

**SECOND SUPPLEMENT DATED 15 OCTOBER 2020 TO THE PROSPECTUS DATED 22 JULY 2020**



**Banca Monte dei Paschi di Siena S.p.A.**  
(*incorporated as a joint stock company in the Republic of Italy*)

**€20,000,000,000 Covered Bond Programme**  
**unconditionally and irrevocably guaranteed as to payments of interest and principal by**

**MPS Covered Bond S.r.l.**  
(*incorporated as a limited liability company in the Republic of Italy*)

**BY APPROVING THIS SUPPLEMENT, THE *COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER* GIVES NO UNDERTAKING AS TO THE ECONOMIC OR FINANCIAL OPPORTUNENESS OF THE TRANSACTION OR THE QUALITY AND SOLVENCY OF THE ISSUER IN LINE WITH THE PROVISIONS OF ARTICLE 6 (4) OF THE LUXEMBOURG LAW DATED 16 JULY 2019 ON PROSPECTUSES FOR SECURITIES.**

This second Supplement (the "**Supplement**") to the base prospectus dated 22 July 2020, as supplemented by the first supplement dated 8 September 2020 (the "**Prospectus**") constitutes a supplement for the purposes of Article 23 of Regulation EU 2017/1129 (as subsequently amended, the "**Prospectus Regulation**") and is prepared in connection with the €20,000,000,000 covered bond programme (the "**Programme**") established by Banca Monte dei Paschi di Siena S.p.A. ("**BMPS**" or the "**Issuer**") and guaranteed by MPS Covered Bond S.r.l. (the "**Guarantor**").

Capitalised terms used in this Supplement, and not otherwise defined herein, shall have the same meaning ascribed to them in the Prospectus.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been approved by the *Commission de Surveillance du Secteur Financier* ("**CSSF**"), which is the Luxembourg competent authority for the purposes of the Prospectus Regulation and Luxembourg Prospectus Law, as a supplement issued in compliance with the Prospectus Regulation and relevant implementing measures in Luxembourg for the purposes of updating the sections of the Prospectus headed "*Documents incorporated by Reference*", "*Banca Monte dei Paschi di Siena S.p.A.*", and "*General Information*".

Copies of this Supplement and the document incorporated by reference in this Supplement can be obtained free of charge from the registered office of the Issuer and are available on the Luxembourg Stock Exchange website ([www.bourse.lu](http://www.bourse.lu)) and on the Issuer's website (<https://www.gruppomps.it/investor-relations/programmi-di-emissione-e-prospetti/emissioni-internazionali-obbligazioni-mps-2020-emetn-e-obg.html>).

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus which is capable of affecting the assessment of Covered Bonds issued under the Programme since the publication of the Prospectus.

### **Purpose of this Supplement**

The purpose of the submission of this Supplement is to update the information contained in the Prospectus and, in particular:

1. update the section named "*Documents Incorporated by Reference*" of the Prospectus, incorporating by reference (i) the press release published by the Issuer on its website on 2 September 2020, named "BMPS receives ECB's final decision on planned partial demerger in favour of AMCO" and dated 2 September 2020; and (ii) the press release published by the Issuer on its website on 4 October 2020, named "Banca Monte dei Paschi di Siena: the Extraordinary Shareholders' meeting approves the project of the demerger in favour of AMCO" and dated 4 October 2020; and
2. update the section named "*Banca Monte dei Paschi di Siena S.p.A.*" of the Prospectus.

## 1. DOCUMENTS INCORPORATED BY REFERENCE

The information set out below supplements the section of the Prospectus entitled "*Documents incorporated by reference*" beginning on pages 95 - 97 of the Prospectus.

By virtue of this Supplement, the following entire documents which have been published and filed with the CSSF shall be deemed to be incorporated by reference in, and form part of, the Prospectus:

- (i) the press release named "BMPS receives ECB's final decision on planned partial demerger in favour of AMCO" (the "**September 2020 Press Release**") which is available at [https://www.gruppomps.it/static/upload/020/02092020\\_cs\\_ecb\\_eng\\_final.pdf](https://www.gruppomps.it/static/upload/020/02092020_cs_ecb_eng_final.pdf).
- (ii) the press release headed "Banca Monte dei Paschi di Siena: the Extraordinary Shareholders' meeting approves the project of the demerger in favour of AMCO" (the "**October 2020 Press Release**") which is available at [https://www.gruppomps.it/static/upload/202/2020\\_10\\_04\\_cos\\_assemblea\\_eng.pdf](https://www.gruppomps.it/static/upload/202/2020_10_04_cos_assemblea_eng.pdf).

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The table below sets out the relevant page references with respect of the information incorporated by reference.

### Cross-reference List

Document	Information Incorporated	Page Reference
September 2020 Press Release headed "BMPS receives ECB's final decision on planned partial demerger in favour of AMCO"	Entire document	All
October 2020 Press Release headed "Banca Monte dei Paschi di Siena: the Extraordinary Shareholders' meeting approves the project of the demerger in favour of AMCO"	Entire document	All

2. **BANCA MONTE DEI PASCHI DI SIENA S.P.A.**

- 2.1 The paragraph "Z) *Partial, non-proportional demerger with asymmetric option from BMPS in favor of AMCO*" of sub-paragraph 3.1 "*Recent developments*" of paragraph 3 titled "*Major Events*" on page 218 of the Prospectus is deleted in its entirety and replaced as follows:

"Z) *Partial, non-proportional demerger with asymmetric option from BMPS in favor of AMCO*

On 29 June 2020, the Board of Directors of BMPS and the Board of Directors of AMCO approved the project related to the partial, non-proportional demerger with asymmetric option from BMPS in favor of AMCO (the "**Transaction**") of a compendium consisting of NPEs, DTAs, other assets, financial debts, other liabilities and net equity, subject to certain conditions, first of all the positive scrutiny by the ECB. On 27 August 2020, the Bank's Board of Directors acknowledged receipt from the ECB of the draft decision regarding the Transaction and resolved to inform the ECB of the absence of comments on its part. The ECB draft decision set out the conditions to which the ECB's authorisation to carry out the Transaction is subject, as further detailed in the August 2020 Press Release. On 2 September 2020 BMPS received the ECB final decision confirming the draft decision received by the Bank on 27 August 2020. On 4 October 2020, the Extraordinary Shareholders' meeting of BMPS resolved to (i) approve the partial proportional demerger project of MPS Capital Services S.p.A. ("**MPS Capital Services**") in favour of BMPS which consists in a partial proportional demerger of MPS Capital Services in favour of the Bank to be implemented through the assignment by MPS Capital Services to the Bank of a portion of its assets and liabilities (including a portfolio of non-performing exposures) and which will be subsequently transferred to AMCO as a result of the Transaction; (ii) approve the Transaction with the granting of an asymmetric option to the shareholders of BMPS, other than the MEF; and (iii) amend the Bank's by-laws (with respect to the Bank's share capital) following the approval of the Transaction. For more information in this respect, reference is made to the press release published by BMPS on 29 July 2020 and headed "*Partial non – proportional demerger project with asymmetric option of a compendium of non – performing exposures from MPS in favour of AMCO*" (the "**BMPS Press Release**"), the August 2020 Press Release, the September 2020 Press Release and the October 2020 Press Release (all incorporated by reference to this Prospectus)."

- 2.2 The following paragraph shall be deemed to be included in paragraph 3.1 "*Recent developments*" of paragraph 3 titled "*Major Events*" on page 219 of the Prospectus:

"CC) *BMPS issued a Euro 300 million tier 2 bond*

On 10 September 2020 BMPS issued a fixed-rate tier 2 subordinated bond, with a 10-year maturity (callable after 5 years from the issue date, at the Issuer's discretion, subject to regulatory approval), reserved to institutional investors, with a size of Euro 300 million and an annual yield of 8.50%. The issuance is instrumental to the Transaction in favour of AMCO as it meets one of the conditions set by the ECB to authorise the Transaction, as provided for in the ECB final decision of 2 September 2020. The issuance met an excellent response from the market, with final orders exceeding Euro 1 billion from over 120 investors. The bond, issued under BMPS Debt Issuance Programme, with ratings of Caa1 (Moody's) / CCC+ (Fitch)/B (low) (DBRS), is listed on the Luxembourg Stock Exchange."

### 3. MANAGEMENT OF THE BANK

The "Management of the Bank" section on pages 271-277 of the Prospectus is deleted in its entirety and replaced as follows:

"The Bank is managed by a Board of Directors tasked with the strategic supervision. The Board of Directors in office consists of 15 members.

The Chief Executive Officer is appointed by the Board of Directors.

Under the Italian Civil Code, the Bank is required to have a board of statutory auditors.

Each Director and Statutory Auditor shall meet the requirements provided for by the applicable laws and BMPS' by-laws.

#### Board of Directors

The Ordinary Shareholders' meeting of the Bank held on 18 May 2020 appointed the following members to the Board of Directors for financial years 2020, 2021 and 2022:

	Name	Position	Place and date of birth	Main activities outside the Bank, deemed significant
1.	Patrizia Grieco (*)	Chairperson	Milano, 1 February 1952	Director of Ferrari N.V. Director of Amplifon S.p.A. Director of Endesa S.A. Chairperson of Italian Corporate Governance Committee
2.	Guido Bastianini	Chief Executive Officer and General Manager	Gavorrano (GR), 10 April 1958	
3.	Francesca Bettio (**)	Deputy Chairperson	Piove di Sacco (PD), 1 October 1950	
4.	Rita Laura D'Ecclesia (**)	Deputy Chairperson	Foggia, 30 September 1960	
5.	Luca Bader (**)	Director	Milano, 18 May 1974	

	<b>Name</b>	<b>Position</b>	<b>Place and date of birth</b>	<b>Main activities outside the Bank, deemed significant</b>
6.	Alessandra Giuseppina Barzaghi (**)	Director	Giussano (MP), 29 April 1955	
7.	Marco Bassilichi (*)	Director	Firenze, 3 October 1965	Deputy Chairperson of NEXI Payments S.p.A. Director of Base Digitale S.r.l. Member of Santa Chiara Lab Committee (University Innovation Lab)
8.	Francesco Bochicchio (**)	Director	Roma, 19 August 1956	Chairperson, Member of Monitoring Committee of Cassa di Risparmio della Provincia di Chieti in liquidazione coatta amministrativa Member of Monitoring Committee of Banca Padovana di credito cooperativo società cooperativa in liquidazione coatta amministrativa
9.	Rosella Castellano (**)	Director	Catania, 27 June 1965	
10.	Olga Cuccurullo	Director	Roma, 17 November 1972	Director of Office III of Treasury Department - Finance and Privatization Division within the Italian Ministry of

Name	Position	Place and date of birth	Main activities outside the Bank, deemed significant
			the Economy and Finance
11. Paola De Martini (**)	Director	Genova, 14 June 1962	
12. Raffaele Di Raimo (**)	Director	Roma, 3 June 1965	
13. Marco Giorgino (**)	Director	Bari, 11 December 1969	Director, Member of Control and Risk, Corporate Governance and Sustainability Committee and Chairperson of Related Party Committee of Terna S.p.A. Director of RealStep SICAF Chairperson of V-Finance Auditor of RGI S.p.A. Auditor of Luce Capital S.p.A.
14. Nicola Maione (**)	Director	Lamezia Terme (CZ), 9 December 1971	
15. Roberto Rao (**)	Director	Roma, 3 March 1968	

(\*) *Independent director pursuant to the Consolidated Finance Act.*

(\*\*) *Independent director pursuant to the by-laws (Consolidated Finance Act and the Corporate Governance Code for Listed Companies).*

## Managers with strategic responsibilities

	Name	Position	Place and date of birth	Main activities outside the Bank, deemed significant
1.	Guido Bastianini	Chief Executive Officer and General Manager	Gavorrano (GR), 10 April 1958	
2.	Giovanni Ametrano	Head of Performing Loans Division	6 April 1965	Deputy Chairperson of MPS Leasing & Factoring S.p.A.
3.	Maurizio Bai	Head of Network Division	23 July 1967	Director of MPS Leasing & Factoring S.p.A.
4.	Leonardo Bellucci	Chief Risk Officer	21 February 1974	
5.	Vittorio Calvanico	Chief Operating Officer	Napoli, 8 February 1964	Director of Ausilia S.r.l.  Chief Executive Officer of Consorzio Operativo Gruppo Montepaschi S.c.p.a.
6.	Ettore Carneade	Compliance Officer	Mola di Bari (BA), 16 June 1961	
7.	Nicola Massimo Clarelli	Chief Financial Reporting Officer	Caserta, 22 October 1971	
8.	Pierfrancesco Cocco	Chief Audit Executive	Pisa, 7 June 1954	
9.	Roberto Coita	Chief Human Capital Officer	Milano, 28 January 1972	Director of Widiba S.p.A.
10.	Fiorella Ferri	Chief Safety Officer	Sovicille (SI), 5 June 1962	
11.	Fabiano Fossali	Head of Markets and Products Division	Venezia, 22 March 1968	
12.	Fabrizio Leandri	Chief Lending Officer	Roma, 21 April 1966	Deputy Chairperson of Monte Paschi Banque S.A.  Director of MPS Capital Services Banca per le Imprese S.p.A.

	<b>Name</b>	<b>Position</b>	<b>Place and date of birth</b>	<b>Main activities outside the Bank, deemed significant</b>
13.	Pasquale Marchese	Chief Commercial Officer	Pescara, 2 June 1961	Deputy Chairperson of Widiba Director of AXA MPS Assicurazioni Danni S.p.A. Director of AXA MPS Assicurazioni Vita S.p.A.
14.	Ettore Minnella	Head of Operations Division	Taranto, 18 September 1960	
15.	Marco Palocci	Head of Institutional Relations, Communication and Sustainability Division	Roma, 2 December 1960	Deputy Chairperson of the Board of Directors of Fondazione Banca Agricola Mantovana Member of the Board of Directors of Fondazione Banca Antonveneta
16.	Riccardo Quagliana	Group Counsel	General Counsel Milano, 4 February 1971	Deputy Chairperson of MPS Capital Services Banca per le Imprese S.p.A. Director of Conciliatore Bancario e Finanziario
17.	Giuseppe Sica	Chief Financial Officer Deputy General Manager	Salerno, 19 April 1977	Chairperson of AXA MPS Assicurazioni Danni S.p.A. Chairperson of AXA MPS Assicurazioni Vita S.p.A. Director of MPS Capital Services Banca per le Imprese S.p.A.
18.	Lucia Savarese	Head of Non-Performing Loans Division	Pompei (NA), 30 March 1964	Director of MPS Leasing & Factoring S.p.A.
19.	Federico Vitto	Head of Wealth Management Division	Roma, 14 November 1968	Chairperson of MPS Fiduciaria S.p.A.

## Board of Statutory Auditors

The Ordinary Shareholders' meeting of the Bank held on 18 May 2020 appointed the following members to the Board of Statutory Auditors for financial years 2020, 2021 and 2022:

	<b>Name</b>	<b>Position</b>	<b>Place and date of birth</b>	<b>Main activities outside the Bank, deemed significant</b>
1.	Enrico Ciai	Chairperson	Roma, 16 January 1957	
2.	Luigi Soprano	Auditor	Napoli, 22 February 1959	Sole Director of Asiago Immobiliare S.r.l.  Liquidator of Consorzio Salernitano "CON-COPAS" società cooperativa a r.l.  Sole Director of Crapolla S.r.l.  Liquidator of di Fiorino Sud S.r.l.  Sole Director of Unico di H & B Immobiliare S.r.l.  Director of Interservice S.p.A.  Auditor of Del Bo Società Consortile Stabile A  Chairperson of the Board of Statutory Auditors of Del Bo Impianti S.r.l.  Chairperson of the Board of Statutory Auditors of Del Bo Roma S.r.l.  Chairperson of the Board of Statutory Auditors of Del Bo S.p.A.  Chairperson of the Board of Statutory Auditors of Del Bo Servizi S.p.A.  Auditor of SIA S.p.A.  Liquidator of Italgrani S.r.l. in liquidazione

Liquidator of Italsilos S.r.l.

Sole auditor of Aedifica S.r.l.

Auditor of La. Me.s. S.p.A.

Chairperson of the Board of Statutory Auditors of Tufano Holding S.p.A.

Auditor of A.R.I.N. Azienda Speciale

Auditor of Mairo S.r.l.

Auditor of Consorzio Meditech

Administrator of Fallimento IAP S.r.l.

Administrator of Fallimento Immobiliare Conte Rosso S.r.l.

Auditor of Fondazione Donnaregina per le arti contemporanee

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3.	Alessia Bastiani	Auditor	Firenze, 12 July 1968	Auditor of Savino del Bene S.p.A.
				Auditor of Aprile S.p.A.
				Auditor of Molmed S.p.A.
				Auditor of Publiacqua S.p.A.
				Auditor of Albatrans S.p.A.
				Auditor of Firenze Fiera S.p.A.
				Auditor of Commercial Department Container CDC S.p.A.
				Auditor of CNA Servizi e Consulenze S.r.l.
				Auditor of Arimar International S.p.A. a socio unico

Chairperson of the Board of Statutory Auditors of Azzurra Aeroporti S.p.A.

Sole auditor of Ambiente e impresa S.r.l.

Auditor of INFOBLU S.p.A.

Chairperson of the Board of Statutory Auditors of I Praticelli S.p.A.

Chairperson of the Board of Statutory Auditors of Paper Interconnector S.c.p.a.

Auditor of Interconnector Energy Italia S.c.p.a.

Chairperson of the Board of Statutory Auditors of Monita Interconnector S.r.l.

Chairperson of the Board of Statutory Auditors of Leonardo Energia società consortile a r.l.

Sole auditor of Consorzio Energy Paper S.c.a.r.l.

Chairperson of the Board of Statutory Auditors of COMIECO Consorzio Nazionale Recupero e Riciclo degli imballaggi a base cellulosica

Auditor of Museo Nazionale Romano

4.	Piera Vitali	Alternate auditor	Mede (PV), 8 June 1949	Chairperson of the Board of Statutory Auditors of Piaggio & C. S.p.A.  Chairperson of the Board of Statutory Auditors of Value Retail Milan S.r.l.
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5.	Lorenzo Chieppa (*)	Alternate auditor	Andria (BT), 4 November 1959	-
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(\*) *Lorenzo Chieppa has resigned from the office of alternate auditor with effect from 11 September 2020 and the substitute alternate auditor will be appointed in the next following Ordinary Shareholders' meeting of the Bank.*

The Board of Statutory Auditors is required to verify that the Bank complies with applicable law and its by-laws, respects the principles of correct administration, and maintains an adequate organisational structure, internal controls and administrative and accounting systems. The Board of Statutory Auditors has a duty to shareholders to whom they report at the annual Ordinary Shareholders' meeting approving the financial statements.

Banca Monte dei Paschi di Siena S.p.A. - Piazza Salimbeni 3, Siena, Italy is the business address of each member of the Board of Directors, Board of Statutory Auditors and managers with strategic responsibilities.

For further information please refer to the Bank's website at [www.gruppomps.it](http://www.gruppomps.it) – Corporate Governance.

### **Statutory Auditing**

Pursuant to article 28 of the Bank's by-laws, on 11 April 2019 the Ordinary Shareholders' meeting appointed the audit firm PricewaterhouseCoopers S.p.A. as independent auditors for the statutory audit of the accounts 2020-2028. The statutory audit shall be performed by an independent auditor meeting the requirements established by law.

### **Conflict of Interest**

BMPS is an Italian bank with shares listed on regulated markets and as such deals with any conflicts of interest of the members of its administrative, management and supervisory bodies in accordance with the requirements of article 2391 ("*Directors' interests*") and article 2391-bis of the Italian Civil Code ("*Related party transactions*"), article 53, paragraph 4 ("*Regulatory supervision*") and article 136 ("*Obligations of bank corporate officers*") of the Italian Consolidated Banking Act and the regulatory provisions on related party transactions adopted by CONSOB with Resolution no. 17221 of 12 March 2010 ("*Regulation on Related Party transactions*") and by the Bank of Italy on 12 December 2011 ("*Circular 263/2006 - Update no. 9 on risk Activities and conflicts of interest with respect to affiliated parties*", until the full implementation of the rules shifted in the Circular 285/2013 as modified by the amendment No. 33 dated 23 June 2020), article 36 of Legislative Decree 201/2011, converted by Law no. 214/2011 (*so-called prohibition of interlocking*), in addition to the provisions Bank's by-laws on the matters (articles 15, 17, 19 and 26).

In this regulatory framework and in line with the principles defined in section 12 of the EBA guidelines on internal governance (EBA-GL-2017-11) and the EBA-ESMA guidelines on the assessment of the suitability of the members of the management body and staff which plays key roles (EBA-GL-2017-12), the Bank's Board of Directors has over time approved specific internal Directives and policies, most recently the Group Directive on personnel conflicts of interest, in order to evaluate, manage and mitigate or prevent actual or potential conflicts of interest between the interests of the Issuer and the

private interests of staff (including members of the administrative, management and supervisory bodies). The company legislation defines principles, responsibilities, procedures and decision-making and information skills, safeguards for the related risks, in particular with regard to subjects close to the Bank's decision-making centers. On the Issuer's website ([www.gruppomps.it](http://www.gruppomps.it)), in particular, the Group Directive is available which defines the principles and responsibilities for the management of the prescriptive obligations regarding related parties, connected parties and obligations of bank representatives.

To the best of BMPS's knowledge and belief, as of the date of this Prospectus there are no conflicts involving the members of its administrative, management and supervisory bodies, current or potential, between their obligations towards the Bank and their private interests and/or their obligations towards third parties, other than those occurring within the context of specific resolutions adopted by BMPS in accordance with the aforementioned legislation and BMPS' by-laws. Art. 19 of BMPS' by-laws, in addition to compliance with the provisions of art. 136 of the Italian Consolidated Banking Act, obligates the members of the Board of Directors to inform the Board itself and the Board of Statutory Auditors of any deal in which they are personally interested or which regards entities or companies of which they are directors, auditors or employees (unless in the case of Group companies) and to abstain from resolutions in which they have an interest in conflict, on their own behalf or on behalf of third parties.

The main transactions concluded with related parties are described in the 2019 Consolidated Financial Statements, published and available on the Bank's website [www.gruppomps.it](http://www.gruppomps.it).

#### **Main Shareholders as at the date of this Prospectus**

<b>Shareholders</b>	<b>% share capital on overall share capital</b>
Italian Ministry of Economy and Finance	<b>68.247%</b>
Assicurazioni Generali S.p.A. (indirectly through subsidiaries)	<b>4.319%</b>
Banca Monte dei Paschi di Siena S.p.A.	<b>3.181%</b>

**As at the date of this Prospectus, pursuant to article 93 of the Consolidated Finance Act, the Issuer is controlled by the MEF, following the subscription of the share capital increase reserved to the MEF pursuant to the Decree of 23 December 2016, no. 237 and its related ministerial Decree adopted on 27 July 2017."**