

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - *The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.*

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** - *The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the Covered Bonds has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.*

**MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – *Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.*

**UK MIFIR product governance / Professional investors and ECPs only target market** – *Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "distributor") should take into consideration the manufacturers' target market assessment;*

however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

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Final Terms dated 7 June 2021

**Banca Monte dei Paschi di Siena S.p.A. (the "Issuer")**

**Issue of €1,000,000,000 Callable Floating Rate Covered Bonds (*Obbligazioni Bancarie Garantite*) due 1 July 2025**

**Guaranteed by**

**MPS Covered Bond S.r.l. (the "Guarantor")  
under the € 20,000,000,000 Programme**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the prospectus dated 22 July 2020 and the supplements to the prospectus dated 8 September 2020, 15 October 2020, 3 December 2020, 25 January 2021, 3 March 2021 and 19 May 2021 which together constitute a base prospectus (the "**Prospectus**") for the purposes of Regulation (EU) 2017/1129, as amended or superseded (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Covered Bonds (*Obbligazioni Bancarie Garantite*) described herein for the purposes of article 8 of the Prospectus Regulation. These Final Terms contain the final terms of the Covered Bonds and must be read in conjunction with the Prospectus as so completed. Full information on the Issuer, the Guarantor and the offer of the Covered Bonds (*Obbligazioni Bancarie Garantite*) described herein is only available on the basis of the combination of these Final Terms, the Conditions and the Prospectus as so completed. The Prospectus, including the supplements are available for viewing at <http://www.mps.it> and during normal business hours at at the registered office of the Issuer at Piazza Salimbeni 3, 53100 Siena, Italy.

1. (i) Series Number: 28
- (ii) Tranche Number: 1
2. **Specified Currency or Currencies:** Euro ("€")
3. **Aggregate Nominal Amount**
  - (i) Series Number: €1,000,000,000
  - (ii) Tranche Number: €1,000,000,000
  - (iii) Aggregate Nominal Amount: €1,000,000,000
4. **Issue Price:** 100 per cent. of the Aggregate Nominal Amount



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5. (i) Specified Denominations: €100,000 plus integral multiples of €1,000 in addition to the said sum of €100,000
- (ii) Calculation Amount: €1,000
- (iii) Rounding: Not applicable
6. (i) Issue Date 10 June 2021
- (ii) Interest Commencement Date Issue Date
7. **Maturity Date:** 1 July 2025
8. **Extended Maturity Date of Guaranteed Amounts corresponding to Final Redemption Amount under the Guarantee:** 1 July 2063
9. **Interest Basis:** For the period from (and including) the Issue Date to (and including), the Extended Maturity Date, 3 months EURIBOR *plus* 0.28 per cent. FloatingRate
10. **Redemption/Payment Basis:** Redemption at par
11. **Change of Interest or Redemption/Payment Basis:** Not applicable
12. **Hedging through covered bond swaps** Not applicable
13. **Call Options:** Issuer Call
- (*further particulars specified below in Section 19 or 20, as the case may be*)
14. **Board approval for issuance of Covered Bonds and Guarantee respectively obtained on:** 9 February 2021 and 24 February 2021, respectively
15. **Method of distribution:** Non-syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

16. **Fixed Rate Provisions** Not applicable
17. **Floating Rate Provisions** The provisions of Condition 6 apply

- (i) Interest Period(s): Interest will be payable quarterly in arrears on each Interest Payment Date from (and including) the First Interest Payment Date up to (and including) the Extended Maturity Date or, if earlier, the date on which the Covered Bonds are redeemed in full
- (ii) Specified Period: Not applicable
- (iii) Interest Payment Dates: Each Guarantor Payment Date from (and including) the First Interest Payment Date to (and including) the Extended Maturity Date.
- At present, for indicative purposes only, are intended to be: 30 June 2021, 29 September 2021, 31 December 2021, 29 March 2022, 30 June 2022, 29 September 2022, 3 January 2023, 29 March 2023, 30 June 2023 and 29 September 2023, 3 January 2024, 2 April 2024, 1 July 2024, 30 September 2024, 2 January 2025, 31 March 2025 and 1 July 2025.
- (iv) First Interest Payment Date: 30 June 2021
- (v) Business Day Convention: Following Business Day Convention
- (vi) Additional Business Centre(s): TARGET / London/ Luxembourg / Milan
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: Screen Rate Determination
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Principal Paying Agent): Principal Paying Agent
- (ix) Screen Rate Determination:
- Reference Rate: 3 month EURIBOR
  - Reference Banks: Four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate
  - Interest Determination Date(s): two Business Days prior to the relevant Interest Payment Date
  - Relevant Screen Page: Reuters EURIBOR 01

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- Relevant Time: 11.00 a.m. (Milan time)
- Relevant Financial Centre: Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)
- Specify Reference Rate 3 month EURIBOR
- Specify Screen Page Reuters EURIBOR 01
- (x) ISDA Determination: Not applicable
- (xi) Margin(s): 0.28 per cent. *per annum*
- (xii) Minimum Rate of Interest: Not applicable
- (xiii) Maximum Rate of Interest: Not applicable
- (xiv) Day Count Fraction: Actual/360 ICMA

18. **Zero Coupon Provisions** Not applicable

#### **PROVISIONS RELATING TO REDEMPTION**

19. **Call Option** In whole or in part pursuant to Conditions 9(d) apply

- (i) Optional Redemption Date(s): At any time after 18 months plus 1 day from the Issue Date
- (ii) Optional Redemption Amount(s) of Covered Bonds and method, if any, of calculation of such amount(s): €1,000 per Calculation Amount
- (iii) If redeemable in part:
  - (a) Minimum Redemption Amount: Not applicable
  - (b) Maximum Redemption Amount: Not applicable
- (iv) Notice period: Not applicable

20. **Put Option** Not applicable

21. **Final Redemption Amount of Covered Bonds** €1,000 per Calculation Amount

22. **Early Redemption Amount**



Early redemption amount(s) per Calculation Amount payable on redemption for taxation reasons or on acceleration following a Guarantor Event of Default or other early redemption: €1,000 per Calculation Amount

## GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

23. **Additional Financial Centre(s)** or other special provisions relating to payment dates: Not applicable / Milan / Siena / Luxembourg / London
24. Details relating to Covered Bonds which are amortising and for which principal is repayable in instalments: amount of each instalment, date on which each payment is to be made: Not applicable

## DISTRIBUTION

25. **U.S. Selling Restrictions:** Reg. S Compliance Category 2
26. **Prohibition of sales to EEA Retail Investors** Applicable
27. **Prohibition of sales to UK Retail Investors** Applicable

## BENCHMARKS

28. **Benchmark:** Euribor provided by European Money Markets Institute. As at the date hereof, European Money Markets Institute appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**")).

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## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the regulated market of the Luxembourg Stock Exchange of the Covered Bonds (*Obbligazioni Bancarie Garantite*) described herein pursuant to the €20,000,000,000 Covered Bond (*Obbligazioni Bancarie Garantite*) Programme of Banca Monte dei Paschi di Siena S.p.A.

Signed on behalf of **Banca Monte dei Paschi di Siena S.p.A.**

By: Aleardo Adotti, Head of Finance, Treasury and Capital Management

Duly authorised



Signed on behalf of **MPS Covered Bond S.r.l.**

By:



Duly authorised

## PART B – OTHER INFORMATION

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### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing Official list of the Luxembourg Stock Exchange
- (ii) Admission to trading Application has been made by the Issuer (or on its behalf) for the Covered Bonds (*Obbligazioni Bancarie Garantite*) to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from the Issue Date.

### 2. RATINGS

Ratings: The Covered Bonds (*Obbligazioni Bancarie Garantite*) to be issued have been rated:

DBRS Ratings GmbH: AA low

Moody's Investors Service Espana S.A.: Aa3

Fitch Ratings Ireland Limited Sede Secondaria Italiana: A+/Rating Watch Negative

DBRS Ratings GmbH, Moody's Investors Service Espana S.A., Fitch Ratings Ireland Limited Sede Secondaria Italiana are established in the EEA and are registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"). DBRS Ratings GmbH, Moody's Investors Service Espana S.A., Fitch Ratings Ireland Limited Sede Secondaria Italiana appears on the latest update of the list of registered credit rating agencies on the ESMA website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

The rating (i) DBRS Ratings GmbH has given to the Covered Bonds is endorsed by DBRS Ratings Ltd, (ii) Moody's Investors Service Espana S.A. has given to the Covered Bonds is endorsed by Moody's Investors Service Ltd and (iii) Fitch Ratings Ireland Limited Sede Secondaria Italiana has given to the Covered Bonds is endorsed by Fitch Ratings Limited, each of which is established in the UK and registered under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom<sup>8</sup> by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Covered Bonds has an interest material to the offer."

MPS Capital Services Banca per le Imprese S.p.A., acting as a Manager, may have a conflict of interest in connection with the issue of the Covered Bonds as they belong to the Montepaschi Group and are subject to control and guidelines of the Issuer.

4. **REASONS FOR THE OFFER, TOTAL EXPENSES AND ESTIMATED NET AMOUNT**

(i)	Reasons for the offer	See section " <i>Use of proceeds</i> " of the Prospectus
(ii)	Estimated net amount of the proceeds	€1,000,000,000
(iii)	Estimated total expenses	€3,200

5. **YIELD**

Indication of yield: Not applicable

6. **HISTORIC INTEREST RATES**

Details of historic EURIBOR rates can be obtained from Reuters.

7. **OPERATIONAL INFORMATION**

ISIN Code: IT0005447252

Common Code: Not applicable

CFI: DTVSGB

FISN: PASCHI/TV CB 20250701

Any Relevant Clearing System(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the Monte Titoli S.p.A. (Piazza degli Affari 6, 20123 Milan, Italy)

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relevant identification number(s)  
and address(es):

Delivery: Delivery free of payment

Names and Specified Offices of  
additional Paying Agent(s) (if  
any): Not applicable

Name of the Calculation Agent Principal Paying Agent

Name of the Representative of the  
Bondholders BNY Mellon Corporate Trustee Services Limited.  
The provisions of the Rules of the Organisation of  
the Bondholders shall apply.

Intended to be held in a manner  
which would allow Eurosystem  
eligibility: Yes

*Note that the designation "yes" simply means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Covered Bonds will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.*