



Code of ethics

GRUPPOMONTEPASCHI



Contents

Introduction	5
Code implementation	7
OBJECTIVES AND ADDRESSEES	7
Objectives.....	7
Addressees.....	8
APPLICATION	8
RESPONSIBILITIES	9
Issue and update.....	9
Dissemination.....	9
Reports and checks.....	10
Violations.....	10
General principles	11
MISSION	11
VALUES	11
Rules of conduct	13
PERSONNEL MANAGEMENT AND WORK ENVIRONMENT	13
CUSTOMER RELATIONS	14
RELATIONS WITH SUPPLIERS	15
HONESTY AND TRANSPARENCY IN BUSINESS	15
Fair competition.....	15
Integrity.....	16
Conflict of interests.....	16
Information management.....	16
USE OF CORPORATE ASSETS	17
RELATIONS WITH OUTSIDE ORGANISATIONS	17
Public authorities and institutions.....	18
Union organisations and policies.....	18
Social organisations.....	19
Information organs and public relations.....	19
RESPONSIBILITY TO SOCIETY	20
Opposition to criminal activities.....	20
Creating value for stakeholders.....	20
Commitment to the community.....	21
Environmental protection.....	21



Introduction

The Montepaschi Group is one of the leading banking organisations in Italy.

Its parent company, Banca Monte dei Paschi di Siena Spa, was founded in 1472 as Monte di Pietà to provide aid to the needy, combat usury, and support development at a difficult moment in history for the city of Siena.

Five hundred years in close contact with the needs of individuals and the communities they belong to have developed a strong sense of responsibility and a determination to participate in sustainable social growth. This commitment is implemented through corporate decisions, individual behaviours and constant communication with stakeholders, to meet their expectations and merit their trust, in the conviction that the Group's success depends not just on the quality of its products and services but most of all on the way they are created and distributed.

To achieve this, directors, auditors, management and all its employees must act according to the highest ethical and professional standards.

Good conduct is good for the company, increases its ability to generate value for itself and its stakeholders, and is essential for gaining and maintaining credibility, reputation and consensus over time.



The Code of Ethics points out the references and guiding principles that are complementary to our legal obligations and must guide our expected conduct, consistently and in continuity with the Company's mission and its basic values: the ethics of responsibility, customer orientation, attention to change, an entrepreneurial and pro-active spirit, a passion for professional know-how, team spirit and cooperation.

The Code of Ethics is intended to stimulate virtuous behaviours and processes to best combine proper corporate conduct with socially significant expectations and interests, with results assessed from a medium- and long-term viewpoint.

The Code of Ethics brings together and integrates principles of behaviour already considered in the business, with respect to which the Montepaschi Group intends to continue to measure itself. Personal responsibility and ethics must always guide the Group's decisions and actions.

Both the positive and negative results of implementation of the Code of Ethics will be checked constantly through internal controls as key indicators of corporate performance.

Internal policies, codes, regulations and procedures lay out the terms of application of each area of the Code of Ethics.

Code implementation

OBJECTIVES AND ADDRESSEES

The Code of Ethics (hereinafter the "Code") indicates the principles, models and standards of behaviour which the Montepaschi Group (hereinafter the "Group") is committed to following in all its activities, internal relations, relations with the market and its stakeholders¹, and with regard to the environment.

Objectives

The Code's objectives are:

- to define standards of "good conduct" for the implementation of corporate policies and procedures
- to inform employees about expected behaviours
- to contribute to implementing the Group's social responsibility policy
- to contribute to harmonising the Group's objectives with the interests of civil society.

¹Stakeholder are those who:

- contribute to achieving the company's mission;
- are able to influence through their decision-making (spending, investment, cooperation, regulation and control) the achieving of the company's objectives;
- are influenced by the company's choices and activities.

While there is no single example of a stakeholder valid for every company, stakeholders are commonly identified as those who have a significant interest in the institution's activities, such as shareholders/partners, employees, customers, suppliers and other business partners, institutions (including audit and oversight authorities, the government), and local communities.



Addressees

The Directors, Auditors and Managers of the Group's companies, in performing their own duties and in relation to their respective responsibilities, must apply the Code and contribute to its dissemination, taking inspiration from and complying in all their activities with the values expressed in it.

Employees of all kinds and grades are required to follow the Code at all times.

The Group is committed to promoting adoption of the Code by affiliated companies, subsidiaries, business partners, consultants and associates, considering compliance with it as a factor in assessing current and future relations.

APPLICATION

Considering the variety and diverse nature of the Group's activities, every behaviour, even if not expressly covered by the Code, must be inspired by criteria of common sense and personal ethics, consistently with corporate values, guiding principles and procedures, and with the understanding that it not exposes the Group to risks to its reputation.

In addition to the Code's rules, the Group is also committed to complying with internal standards and procedures, the externally issued codes which it accepts (governance codes, specific codes of conduct by business sector, the United Nations Global Compact, the European Alliance on Corporate Social Responsibility, etc.), contractual provisions and current legal obligations in every geographical context and area of activity in which it operates.

RESPONSIBILITIES

Issue and update

The Code is drawn up by the Corporate Social Responsibility Committee (hereinafter the "Committee") and approved by the Board of Directors of the parent company, Banca Mone dei Paschi di Siena S.p.A.

The Committee checks the Code's adequacy in relation to any changes in legislation and in ethical/social guidelines, also taking into account reports and assessments gathered from stakeholders inside and outside the Group.

Any change in the Code must be approved by the parent company's Board of Directors.

The Group's companies adopt and apply the Code.

Dissemination

The Code and its updates are brought to the attention of the Addressees, and, for the sake of transparency, also to that of customers and other stakeholders through appropriate channels, such as:

- distribution in hardcopy and/or electronic format
- the in-house publication "Filodiretto 7"
- training programmes
- Intranet systems
- publication on the Group's Internet sites
- the Group's corporate reports
- the network of branches

The various administrative and management offices are committed to disseminating the Code and promoting its application.



Reports and checks

The internal control system checks that the Code is correctly applied.

Any non-compliance and behaviours considered not in line with the Code's instructions may be noted by any corporate office as part of control activity relating to its own area of jurisdiction, and in general by all Addressees. The relative reports, to be sent to the internal audit office, must be handled confidentially and analysed to determine their significance and provide for any corrective measures and/or improvements.

Through its ordinary audit activity and taking into account any reports received, the office itself evaluates and checks on possible behaviours pointing to a violation of the Code.

At least once a year, for purposes of the necessary evaluations, the Committee examines the summary of reports and their outcomes.

Violations

Any non-compliance with the Code's provisions – subject to the possibility that this may constitute non-performance of obligations deriving from employment, with all relative legal and contractual consequences – may, depending on the individual case and its seriousness, lead to measures such as:

- training and awareness-raising
- contractual or other termination of relationships with third parties.

General principles

MISSION

The Group's mission is to:

- create value for its shareholders in the short and long term, giving priority to satisfying customers, to the professional growth of individuals, and to the interests of all stakeholders
- steadily present itself as a model of reference in the constantly evolving Italian banking scene, affirming a leadership role
- develop a sense of belonging, while at the same time making the most of cultural differences and remaining firmly rooted in the area in which it works.

VALUES

The Group's values, previously compiled in the "Charter of Values," are:

An ethic of responsibility

Relating every behaviour to the ethic of responsibility, which commits us always to be oriented towards service, integrity and transparency, honesty in business, safeguarding the environment and respecting all people.

Customer-orientation

Listening and paying attention to relations with external and internal customers, improving the quality of the services provided and customer satisfaction, i.e., the level of quality of the service rendered, capable of satisfying customers through constant attention to efficiency and effectiveness in the processes of producing and providing the services themselves.



Attention to change

Cultivating future-oriented, pro-active care, openness to innovation and flexibility in doing our job, while at the same time exploiting our tradition-derived strengths.

Entrepreneurial and pro-active spirit

Taking an entrepreneurial approach to all levels of responsibility, anticipating problems, putting forth proposals and solutions, assuming adequate responsibility at every professional level.

A passion for professional skills

Being a model of reference by developing best practices and a conception of the profession oriented towards training and self-development of key competencies, both individual and corporate.

A spirit of teamwork and cooperation

Communicating to maintain and develop team spirit, improving cooperation, the sharing of know-how and the ability to help others: the objective is to be a responsible player, in order to find and promote the Group's success in compliance with its ethical assumptions.

Rules of conduct

PERSONNEL MANAGEMENT AND WORK ENVIRONMENT

The Group is committed to ensuring safe, wholesome and satisfying work conditions and environments where employees are treated fairly and with respect, supported in their professional development and rewarded for good performances.

Personnel search and selection is based on criteria of objectivity, competency and professionalism, ensuring equal opportunities of employment and career based on merit.

A positive work climate is promoted through communication with the unions to develop individuality and interpersonal relationships by contributing to achieving participation, a sense of belonging, and team spirit.

Our commitment is to best reconcile the company's objectives and needs and the employees' personal and family needs, in an atmosphere of flexibility in human resources management.

No form of discrimination or harassment is tolerated.

The Group takes the necessary measures to allow employees to correctly follow and apply the Code.

Compliance with the Code is a prerequisite for application of the incentive and career advancement systems provided for by contract rules.



CUSTOMER RELATIONS

The Group is committed to creating and developing relationships of trust and mutual and lasting satisfaction with customers.

The objective is to be at the service of customers to meet their needs and preferences, always behaving honestly and transparently, being prepared and capable of innovating, and credible.

Customers are informed clearly and completely regarding the conditions under which products and services are provided, facilitating their understanding and more informed choices. By this means we hope to help customers clarify their needs, supporting them in managing informed and aware savings.

We also ensure attention to the needs of the socially disadvantaged, promoting their access to banking services, the informed use of credit, and prevention of overindebtedness.

The Group applies and maintains an effective management policy to prevent conflicts of interest in relations with customers, in every case ensuring the transparency and completeness of information on the nature, source and extent of these conflicts.

Customers' personal data are treated confidentially. Marketing and advertising efforts are directed only at customers who have given their consent to receive them.

In order to spread the relationship ethic, we reward the achieving of customer satisfaction and loyalty objectives, which are regularly monitored. The Group is open to suggestions and to proposals from customers and other stakeholders in regard to services and products.

Complaints are handled with sensitivity and constitute opportunities for improvement, to overcome conflicts and regain the customers' trust and satisfaction, including under existing agreements with consumer advocacy groups.

RELATIONS WITH SUPPLIERS

The Group is committed to developing honest, transparent relations with its suppliers.

They are selected based on merit, organisational solidity and sustainability, and the best quality-price ratio. Honesty and integrity are ensured in relations with suppliers, avoiding any risk of conflict of interests.

Suppliers are sensitised to perform their activity according to standards of conduct consistent with those indicated in the Code.

In particular, they must be reliable in business, respect the rights of their workers, invest in quality and responsibly manage environmental and social impacts.

HONESTY AND TRANSPARENCY IN BUSINESS

Fair competition

Honest and fair competition is a necessary condition for developing and keeping the company in the markets, in formal and substantive compliance with the relative regulations and legislation.

In the markets, the Group competes based on the quality and security of its products and services, avoiding agreements and other behaviours that limit competition, the formation of "cartels," the division of markets, etc.



Integrity

In carrying out their functions, the Code's Addressees must behave with diligence, professionalism and honesty.

It is prohibited to promise or obtain improper advantages that may prejudice the honesty and impartiality of decisions, harming the company's reputation.

Missions and activities incompatible with the corporate role and conflicting with the Group's moral and economic interests are prohibited.

Conflict of interests

The Code's Addressees work in the interest of and to achieve the Group's objectives, in full compliance with legislation and with corporate codes of behaviour (e.g., the Code of Behaviours for Operations with Affiliated Parties).

In keeping with this principle, situations in which the company's activity may be influenced by personal, family or associated third-party interests must be avoided.

Information management

Information regarding the Group, its customers and others, such as employees, suppliers, directors and shareholders is treated confidentially in compliance with privacy laws.

In particular, information on the market, especially information that may influence the prices of financial instruments, must always be oriented towards the utmost accuracy and honesty and provided promptly and regularly.

Confidential or privileged information may not be used to obtain personal advantage.

Information on the Group's economic performance and its non-economic activities that is sensitive in terms of reputation (corporate governance, personnel policies, relations with customers and other stakeholders, etc.) is handled according to legal accounting principles and with reference to the best current standards. Hence this information is made public clearly and completely in order to allow investors and other stakeholders to take it into account in their own judgments and investment choices.

USE OF CORPORATE ASSETS

The management and use of corporate assets – capital goods, computer systems, market knowledge, customer data, brands, etc. – must be inspired by principles of integrity, honesty and responsibility.

In particular, improper use of the company's communication instruments is prohibited.

RELATIONS WITH OUTSIDE ORGANISATIONS

The Group maintains frank, constructive, ongoing and transparent relations with all stakeholders, especially with regard to the institutions, unions, media, analysts and investors, and social organisations, orienting its approaches, strategies and choices to respond quickly to social dynamics and to excel in terms of reputation as well.

The Group considers the conduct of the organisations with which it deals directly or indirectly, in terms of seriousness and reliability, paying attention to their possible involvement in activities that are illicit, infringe on human rights, or are harmful to the health and safety of man and nature.



Should the activities of these institutions prove not to be in line with the expected principles of conduct, the Committee assesses whether to suggest to the parent company's Board of Directors that it take corrective measures, including a refusal to establish relations with them and/or to decide to interrupt them.

In particular, involvement in financing and brokering operations attributable to the production of and trade in arms must be avoided, as per Law 185/90.

Public authorities and institutions

Only designated corporate officials and/or other personnel may make commitments and manage relations with institutions.

In addition to complying with applicable laws and regulations, in these relationships the Group's reputation and integrity must always be protected, according to the conduct guidelines indicated in the organisational model under Leg. Dec. 231/01.

The utmost honesty and cooperation must always be ensured in relations with the oversight and control authorities, the courts, and public security authorities.

Communications must be clear, complete and objective, especially with regard to those of an economic or financial nature.

Union organisations and policies

No grants may be made to movements or organisations with a purely political purpose.

Participation in promotional and marketing efforts associated with programmes promoted by political parties and union organisations is also defined in compliance with current laws, and in the utmost transparency.

Individual participation in political organisations by Code Addressees occurs outside work hours and with no connection with the position held in the Company.

Social organisations

The Group supports the social and humanitarian purposes of third-sector organisations.

The Group is committed to maintaining a direct, constructive and transparent dialogue with consumer advocacy groups for the purpose of improving and consolidating its relations with customers.

Information organs and public relations

Communications aimed directly or indirectly at the public must be truthful and not contain information or omissions that might be misleading or alter their reliability.

All requests received from information organs are reported to the parent company's Communications Office.

Employees are allowed to engage in activities such as publishing documents, granting interviews or making Group presentations of public interest, with prior authorisation from the parent company's Communications Office.



RESPONSIBILITY TO SOCIETY

Opposition to criminal activities

The Group cooperates with other banks and audit institutions and authorities to contribute to combating crime, especially as regards:

- prevention of fraud against customers
- recycling of revenues associated with unlawful activities
- funding for terrorist activities
- combating usury.

In this context, the Group operates in compliance with the law as well as through training and organisational programmes, and the adoption of regulatory and technological systems that allow prompt detection and handling of suspect operations and transactions.

Creating value for shareholders and other stakeholders

The Group is committed to working consistently with its values, taking responsibility for the company's sustainable growth.

The Group's foremost responsibility is to create value for shareholders, primarily by establishing a solid and lasting relationship with the customer based on the quality of services offered, and to distribute value to all stakeholders by paying salaries to employees, sustaining the savings achieved, and meeting our fiscal responsibilities.

For the Group, social responsibility means, first and foremost, making decisions and behaving in a way that meets and matches the expectations and interests of shareholders and other stakeholders, and offering to cooperate with companies and organisations that promote and spread corporate social responsibility practices.

Commitment to the community

The Group seeks to participate in promoting and developing the economic welfare and the quality of the social contexts in which it operates.

It is therefore committed to supporting programmes that protect and develop communities through:

- donations to organisations active in volunteer work and solidarity;
- contributions towards cultural, scientific, social and environmental programmes;
- products and services on behalf of society's disadvantaged and needy;
- cooperation with local institutions for the sustainable growth of productive infrastructure.

Environmental protection

The Group pursues the objective of managing its environmental impacts in an organised and increasingly efficient manner, both those associated with day-to-day operations (attention to the consumption of paper, water and energy, waste production and management, etc.) and those attributable to the activities of customers and suppliers (environmental risk assessment in lending and investment, exclusion of polluting activities or products in relations with suppliers, etc.).

Through its own products and services, the Group supports the investments of individuals, families, institutions and companies that want to improve their energy/environmental efficiency and quality.

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