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## **NOTICE OF EXTRAORDINARY AND ORDINARY SHAREHOLDERS' MEETING**

The Shareholders of Banca Monte dei Paschi di Siena S.p.A. (the “**Bank**”) are called to the Extraordinary and Ordinary Shareholders’ Meeting in Siena - Viale Mazzini 23 - on **18 December 2017 at 9:30 a.m., on a single call**, to discuss and pass resolutions on the following

### **AGENDA**

#### **Extraordinary session**

1. Measures pursuant to Article 2446 of the Civil Code: proposal for a reduction of the share capital covering losses; connected and consequent resolutions;
2. Amendments of the By-Laws relating to Articles 6, 10, 13, 14, 15, 16, 17, 18, 19, 20, 21, 23, 24, 26, 27, 28 and 33 and consequent approval of the new By-Laws; connected and consequent resolutions;

and, subject to the approval of the item 2 above in extraordinary session,

#### **Ordinary session**

1. Determination of the number of the members of the Board of Directors for the financial years 2017 - 2018 - 2019;
2. Determination of the number of the Deputy Chairmen for the financial years 2017 - 2018 - 2019;
3. Appointment of members of the Board of Directors for the financial years 2017 - 2018 - 2019;
4. Selection, from amongst the members of the Board of Directors, of the Chairman as well as the Deputy Chairmen in the number resolved by the Shareholders’ Meeting;
5. Determination of the compensation of the members of the Board of Directors;
6. Determination of the compensation of the Chairman of the Board of Directors;
7. Appointment of the Chairman and the other members of the Board of the Statutory Auditors for the financial years 2017 - 2018 - 2019;
8. Determination of the compensations of the members of the Board of the Statutory Auditors.

#### **General information**

Ordinary shares are no. 1,140,290,072 and each of them attributes the right to one vote at ordinary and extraordinary shareholders' meetings. At the date hereof, the Bank, directly and indirectly, owns no. 36,280,748 ordinary shares; the voting rights relating to these shares is suspended.

Please note that the items included in the agenda of the Ordinary Shareholders' Meeting above will be submitted for discussion and resolution to the Shareholders only if the matter under point 2 of the Extraordinary Shareholders’ Meeting agenda is positively resolved. The relevant resolutions adopted in

ordinary part will only be effective after the registration at the Business Register of the deliberation referred to in item 2 in extraordinary part.

Please note that for the rules applicable to the election of the new corporate bodies are those set forth in the by-laws of the Bank, as amended following the approval of the matter under point 2 of the Extraordinary Shareholders' Meeting agenda.

### **Appointment of the Board of Directors and the Board of Statutory Auditors**

With reference to Articles 15 and 24 of the By-Laws, as amended following the approval of the matter under point 2 of the Extraordinary Shareholders' Meeting agenda, that are included in the relevant explanatory report (available on the website [www.gruppomps.it/en](http://www.gruppomps.it/en) under section "Corporate Governance – Shareholders Meeting and BoD") please note the following.

Pursuant to Articles 15 and 24 of the By-Laws (considering the new text which is subject to the Shareholders' Meeting approval), the members of the Board of Directors and the Board of Statutory Auditors are appointed on the basis of lists submitted by shareholders that, either individually or together with other shareholders, collectively hold shares representing at least 1% of the share capital with voting rights in the Ordinary Shareholders' Meeting. The legal ownership of the minimum shareholding is determined by taking into account the shares registered under the name of the shareholder on the date on which the lists are filed with the Company and must be certified by a communication sent to the Bank by qualified intermediaries, which must be received by the Company even after the lists are filed or at a later date, but within the term set forth below for the publication of the lists by the Company.

The lists submitted by the shareholders must be filed at the Company's registered office at least twenty-five days prior to the date set for the Shareholders' Meeting on a **single call**, i.e. by **22 November 2017**; the lists may also be filed by sending the documentation to the fax number + 39/0577/296396 or to the certified email address [bancamps.settoreaffarisocietari@postacert.gruppo.mps.it](mailto:bancamps.settoreaffarisocietari@postacert.gruppo.mps.it).

The Company will make the lists available to the public by **26 November 2017** by submitting them to the Company's registered office and to the company in charge of the management of the stock exchange and by publishing them on its website.

Please note that the shareholders that submit minority lists must take into consideration Consob communication No. DEM/9017893 of 26 February 2009, with reference to the filing of a statement certifying the absence of direct or indirect connections with shareholders who hold, also jointly, a controlling interest or a relative majority shareholding.

Pursuant to Article 15 of the By-Laws (considering the new text which is subject to the Shareholders' Meeting approval), the Directors remain in the office for three financial years - more precisely, in the present case, the last part of the 2017 financial year, which has not yet been concluded, and the entire financial years 2018 and 2019 - and their term expires on the day of the Shareholders' Meeting called to approve the financial statements of the last financial year of their term; Directors may be re-appointed for a maximum of two consecutive terms after the first one, and are elected according to the list voting system, as described below. The Board of Directors is appointed on the basis of lists submitted by the shareholders, in which the candidates are listed by consecutive number. In each list, at least two candidates - or the only candidate or at least one third of the candidates in case of lists of more than six (6) candidates - specifically indicated, must meet the independence requirements set forth in the law applicable to the Statutory Auditors and the further independence requirements set forth by the Self-regulation Code for listed companies. If the above mentioned number (one third) does not correspond to an integer, the latter is rounded up by excess. The lists must contain candidates of different gender in accordance with the applicable gender balance legislation. The lists shall not include candidates who are above 75 years of age as

of the date of the Shareholders' Meeting for the renewal of the Corporate Bodies, also in view of the age limits indicated for the office of Chairman of the Board of Directors (no more than 70 years of age at the time of appointment) and for the office of Managing Director (no more than 67 years of age at the time of appointment), pursuant to the rules of the By-Laws.

As regards the appointment of the Board of Directors, together with each list, within the deadline for the filing, must be deposited at the Company's registered office: (i) the declarations by the candidates in which they accept their candidacy and certify, under their own responsibility, that there are no reasons for ineligibility and incompatibility, including no significant situations pursuant to Article 36 "Protection of competition and personal cross shareholdings in the credit and financial markets" of Law Decree No. 201/2011 - Law No. 214/2011, as well as the fact that they meet the requirements prescribed for the office by applicable law and regulations; (ii) declarations by the candidates indicated in the list as independent certifying that they meet the independence requirements set forth in the law applicable to the Statutory Auditors and the further independence requirements set forth by the Self-regulation Code for listed companies; and (iii) the *curriculum vitae* (both in Italian and English) representing the personal and professional characteristics of each candidate, indicating the management and control positions held in other companies; in particular the candidates must declare that they do not hold the office of director or of member of the council of management or the supervisory board of competitor banks, which do not belong to the Monte dei Paschi di Siena Banking Group, have a banking license issued by the Supervisory Authority and operate in the markets of bank funding or ordinary credit in Italy; (iv) information concerning the identity of the shareholders who submitted the lists, indicating the total shareholding percentage as shown on the certificates proving ownership of the above-mentioned minimum shareholding; this right shall be determined taking into account the shares registered under the name of the shareholder on the date on which the lists are filed; and (v) the signed privacy statement according to the model provided.

In compliance with the Supervisory Provisions for banks (Circular No. 285 of 17 December 2013) on the composition of the corporate boards and committees, the Board of Directors shall provide the shareholders with a document, published on the Bank's website and filed at the Company's registered office and at the stock exchange management company, containing its evaluations on the qualitative and quantitative composition considered optimal in light of the objectives set forth in the above-mentioned Supervisory Provisions and the theoretical profile (including professional characteristics and possibly independence) of the candidates deemed appropriate for these purposes, in due time to ensure that candidates are selected on the basis of the indicated professional characteristics and requirements

Pursuant to Article 24 of the By-Laws (considering the new text which is subject to the Shareholders' Meeting approval), the Board of Statutory Auditors is composed of three Statutory Auditors and two Alternate Auditors; the Statutory Auditors remain in office for three financial years - more precisely, in the present case, the last part of the 2017 financial year, which has not yet been concluded, and the entire financial years 2018 and 2019 - and their term expires on the date of the Shareholders' Meeting called to approve the financial statements of the last financial year of their term; they may be re-elected. They are appointed on the basis of lists submitted by the shareholders. The lists are divided into two sections: one for the appointment of the Statutory Auditors and one for the appointment of the Alternate Auditors. The candidates must be listed by progressive number and their number must not exceed the number of members to be elected. The lists with a number of candidates equal to or above three must include candidates of different gender in the first two places of the list under the section of the candidates for the office of Statutory Auditors, in compliance with the current regulation on gender balance. If the section of the Alternate Auditors of the above lists has two candidates, they must be of different gender.

As regards to the appointment of the Board of Statutory Auditors, together with each list, within the deadline for the filing, must be deposited at the Company's registered office: (i) the declarations by the

candidates in which they accept their candidacy and certify, under their own responsibility, that there are no reasons for ineligibility and incompatibility, including no significant situations pursuant to Article 36 “Protection of competition and personal cross shareholdings in the credit and financial markets” of Law Decree No. 201/2011 - Law No. 214/2011 (the latter only for candidates for the position of Statutory Auditor), and including the limit on the number of offices they may hold in accordance with applicable regulations, as well as the fact that they meet the requirements prescribed for the office by applicable law and regulations; (ii) the *curriculum vitae* (both in Italian and English) representing the personal and professional characteristics of each candidate, indicating the management and control positions held in other companies; (iii) information concerning the identity of the shareholders who submitted the lists, indicating the total shareholding percentage held. In particular, the candidates must declare that they do not hold office in banks other than those belonging to the Monte dei Paschi di Siena Banking Group and the banks jointly controlled; and (iv) the signed privacy statement according to the model provided.

In addition, in the case of submission of a list by shareholders other than those holding, also jointly, a controlling interest or a relative majority share, the list must also be provided with a statement of the submitting shareholders, proving that there are no connections, as defined by applicable laws and regulations, with the shareholders holding, also jointly, a controlling interest or relative majority share.

Each shareholder may submit or contribute to the submission of one list only. Each candidate may stand for election in one list only, under penalty of ineligibility.

Lists submitted that do not comply with the statutory provisions cannot be voted.

#### **Participation in the Shareholders’ Meeting**

Entitlement to attend the Shareholders’ Meeting and to exercise the voting right is certified in a notice sent to the Bank by a qualified intermediary in favour of the party with voting rights, on the basis of its records relating to the end of the business day on **7 December 2017**, the seventh trading day prior to the date scheduled for the Shareholders’ Meeting on a single call.

Credit and debit entries made on accounts subsequent to that deadline are not relevant for the purposes of legitimately exercising the voting right at the Shareholders’ Meeting: therefore, those who hold shares only after that date shall not be entitled to attend and to vote in the Shareholders’ Meeting.

It will be possible for the holders of shares deposited with the Bank who are also registered to the Internet Banking Customer Area to make the request for participation in the Shareholders’ Meeting also through that application, according to the terms and the technical times indicated by the same application.

Shareholders’ participation in the Shareholders’ Meeting is governed by the relevant applicable law, regulations and By-Laws.

#### **Proxy voting procedure**

Those entitled to vote may be represented at the Shareholders’ Meeting as prescribed by law, using the proxy form included at the bottom of the copy of the notice issued by the intermediary, or in any case by filling out the proxy form available on the website [www.gruppomps.it/en](http://www.gruppomps.it/en), (in the section Corporate Governance – Shareholders Meeting and BoD).

Proxy may be granted with an electronic document signed in electronic form in accordance with Article 21, paragraph 2 of Italian Legislative Decree no. 82 dated 7 March 2005, as amended by Article 18 of the Italian Legislative Decree no. 179 dated 26 August 2016.

The representative – certifying under his or her own responsibility the identity of the delegating party and the conformity of the copy of the proxy with the original - may deliver a copy of the proxy in place of the original upon receipt before the meeting. Said copy may also be sent, before the date of the Meeting, either in electronic form through the website [www.gruppomps.it/en](http://www.gruppomps.it/en), (in the section Corporate Governance – Shareholders Meeting and BoD), or by accessing the Internet Banking Customer Area for the owners of

that application or to the certified e-mail address [bancamps.settoreaffarisocietari@postacert.gruppo.mps.it](mailto:bancamps.settoreaffarisocietari@postacert.gruppo.mps.it), or by transmitting it to the fax number +39/0577/296396.

Pursuant to applicable regulations, the representative must keep the original proxy form and keep track for one year, beginning at the end of the shareholders' meeting, of any voting instructions received.

#### **Issuer's Appointed Representative**

For the Shareholders' Meeting object of this Notice of Call, the Bank has appointed, pursuant to Article 135-*undecies* of Italian Legislative Decree no. 58 dated 24 February 1998 (the "**Consolidated Financial Act**"), the company Computershare S.p.A. (hereinafter referred to as the "**Appointed Representative**") as the party to which those with voting rights who have proved their legitimacy as required by law may freely grant a proxy with voting instructions, in compliance with the provisions pursuant to Article 135-*undecies* of the Consolidated Financial Act. Proxies given to the Appointed Representative are effective only for proposals in relation to which voting instructions have been given on all or some of the agenda items.

Proxy to the Appointed Representative is granted by filling out and signing the dedicated form with voting instructions, available on the website [www.gruppomps.it/en](http://www.gruppomps.it/en), (in the section Corporate Governance – Shareholders Meeting and BoD) or requested using the contact information provided below.

The duly completed and signed original forms for issuing the proxy and voting instructions, duly completed and signed in original, must be received in their original form by post by the Appointed Representative - together with a copy of a valid identity document - by midnight on **14 December 2017**, at the address Via Monte Giberto 33, 00138, Roma. A copy of the proxy form with voting instructions, accompanied by a statement attesting to its conformity with the original, may be sent in advance to the Appointed Representative by the same deadline by email to [ufficioroma@pecserviziotitoli.it](mailto:ufficioroma@pecserviziotitoli.it) or by fax to +39/06/45417450. The proxy and voting instructions may be revoked using the same methods by the same deadline. The proxy is valid only for proposals for which voting instructions have been given. Shares for which a proxy has been granted, even partial, are calculated to determine whether the quorum for the Shareholders' Meeting has been met. As regards proposals for which voting instructions have not been given, the shares are not taken into consideration for the purpose of calculating the majority and the percentage of share capital required for the approval of resolutions.

From the date of publication of this Notice of Call, the Appointed Representative may be contacted for information or for clarifications by calling the phone number +39/06/45417413 or by writing to [ufficioroma@pecserviziotitoli.it](mailto:ufficioroma@pecserviziotitoli.it). The notice sent to the Bank by the intermediary attesting to legitimacy for participation in the Shareholders' Meeting and exercise of the voting right is also required if the proxy is granted to the Appointed Representative; without that notice, the proxy shall be deemed null and void.

#### **Right to ask questions**

Those with voting rights may only ask questions about the agenda items even before the Shareholders' Meeting – without exception, no later than midnight on **15 December 2017** inclusive - by sending them together with the notice issued by a qualified intermediary to fax number +39/0577/296396 or to the certified email address [bancamps.settoreaffarisocietari@postacert.gruppo.mps.it](mailto:bancamps.settoreaffarisocietari@postacert.gruppo.mps.it). The questions will be answered at the latest during the Shareholders' Meeting, even by providing the relative replies in hard copy (paper) format to each party with voting rights. A single reply may be provided to questions with the same content.

#### **Supplementing the agenda**

Pursuant to Article 126-*bis* of the Consolidated Financial Act, Shareholders who represent, also jointly, at least one fortieth of the share capital, may request within ten days from the publication of this Notice of

Call, to make additions to the list of the items to be discussed, indicating the additional items proposed, or may submit resolution proposals on items already on the agenda. Each person with voting rights may individually submit resolution proposals during the Shareholders' Meeting. The request - in addition to the certificate proving ownership of the shareholding and a copy of an identity document (for natural persons) or the documentation attesting the relative powers (for legal entities) - must be submitted in writing and delivered to the registered office or sent by registered mail to Banca Monte dei Paschi di Siena S.p.A., Area Legale e Societario, Piazza Salimbeni 3, 53100, Siena or by certified email to [bancamps.settoreaffarisocietari@postacert.gruppo.mps.it](mailto:bancamps.settoreaffarisocietari@postacert.gruppo.mps.it).

Ownership of the minimum percentage of the share capital specified above is certified by a qualified intermediary on the basis of its accounting records, attesting the ownership of at least one fortieth of the share capital and containing the indication of the exercisable ownership right.

Any integration to the agenda is not allowed for items upon which, according to the law, the Shareholders' Meeting resolves upon the Board of Directors' proposal or on the basis of a plan or a report prepared by the Board of Directors, other than those provided for by Article 125-ter, paragraph 1 of the Consolidated Financial Act. Notice of any supplements to the agenda and of the submission of additional resolution proposals on issues already on the agenda is given in the same forms required for publishing the notice of call, at least fifteen days before the date set for the Shareholders' Meeting. Additional resolution proposals on items already on the agenda will be made available to the public according to methods established by law when the announcement of the submission is published.

Shareholders requesting the inclusion in the list of matters to be discussed or submitting proposals for deliberation on matters already on the agenda, must prepare a report indicating the reason for the resolution proposals on the new items for which they propose the discussion or justification for further proposals for deliberation on matters already on the agenda; such report shall be transmitted to the Board of Directors within the deadline for submitting the request, as indicated above. The report will be made available to the public, together with any assessments of the Board of Directors, at the time of publication of the news of the integration of the agenda or of the submission of further proposals for deliberation, in accordance with the law.

#### **Absentee voting or electronic voting**

There are no absentee voting or electronic voting procedures.

#### **Documentation**

Documentation concerning the agenda topics will be made available to shareholders by the deadlines set forth by law at the registered office (Piazza Salimbeni 3, Siena) and at the stock exchange management company (Borsa Italiana S.p.A., Piazza degli Affari 6, Milan). Shareholders are entitled to obtain a copy. Such documentation (along with a copy of this Notice) will also be made available on the website [www.gruppomps.it/en](http://www.gruppomps.it/en), (in the section Corporate Governance – Shareholders Meeting and BoD) together with the forms that may be used by Shareholders for ordinary proxy voting or to grant proxy to the Appointed Representative, as set forth above. The same website also provides a “Guide for Shareholders” which summarizes the rules governing participation in Shareholders' Meetings, as indicated above, as well as information about the amount of share capital and the number of shares into which it is divided.

The Shareholders are kindly invited to arrive before the Meeting begins, so as to facilitate admission procedures and allow the Meeting to begin on time.

Any additional information regarding procedures for participation in the Shareholders' Meeting may be requested by calling the following telephone numbers: +39/0577/296863, +39/0577/296376, +39/0577/293360, +39/0577/293135.

Siena, 7 November 2017

The Chairman of the Board of Directors  
Mr. Alessandro Falciai