

*Courtesy in-house translation; in case of discrepancy between the Italian language original text and the English language translation, the Italian text shall prevail.*



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

SHAREHOLDERS' MEETING:

11 APRIL 2019 (on single call)

BOARD OF DIRECTORS' REPORT

CONCERNING ITEM NO. 6) ON THE AGENDA - ORDINARY SESSION

drawn up pursuant to Article 125-ter of Law Decree no. 58 of 24 February 1998, as subsequently amended.

**6) APPOINTMENT OF AN ALTERNATE STATUTORY AUDITOR FOR THE INTEGRATION OF THE BOARD OF STATUTORY AUDITORS; RELATED AND CONSEQUENT RESOLUTIONS.**

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BOARD OF DIRECTORS' REPORT PURSUANT TO ARTICLE 125-TER OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998, AS SUBSEQUENTLY AMENDED.

Dear Shareholders,

You have been convened to this Shareholders' Meeting to resolve upon the following item on the Agenda of the Ordinary Session:

**6) appointment of an alternate statutory auditor for the integration of the Board of Statutory Auditors; related and consequent resolutions.**

It is recalled that, by letter dated 9 May 2018 Mrs. Carmela Regina Silvestri resigned from her office as alternate statutory auditor. She was elected by the Shareholders' Meeting on 18 December 2017, among the candidates on the list presented by the controlling shareholder the Italian Ministry of Economy and Finance, which gained the highest number of votes.

That said, pursuant to Article 2401 of the Italian Civil Code, it is necessary to provide for the appointment of an alternate statutory auditor for the integration of the Board of Statutory Auditors, consisting of three standing members and two alternates members. The alternate statutory auditor appointed will expire together with those in office and therefore will be in office until the date of the Shareholders' Meeting which will be convened for the approval of the 2019 financial statements. In this regard, please note that Article 24, paragraph 8, of the By-Laws provides that the appointment of statutory auditors for the integration of the Board of Statutory Auditors, pursuant to the aforementioned Article 2401 of the Italian Civil Code, is approved by relative majority, without prejudice to the compliance with the principle of the necessary representation of minorities and the principle of gender balance provided for by applicable law. Lastly, it should be noted that the members of the Board of Statutory Auditors both standing and alternate, shall meet the requirements provided for by the law and regulations in force and Article 24 of the By-Laws.

Without prejudice to the fact that candidatures may also be presented during the Shareholders' Meeting, in order to facilitate the meeting, Shareholders are invited to file any proposals at the registered office in advance, and at least 5 (five) days prior to the Shareholder's Meeting. The applications shall be accompanied, by a declaration of acceptance of the candidates certifying, under their own responsibility, the absence of causes of ineligibility and incompatibility, the existence of the requirements prescribed by the legal and regulatory framework and by the By-Laws, as well as by a *curriculum vitae*, in Italian and English language, containing exhaustive information on their professional characteristics and on the list of any administrative and control positions held in other companies. The candidates will also be required to declare that they do not hold positions in other banks other than those belonging to the Monte Paschi Banking Group and those in which there is a situation of joint control.

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After the appointment, the Board of Statutory Auditors will be convened to carry out its audits in order to comply with the requirements of the laws and regulations in force, including the By-Laws provisions, with regard to the requirements of bank's representatives.

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Dear Shareholders,

in consideration of the foregoing, we invite you, pursuant to Article 2401 of the Italian Civil Code and Article 24 of the By-Laws, to resolve upon the appointment of an alternate statutory auditor for the integration of the Board of Statutory Auditors who will remain in office for the remaining period of the current mandate and, therefore, until the date of the Shareholders' Meeting which will be convened for the approval of the 2019 financial statements.

Siena, 11 March 2019

For the Board of Directors

Prof. Avv. Stefania Bariatti

Chairman of the Board of Directors