

Siena, June 18th 2019

## BANCA MONTE DEI PASCHI DI SIENA S.p.A.

### AML Declaration

#### GENERAL INFORMATION

Company: Banca Monte dei Paschi di Siena S.p.A.  
Registered office: Siena - Piazza Salimbeni, 3  
Tax code and VAT number: 00884060526  
Phone numbers: +39 0577 294111  
Web site: [www.mps.it](http://www.mps.it) (english version: <http://english.mps.it>)  
SWIFT code: PASCITMM

The Montepaschi Group is active all over Italy, with a full branch in China and one subsidiary in France, with operations ranging from traditional banking activity, asset management and private banking (mutual funds, wealth management, pension funds and life insurance), through investment banking and innovative business financing (project financing, merchant banking and financial counseling), with a tradition in serving retail customers and small to medium size businesses.

With more than 23.000 employees, more than 1500 branches and an efficient network that includes a sizable team of financial advisers, the Montepaschi Group serves about five million customers.

The Bank operates under license of Bank of Italy in accordance with the current regulatory framework, internal Policies and Procedures aimed at ensuring compliance with all domestic and EU applicable legislations and its Code of Ethics.

The Bank is listed on the Milan Stock Exchange and its financial statements are formally audited.

For information about the Bank's major shareholders (entities that directly and/or indirectly hold ordinary shares representing a shareholding exceeding 3% of the share capital of the Issuer and which do not fall under the cases of exemption set forth in Article 119-bis of the Issuers' Regulation) please refer to contents published on the Group website: [www.gruppomps.it](http://www.gruppomps.it) - Corporate Governance - Shareholding Structure.

#### ANTI-MONEY LAUNDERING IN ITALY: LAWS AND REGULATIONS

##### FOR THE PREVENTION AND COUNTERING OF MONEY LAUNDERING AND TERRORISM FINANCING

The Anti-Money Laundering (AML) and Counter Terrorism Financing (CTF) regulatory framework is based on a comprehensive set of national, EU and international regulatory sources.

EU guidelines on preventing the use of the financial system for money laundering and terrorism financing are contained in EU Directive 2015/849 of the European Parliament and of the Council dated May 20<sup>th</sup> 2015 (Fourth Anti-Money Laundering Directive), which repealed Directive 2005/60/EC of the European Parliament and Directive 2006/70/EC of the Council and Commission.

At the national level, prevention and fight against money laundering and terrorism financing is regulated by the following primary laws:

- Italian Legislative Decree no. 109 of 22 June 2007 which sets forth “Provisions to prevent, counter and repress the financing of terrorism and the activity of Countries that threaten peace and international security”, as modified by Legislative Decree 90/2017 which implemented Directive 2015/849/EU;
- Italian Legislative Decree no. 231 of 21 November 2007, transposing Directive 2005/60/CE on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing and Directive 2006/70/EC (introducing implementing measures of Directive 2005/60/CE), as modified by Legislative Decree 90/2017 which implemented Directive 2015/849/EU.

The Montepaschi Group has transposed these decrees in its internal regulatory documents.

On its activities of prevention and countering of money laundering and terrorism financing, the Bank is subject to the constant review by its domestic and European Regulators, respectively the Bank of Italy and the European Central Bank.

#### **BMPS GROUP POLICY ON PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING**

The Montepaschi Group has adopted an AML/CTF Policy as a reflection of its commitment to countering the criminal activities related to money laundering and terrorism financing. Particular attention is given to all AML and CTF measures while considering that the pursuit of profitability and efficiency should always go hand in hand with the effort to effectively ensure the company's integrity.

This global Anti-Money Laundering and Counter Terrorism Financing Policy applies to the Montepaschi Group at an Enterprise level and describes the policies adopted by the Group in accordance with the rules and principles established by national and EU regulations, in compliance with AML/CTF international standards.

The Policy is published on the Group website: [www.gruppomps.it](http://www.gruppomps.it).

#### **BMPS GROUP MONEY-LAUNDERING AND TERRORIST FINANCING RISK MANAGEMENT**

To mitigate the risk of non-compliance with anti-money laundering and counter-terrorism financing requirements, the Group adopted a procedure that involves the following activities:

- Identifying the risk of non-compliance with AML/CTF requirements;
- Gap analysis and assessing the status of compliance;
- Management and mitigation of AML/CTF risks;
- Compliance controls (ex-ante and ex-post);
- Advisory and support to Management and branches network on AML/CTF issues;
- On-going AML/CTF risks monitoring and control;
- Specific reporting to top management, governing bodies, supervisory bodies and regulators;
- Structuring and provision of specific AML/CTF training courses.

#### **THE BOARD OF STATUTORY AUDITORS AND THE INTERNAL AUDIT DEPARTMENT**

The Board of Statutory Auditors and the Supervisory Committee pursuant to Legislative Decree No. 231/01 (appointed by the Board of Directors) supervise, within their respective powers and responsibilities, the functionality and adequacy of the internal control systems and procedures





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regarding anti-money laundering and terrorism financing regulations and, in particular, with the reporting obligations of suspicious activity. The Board of Statutory Auditors, through the Internal Audit Department, periodically verifies the functionality and efficiency of the AML/CTF procedures and assesses the validity of the entire system.

**BANCA MONTE DEI PASCHI DI SIENA**

**AML/CFT Department**

**Viale Giuseppe Mazzini, 23**

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