment of the new Board of Statutory Auditors at the next Shareholders’ Meeting.

In light of the foregoing, shareholders’ attention is drawn to the importance, for the purposes of appointing the new Board of Statutory Auditors, of also taking into account the recent amendments to the By-laws approved by the Extraordinary Shareholders’ Meeting held on 4 February 2026, the effectiveness of which is conditional upon the authorisation of the European Central Bank, which had not yet been received as of the date of publication of this document. Such amendments constitute an additional essential reference to ensure that the proposals submitted to the Shareholders’ Meeting are fully compliant with the applicable regulatory framework and with the governance arrangements required and effective to ensure the appropriate composition of the Control Body.

All the considerations set out below take into account the successful completion of the public tender and exchange offer for the shares of Mediobanca – Banca di Credito Finanziario Società per Azioni (“**OPAS**” and “**Mediobanca**”) and the resulting significant expansion of the Montepaschi Group. As at the date of this document, the Industrial Plan and the integration project, which are expected to be approved at the end of February 2026, are still pending.



## **ROLE AND DUTIES OF THE BOARD OF STATUTORY AUDITORS**

The Bank's By-laws provide that the Board of Statutory Auditors shall be composed of three standing Statutory Auditors and two alternate Statutory Auditors meeting all requirements set out under the applicable rules, for a term of office of three financial years.

Within the traditional governance model adopted by BMPS, the Board of Statutory Auditors, also in its capacity as the "Committee for Internal Control and Statutory Audit" pursuant to Legislative Decree No. 39/2010, forms an integral part of the overall internal control system and is required to perform monitoring and supervisory activities, in particular with respect to:

- compliance with laws, regulations and the By-laws, and compliance with the principles of proper administration;
- the adequacy of the organisational, administrative and accounting structure adopted by the Bank, and the adequacy of the financial reporting process;
- the functioning and reliability of the internal control system and risk management;
- the adequacy of all functions involved in the control system and their effective coordination.

It is also required to:

- hold periodic meetings with the external audit firm and the manager in charge of preparing the corporate accounting documents, for the mutual exchange of information relevant to the performance of their respective duties, in compliance with their specific responsibilities, as well as for the assessment of the adequacy and effectiveness of the accounting framework;
- act, as the Control Body of the Parent Company, in close coordination with the corresponding bodies of the Subsidiaries;
- meet periodically with the Supervisory Body under Legislative Decree No. 231/2001 ("**OdV 231**"). In this respect, it should be noted that the Bank's Board of Directors resolved on 25 May 2012 to establish an OdV 231, separate from the Board of Statutory Auditors, entrusted with supervising the effectiveness, adequacy, ongoing maintenance and updating over time of the Model 231/2001 adopted by BMPS. Such decision was most recently confirmed by resolution of the Board of Directors dated 8 May 2023.



## INTRODUCTORY REMARKS ON THE APPLICABLE REGULATORY FRAMEWORK

It is considered useful to recall below - also for the sake of completeness - the applicable national and European regulatory framework, as it has been deemed essential that, in addition to the relevant provisions, the underlying principles set out therein are also reflected in the lists:

- Legislative Decree No. 385 of 1 September 1993 (Consolidated Banking Act, the “**TUB**”);
- Legislative Decree No. 58 of 24 February 1998 (Consolidated Financial Act, the “**TUF**”) and Consob Issuers’ Regulation adopted by resolution No. 11971 of 14 May 1999, as subsequently amended;
- Bank of Italy, Supervisory Provisions for Banks, Circular No. 285 of 17 December 2013 on corporate governance (Part I, Title IV, Chapter 1) and on the internal control system (Part I, Title IV, Chapter 3, Section 2), as well as the other Bank of Italy provisions from time to time in force concerning the assessment of suitability of bank officers;
- Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD IV) and Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the “**CRR**”), both as subsequently amended and supplemented<sup>1</sup>;
- Articles 2397 et seq. of the Italian Civil Code;
- Article 36 of Decree No. 201 of 6 December 2011 containing “Urgent provisions for growth, equity and the consolidation of public finances” (so-called “*Salva Italia*”), as converted, with amendments, by Law No. 214 of 22 December 2011 (so-called “Interlocking Directorship”);
- EBA Guidelines on internal governance (EBA/GL/2021/14) of 22 November 2021;
- EBA/ESMA joint guidelines on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06) of 2 July 2021 (the “**EBA/ESMA Guidelines**”);
- “Guideline on the benchmarking of diversity practices, including diversity policies and gender pay gap, under Directive 2013/36/EU and Directive” (EU) 2019/2034” (EBA/GL/2023/08);
- ECB, Guide on climate-related and environmental risks – Supervisory expectations relating to risk management and disclosure, November 2020;
- ECB, Guide to fit and proper assessments of 15 May 2017, as last updated in December 2021 (the “**ECB Guide**”);
- Ministerial Decree No. 162 of 30 March 2000 concerning the “Regulation laying down rules for the

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<sup>1</sup> As respectively amended by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 (CRD V) and Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (CRR II), as subsequently amended.




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setting of the reputation and professionalism requirements for members of the board of statutory auditors of listed companies, to be issued pursuant to Article 148 of Legislative Decree No. 58 of 24 February 1998” (“**Ministerial Decree No. 162/2000**”);

- Ministry of Economy and Finance, Decree No. 169 of 23 November 2020 concerning the regulation on suitability requirements and criteria for bank officers (**Ministerial Decree No. 169/2020**);
- Bank of Italy, Provisions on the procedure for assessing the suitability of bank officers, 5 May 2021;
- Directive (EU) 2022/2464 on corporate sustainability reporting (the “**Sustainability Reporting Directive**” or “**CSRD**”) and Legislative Decree No. 125/2024 implementing such Directive.

In drafting these Guidelines, within the context of self-regulation, **particular account has been taken** of the following documents:

- Corporate Governance Code issued in 2020 by the Corporate Governance Committee of Borsa Italiana S.p.A., to which the Bank adheres;
- Standards of conduct for boards of statutory auditors of listed companies adopted in 2024 by the National Council of Chartered Accountants and Accounting Experts;

as well as:

- the results of the Self-assessment relating to financial year 2025;
- the governance system adopted by the Bank and the business model of the current Group structure, which is focused on highly specialised activities such as, by way of example, Wealth Management, Lending, Corporate & Investment Banking, Finance and Leasing/Factoring;
- the increased level of commitment that the Board’s monitoring and supervisory activity will require during the next term of office, as BMPS’s activities will be focused on the objectives of the new Industrial Plan for the aggregation with Mediobanca and, therefore, on a more articulated and complex Group.



## **QUALITATIVE AND QUANTITATIVE COMPOSITION OF THE BOARD OF STATUTORY AUDITORS**

**The Board of Statutory Auditors provides Shareholders with its Guidelines** on the requirements to be met by each of its members, as well as on the collective composition of the Body in terms of balance and complementarity among the experience and competencies of its members, such as to enable the Board of Statutory Auditors to understand the business areas and the risks to which the new Montepaschi Group is now exposed, and to perform its role in an optimal manner and in a way that is appropriate to a broader and more complex perimeter.

**In formulating these Guidelines, the Board of Statutory Auditors notes:**

that the current number of three members provided for by the By-laws should still be considered adequate to ensure the proper functioning of the Control Body, also taking into account the reorganisation of the Group structure and the separation of the activities of the OdV 231, whose appointment falls within the autonomy of the Board of Directors;

**and, to this end, it expects that:**

the appointment of the new Board of Statutory Auditors will take into account, in whole or in part, the enhancement of the current members, in order to ensure stability and continuity in the activities of the Body, especially in this phase of change of the Bank and in relation to the challenges it will have to face, taking into account that, in its current composition, the Board has:

- acquired an in-depth knowledge of the Bank's organisation and business;
- played an essential supervisory and control role in the context of the extraordinary transaction relating to the OPAS on Mediobanca and the consequent preparation of the Industrial Plan of the new Banking Group and the related integration plan;
- demonstrated an appropriate balance in its composition in relation to the complexity of the Bank's business;
- adequately and effectively performed its monitoring and supervisory role throughout its term of office.



**The Board of Statutory Auditors emphasises that candidates for the office of Statutory Auditor must meet,**

**in addition to the requirements of:**

- **reputation** provided for under the applicable rules, also taking into account the circumstances that would entail suspension from office pursuant to Ministerial Decree No. 169/2020;
- **integrity**, consistently with Ministerial Decree No. 169/2020, the EBA/ESMA Guidelines and the ECB Guide and, in particular, Shareholders shall take into account, *inter alia*, the cases set out in Article 4 and the criteria set out in Article 5 of Ministerial Decree No. 169/2020;
- **independence**, paying attention to situations that could create conflicts of interest and potentially hinder their autonomy and independence of judgement, in line with the guidance issued by the ECB, as well as the causes of ineligibility or forfeiture provided for under Article 2399, paragraph 1, of the Italian Civil Code, Article 148, paragraph 3, of the TUF, Articles 14 and 15 of Ministerial Decree No. 169/2020 and the Corporate Governance Code;

**also the professionalism requirements and competency criteria** set out under the applicable rules (i.e., Article 26 of the TUB, Ministerial Decree No. 169/2020 and Ministerial Decree No. 162/2000) and, in particular, that:

- the Chairperson of the Board of Statutory Auditors must be enrolled in the Register of Statutory Auditors and must have carried out statutory audit activities for a period of not less than five years;
- at least one standing Statutory Auditor and one alternate Statutory Auditor must be enrolled in the Register of statutory auditors and must have carried out statutory audit activities for a period of not less than three years;
- Statutory Auditors who do not meet such requirements must have gained overall experience of at least three years in the exercise of:
  - a) statutory audit activities;
  - b) professional activities relating to the credit, financial, securities, insurance sector or otherwise functional to the Bank's activity; such professional activity must be characterised by adequate levels of complexity, also with reference to the recipients of the services provided, and must be carried out on a continuous and significant basis in the above sectors;
  - c) university teaching activities, as a first- or second-tier professor, in legal or economic subjects, or in other subjects in any event functional to the activities of the credit, financial, securities or insurance sector; or
  - d) executive, managerial or senior functions, however designated, within public entities or public



administrations connected with the credit, financial, securities or insurance sector, provided that the entity in which such functions were performed was of a size and complexity comparable to that of the Bank in which the office is to be held.

For the purposes of assessing the requirements referred to above, in respect of statutory auditors who are not enrolled in the Register of statutory auditors, account is taken of the experience gained during the twenty years preceding the assumption of office; experience gained concurrently in multiple functions is taken into account only for the period during which it was performed, without cumulating such periods.

Pursuant to Ministerial Decree No. 162/2000, statutory auditors who do not meet the above requirement of enrolment in the Register of statutory auditors shall be selected from among those who have gained overall experience of at least three years in the exercise of:

- a) administrative or control activities, or managerial duties, within companies limited by shares having a share capital of not less than Euro 2 million; or
- b) professional activities or tenured university teaching in legal, economic, financial and technical-scientific subjects strictly related to the company's business; or
- c) managerial functions within public entities or public administrations operating in the credit, financial and insurance sectors or, in any event, in sectors strictly related to the company's business.

The information evidencing that the candidates meet the professionalism requirement as set out above must be reflected in their curricula vitae and in the additional documentation produced in support of the candidacy.

All candidates for the office of member of the Board of Statutory Auditors should also have knowledge of the English language sufficient to ensure a correct understanding of written texts and, therefore, to enable them to carry out their supervisory activities directly also on documents of this kind, also in light of the use of such language in correspondence between the Bank and the European supervisory authority.

- The Statutory Auditors should be represented by individuals who, in addition to ensuring gender diversity, bring a set of different and complementary competencies and experience, thereby contributing to the overall suitability of the Board and ensuring appropriate discussion within the Control Body;
- it is also recalled that compliance with the applicable rules is required, which provide that:
  - a) at least 2/5 of the total number of elected Statutory Auditors shall belong to the less represented gender, rounded down to the nearest whole unit for Boards composed of 3 standing members, such as BMPS's; and
  - b) gender diversity shall also be ensured among alternate Statutory Auditors;
- in this respect, the benefits that may generally derive from the presence within the Board of different genders, age groups and seniority of office are recalled. Furthermore, without prejudice to the applicable





regulatory provisions from time to time in force, in order to ensure that the Control Body, acting collegially, can effectively perform the tasks assigned to it, it is important that its composition provides for a balanced and diversified presence of Statutory Auditors who, individually, have gained the competencies and experience indicated above.

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**It also recommends that, in view of the complexity of the office, the Chairperson should:**

- have extensive and undisputed professional experience in the field of statutory audit activities or as a chartered accountant, gained by working at leading international firms or professional practices of high qualification and standing;
- in the roles held, have dealt with all matters relating to corporate, tax and administrative aspects for groups or companies of significant importance comparable to the Montepaschi Group, operating in the public and/or private sector;
- have served as Chairperson of boards of statutory auditors within listed groups or companies of significant importance comparable to the Montepaschi Group and subject to supervision by Supervisory Authorities, thereby acquiring significant experience in internal controls and in compliance with the regulatory provisions governing the activities of such groups or companies;
- have experience in coordinating, directing or managing human resources such as to ensure the effective performance of his or her duties in coordinating and directing the work of the Board of Statutory Auditors and in promoting its proper functioning, including in terms of information flows, effective discussion and the stimulation of internal debate, as well as the appropriate overall composition of the Body.

**It further recommends that,** taking into account the new size and operating characteristics of the Montepaschi Group, each candidate standing Statutory Auditor or alternate Statutory Auditor has developed both theoretical knowledge (acquired through education and training) and significant practical experience (gained through previous or ongoing professional activities) in one or more of the following areas:

- financial and/or banking markets: for these purposes, non-executive, executive or control roles in Italy and/or abroad are relevant. Experience gained in connection with the above business in the professional, academic and public sectors is also relevant;
- banking, financial and insurance activities and products;
- risk management (identification, assessment, monitoring, control and mitigation methods in respect of the main categories of risk of a bank or an insurance or reinsurance undertaking, including the responsibilities of a Statutory Auditor within such processes);




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- accounting and financial reporting (financial statements, accounting policies and tax matters) gained in the financial and insurance sector or within audit firms;
- strategic direction and planning gained within banks, insurance or reinsurance undertakings, listed companies or multinational groups or leading international strategic consulting firms, preferably in the financial services sector;
- information technology in the context of information systems and new technologies applied to the banking, financial and insurance sector, gained at leading international strategic consulting firms or within companies, preferably listed, through executive, non-executive or control roles;
- regulation in the banking, financial and insurance sector, gained at leading law firms or within undertakings or groups of significant size comparable to the Montepaschi Group;
- organisational arrangements and corporate governance, gained within banks, insurance or reinsurance undertakings, listed companies or multinational groups through executive, non-executive or control roles, or within leading international consulting firms;
- internal control systems and other operating mechanisms.

Without prejudice to the above, the following competencies and experience are also relevant:

- human resources matters and remuneration systems and policies, gained within banks, insurance or reinsurance undertakings, listed companies or multinational groups through executive, non-executive and control roles, or within leading international consulting firms;
- digitisation processes and digital transformation, and management of ICT risk;
- sustainability matters and non-financial reporting in general and, in particular, the management of environmental and climate risks;
- the identification and assessment of money laundering and terrorist financing risk and of policies, controls and procedures relating to the prevention of money laundering and terrorist financing.

Without prejudice to the competency and experience criteria listed above and to the applicable legal and by-law provisions from time to time in force, it is recommended that such competencies and experience be gained and developed within Control Bodies and/or Strategic Supervisory bodies or within intra-board committees with control functions of banking, financial, insurance or listed companies, or in any event companies of a size and complexity comparable to that of the Montepaschi Group.

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## **APTITUDE REQUIREMENTS**

Shareholders' attention is drawn to the opportunity to also take into account the aptitude-related profiles identified in the EBA/ESMA Guidelines as qualifying for the role of member of the Board of Statutory Auditors of BMPS and, in particular, that candidates should:

- possess social intelligence and appropriate personal qualities, including the ability to relate at all levels, a sense of responsibility, balance in seeking consensus, the ability to manage conflicts constructively, the ability to work in a team, and the ability to interact with management;
- have independence of judgement, that is, the ability to be objective, open and prepared for discussion, as well as the ability to take a position and defend it;
- have integrity, that is, respect for values and the ability to live by them, honesty and loyalty; authenticity, self-awareness and self-confidence;
- demonstrate commitment and availability of time, that is, willingness to invest time and energy to become familiar with the Bank; commitment and preparedness.

## **GROUND FOR INELIGIBILITY, FORFEITURE AND INCOMPATIBILITY**

Pursuant to Article 148 of the TUF, the following persons may not be elected as Statutory Auditors and, if elected, shall forfeit office:

- a) persons who are in the circumstances set out in Article 2382 of the Italian Civil Code;
- b) the spouse, relatives and in-laws up to the fourth degree of kinship of the Bank's directors; the directors, as well as the spouse, relatives and in-laws up to the fourth degree of kinship of the directors of companies controlled by the Bank, of companies controlling the Bank and of companies subject to common control;
- c) persons who have employment (self-employed or subordinate) relationships with the Bank or with companies controlled by the Bank, or with companies controlling the Bank or subject to common control, or with the Bank's directors and the persons referred to under letter (b), or who otherwise have financial or professional relationships with the same that may compromise their independence.

In accordance with Article 17 of Legislative Decree No. 39/2010, the office of Statutory Auditor may not, in addition, be held by any person who has acted as key audit partner for the statutory audit performed on behalf of the external audit firm, unless at least two years have elapsed since the cessation of such activity. This prohibition is also extended, for a period of two years from their involvement in the statutory audit engagement, to employees and partners other than the key audit partner, as well as to any other natural person whose services have been made available to or under the control of the external audit firm, provided that such persons are authorised to practise the statutory audit profession.



Finally, without prejudice to the other incompatibilities provided for under the applicable rules (including the Interlocking Directorship prohibition pursuant to Law No. 214 of 22 December 2011), also in light of the EBA/ESMA Guidelines, the office of Statutory Auditor is considered incompatible with political offices, meaning national parliamentary office and membership of the Government. It is also recommended that the office of Statutory Auditor not be held by persons who serve as members of the European Parliament or as members of regional, provincial or municipal councils or executive bodies (limited, as regards municipalities, to provincial capital municipalities).

## **AVAILABILITY OF TIME AND COMMITMENT REQUIRED OF THE MEMBERS OF THE BOARD OF STATUTORY AUDITORS**

Pursuant to the applicable regulatory framework, the availability of sufficient time to devote to the performance of the office - having regard to its nature, quality and complexity - constitutes a fundamental requirement that Statutory Auditor candidates must be able to ensure.

With specific reference to BMPS, during each financial year of the 2023-2025 three-year period, an average of 47 meetings of the Board of Statutory Auditors, 18 meetings of the Board of Directors, 18 meetings of the Risk and Sustainability Committee, 18 meetings of the Nominations Committee, 10 meetings of the Related-Party Transactions Committee, 11 meetings of the Remuneration Committee and 8 meetings of the IT and Digitalization Committee established in 2024 were held.

For the sake of completeness, it is noted that, in financial year 2025, 52 meetings of the Board of Statutory Auditors, 25 meetings of the Board of Directors, 21 meetings of the Risk and Sustainability Committee, 22 meetings of the Nominations Committee, 13 meetings of the Related-Party Transactions Committee, 12 meetings of the Remuneration Committee and 12 meetings of the IT and Digitalization Committee were held.

All members of the Board of Statutory Auditors attended all meetings of the Control Body, the Board of Directors and the Risk and Sustainability Committee, as well as the Shareholders' Meetings and all sessions of the remaining four internal Board Committees, even though the relevant charters provide that the participation of Statutory Auditors is not mandatory.

Account must also be taken of the time required to prepare for meetings, given the number of matters to be reviewed and the volume of supporting documentation, as well as any travel time from the member's place of residence to the meeting venue. Ordinary meetings of the Board of Statutory Auditors and the Board of Directors are usually held in Siena. Shareholders' attention is also drawn to the expected attendance threshold for meetings of the Board of Statutory Auditors, in relation to which Article 2404 of the Italian Civil Code provides that "... *the statutory auditor who, without justified reason, fails to attend two meetings of the Board during a financial year shall forfeit office ...*". Also in light of the guidance issued by the Supervisory Authority, it is considered useful (although not indispensable) that candidates be able to ensure physical attendance at meetings, except for any extraordinary meetings or exceptional circumstances.



Recalling that Article 149 of the TUF provides, *inter alia*, that “... *statutory auditors who, without justified reason, do not attend the Shareholders’ Meetings or, during a financial year, two consecutive meetings of the Board of Directors or the executive Committee, shall forfeit office ...*”, the Board invites Shareholders to also pay attention to the expected attendance threshold for meetings of the Board of Directors and the Bank’s Shareholders’ Meetings.

To the above should be added the commitment required to participate in training and induction sessions, which are usually scheduled on an annual basis for the officers of the main companies within the Group (including BMPS Statutory Auditors), as well as any additional off-site sessions.

In view of the foregoing, it is recommended - also in line with the guidance issued by the ECB - that candidates should accept the office of Statutory Auditor only if they consider that they can devote to it the necessary energy and time, taking into account factors such as: other personal and professional commitments and circumstances, as well as appointments held in other companies; the nature, scope and complexity of the functions performed; the size and circumstances of the companies in which the appointment is held; and the location or country of establishment of such companies.

In this respect, and with particular focus on the proper functioning of the Board of Statutory Auditors and on each member’s contribution to the internal debate within the Body, in compliance with Article 16 of Ministerial Decree No. 169/2020, a “normalised” estimate has been carried out, to be used as a reference for assessing the minimum time considered necessary for the effective performance of the office in light of the current responsibilities, which exclude the perimeter of the Supervisory Body, and which is summarised in the table below:

POSITION	ESTIMATED TIME COMMITMENT (DAYS/YEAR)
<i>Chairperson of the Board of Statutory Auditors</i>	<i>140</i>
<i>Statutory Auditor</i>	<i>110</i>

In assessing the estimated commitment, as outlined above, in the event of any discontinuity, even partial, in the composition of the Board of Statutory Auditors, and taking into account the support provided by the organisational unit assisting the Board (the Board of Statutory Auditors’ staff), it is necessary to consider the additional burden associated with the need for new members - particularly during the first year of office - to acquire a full understanding of the Bank’s and the Group’s organisational and operational complexity, as well as of the specific dynamics of the banking and financial sector, which is characterised by a complex regulatory framework, high supervisory standards and an operating environment marked by pervasive oversight and constant evolution. This learning phase and progressive integration into the Body’s activities therefore entails a greater time commitment compared to the recurring one, estimated as an increase of approximately 10–15% over the annual days indicated above, thus requiring a careful and informed assessment of one’s actual availability of time.

In light of these considerations, the Board draws the attention of Shareholders and candidates to the need -



also highlighted in the guidance issued by the ECB - that the office be accepted only where the candidate can ensure adequate time availability proportionate to the complexity of the role, taking into account existing professional commitments and any appointments held within other corporate bodies, so as to ensure effective and ongoing oversight of the control functions.

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**The Board further emphasises:**

that the current remuneration provided for the office appears misaligned when compared to other comparable institutions, is not commensurate with the significant and burdensome time commitment required due to the increased operational complexity of the Bank following the OPAS on Mediobanca and, more generally, may not adequately support the Bank's attractiveness to the best professionals in the field.

It is also recalled that the elected Statutory Auditors will be required to complete the "Fit & Proper" questionnaires, as provided for by the ECB's "Guide to fit and proper assessments", to be submitted to the Bank immediately after appointment for the purposes of assessing suitability to hold the office.

In accordance with the applicable rules and, in particular, pursuant to Article 23 of the Ministry of Economy and Finance Decree No. 169 of 23 November 2020 (Ministerial Decree No. 169/2020), the Board of Statutory Auditors, as the competent body pursuant to Article 1, letter "o", of the said Decree, will carry out its assessments as to suitability and the requirements for holding the office, as well as the necessary checks relating to the interlocking prohibition. The verification process will be concluded with the review and final decision of the European supervisory authority.

In particular, it is noted that, where there is any discontinuity - even partial - in the composition of the Board of Statutory Auditors, the assessment process will be more complex and stringent, as it is aimed at verifying, with particular rigour, the existence of all the requirements set out under the applicable rules. Within this context, the technical competencies and professional experience acquired, reputation and integrity, the number of appointments held, the availability of adequate time to perform the functions, and the ability to ensure an autonomous and independent exercise of judgement will be subject to specific scrutiny. A positive outcome of the "Fit & Proper" assessment is an essential condition for the full and valid assumption of the responsibilities connected with the role and for ensuring the proper functioning of the Control Body within the Bank's governance system.

**OVERALL SUITABILITY OF THE BOARD OF STATUTORY AUDITORS**

In order to ensure the collective suitability of the Board of Statutory Auditors, it is finally noted that candidates should present a balanced composition of experience and technical knowledge (in the areas already indicated above) enabling the Control Body to understand the main business areas, the organisational structure and the principal risks to which the Montepaschi Group is exposed.



In particular, in light of Article 11 of Ministerial Decree No. 169/2020, consideration will be given to the presence of Statutory Auditors:

- diversified in terms of age, gender and length of tenure;
- whose competencies, considered collectively, are suitable to: (i) foster discussion and internal debate; (ii) promote the emergence of a plurality of approaches and perspectives in analysing matters and taking decisions; (iii) effectively oversee the management of activities and risks and monitor the work of senior management; and (iv) take into account the multiple interests that contribute to the sound and prudent management of the Bank.

For the purposes of the above, reference is also made to what is specified above with respect to the competency criteria.

### ***INDUCTION AND TRAINING***

Finally, it is noted that at BMPS a training and induction plan is regularly implemented for the members of the Board of Directors and the Board of Statutory Auditors. Such plan includes both sessions aimed at facilitating the onboarding of new Directors/Statutory Auditors - including those who may be appointed during the term of office - and ongoing training sessions designed to maintain the necessary technical competencies and, at the same time, to enhance role awareness.

Where deemed appropriate, training delivered by external providers, including trade Associations, is also arranged, with a view to strengthening the skills and competencies of the members of the Board of Statutory Auditors in terms of an adequate understanding of the sector in which the Bank operates, business dynamics and their evolution, the principles of proper risk management, as well as the relevant regulatory framework, including self-regulatory provisions.