

Code of ethics



**MONTE
DEI PASCHI
DI SIENA**
BANCA DAL 1472

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CODE OF ETHICS



The Montepaschi Group was founded in 1472 to provide aid to the needy, combat usury and support the development of the city of Siena at a difficult moment in history. Five hundred years of being in contact with the needs of the people and its communities has led the Montepaschi Group (hereinafter also the “Group”)¹ to develop a strong sense of responsibility. The Group is committed to participating in the life of its local community and contributing to the sustainable growth of society.

Companies today are not only called on to generate profits but must do so by applying ethical conduct and undertaking worthwhile projects. The Group is therefore attentive to the needs of the people, the community and the environment. This commitment is implemented through corporate decisions, individual behaviour and ongoing dialogue with our significant internal and external stakeholders².

This Code of Ethics (the “Code”) is the foundation of the Group’s activities. It sets out the guiding principles, values and rules of conduct that go hand in hand with legal and regulatory obligations. The behaviours it is based on are inspired by the highest ethical and professional standards.

The Code also constitutes the Group’s internal policy and is therefore a tool of Governance as well as an essential and integral part of the Organisational, Management and Control model for the prevention of crimes pursuant to Italian Legislative Decree 231/01 (the “231 Model”), which is binding for all those involved.

1.1 OBJECTIVES

The Code sets out the principles, models and standards of behaviours which the Group is committed to following in all its activities, internal relationships, relations with the market and its significant stakeholders, and in relation to the environment.

The Code of Ethics is an essential element of the 231 Model adopted by the Companies of the Group and expresses and communicates its values, principles and rules of conduct.

The Code’s objectives are to:

- define standards of “good conduct” for corporate policies and procedures;
- inform employees about the behaviours expected from them;
- contribute to implementing the Group’s social responsibility policy;
- contribute to harmonising the Group’s objectives with the interests of civil society.

The following lines of conduct

- are not exhaustive, but express the general principle of fairness and lawfulness in work and business;
- also involve the areas/activities in which predicate offences may occur within the scope of liability under Italian Legislative Decree 231/01, even where the risk is low, it being understood that the rules of conduct are general principles of good behaviour that apply to all company processes.

¹Group shall mean the Banking Group pursuant to Article 60 of Italian Legislative Decree no. 385 of 1 September 1993 n. 385 (Consolidated Banking Act).

²Significant stakeholders are those who:

- contribute to achieving the company’s mission;
- are able to influence the achievement of company objectives with their multiple decisions (on spending, investments, collaboration, regulation and control);
- are influenced by the company’s choices and activities.

Though there is no univocal example of a significant stakeholder applicable to each company, it is common to identify a significant stakeholder as a party with a significant interest in the activity of the entity, such as a customer, an employee, an investor, a supplier and other business partners, the institutions (including the Supervisory Control Authority and Public Administration) and the local Communities.

1.2 ADDRESSEES

When performing their duties and according to their respective responsibilities, directors, auditors, senior company managers and Group employees apply and help implement the Code, taking inspiration from and complying with its values in all their activities.

Employees of all levels are required to comply with the Code at all times.

The Group is committed to encouraging the adoption of the Code by associated companies, subsidiaries, affiliates, business partners, consultants and collaborators. Compliance with the Code is a factor in assessing current and future relationships..

1.3 APPLICATION

The type and nature of the Group's activities are diversified.

The Code cannot explicitly provide for all behaviours. Even when not specified, behaviours must comply with the criteria of common sense and personal ethics in line with corporate values, guiding principles and procedures, and with the understanding that they do not compromise the Group's reputation in any way.

In addition to the rules of the Code, the Group is also committed to complying with internal standards and procedures, the external codes to which it adheres (Codes of Governance, Codes of Conduct by business sector, the United Nations Global Compact, the European Alliance on Corporate Social Responsibility, the United Nations Environment Programme – UNEP FI, etc.), the contractual provisions and legal and regulatory obligations in force in every geographical location and area of activity in which it operates.

2.1 THE GROUP'S MISSION

The Montepaschi Group aims to create value for all significant stakeholders with a lasting, sustainable development model for everyone: expand its customer base and local coverage, contribute to a fairer society, offer equal opportunities and growth opportunities to its employees.

Aware of its role in society, the Group wants to create value for:

- its customers by providing excellent banking and financial services, creating a relationship of trust, enabling businesses and individuals to access credit and financial instruments;
- its shareholders and investors in the short and long term;
- the local area, environment and community;
- its employees by promoting professional development and the enhancement of human resources

2.2 INSPIRATIONAL VALUES

Identity and history: Monte dei Paschi di Siena is the oldest bank in the world still in operation and has always been committed to contributing to the sustainable development of people and local areas.

Ethics and transparency: The Group bases all behaviours on the ethic of responsibility. For everybody, this ethic means a commitment to service, integrity and transparency, fair relations, respect for the individual, protection of the environment and the responsible consumption of resources.

Enhancing diversity: The Group seeks to eliminate discrimination (based on gender, age, sexual orientation or identity, religion, ethnicity, disability, political and trade union membership) and promote respect and integration.

Listening: Listening is a cornerstone of the relationship with customers and employees. It is by listening to their needs and carefully measuring their satisfaction that the Group can improve the quality of the products and services offered, strengthen the relationship and reinforce their trust. With a view to transparency, the Group aims to use simple language and facilitate the access to, organisation of, and understanding of our offer.

Tradition and innovation: With its important wealth of tradition, the Group believes in building the future through openness to change, the flexibility and development of its employees and the company, and by supporting the innovation of businesses and communities.

Wellbeing: The Group promotes the wellbeing of people and society through its attention to health, safety, welfare, the environment as well as a customer-driven approach. For this reason, it creates sustainable products and services that are tailored to the needs of its customers and promotes a development model that also includes the categories of people with basic financial needs

3.1 CORPORATE GOVERNANCE

Persons with functions of representation, administration or management, and of supervision or control base their conduct on the utmost level of honesty, integrity, loyalty, fairness and transparency. They promote a culture of legality and control and work to ensure the protection of the Group's assets.

All top management of the Group and independent auditors scrupulously comply with the obligations imposed on them by law, particularly Italian Legislative Decree 231/01. Top management avoids any potential conflict of interest that could compromise their fair and independent judgment when making decisions.

Directors, employees and external collaborators involved in any way in the preparation of the financial statements provide shareholders and third parties with true and correct information on the Group's economic situation and financial position. They therefore act in a fair, transparent and collaborative manner in compliance with the law and company procedures. In particular:

- accounting records are based on accurate, comprehensive and verifiable information and reflect the nature of the transaction concerned;
- each entry accurately reflects the data contained in the supporting documentation. This documentation is kept with care and order so that it may be presented for audit or inspection;
- the preparation of documents necessary for financial statement purposes is based on the principles of sound and prudent management;
- directors, auditors and those holding senior positions are forbidden from presenting untrue facts, even if subject to assessment. It is also forbidden to omit information or withhold data in direct or indirect violation of regulatory principles and internal procedural rules, if this could mislead the recipients of such information.

The auditors and organisational units providing internal audit services strictly adhere to this Code as well as the principles of the code of the ethics and the rules of conduct of the IIA (Institute of Internal Auditors).

3.2 RELATIONS WITH THE GROUP'S STAKEHOLDERS

The Group operates in accordance with its values and with a sense of responsibility towards society and the environment. It makes choices in favour of sustainable development and is committed to creating and distributing value to all its stakeholders. The Group has a loyal, constructive, ongoing and transparent relationship with its stakeholders and decides its paths and strategies so as to respond effectively to their needs and not compromise the company's reputation.

The Group assesses the organisations with which it deals with directly and indirectly from the point of view of professionalism and reliability. It pays attention to their possible involvement in activities that are unlawful, infringe on human rights or are harmful to the health and safety of mankind, nature and the environment.

In line with the principles of the United Nations Global Compact and the UNEP Principles for Responsible Banking to which it adheres, the Group is committed to fighting corruption, promoting the protection of human rights and conducting itself with integrity and respect.

3.2.1 AUTHORITIES AND PUBLIC INSTITUTIONS

The undertaking of commitments and management of relations with the institutions are the responsibility of the relevant Corporate Functions and/or other authorised personnel. All employees and Corporate Functions are obliged to respond to requests from the Supervisory Authorities. Relations and communications with the Supervisory and Control Authorities, the Judiciary and Public Security Authorities are based on the principles of integrity, transparency, fairness, professionalism and cooperation, in strict compliance with the procedures provided for by applicable regulations and using and submitting complete statements and documents.

It is forbidden to obstruct in any way the inspection and surveillance activities of the Authorities and Institutions. It is also forbidden to engage in and/or cause conduct that may fall within the types of offences contemplated by Italian Legislative Decree 231/01.

Furthermore, the Group's reputation and integrity must always be protected in such relationships, in compliance with the guidelines of the 231 Model and the rules for the prevention of corruption in the Group.

By way of example, but not limitation, employees who interact with the Authorities and Public Institutions are not permitted to:

- provide false or misleading information;
- withhold or omit important or relevant facts and/or information;
- provide false or manipulated data;
- engage in deceptive conduct that may mislead representatives of Authorities and Public Institutions; request or induce representatives of Authorities and Public Institutions to give preferential treatment;
- promise or pay/offer/receive sums of money, gifts or free services and grant advantages of any kind to representatives of the Authorities and Public Institutions in a personal capacity with the intention to promote or aid the Bank's interests.

In case of involvement in judicial proceedings in civil, criminal, administrative and fiscal matters, the Addressees shall:

- refrain from conduct intended to obstruct the course of justice;
- fully cooperate with the investigating Authorities on any request and provide truthful information.

In such cases, it is expressly forbidden to:

- present incomplete documents and data and/or provide false and/or manipulated data;
- withhold or fail to produce complete, faithful and truthful documents;
- omit due information;
- engage (directly or indirectly) in any unlawful activity that may unduly favour or harm one of the parties concerned;
- unduly favour the interests of the Bank by inducing - with violence or threats or, alternatively, by offering money or other benefits - false statements by the person called upon to make statements that can be used in criminal proceedings before the Judicial Authorities.

Any person receiving a request for undue advantages or subject to any intimidating or harassing behaviour on the part of the Authority or Public Institutions must report it immediately.

The Group fully and scrupulously observes the provisions laid down by the different Supervisory Authorities that regulate the activities exercised by its individual companies.

3.2.2 TRADE UNIONS AND POLITICAL ORGANISATIONS

The Group aims to improve and consolidate its relationship with customers and employees. For this reason, it maintains a direct, constructive and transparent dialogue with the Consumer Associations and Trade Unions.

No grants or donations may be given to movements or organisations with an exclusively political purpose. Participation in promotional and marketing campaigns, as part of initiatives promoted by political parties and union organisations, shall take place in compliance with the laws in force and with the utmost transparency.

Personal participation in political organisations by Addressees of the Code occurs outside working hours and without any connection to the position held within the Company.

3.2.3 COMMITMENT TO THE COMMUNITY

The Group seeks to participate in promoting and developing the economic well-being and quality of the social contexts in which it operates.

It is therefore committed to supporting programmes that protect and develop communities and local areas through:

- contributions towards cultural, scientific, social and environmental programmes;
- work orientation and financial education activities;
- products and services for the more vulnerable and needy members of society;
- cooperation with local institutions for the sustainable growth of production infrastructure.

3.2.4 THE MEDIA AND PUBLIC RELATIONS

Direct or indirect communications to the public must be truthful and not contain information or omissions which may be misleading or compromise their reliability.

All requests received from the media are reported to the Parent Company's Communications Department.

Employees are allowed to publish documents, grant interviews or make public presentations of interest to the Group subject to authorisation by the Parent Company's Communications Department.

3.2.5 ENVIRONMENTAL PROTECTION

The Group manages its impact on the environment in an organised and increasingly efficient manner, both in relation to its day-to-day operations (attention to paper, water and energy consumption, waste production/management, etc.) and to the activities of its customers and vendors (environmental risk assessment for loans and investments, exclusion of polluting activities or products in relationships with vendors, etc.).

Through its own products and services, the Group supports the investments of individuals, families, institutions and businesses that want to improve their energy-environmental efficiency and quality.

3.3 PERSONNEL MANAGEMENT AND WORKING ENVIRONMENT

The Group is committed to ensuring suitable working conditions and environments in line with health and safety regulations. The Group's employees are treated fairly and with respect, supported in their professional development and rewarded for their good performance.

Dialogue with the Trade Unions also fosters a positive working climate that values individuals and their relationships, increasing their commitment, sense of belonging and team spirit.

As part of a flexible approach to the management of human resources, the Group strives and seeks to achieve the best balance between the goals and needs of the company and the personal and family needs of its employees. For this reason, the Group has introduced smart working.

This new way of working is based on a relationship of trust between manager and employee as well as on the sense of responsibility of the person authorising it and the person that uses it. It makes it possible to achieve a better balance between people's work and personal time while ensuring planned productivity.

The Group implements the necessary measures to enable employees to comply with and apply the Code correctly.

To this end, the Group provides employees with the appropriate tools (illustrated in Sections 4.3.1, 4.3.2, 4.3.3) for reporting any violations of the rules of conduct. It ensures employees confidentiality and protection from possible recrimination

3.3.1 EQUAL OPPORTUNITIES

Personnel recruitment and selection is based on criteria of objectivity, competence and professionalism. Everyone is ensured equal opportunities of employment and career on the basis of merit. All recruitments, career paths and salaries are determined following a merit-based and equal opportunities policy.

3.3.2 DIVERSITY AND INCLUSION

The Group believes in valuing differences and promoting a culture of inclusion, considering diversity as an essential value. People are guaranteed the same opportunities regardless of age, sexual orientation, religious beliefs, gender, ethnicity and disabilities, thereby fostering a work environment that is free from any discrimination.

The Group develops concrete actions to support diversity and inclusion through an organisational model focused on the complexity and variety of the cultural landscape.

3.3.3 REMUNERATION POLICIES

Participation in remuneration and incentive schemes provided for by internal and external contractual regulations and supervisory provisions requires employees to comply with the Code.

Remuneration policies are geared towards improving company performance.

They are designed to:

- ensure compliance with legal, regulatory and statutory provisions;
- ensure equality of treatment;
- ensure transparency using decision-making processes and structured approaches aimed at limiting discretionary choices;
- recognise merit and increase employee motivation.

3.3.4 MANAGEMENT OF CHANGES IN THE EMPLOYMENT RELATIONSHIP

Compliance with the Code by employees is a prerequisite for the payment of any portion of the agreed compensation in the event of termination of employment, beyond what is contractually due by law by way of severance.

This portion can only be recognised by the Bank in the event of termination of the employment relationship by the Company, without just cause and excluding voluntary resignation.

The compensation for termination of the relationship is quantified and paid by the Bank pursuant to the regulatory framework in force at the time, on the basis of the Remuneration Report (published yearly on the Bank's website at the following link: <https://www.gruppomps.it/corporate-governance/remunerazione.html>) and always in compliance with, and in pursuit of, the best interests of the company.

3.3.5 USE OF COMPANY RESOURCES AND INTERNET ACCESS

The management and use of company resources, capital goods, IT systems, market knowledge, customer data, brands, etc. are governed by principles of integrity, fairness and responsibility in compliance with the relevant Laws and Regulations.

With specific reference to IT applications, each Group employee and collaborator is required to use the hardware and software provided to them exclusively for purposes relating to the performance of their duties and in compliance with internal regulations. Improper use of the processing and communication tools provided and any action that alters the functioning of the IT and telecommunications systems and/or manipulates the data contained therein are strictly forbidden.

The Group respects the intellectual property of others. The unauthorised use and reproduction of software, documentation or other copyrighted material is against company policy. The Group complies with the terms of use set out in the license agreements with its software suppliers and prohibits the use or reproduction of software or documentation outside of what is permitted under these agreements.

The Group undertakes to avoid the use of company access to the Internet for reasons not strictly related to work and prohibits its use, particularly to create, disseminate or store information deemed offensive, inflammatory and/or discriminatory according to common sense, applicable laws and the company's regulations governing the proper use of IT resources.

3.4 RELATIONS WITH CUSTOMERS

The Group is committed to establishing and developing a relationship of trust and mutual and lasting satisfaction with its clients.

Its objective is to be at the service of customers and respond to their needs and priorities, behaving honestly and transparently at all times with the right preparation, capacity for innovation and reliability.

To promote the importance of the customer relationship, the achievement of customer satisfaction and loyalty goals is regularly monitored and rewarded. The Group is open to suggestions and proposals from customers and other significant stakeholders regarding services and products.

3.4.1 TRANSPARENCY AND FAIRNESS

The Group implements policies for the conception, development and marketing of products that take account of the needs of its customers as well as the legal requirements on transparency and fairness. Appropriate operating procedures explore the actual needs of customers and ensure that the most suitable products and services are offered.

Before subscribing to a product or service, customers are informed clearly and fully of the conditions and services offered, enabling them to make informed choices.

Special attention is given to the needs of the more vulnerable members of society, facilitating access to banking services, the informed use of credit and the prevention of over-indebtedness.

3.4.2 RELATIONS WITH THE PUBLIC ADMINISTRATION

In its business relations, particularly with Public Administration customers and when participating in public tenders, the Group always operates in compliance with the law and proper business practice.

It is forbidden to use or submit false or untrue statements or documents, or to omit information in order to obtain, for the benefit or in the interests of the Group, contributions, loans or any other type of disbursement granted by the State, a Public Body or by the European Union.

3.4.3 COMPLAINTS

Complaints are handled in such a way as to ensure they are dealt with promptly and are an important means of improving the Group's activities and procedures, resolving conflicts and restoring customer confidence and satisfaction.

The Group is committed to providing customers with clear and comprehensive information for access to out-of-court dispute resolution bodies.

3.5 RELATIONS WITH VENDORS

The Group develops fair and transparent relationships with its vendors.

Vendors are selected on the basis of merit, organisational soundness and sustainability and the best quality/price ratio. Fairness and integrity are ensured in relationships with vendors, avoiding any risk of conflict of interest or unlawful behaviour.

Vendors are advised to provide their services according to standards of conduct consistent with those set out in the Code. They must ensure professionalism in the activities performed, respect the rights of their workers, invest in quality and responsibly manage environmental and social impacts.

In managing relations with its vendors, the Group also complies with the provisions of Italian Legislative Decree no. 231/2001 as well as those contained in its 231 Model and its Group corruption prevention policy.

3.6 BUSINESS CONDUCT

3.6.1 FAIR COMPETITION AND BAN ON RESTRICTIVE AGREEMENTS

The Group operates in compliance with free market and competition principles. Fair and honest competition is a necessary condition for developing and maintaining the company in the markets in which it operates and ensuring formal and substantial compliance with applicable regulations.

The Group organises its activities in compliance with competition laws and is committed to not undertaking any activities that may violate these regulations.

The Group refrains from resorting to unlawful or otherwise improper conduct to achieve its financial goals. It does not implement or accept agreements or concerted practices between firms whose intention is to restrict competition in the market.

The Group competes in the markets based on the quality and transparency of its products and services, avoiding agreements and other conduct that restricts competition, the formation of “cartels”, the division of markets, etc.

3.6.2 INTEGRITY

When performing their duties, Addressees of the Code must act with diligence, professionalism, honesty and fairness.

It is forbidden to promise and obtain any improper advantage that may prejudice the fairness and impartiality of decisions and damage the company's reputations.

It is not permitted to carry out tasks and activities that are incompatible with the company's role or in conflict with the moral and economic interests of the Group; any non-compliance identified will be treated in accordance with the provisions set out under the section “Sanctions”.

3.6.3 CONFLICT OF INTEREST

Employees shall act with the necessary degree of independence of judgment, impartiality, fairness and objectivity when performing their duties and responsibilities towards the Group, in full compliance with the company's regulations and codes of conduct.

Employees shall make every effort to avoid any type of situation that may give rise to conflicts of interest, be contrary to the interests of the Bank or influence or compromise the proper fulfilment of their obligations and responsibilities with independent judgment.

Employees with roles of responsibility shall promptly notify the Bank (or their direct line Manager) of any conflict of interest, whether potential, direct or indirect, of an economic or non-economic nature, arising from present or previous personal or professional relationships, which may affect the performance of their duties and responsibilities, influencing the individual decisions to be taken or the activities relating to their duties.

Employees with roles of responsibility shall refrain from making decisions or carrying out transactions on behalf of the Group where there are any of the above situations of conflict of interest. In these cases, the ordinary decision-making autonomy for

operations of the same type is raised to the hierarchical level immediately above. This is without prejudice to the obligations provided for by legislative and regulatory provisions, which have been incorporated in the Group's internal regulations (e.g. related-party transactions, obligations of banking officers, conflicts of interest, etc.).

3.6.4 ANTI-CORRUPTION

The Group applies a "zero tolerance" policy to any corruptive practice (whether direct or indirect, public or private, outside or inside the organisation, instigated, attempted or perpetrated). It is committed to ensuring that the Group itself, its staff and all persons it works with are compliant with anti-corruption regulations. To this end, all necessary measures are taken to combat corruption.

The Group has adopted internal anti-corruption procedures and lines of action for all personnel. These provide a framework of reference for preventing corruption risks and supplement the rules already contained in the 231 Model. Staff are required to be familiar with these procedures and lines of action and to comply with them.

It is forbidden to promise or offer sums of money or other gifts/benefits to Public Officials or to directors, officers, employees of the Public Administration or their relatives in order to obtain direct or indirect undue advantages for the Group, which would compromise the fairness and impartiality of decisions and damage the company's reputation.

During a negotiation, request or relationship with the Public Administration, no action should be taken (either directly or indirectly) to examine or propose employment and/or business opportunities that could personally benefit Public Administration employees.

Furthermore, it is forbidden to:

- offer or in any way provide gifts, including promotional company gifts for employees or, for example, through the payment of travel expenses;
- solicit or obtain confidential information that could compromise the integrity or reputation of both parties.

It is forbidden for board directors, general managers, financial reporting officers, auditors and persons who work in a managerial capacity to offer or accept money or other gains or benefits to perform or omit acts in violation of the obligations of their office or loyalty to the company.

Any gifts to or from third parties, including Christmas gifts or gifts for other special occasions, are to be considered permitted only and exclusively if of modest value and within the limits of the normal, legitimate standards of use, hospitality and courtesy. In any case, this must never be construed as looking for favours.

If involved in legal proceedings, the Group undertakes to act correctly, in compliance with the law, this Code and internal procedures, not least to avoid possible damage to the Group's image.

In legal proceedings involving any company of the Group, it is strictly forbidden to promise or offer payments, benefits or gifts to Public Officials or to directors, officers, employees of the public Administration or their relatives that may influence independence of judgment or provide any advantage to the Group.

3.6.5 PREVENTION OF CRIMINAL ACTIVITIES

The Group cooperates with other banks, institutions and supervisory authorities to contribute to the fight against and prevention of criminal activities, with particular regard to:

- preventing fraud against customers and the state;
- anti-money laundering and the investment of money from unlawful activities;
- anti-usury;
- countering bribery and corruption;
- countering occupational health and safety offences;
- combating market abuse;
- combating cybercrime;
- combating the financing of terrorism;
- tax evasion.

The Group has adopted an organisational system, procedures and internal controls to ensure effective risk prevention. It ensures compliance with the law, also through appropriate training and the adoption of regulatory and technological systems, for example to counter money laundering and terrorist financing, as well as systems enabling the prompt detection and processing of suspicious transactions.

Anyone that operates with the Group, and in particular the Addressees of this Code, must refrain from establishing, participating or facilitating/supporting criminal associations whose purpose is to carry out criminal or unlawful activities and avoid any relationship with them.

3.6.6 OPERATIONS IN CONTROVERSIAL SECTORS

An economic activity is considered “controversial” if the goods/services it produces/offers and/or the ways in which it produces/offers them are in conflict with the widely-shared ethical and social responsibility values with which the Group identifies and are judged negatively by significant parts of public opinion because of their negative social value. Not only is it important if a company carries out its business activities in this kind of sector, but also if there are risk factors in the nature/purpose of the transaction which it wishes to carry out with the Bank.

The Group therefore gives special attention to evaluating the ethical and sustainability implications of these activities and does not support transactions involving the production, transit and/or marketing of armament materials which (a) are not compliant with the national legislation in force and (b) are not, where applicable, previously authorised by the Italian national Authorities.

3.7 INFORMATION MANAGEMENT

Information concerning the Group, its customers and other stakeholders, such as employees, vendors, directors and shareholders, is treated confidentially and in compliance with privacy protection laws.

Information to the market, especially that which may affect the prices of financial instruments, must always be accurate and truthful and provided in compliance with market abuse regulations.

Confidential or privileged information cannot be used for personal gain.

It is the obligation of each employee/collaborator to ensure the confidentiality required by circumstance for each piece of information acquired in the course of his or her work duties.

Information on the Group's financial performance and its non-financial activities, which is sensitive from a reputational point of view (corporate governance, personnel policies, relations with customers and other significant stakeholders, etc.), is processed in accordance with the accounting standards required by law and according to the highest standards in force. Such information is made public in a clear and comprehensive manner so that investors and other significant stakeholders can take it into account when making their own assessments and investment choices.

The same criteria are used to manage and provide non-financial information, reported according to Italian Legislative Decree 254/2016: The Group provides information on environmental, social, governance and human rights protection issues to enable understanding of its business performance, results and the impact of its activities.

All information is made public in a clear and comprehensive manner so that investors and other significant stakeholders can take it into account when making their own assessments and investment choices.

Employees/collaborators are required to know and implement the Group's information security policies, ensuring the integrity, confidentiality and availability of information.

3.7.1 PROCESSING OF PERSONAL DATA

All personal data belonging to anyone whose data is transmitted - employees, collaborators, customers, vendors etc. - is stored in full compliance with the applicable regulations according to the principles of lawfulness, fairness, transparency, relevance, data minimisation, adequacy, accuracy and security.

Clear and comprehensive information is provided to those concerned, particularly for exercising their rights as recognised by law. Any surveys on people's ideas, preferences, personal tastes and private life is not allowed.

In line with recent developments in European legislation, the Group undertakes to adopt security measures to prevent loss, unauthorised processing and unlawful or incorrect use of personal data and/or unauthorised access to databases, company websites and payment data by "third parties".

4.1 ADOPTION AND AMENDMENTS

The Code and any amendments to it are subject to approval by the Board of Directors of the Parent Company, Banca Monte dei Paschi di Siena Spa. The Companies of the Group implement and apply the Code.

4.2 PUBLICATION

The Code and its amendments are communicated to the Addressees and, for the sake of transparency, also to customers, vendors and other significant stakeholders through the appropriate channels, which include:

- distribution in hardcopy and/or electronic format;
- intranet systems and other internal communication tools;
- Group internet sites;
- the branch network.

The administrative and management units, in their various forms, are committed to ensuring the distribution of the Code and promoting its application.

4.3 REPORTING AND CONTROLS

The application of the Code is ensured through the internal controls system, which constitutes a key element in a company's overall governance system.

Each corporate Function carries out controls designed to manage, supervise and govern all risks falling within their specific operational areas and responsibilities, including that of non-compliance with the Code.

There are also:

- Control Functions, i.e. those which under legislative, regulatory, statutory or self-regulatory provisions, carry out control tasks;
- the Internal Audit Function which, through its audit and control activities, monitors the proper performance of operations and development of risks, and assesses the completeness, adequacy, efficiency and reliability of the organisational structure and other components of the internal controls system.

Any non-compliance and conduct considered not in line with the Code's specifications may be reported by any Corporate Function as part of the control activities relating to their area of competence. The reports must be sent simultaneously to the Compliance and Internal Audit Functions through the formal communications transmission procedure called "Sisifo". They must be treated confidentially and analysed in order to determine their significance and provide for any corrective measures and/or improvements.

The Compliance Function examines the reports by evaluating the aspects within its scope of competence and determining the appropriate organisational measures to be adopted to prevent the repetition of similar violations, informing the Internal Audit Function as well. Through its audit activities, the latter evaluates and identifies the possible behaviours that may indicate a violation of the Code and submits the results to the relevant Corporate Bodies as well as to the 231 Supervisory Body (hereinafter also referred to as 231 SB).

4.3.1 REPORTING VIOLATIONS OF THE CODE OF ETHICS

Reports of any violations of this Code should be made in writing and not anonymously to:

Banca Monte dei Paschi di Siena s.p.a.
Organismo di Vigilanza 231
Direzione Generale
Piazza Salimbeni, 3
53100 - Siena

or to the following email address:

organismovigilanza.231-2001@mps.it

The Group ensures the confidentiality of the reporting party, against whom no form of recrimination or discriminatory measures are permitted or tolerated. It is however understood that this does not affect the Group's right to act to protect its reputation and that of its staff as well as its right to seek damages as a result of reports made in bad faith.

4.3.2 INTERNAL WHISTLEBLOWING POLICY

In addition to the foregoing and in compliance with the requirements of the Supervisory Bodies and with the applicable laws, the Montepaschi Group has adopted an internal whistleblowing system for reporting violations. The operating methods of this system are described in a specific policy that illustrates the internal whistleblowing system.

The Whistleblowing system derives from the awareness that fraudulent behaviour is harmful to the Group's tangible and intangible assets and that everyone's cooperation is necessary to counteract it.

Whistleblowing is a tool designed to strengthen the protection of lawfulness and transparency. It helps to control and more effectively prevent the risks that the Company may face due to any facts or actions that violate the law, regulations and its Code of Ethics. In addition, it contributes to the implementation of the Group's social responsibility policy and promotes its integrity and fairness.

Each employee is required to cooperate actively to achieve high ethical standards, both directly – by performing their duties in a fair and proper manner – and indirectly – by reporting any violations of laws, regulations and procedures that could have a negative impact on the Group, its customers, employees and the community in general.

Using a dedicated application that can be accessed independently and confidentially from the company intranet, Montepaschi Group staff can report any negligent, unlawful, irregular or improper work-related circumstances or conduct, which they suspect or become aware of during the course of their duties.

The Bank protects the person making the report in good faith from any retaliatory, discriminatory or otherwise unfair acts resulting from the report. Accordingly, the report shall not be prejudicial to the continuation of the employment relationship. In the event of a groundless report made with malice or grave negligence, the Bank

reserves the right to carry out the necessary investigations against the reporting person and to take the measures deemed appropriate.

The Bank guarantees the confidentiality of the report and the protection of the personal data of the reporting party and of the reported party, without prejudice to the rules governing investigations or proceedings initiated by the judicial authorities in relation to the facts reported and unless the knowledge of the identity of the reporting party is indispensable for the reported person's defence.

4.3.3 REPORTING VIOLATIONS OF THE 231 MODEL

The Montepaschi Group has established a reporting channel to the 231 Supervisory Body for events that could result in the Bank's liability under Italian Legislative Decree 231/2001 or violations relating to its organisational, management and control model pursuant to Italian Legislative Decree no. 231/2001.

Every employee that is responsible for Corporate Functions or Corporate Bodies, including external persons (i.e. self-employed workers or dependent self-employed workers, professionals, consultants, agents, vendors or other similar figures) can make a written report to the 231 SB. The report cannot be anonymous but will be treated with the strictest confidence.

Contact with the SB can be made using any means; either by sending a letter by post to the address:

Banca Monte dei Paschi di Siena s.p.a.
Organismo di Vigilanza 231
Direzione Generale
Piazza Salimbeni, 3
53100 - Siena

or by email addressed to the mailbox:

organismovigilanza.231-2001@mps.it

specifically set up for this purpose and access to which is exclusively restricted to SB members or employees and non-employees expressly authorised by the SB.

The slightest violation of the principles set forth in this Code of Ethics and in the 231 Model will be pursued by the Group, in an appropriate and proportionate manner, regardless of criminal implications.

Compliance with the provisions and rules of conduct established in the 231 Model and in this Code of Ethics is, for the Group's employees, a means of fulfilling the obligations laid down by Article 2104, paragraph 2 of the Italian Civil Code. Their violation may therefore constitute a breach of the obligations of the employment relationship or a disciplinary offence, with all the legal ramifications that follow, also in terms of the continuation of the employment relationship itself. It may also lead to claims for damages due to violation.

For non-employees, compliance with the Code of Ethics is a prerequisite for the continuation of the professional/collaborative relationship with the Group.

For specific details regarding disciplinary measures, reference should be made to the Group Directive on the management of prescriptive requirements regarding Italian Legislative Decree 231/01 on the administrative liabilities of legal entities, which is an integral part of the 231 Model.

On the cover:



Massimo Campigli (1895 - 1971)
Portrait of Olga Capogrossi (1960 ca.)

Oil on canvas - 47X37 cm
Banca Monte dei Paschi di Siena collection