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BASE PROSPECTUS

INTESA SANPAOLO S.p.A.
(incorporated as a società per azioni in the Republic of Italy)

NOTE ISSUANCE PROGRAMME IMI CORPORATE & INVESTMENT BANKING

Under this Note Issuance Programme IMI Corporate & Investment Banking (the "**Programme**") Intesa Sanpaolo S.p.A. (the "**Issuer**" or the **"Bank**" or "**Intesa Sanpaolo**" or the "**Parent Company**") may from time to time issue notes in bearer or registered form (respectively, "**Bearer Notes**" and "**Registered Notes**" and, together, the "**Notes**") denominated in any currency determined by the Issuer.

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority in the Grand Duchy of Luxembourg under the *loi relative aux prospectus pour valeurs mobilières* dated 16 July 2019 as amended (the "**Prospectus Law 2019**"), which implements the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the "**Prospectus Regulation**"), and any other relevant implementing legislation in Luxembourg, to approve this document as a base prospectus.

This Base Prospectus has been approved by the CSSF, as competent authority under the Prospectus Regulation. The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of the Notes that are the subject of this Base Prospectus. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of the Directive 2014/65/EU, as amended (the "**MiFID II**") and/or which are to be offered to the public in any Member State of the European Economic Area (the "**EEA**"). Investors should make their own assessment as to the suitability of investing in the Notes. The CSSF gives no undertaking as to the economic and financial soundness of the transaction or the quality or solvency of the Issuer in line with the provisions of Article 6 (4) of the Prospectus Law 2019.

This document comprises a Base Prospectus for the purposes of Article 8(1) of the Prospectus Regulation. This Base Prospectus is valid for a period of 12 months from the date of its approval (*i.e.* 14 July 2026). For the avoidance of doubt, the Issuer shall have no obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies after the end of its 12-month validity period.

Application has also been made to the Luxemburg Stock Exchange for Notes issued under the Programme to be (i) listed on the official list of the Luxembourg Stock Exchange (the "**Official List**") and (ii) admitted to trading on the Luxembourg Stock Exchange's regulated market (the "**Luxembourg Stock Exchange Regulated Market**") (including the professional segment of the regulated market of the Luxembourg Stock Exchange) and the multilateral trading facility, EuroMTF, of the Luxembourg Stock Exchange (the "**EuroMTF**") (including the professional segment of the EuroMTF). The Luxembourg Stock Exchange Regulated Market is a regulated market for the purposes of MiFID II. The EuroMTF is not a regulated market for the purposes of MiFID II, but it is subject to the supervision of the CSSF.

The CSSF has neither reviewed nor approved any information in this Base Prospectus concerning the Notes admitted to trading on the EuroMTF. The CSSF assumes therefore no responsibility in relation to the issues of Notes admitted to trading on the EuroMTF.

The Notes will be issued in such denominations as may be specified by the Issuer and indicated in the applicable Final Terms (as defined below) save that the minimum denomination of each Note admitted to trading on an EEA exchange or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Regulation will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

Notice of the Aggregate Nominal Amount of Notes, interest (if any) payable in respect of Notes, the Issue Price

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of Notes and any other terms and conditions which are applicable to each Tranche of Notes will be set out in a final terms document (the "**Final Terms**") which, with respect to Notes listed on Luxemburg Stock Exchange, will be filed to the CSSF on or before the date of issue of the Notes of such Tranche.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as the Issuer may decide. The applicable Final Terms will specify whether or not the Notes are to be listed on the Luxembourg Stock Exchange and/or any other stock exchange(s). The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Notes may be issued as: (i) notes in physical form (the "**Notes in Physical Form**"); or (ii) notes in dematerialised form (the "**Dematerialised Notes**" and, together with the Notes in Physical Form, the "**Notes**").

Notes may be issued on a continuing basis and may be distributed by way of private or public placement as specified in the applicable Final Terms. If the applicable Final Terms so specify, Notes may be distributed to one or more Managers (each a "**Manager**").

The Issuer has been rated BBB (high) by Morningstar DBRS; BBB by Fitch Ratings; Baa1 by Moody's; and BBB by S&P Global Ratings. Each of Morningstar DBRS, Moody's, S&P Global Ratings and Fitch Ratings is established in the European Union (the "**EU**") and is registered under the Regulation (EC) 1060/2009 (as amended) (the "**CRA Regulation**"). As such each of Morningstar DBRS, Moody's, S&P Global Ratings and Fitch Ratings is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at the section supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation. Notes issued under the Programme may be rated or unrated by any one or more of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be specified in the applicable Final Terms. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Prospective purchasers of Notes should ensure that they understand the nature of the relevant Notes and the extent of their exposure to risks and that they consider the suitability of the relevant Notes as an investment in the light of their own circumstances and financial condition. It is the responsibility of prospective purchasers to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, accounting and other business evaluation of the merits and risks of investing in the Notes and are not relying on the advice of the Issuer or, if relevant, any Manager in that regard. See Section "*Risk Factors*". The language of the prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

IMPORTANT – RETAIL INVESTORS - If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to Retail Investors", the Notes 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 either in the European Economic Area (the "**EEA**") or in one or more specified jurisdictions in the EEA, and/or in one or more specified jurisdictions outside the 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 MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU, as amended ("**IDD**"), 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 the Prospectus Regulation; or (iv) a retail client within the meaning of any equivalent definition under the applicable legislation of the specified jurisdiction outside the EEA. Consequently no key information document required by Regulation (EU) No 1286/2014, as amended (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA and/or in the specified jurisdiction(s) only has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA and/or in the specified jurisdiction(s) only may be unlawful under the PRIIPS Regulation.

Amounts payable under the Notes may be calculated or otherwise determined by reference to one or more reference rates that may constitute "benchmarks" for the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016, as amended (the "**Benchmark Regulation**" or "**BMR**"). If any such reference rate does constitute such a benchmark, the applicable final terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the BMR. Not every reference rate will fall within the scope of the Benchmark Regulation. Furthermore, pursuant to Article 51 of the BMR, transitional provisions in the Benchmark Regulation may have the result that the administrator of a particular benchmark (*i.e.* a benchmark which has been recognised as a critical benchmark or a benchmark whose administrator is based in a

non-EU jurisdiction and does not satisfy the "equivalence" conditions (according to Article 30 of the BMR) or is not "recognised" pending such an equivalence decision (according to Article 32 of the BMR) or is not "endorsed" for such purpose (according to Article 33 of the BMR)) is not required to appear in the register of administrators and benchmarks at the date of the applicable final terms. The registration status of any administrator under the BMR is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the applicable final terms to reflect any change in the registration status of the administrator. Amounts payable under the Notes may be calculated by reference to EURIBOR, EONIA Rate, SONIA, SOFR and certain CMS Rates, which are provided by the European Money Markets Institute ("**EMMI**") (with respect to EURIBOR and EONIA), ICE Benchmark Administration Limited ("**ICE**") (with respect to certain CMS Rates), Bank of England (with respect to SONIA) and Federal Reserve Bank of New York (with respect to SOFR). As at the date of this Base Prospectus, EMMI has been authorised as a regulated benchmark administrator pursuant to Article 34 of the Benchmark Regulation and appears on the public register of administrators established and maintained by the ESMA pursuant to Article 36 of the Benchmark Regulation. As at the date of this Base Prospectus, none of ICE, the Bank of England or Federal Reserve Bank of New York appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmark Regulation. As far as the Issuer is aware, (i) the transitional provisions in Article 51 of the Benchmark Regulation apply to ICE, such that ICE is not currently required to obtain recognition, endorsement or equivalence; and (ii) the Bank of England and the Federal Reserve of New York do not fall within the scope of the Benchmarks Regulation by virtue of Article 2 of Benchmark Regulation. If the applicable Final Terms specify that Condition 8(ii) is applicable, the Issuer is not obliged to gross up any payments in respect of the Notes and shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered, delivered, or sold within the United States ("**U.S.**") to, or for the account or benefit of, U.S. persons (as defined in regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold outside the United States in reliance on Regulation S under the Securities Act. There will be no public offering of the Notes in the United States. See "*Subscription and Sale*" below. The Notes will be issued in bearer form or in registered form. See "*Form of the Notes*" for further description of the manner in which Notes will be issued.

The date of this Base Prospectus is 14 July 2025

IMPORTANT INFORMATION

This Base Prospectus comprises a base prospectus for the purposes of Article 8 of the Prospectus Regulation.

The Issuer (the Responsible Person) accepts responsibility for the information contained in this Base Prospectus. 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 Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Certain information included within the Section "*Clearing and Settlement*" has been extracted from information provided by the clearing systems referred to therein. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the relevant clearing systems, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Base Prospectus is to be read and construed in conjunction with any supplement hereto and with all documents which are deemed to be incorporated herein by reference (see "*Information Incorporated by Reference*" below) and, in relation to any Tranche of Notes, should be read and construed together with the applicable Final Terms. This Base Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Base Prospectus.

Copies of Final Terms will be available from the registered office of the Issuer and the specified office(s) set out below of the Paying Agent(s) (as defined below).

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or in the Final Terms or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any Manager of an issue of Notes.

No Manager has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any Manager as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or an invitation by or on behalf of the Issuer or any Manager to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same or that there has been no material adverse change in the prospects of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Base Prospectus when deciding whether or not to purchase any Notes The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the U.S. or its possessions or to U.S. persons, except in certain transactions permitted by U.S. Treasury Regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the "Code"), and the U.S. Treasury Regulations promulgated thereunder.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND OFFERS OF NOTES GENERALLY

This Base Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer does not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by the Issuer which is intended to permit a public offering of any Notes in any jurisdiction or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the U.S. or its possessions, the EEA (including the Republic of Italy and the Grand Duchy of Luxembourg) and Japan (see "*Subscription and Sale*").

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the EEA (each, a Relevant Member State) will be made pursuant to an exemption under the Prospectus Regulation, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by the Final Terms in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the Issuer or any Manager to publish a prospectus pursuant to Article 3(1) of the Prospectus Regulation or publish a supplement to a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Regulation, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Relevant Member State, such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of such offer. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Manager has authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Manager to publish or supplement a prospectus for such offer.

In connection with the issue of any Tranche of Notes, the person or persons (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager(s) (or persons acting on behalf of a Stabilisation Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

PRESENTATION OF INFORMATION

All references in this document to "U.S. dollars", "U.S.$" and "$" refer to United States dollars and to "£" refer to Sterling. References to "euro" and "€" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended. The language of this Base Prospectus is English. Any foreign language text that is included with or within this document has been included for convenience purposes only and does not form part of this Base Prospectus.

CERTAIN DEFINITIONS

Intesa Sanpaolo is the surviving entity from the merger between Banca Intesa S.p.A. and Sanpaolo IMI S.p.A., which was completed with effect from 1 January 2007. Pursuant to the merger, Sanpaolo IMI S.p.A. merged by incorporation into Banca Intesa S.p.A. which, upon completion of the merger, changed its name to Intesa Sanpaolo S.p.A. Accordingly, in this Base Prospectus:

- references to "**Intesa Sanpaolo**" are to Intesa Sanpaolo S.p.A. in respect of the period since 1 January 2007 and references to the "**Intesa Sanpaolo Group**" are to Intesa Sanpaolo and its subsidiaries in respect of the same period;

- references to "**Banca Intesa**" or "**Intesa**" are to Banca Intesa S.p.A. in respect of the period prior to 1 January 2007 and references to the "**Banca Intesa Group**" are to Banca Intesa and its subsidiaries in respect of the same period; and

- references to "**Sanpaolo IMI**" are to Sanpaolo IMI S.p.A. in respect of the period prior to 1 January 2007 and references to "**Sanpaolo IMI Group**" are to Sanpaolo IMI and its subsidiaries in respect of the same period.

In this Base Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

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GENERAL DESCRIPTION OF THE PROGRAMME

The following general description does not purport to be complete and is taken from, and is qualified in its entirety by the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer may determine that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only and if appropriate, a new Prospectus or a supplement to this Base Prospectus will be published which will deserve the effect of the agreement reached in relation to such Notes.

*This description constitutes a general description of the Programme for the purposes of Article 25 of Commission Delegated Regulation (EU) No. 2019/980, as amended (the "**Prospectus Commission Delegated Regulation**") supplementing the Prospectus Regulation.*

Words and expressions defined in "*Form of the Notes*" and "*Terms and Conditions of the Notes*" shall have the same meanings in this general description.

Issuer:	Intesa Sanpaolo S.p.A., a company limited by shares (*società per azioni*), incorporated under the laws of the Republic of Italy, having its registered office at Piazza San Carlo 156, 10121 Turin, Italy and registered with the Companies' Registry of Turin under registration number 00799960158.
Description:	Note Issuance Programme IMI Corporate & Investment Banking
Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale*").
Issuing and Principal Paying Agent for the Notes in Physical Form and Luxembourg Listing Agent:	BNP Paribas, Luxembourg Branch
Paying Agent for the Dematerialised Notes:	Intesa Sanpaolo S.p.A. The Issuer is entitled to appoint a different Paying Agent for the Dematerialised Notes in accordance with Condition 13 (*Agents and Registrar*).
Currencies:	Subject to any applicable legal or regulatory restrictions, Notes may be denominated in any currency (the "**Specified Currency**") specified by the Issuer including, without limitation, Australian dollars, Canadian dollars, Danish kroner, euro, Hong Kong dollars, Japanese yen, New Zealand dollars, Norwegian krone, South African rand, Sterling, Swedish kronor, Swiss francs and U.S. dollars (as specified in the applicable Final Terms). If the Notes are specified to be Dual Currency Interest Notes and/or Dual Currency Redemption Notes in the applicable Final Terms, the Issuer will pay principal and/or interest on the Notes in a currency different to the Specified Currency (the "**Payment Currency**").
Maturities:	Such maturities as may be specified by the Issuer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency or, if the Notes are specified to be Dual Currency Redemption Notes in the applicable Final Terms, the Payment Currency.
Issue Price:	Notes will be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par as specified in the applicable

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Final Terms.

Offer Price:

Notes may be offered in the context of a Public Offer or in circumstances where there is an exemption from the obligation under the Prospectus Regulation to publish a prospectus, at such price as specified in the applicable Final Terms (the "**Offer Price**"). The Offer Price may be equal to the Issue Price, or such other price as specified in the applicable Final Terms.

Form of Notes in Physical Form:

The Notes in Physical Form may be issued in bearer form or in registered form, as described in "*Form of the Notes*". For any Note in Physical Form, the applicable Final Terms will specify whether such Note is a Fixed Rate Note, a Fixed Reset Rate Note, a Floating Rate Note, a Zero Coupon Note, a Structured Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms. This Note may be a non-interest bearing Note, if specified as such in the applicable Final Terms. The applicable Final Terms will specify also whether U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D) or any successor U.S. Treasury Regulations Section including, without limitation, Regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010 (the "**TEFRA D Rules**") or U.S. Treasury Regulation Section 1.163-5(c)(2)(i)(C) or any successor U.S. Treasury Regulations Section including, without limitation, Regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010 (the "**TEFRA C Rules**") (TEFRA C Rules and TEFRA D Rules are referred to collectively herein as the "**TEFRA Rules"**) are applicable in relation to the Notes issued in bearer form, provided that if the Notes in bearer form do not have a maturity or more than 365 days, the applicable Final Terms will specify that the TEFRA Rules are not applicable. Notes to which the TEFRA Rules apply will initially be represented by one or more global securities deposited with a common depositary or a common safekeeper for Euroclear Bank S.A./N.V. and Clearstream Banking, S.A. and/or any other relevant clearing system. Global securities may be exchanged for definitive securities only in the limited circumstances described in "*Form of the Notes*".

In addition, in certain circumstances, investors may also hold interests in the Notes in Physical Form indirectly through Euroclear UK & Ireland Limited through the issuance of dematerialised depository interests issued, held, settled and transferred through CREST ("**CDIs**"), CDIs represent interests in the relevant Notes underlying the CDIs; the CDIs are not themselves Notes. See "*Clearing and Settlement*" for more information regarding holding CDIs.

Form of the Dematerialised Notes:

The Dematerialised Notes will be held in dematerialised form on behalf of the beneficial owners thereof, from their date of issue until their redemption or cancellation, by Monte Titoli S.p.A. ("**Monte Titoli**") for the account of the relevant Monte Titoli account holders as of their respective date of issue, as described in "*Form of the Notes*".

The expression "**Monte Titoli account holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli and includes any financial intermediary appointed by Euroclear and/or Clearstream, Luxembourg for the account of participants in Euroclear and/or Clearstream, Luxembourg.

The Dematerialised Notes have been accepted for clearance by Monte Titoli. The Dematerialised Notes will at all times be held in book entry form and title to the Dematerialised Notes will be evidenced by book entries pursuant to the relevant provisions of the Italian Legislative Decree dated 24 February 1998, No. 58, as subsequently amended and supplemented (the "**Financial**

Services Act") and in accordance with the *Commissione Nazionale per le società e la Borsa* ("**CONSOB**") and Bank of Italy Joint Regulation dated 13 August 2018, as subsequently amended and supplemented ("**CONSOB and Bank of Italy Joint Regulation**"). No physical document of title will be issued in respect of the Dematerialised Notes. However, the Noteholders may ask the relevant intermediaries for certification of their holding pursuant to Article 83-*quinquies* and 83-*sexies* of the Financial Services Act.

Structured Rate Notes: Notes may bear Structured Rate Interest(s) amongst the following: Call Interest, Put Interest, Digital Interest, Range Accrual Interest, Spread Interest and Forward CMS Interest. The applicable Final Terms will specify the method of calculation of the Rate(s) of Interest (where Digital Interest is applicable) or the Interest Amount(s) (where one of the following is applicable: Call Interest, Put Interest, Range Accrual Interest, Spread Interest and Forward CMS Interest), the Interest Payment Date(s) and the Business Day Convention. The Rate of Interest may be specified in the applicable Final Terms either (x) as the same Rate of Interest for all Interest Periods or (y) as a different Rate of Interest in respect of one or more Interest Periods. Structured Rate Interest are linked to the financial asset specified in the applicable Final Terms amongst the following: shares, indices (which will not be indices composed by the Issuer or any legal entities of the group or provided by a legal entity or a natural person acting in association with, or on behalf of, the Issuer), commodities, futures contracts, exchange rates, inflation rates, interest rates, funds, swap rates and Baskets composed of the aforementioned financial assets. In respect of the relevant financial asset of the specific issue, the applicable Final Terms will specify the relevant ISIN code (if applicable), the relevant Information Source, details of where the information about such financial asset can be obtained, as well as the Index Sponsor (in the case of indices).

Fixed Rate Notes: Notes may bear Fixed Rate Interest payable at such rate(s) and on such date or dates as may be specified by the Issuer and on redemption. Interest involving broken interest amounts will be calculated on the basis of such Day Count Fraction as may be specified by the Issuer.

Fixed Reset Rate Notes: Notes may bear Fixed Reset Rate Interest:

(a) in respect of the period from (and including) the Interest Commencement Date to (but excluding) the Reset Date (or, if there is more than one Reset Period, the first Reset Date occurring after the Interest Commencement Date), at the rate per annum equal to the Initial Rate of Interest; and

(b) in respect of the Reset Period (or, if there is more than one Reset Period, each successive Reset Period thereafter), at such rate per annum as is equal to the relevant Reset Rate as may be specified by the Issuer,

payable, in each case, in arrear on the Fixed Reset Interest Payment Dates(s) as may be specified by the Issuer.

Floating Rate Notes: Notes may bear Floating Rate Interest at a rate determined:

(a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or

(b) on the basis of a reference rate appearing on the agreed screen page

of a commercial quotation service; or

(c) as the difference between two rates which may be determined in accordance with either (a) or (b) above.

The margin (if any) and the rate multiplier (if any) relating to such floating rate will be specified by the Issuer for each Series of Notes bearing Floating Rate Interests.

Change of Interest Basis, Issuer's Switch Option and Switch Condition:

If Change of Interest Basis is specified as applicable in the applicable Final Terms, the Notes will bear interest at a combination of rate(s) with different rate(s) being applicable for different periods as specified in the applicable Final Terms. Each such rate will be determined in accordance with the provisions applicable to Structured Rate Interest, Fixed Rate Interest, Fixed Reset Rate Interest and/or Floating Rate Interest.

If Issuer's Switch Option is specified as applicable in the applicable Final Terms, the Issuer may at its option change the Interest Basis of the Notes as specified in the applicable Final Terms in respect of such period(s) as may be specified by the Issuer, upon prior notification of such change of interest to Noteholders.

If Switch Condition is specified as applicable in the applicable Final Terms, if the Switch Condition has occurred, the Interest Basis of the Notes will be changed as specified in the applicable Final Terms with effect from (and including) the Switch Condition Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date.

Zero Coupon Notes:

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

Dual Currency Notes:

Notes may be Dual Currency Interest Notes and/or Dual Currency Redemption Notes (together, "**Dual Currency Notes**"). Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Manager may agree.

Redemption:

The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, or, in relation to Structured Notes, will be redeemable upon occurrence of an event linked to an Underlying, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices, provided that the Notes will be redeemable at least at par, and on such other terms as may be specified in the applicable Final Terms.

The applicable Final Terms may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.

The applicable Final Terms may provide that Notes may be redeemable at maturity at the Inflation Linked Redemption Amount, which will be calculated on the basis of the performance of the relevant inflation index, in any event at least at par.

In relation to Notes that qualify as eligible liabilities, the early redemption of such Notes shall be subject to the extent such Notes qualify at such time as liabilities that are eligible to meet the MREL Requirements or, in case of a redemption pursuant to Condition 5(vii)(b) (*Redemption due to a MREL Disqualification Event*) of Notes qualified as liabilities that are eligible to

	meet the MREL Requirements before the occurrence of the MREL Disqualification Event, to the condition that the Issuer has obtained the prior permission of the Relevant Authority in accordance with Article 78a of the CRR.
MREL Disqualification Event:	Notes that qualify as eligible liabilities may be redeemed before their stated maturity at the option of Intesa Sanpaolo if the Issuer determines that a MREL Disqualification Event has occurred and is continuing. Any such redemption shall be subject to the circumstances described in "Redemption" above.
Benchmark Replacement:	If the Issuer determines that a Benchmark Event (as defined in the Conditions) has occurred (including, but not limited to, a Reference Rate (as defined in the Conditions) ceasing to be provided or upon a material change of a Reference Rate if applicable), the Issuer shall use reasonable endeavours to appoint an Independent Adviser for the purposes of determining a Successor Rate or an Alternative Benchmark Rate (as further described in Condition 3(d)(ii)(G)) and, if applicable, an Adjustment Spread.
Modification or Substitution of Notes:	The Issuer may, without the consent of the holders of Notes that qualify as eligible liabilities, substitute new notes for such Notes whereby such new notes shall replace such Notes, or vary the terms of such Notes, as fully specified in Condition 16(ii) of the Terms and Conditions.
Denomination of Notes:	Notes will be issued in such denominations as may be specified by the Issuer and indicated in the applicable Final Terms, save that the minimum denomination of each Note admitted to trading on a European Economic Area exchange or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Regulation will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.
Substitution of the Issuer:	The Issuer is entitled, subject to the Terms and Conditions of the Notes, to substitute any other company as principal debtor in respect of all obligations arising from or in connection with any Series of Notes or to change the branch through which it is acting for the purpose of any Series of Notes. Upon any such substitution of the Issuer or branch, the Terms and Conditions of the Notes will be amended in all consequential respects.
Listing and Admission to Trading:	Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange and to be admitted to trading on the Luxembourg Stock Exchange's Regulated Market (including the professional segment of the regulated market of the Luxembourg Stock Exchange) and the multilateral trading facility EuroMTF (including the professional segment of the EuroMTF). The Notes may also be unlisted or admitted to listing and trading on such other or further stock exchange or market or trading venues, as the Issuer may specify in the applicable Final Terms. After the Issue Date, application may be made to list the Notes on other stock exchanges or regulated markets or to admit to trading on other trading venues as the Issuer may decide.
Governing law:	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in

accordance with, English Law.

Notwithstanding this, (i) in respect of Dematerialised Notes, the form, registration and transfer of the Dematerialised Notes in Monte Titoli will be governed by, and will be construed in accordance with, Italian law, and (ii) in respect of the loss absorption provisions described in Condition 21 (*Acknowledgement of Italian Bail-in Power*) and any non-contractual obligations arising out of or in connection with such provisions will be governed by, and will be construed in accordance with, Italian law.

RISK FACTORS

The Issuer believes that the following risk factors may affect its ability to fulfil its obligations in respect of Notes issued under the Programme and are material and specific to the Issuer and the Notes issued under the Programme.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts or in connection with any Notes may occur or arise for other unknown reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. Additional risks and uncertainties not presently known to the Issuer or that the Issuer currently believes to be immaterial could also have a material impact on its business operations or the Notes.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

Terms used in this section and not otherwise defined shall have the meanings given to them in "Terms and Conditions of the Notes".

1. RISK FACTORS RELATING TO THE ISSUER

Prospective investors are invited to carefully read this chapter on the risk factors before making any investment decision, in order to understand the risks related to the Intesa Sanpaolo Group and obtain a better appreciation of the Intesa Sanpaolo Group's abilities to satisfy the obligations related to the Notes issued and described in the relevant Final Terms. The Issuer deem that the following risk factors could affect its ability to satisfy their obligations arising from the Notes.

The risks below have been classified into the following categories:

1) *Risks relating to the financial situation of Intesa Sanpaolo Group;*

2) *Risks related to legal proceedings;*

3) *Risks related to the business sector of Intesa Sanpaolo;*

4) *Risk related to the development of the banking sector regulation and the changes in the regulation on the solution of banking crises; and*

5) *Risks related to the entry into force of new accounting principles and the amendment of the applied accounting principles.*

1.1. Risks related to the financial situation of Intesa Sanpaolo Group

Risk exposure to debt securities issued by sovereign States

As at 31 December 2024, based on management data, the exposure to securities issued by Italian central and local governments amounted to € 21 billion. It compared to € 22.5 billion as at 31 December 2023.

The market tensions regarding government bonds and their volatility, as well as Italy's rating downgrading or the forecast that such downgrading may occur, might have negative effects on the assets, the economic and/or financial situation, the operational results and the perspectives of the Bank.

Intesa Sanpaolo Group results are and will be exposed to sovereign debtors, in particular to the Republic of Italy and certain major European Countries.

As at 31 December 2024, based on management data, the exposure to securities issued by Italian central and local governments amounted to € 21 billion (2.3% of the total assets of the Intesa Sanpaolo Group) excluding the insurance business, to which should be added € 8.3 billion represented by loans. On the same date, the investments in sovereign debt securities issued by EU countries, Republic of Italy included, corresponded to € 70.7 billion

(7.6% of the total assets of the Intesa Sanpaolo Group) excluding the insurance business, to which should be added € 10.6 billion represented by loans. On the whole, the securities issued by governments, central banks and other public entities represented approximately 15% of the total financial assets (calculated excluding the insurance business and including financial assets represented by due from banks and loans to customers).

As at 31 December 2023, based on management data, the exposure to securities issued by Italian central and local governments amounted to € 22.5 billion (2.3% of the total assets of the Intesa Sanpaolo Group) excluding the insurance business, to which should be added € 8.2 billion represented by loans. On the same date, the investments in sovereign debt securities issued by EU countries, Republic of Italy included, corresponded to € 65.4 billion (6.8% of the total assets of the Intesa Sanpaolo Group) excluding the insurance business, to which should be added € 10.7 billion represented by loans. On the whole, the securities issued by governments, central banks and other public entities represented approximately 13% of the total financial assets (calculated excluding the insurance business and including financial assets represented by due from banks and loans to customers).

1.2. Risks related to legal proceedings

As at 31 December 2024, there were a total of around 11,400 non tax related disputes - excluding those involving Risanamento S.p.A, which is not subject to management and coordination by Intesa Sanpaolo pending at Intesa Sanpaolo Group level (in addition to around 14,300 "mass" disputes at the international subsidiary banks, which limited aggregate represent a very small remedy sought), with a total remedy sought of around 3,200 million euro. This amount includes all disputes for which the risk of a disbursement of financial resources resulting from a potential negative outcome has been deemed possible or likely and therefore does not include disputes for which risk has been deemed remote. The risks associated with these disputes are thoroughly and individually analysed by the Parent Company and Intesa Sanpaolo Group companies. Specific and appropriate provisions have been made to the Allowances for Risks and Charges in the event of disputes for which there is an estimated probability of a disbursement of more than 50% and where the amount of the disbursement may be reliably estimated (disputes with likely risk). Without prejudice to the uncertainty inherent in all litigation, the estimate of the obligations that could arise from the disputes and hence the amount of any provisions recognised are based on the forward-looking assessments of the outcome of the trial. These forward-looking assessments are, in any event, prepared on the basis of all information available at the time of the estimate.

The disputes with likely risk are about 22,300 (of which around 14,300 relating to the above- mentioned "mass" disputes) with a remedy sought of 1,701 million euro and provisions of 630 million euro. Compared to the last year, there was a decrease in the number of disputes, which mainly concerned disputes on certain loan contractual topics relating to the subsidiary Banca Intesa Beograd. The component referring to the Parent Company totals around 4,600 disputes, with a remedy sought of 1,386 million euro and provisions of 435 million euro. These include around 2,300 positions relating to disputes concerning compound interest. There were around 500 disputes relating to other Italian subsidiaries, with a remedy sought of 138 million euro and provisions of 72 million euro.

There were around 17,200 disputes relating to international subsidiaries, with a remedy sought of 177 million euro and provisions of 123 million euro, impacted by the mass disputes: specifically, there were around 12,000 disputes referring to the subsidiary Banca Intesa Beograd, regarding two areas of litigation that have involved the entire Serbian banking system. The first concerns processing fees charged by banks when granting loans and the second relates to real estate loans insured through the National Housing Loan Insurance Corporation (NKOSK).

The breakdown according to the main categories of disputes with likely risk shows the prevalence of cases related to the Intesa Sanpaolo Group's ordinary banking and credit activities, involving claims relating to banking and investment products and services or on credit positions and revocatory actions, which account for around 75% of the remedy sought and 73% of the provisions. The remaining disputes mainly consist of other civil and administrative proceedings and labour disputes or criminal proceedings or proceedings related to operational violations.

For any individual assessment regarding legal disputes, please refer to the section entitled "*Description of the Issuer – Legal Proceedings*" of this Base Prospectus. Such paragraph also includes information concerning the disputes on the marketing of convertible and/or subordinated shares/bonds issued by Banca Popolare di Vicenza

or Veneto Banca, which filed against respectively Banca Nuova and Banca Apulia (both subsequently merged by incorporation in Intesa Sanpaolo in 2018 and 2019 respectively).

1.3. Risks related to the business sector of Intesa Sanpaolo

Risks related to the economic/financial crisis and the impact of current uncertainties of the macro-economic context

The future development in the macro-economic context may be considered as a risk as it may produce negative effects and trends in the economic and financial situation of the Bank and/or the Intesa Sanpaolo Group.

Any negative variations of the factors described hereafter, in particular during periods of economic - financial crisis, could lead the Bank and/or the Intesa Sanpaolo Group to suffer losses, increases of financing costs, and reductions of the value of the assets held, with a potentially negative impact on the liquidity of the Bank and/or the Intesa Sanpaolo Group and its financial soundness.

The trends of the Bank and the Intesa Sanpaolo Group are affected by the general, national and economic situation of the Eurozone, the dynamics of financial markets and the soundness and growth prospects of the economy of other geographic areas in which the Bank and/or the Intesa Sanpaolo Group operates.

In particular, the profitability capacity and solvency of the Bank and/or the Intesa Sanpaolo Group are affected by the trends of certain factors, such as the investors' expectations and trust, the level and volatility of short-term and long-term interest rates, exchange rates, financial markets liquidity, availability and cost of capital, sustainability of sovereign debt, household incomes and consumer spending, unemployment levels, business profitability and capital spending, inflation and housing prices.

The macro-economic framework is currently characterised by significant profiles of uncertainty, in relation to: (a) the risk of energy supply disruptions and their effects on economic activity and prices, also in relation to ongoing armed conflicts; (b) the future developments of the European Central Bank ("**ECB**") monetary policies in the Euro area and of the US Federal Reserve ("**FED**") in the US Dollar area; (c) the tensions observed, on a more or less recurrent basis, in the financial markets; (d) the risk that, in the future, holders of Italian government debt lose confidence in the credit standing of the Republic of Italy, owing to domestic political developments, changes in budgetary policies affecting the sustainability of government debt or turmoil in other member states of the euro area; (e) disruption of the international trading system and the uncertainty caused by the aggressive protectionist policies introduced by the United States from February 2025.

The precise impact on the business of the Issuer and the Intesa Sanpaolo Group is difficult to determine. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

Credit risk

As of 31 December 2024, Intesa Sanpaolo recorded a gross NPL ratio (based on European Banking Authority "EBA" metrics) of 2%. On 31 December 2023, the same data corresponded to 1.8%, well below the threshold which identifies banks in Member States across the Euro area with high levels of non-performing loans. In this regard the credit institutions which recorded a gross NPL ratio higher than 5% are required – on the grounds of the "Guidelines on management of non-performing and forborne exposures" of the EBA – to prepare specific strategic and operative plans for the management of such exposures.

Taking into consideration the pattern of the main credit risk indicators in 2023, in 2024 and the preservation of the Gross NPL ratio well below the 5% threshold, Intesa Sanpaolo deems that the risk related to credit quality is of low relevance.

The economic and financial activity and soundness of the Bank depends on its borrower's creditworthiness. The Bank is exposed to the traditional risks related to credit activity. Therefore, the clients' breach of the agreements entered into and of their underlying obligations, or any lack of information or incorrect information provided by them as to their respective financial and credit position, could have negative effects on the economic and/or financial situation of the Bank. Furthermore, any exposures in the bank portfolio towards counterparties, groups

of connected counterparties and counterparties of the same economic sector, which perform the same activity or belong to the same geographic area, could increase the Bank concentration risk.

More generally, the counterparties may not satisfy their respective obligations towards the Bank by reason of bankruptcy, absence of liquidity, operational disruption or any other reason. The bankruptcy of an important stakeholder, or any concerns about its default, could cause serious liquidity issues, losses or defaults by other institutions, which, in turn, could negatively affect the Bank. The Bank may also be subject to the risk, under specific circumstances, that some of its credits towards third parties are no longer collectable. Furthermore, a decrease of the creditworthiness of third parties, including sovereign States, of which the Bank holds securities or bonds, might cause losses and/or negatively affect the ability of the Bank to invest again or use in a different way such securities or bonds for liquidity purposes. A significant decrease of the creditworthiness of the counterparties of the Bank might, therefore, have a negative impact on the results of the Bank's performances. However, in many cases, the Bank could require further guarantees to the counterparties which are in financial difficulties, certain disputes may arise with respect to the amount of guarantee that the Bank is entitled to receive and the value of the assets which are the object of the guarantee. The default rates, counterparties rating deterioration and disputes in relation to counterparties on the guaranteed appraisal could be significantly increased during periods of market tensions and illiquidity.

Intesa Sanpaolo has always managed its risk portfolio proactively and prudently, overcoming the various crises of recent years unscathed. Over the 2022-25 planning horizon, the Intesa Sanpaolo Group intends to pursue a modular de-risking strategy – which was already launched in the last Business Plan with significant results – ranking among the best in Europe in terms of NPL ratios and stock (a Zero-NPL Bank) and generating a sharp drop in the cost of risk. The implementation of the 2022-2025 Business Plan is proceeding at full speed.

The results on 31 December 2024 confirm that Intesa Sanpaolo is able to generate sustainable profitability even in complex environments thanks to its well-diversified and resilient business model. As of 31 December 2024, the Group's gross non-performing loans fell to € 9.7 billion, down by € 0.2 billion (-2.1%) compared to December 2023. This performance was driven by unlikely-to-pay loans (-3%, or - € 174 million) and past-due loans (-20.5%, or - € 133 million), against an increase in bad loans of € 102 million (+3%). As already described above, this result was attributable to the ongoing de-risking initiatives and benefited from low new inflows from performing loans, thanks to the results of the prevention initiatives. The NPL ratio was 2.3% gross of adjustments and 1.2% net (2% and 1%, respectively, gross and net according to the EBA methodology). In 2024, gross inflows amounted to € 3.5 billion (€ 1.5 billion in the first half and € 2 billion in the second half year), slightly higher than the figure recorded in 2023 (€ 3.3 billion). In net terms, that is, net of outflows to performing loans, inflows amounted to € 2.9 billion (€ 1.3 billion in the first half and € 1.6 billion in the second half), compared to € 2.5 billion in 2023.

As of 31 December 2024, the net non-performing loans of the Intesa Sanpaolo Group amounted to € 4,920 million, lower than the figure recorded as of 31 December 2023 (€ 4,980 million), confirming the virtuous trend already seen in previous quarters, consistent with the status of Zero NPL Bank declared in the 2022-2025 Business Plan. The ratio of non-performing loans to total net loans to customers came to 1.2% (1% according to the EBA definition) with the coverage ratio for non-performing loans decreasing to 49.5% from 49.9% at the end of 2023. In further detail, in December 2024 bad loans amounted to € 1,120 million (+19.1% from 31 December 2023), net of adjustments, representing 0.3% of total net loans with a coverage ratio of 68%. Loans included in the unlikely-to-pay category amounted to € 3,438 million, down by 3.8%, accounting for 0.8% of total net loans to customers, with a coverage ratio of 39.8%. Past due loans amounted to € 362 million (-22.2% from the end of 2023), with a coverage ratio of 29.8%.

Intesa Sanpaolo continues to operate as a growth accelerator in the real economy in Italy: in 2024, medium/long-term new lending granted by the Group to Italian households and businesses amounted to around € 43 billion. In 2024, the Group facilitated the return to performing status of around 3,100 companies, thus safeguarding around 15,500 jobs. This brought the total to around 144,000 companies since 2014, with around 720,000 jobs safeguarded over the same period.

For more information on European legislative initiatives on Non-Performing Loans, please refer to the "Regulatory Section" of this Base Prospectus.

For further information on the management of the "credit risk", please refer to Report on operations – Risk management – Credit Risk of the consolidated financial statements as of 31 December 2024, included by reference in this Base Prospectus.

Market risk

*With regard to the overall limit relating to trading and hold to collect and sell (HTCS) business model, the Intesa Sanpaolo Group's average managerial Value at Risk ("**VaR**") during 2024 was equal to € 142 million, in reduction compared to the same period of 2023, which was equal to € 154 million.*

Regarding the held for trading portfolio only, managerial VaR has recorded in 2024 an average value of € 28,6 million (€ 30,8 million was the average value of 2023): the slight reduction is mainly attributable to operations in credit indices and lower volatility on credit spreads during 2024.

The market risk is the risk of losses in the value of financial instruments, including the securities of sovereign States held by the Bank, due to the movements of market variables (by way of example and without limitation, interest rates, prices of securities, exchange rates), which could determine a deterioration of the financial soundness of the Bank and/or the Intesa Sanpaolo Group. Such deterioration could be produced either by negative effects on the income statement deriving from positions held for trading purposes, or from negative changes in the FVOCI (Fair Value through Other Comprehensive Income) reserve, generated by positions classified as financial Activities evaluated at fair value, with an impact on the overall profitability.

The Bank is therefore exposed to possible changes in the financial instruments value, including the securities issued by sovereign States, due to fluctuations of interest rates, exchange rates of currencies, prices of the securities listed on the markets, commodities and credit spreads and/or other risks. Such fluctuations could be caused by changes in the general economic trend, the investors' propensity to investments, monetary and tax policies, liquidity of the markets on a global scale, availability and capital cost, interventions of rating agencies, political events both at social and international level, war conflicts and acts of terrorism. The market risk occurs both with respect to the trading book, which includes the financial trading instruments and derivative instruments related thereto, and the banking book, which includes the financial assets and liabilities that are different from those contained in the trading book.

For further information please see Part E of the Notes to the consolidated financial statements, incorporated by reference to this Base Prospectus.

Liquidity risk of Intesa Sanpaolo

*As at 31 December 2024, the ratio between loans to customers and direct deposits from banking business, ("**Loan to deposit ratio**") was at 72.1%, compared to 74.5% on 31 December 2023.*

Both regulatory indicators, LCR and NSFR, were above the minimum regulatory requirements (100%). In 2024 the Liquidity Coverage Ratio (LCR) of the Intesa Sanpaolo Group, measured according to Delegated Regulation (EU) 2015/61, amounted to an average[1] of 154.8% (168.1% in 2023) As at 31 December 2024 the NSFR measured in accordance with regulatory instructions, was 121.4% (121.1% at the end of 2023.

At the end of 2024, there were no TLTRO funding transactions in place.

Although the Bank constantly monitors its own liquidity risk, any negative development of the market situation and the general economic context and/or creditworthiness of the Bank, may have negative effects on the activities and the economic and/or financial situation of the Bank and the Intesa Sanpaolo Group.

[1]The LCR ratio refers to the simple average of the last 12 months of monthly observations, as per Regulation (EU) 2021/637.

In particular, in light of the findings set forth in the EBA third report on LCR and NSFR monitoring[2], the Issuer remains attentive to the evolution of the funding market to ensure that its ordinary refinancing strategies and normal business are not affected by the additional outflows due to the impact of adverse market liquidity scenarios.

The liquidity risk is the risk that the Bank is not able to satisfy its payment obligations at maturity, both due to the inability to raise funds on the market (funding liquidity risk) and of the difficulty to disinvest its own assets (market liquidity risk).

The liquidity of the Bank may be prejudiced by the temporary impossibility of accessing capital markets by the issuance of debt securities (both guaranteed and not guaranteed), the inability to receive funds from counterparties which are external to or of the Intesa Sanpaolo Group, the inability to sell certain assets or redeem its investments, as well as unexpected cash outflows or the obligation to provide more guarantees. Such a situation may occur by reason of circumstances that are independent of the control of the Bank, such as a general market disruption or an operational issue which affects the Bank or any third parties, or also by reason of the perception among the participants in the market that the Bank or other participants in the market are experiencing a higher liquidity risk. The liquidity crisis and the loss of trust in the financial institutions may increase the Bank's cost of funding and limit its access to some of its traditional liquidity sources.

Examples of liquidity risk manifestation are the bankruptcy of an important participant to the market, or concerns about its possible default, which may cause serious liquidity issues, losses or defaults of other banks which, in turn, could negatively affect the Bank; and a decrease of the creditworthiness of third parties of which the Bank holds securities or bonds, that may determine losses and/or negatively affect the ability of the Bank to invest again or use in a different way such securities or bonds for liquidity purposes.

For further information please see Part E of the Notes to the consolidated financial statements, incorporated by reference in this Base Prospectus.

Operational risk

The Bank is exposed to several categories of operational risk which are intrinsic to its business, among which are those mentioned herein, by way of example and without limitation: frauds by external persons, frauds or losses arising from the unfaithfulness of the employees and/or breach of control procedures, operational errors, defects or malfunctions of computer or telecommunication systems, computer virus attacks, default of suppliers with respect to their contractual obligations, terrorist attacks and natural disasters. The occurrence of one or more of said risks may have significant negative effects on the business, the operational results and the economic and financial situation of the Bank. The capital absorption amounts to €2.488 million as at 31 December 2024 and represents approximately 10,5% of the total value of the Intesa Sanpaolo Group requirement.

The operational risk may be defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk includes the following risks: legal, conduct, compliance, financial crime, fiscal, technological, cybersecurity, physical security, third-party, data quality, fraud, process and employer risk strategic and reputational risk are not included.

Also in compliance with Circular No. 285, implementing the EBA Guidelines on ICT and security risk management, the Bank has defined a framework for the operational, ICT & security risk management which consists of the following phases:

- identification: the detection and description of potential operational, ICT & security risk areas (e.g. operational events, presence of issues, applicability of risk factors, significant risk scenarios);
- assessment and measurement: this phase includes the activities aimed at the qualitative/quantitative determination of the Intesa Sanpaolo operational, ICT & security risk exposure and the transformation of the evaluations collected (e.g. internal and external operational loss data, management levels of risk factors, probability and impact in case of realisation of risk scenarios) in synthetic risk measures;

[2] EBA Report on "Monitoring of liquidity coverage ratio and net stable funding ratio implementation in the EU" of 15 June 2023.

- monitoring and control: continuous management of changes in the operational, ICT & security risk exposure, also to prevent the occurrence of harmful events and to promote active risk management;

- mitigation: operational risk containment through appropriate mitigation actions and suitable risk transfer strategies, based on a risk-driven approach;

- reporting: preparation of information flows related to operational, ICT & security risk management, designed to ensure adequate knowledge of the exposure to this risk.

Although the Bank constantly supervises its own operational risks, certain unexpected events and/or events out of the Bank's control may occur (including those mentioned above by way of example and without limitation), with possible negative effects on the business and the economic and/or financial situation of the Bank and the Intesa Sanpaolo, as well as on its reputation.

Moreover, Intesa Sanpaolo implemented appropriate project initiatives to improve the measurement systems and the related risk management systems, introduced by the new regulation "Basel 4" (effective gradually from 2025) which included substantial changes to the methods of calculating regulatory capital for operational risk.

For further information please see Part E of the Notes to the consolidated financial statements for 2024, incorporated by reference in this Base Prospectus.

Foreign exchange risk

The Bank is exposed to several categories of foreign exchange risk which are intrinsic to its business and are lied in foreign currency loans and deposits held by customers, purchases of securities, equity investments and other financial instruments in foreign currencies, conversion to domestic currency of assets, liabilities and income of branches and subsidiaries abroad, trading of foreign currencies and banknotes, and collection and/or payment of interest, commissions, dividends and administrative costs in foreign currencies. Although the Bank constantly monitors its exposure to foreign currencies, any negative development of the foreign rates may have negative effects on activities and the economic and/or financial situation of the Bank and the Intesa Sanpaolo Group.

"Foreign exchange risk" is defined as the potential loss resulting from changes in the exchange rate that could have a negative impact on the valuation of the assets and liabilities in the financial statements and on earnings and capital ratios. Two types of Foreign Exchange Risk are identified: Structural and Transaction risk. Structural Foreign Exchange Risk is defined as the potential loss resulting from changes in the exchange rate that could have a negative impact on the foreign exchange reserves that are part of the Intesa Sanpaolo Group's consolidated shareholders' equity, and includes the foreign exchange risk associated with hybrid capital instruments. The key sources of structural foreign exchange risk are therefore the investments in associates and companies subject to joint control.

The Intesa Sanpaolo Group's management of the Structural Foreign Exchange Risk assigns the Parent Company the related management and coordination powers in order to achieve a consistent Intesa Sanpaolo Group strategy. This choice, which is consistent with the Parent Company's role as the liaison with the Supervisory Authority, allows the activities to be performed based on the specific responsibilities set out in the prudential supervision regulations, in addition to suitably mitigating and/or managing this type of risk. Transaction Foreign Exchange Risk is defined as the potential loss resulting from changes in the exchange rate that may have a negative impact both on the valuation of the assets and liabilities in the financial statements and on the earnings from funding and lending transactions in currencies other than the euro.

The main sources of this foreign exchange risk consist in: non-euro loans and deposits held by corporate and/or retail customers; conversion into domestic currency of assets, liabilities and income of the international branches; trading of foreign currencies; collection and/or payment of interest, commissions, dividends and administrative expenses in foreign currencies; purchase and sale of securities and financial instruments for the purpose of resale in the short term; etc. Transaction foreign exchange risk also includes the risk related to transactions connected to operations that generate the type of structural foreign exchange risk represented, for example, by dividends, earnings in the process of being generated, and corporate events.

1.4. Risk related to the development of the banking sector regulation and the changes in the regulation on the solution of banking crises

The Bank is subject to a complex and strict regulation, as well as to the supervisory activity performed by the relevant institutions (in particular, the ECB, the Bank of Italy and CONSOB). Both the aforementioned regulation and supervisory activity are subject, respectively, to continuous updates and practice developments.

Furthermore, as a listed Bank, the Bank is required to comply with further provisions issued by CONSOB.

The Bank, besides the supranational and national rules and the primary or regulatory rules of the financial and banking sector, is also subject to specific rules on anti-money laundering, usury and consumer protection.

Although the Bank undertakes to comply with the set of rules and regulations, any changes of the rules and/or changes of the interpretation and/or implementation of the same by the competent authorities could give rise to new burdens and obligations for the Bank, with possible negative impacts on the operational results and the economic and financial situation of the Bank.

Regulatory framework

Starting from 1 January 2014, a part of the prudential rules has been amended on the grounds of the directions deriving from the so-called Basel III agreements, mainly with the intention of significantly strengthening the minimum capital requirements, the restraint of the leverage degree and the introduction of policies and quantitative rules for the mitigation of the liquidity risk of the banks.

As for the capital requirements, the prudential provisions in force provide for minimum capitalisation levels. In particular, the banks are required to have a Common Equity Tier 1 ("**CET 1**") ratio at least equal to 7% of the risk-weighted assets, a Tier 1 ratio equal at least to 8.5% of the risk-weighted assets and a Total Capital ratio equal at least to 10.5% of said risk-weighted assets (such minimum levels include the so-called "capital conservation buffer", namely a "buffer" of further mandatory capitalisation).

As known, Intesa Sanpaolo, as a bank of significant importance for the European financial system, is subject to the direct supervision of the ECB. Following the Supervisory Review and Evaluation Process ("**SREP**") the ECB provides, on an annual basis, a final decision of the capital requirement that Intesa Sanpaolo must comply with at a consolidated level. On 11 December 2024, Intesa Sanpaolo announced that it had received the final decision of the ECB concerning the capital requirement that the Bank has to meet as of 1 January 2025. The overall capital requirement the Bank is required to meet in terms of CET 1 ratio is currently 9.84%.

This is the result of: a) a SREP requirement in terms of Total Capital ratio equal to 9.50%, which includes a Pillar I minimum requirement of 8%, of which 4.5% in terms of CET 1, and an additional Pillar II requirement of 1.50%, of which 0.84% in terms of CET 1; b) the additional requirements, entirely in terms of CET 1, represented by: the Capital Conservation Buffer of 2.5%; the O-SII Buffer (Other Systematically Important Institutions Buffer) of 1.25%, the Countercyclical Capital Buffer of 0.30% [3]and Systemic Risk Buffer of 0.45%.

As at 31 December 2024, the CET 1 ratio stood at 13.3%, the Tier 1 ratio at 15.8% and the Total Capital ratio at 19.0%. Capital ratios as at 31 March 2025, including the negative impact of Basel 4 of around 40 basis points were as follows: - Common Equity Tier 1 ratio at 13%, - Tier 1 ratio at 15.5%, - total capital ratio at 18.5%.

As for the liquidity, the European rules envisage, *inter alia*, a short-term indicator (LCR), aimed at creating and maintaining a liquidity buffer able to allow the survival of the bank for a period of thirty days in case of serious market stress, and a structural liquidity indicator (NSFR) with a temporal horizon longer than a year, introduced to ensure that the assets and liabilities have a sustainable maturity structure.

Both indicators of the Intesa Sanpaolo Group are above the minimum limits provided by the European rules.

[3] Computed taking into account the exposure as at 31 March 2025 in the various countries where the Intesa Sanpaolo Group has a presence, as well as the respective requirements set by the competent national authorities relating to 2026, where available, or the most recent update of the reference period (requirement was set at zero in Italy for the first half of 2025).

Despite the overall liquidity situation of the Intesa Sanpaolo Group being more than safe and under constant control, some risks may materialize over the horizon. An important mitigating factor to these risks are the contingency management policies in place in the Intesa Sanpaolo Group system of rules.

With regard to the Russia-Ukraine conflict, currently, in light of the low exposure to Russian and Ukrainian counterparties, there were no significant impacts on the Intesa Sanpaolo Group's consolidated liquidity position. See: "*Description of the Issuer – The military conflict between Russia and Ukraine*".

Furthermore, the Capital Requirement Regulation (CRR2, transposing the Basel III Accord) introduced the financial Leverage Ratio, which measures the coverage degree of Class 1 Capital compared to the total exposure of the Bank Group. Such index is calculated by considering the assets and exposures out of the budget. The objective of the indicator is to contain the degree of indebtedness in the balance sheets of the banks. The ratio is subject to a minimum regulatory limit of 3%.

Although the above-mentioned regulatory evolution (further described under the "*Regulatory Section*" of this Base Prospectus) envisages a gradual adaptation to the new prudential requirements, the impacts on the management dynamics of the Bank could be significant.

In this context, a few other relevant provisions include the implementation of Directives 2014/49/EU (*Deposit Guarantee Schemes Directive*) of 16 April 2014 and the adoption of the (EU) Regulation no. 806/2014 of the European Parliament and the Council of 15 July 2014 (*Single Resolution Mechanism Regulation* – so called "**SRMR**"), which may create a significant impact on the economic and financial position of the Bank and the Intesa Sanpaolo Group, as such rules set the obligation to create specific funds with financial resources that shall be provided, starting from 2015, by means of contributions by the credit institutions.

Moreover, the Directive 2014/59/EU of the European Parliament and the Council (Bank Recovery and Resolution Directive, "**BRRD**", as amended by Directive 879/2019/EU, "**BRRD II**"), which, inter alia, introduced the so-called "bail-in", Regulation 2019/876/EU of the European Parliament and the Council, which amends Regulation 575/2013/EU (s.c. "CRR II") and the Directive of the Parliament and the Council 2019/878/EU, which amends Directive 2013/36/EU (s.c. "CRD V") must be taken into consideration and put in force by the Intesa Sanpaolo Group.

The Intesa Sanpaolo Group is subject to the BRRD, as subsequently amended, which is intended to enable a wide range of actions that could be taken towards institutions considered to be at risk of failing (i.e., the sale of business, the asset separation, the bail-in and the bridge bank). The execution of any action under the BRRD towards the Intesa Sanpaolo Group could materially affect the value of, or any repayments linked to the Securities.

On 15 October 2013, the Council of the European Union adopted the Council Regulation (EU) No. 1024/2013 granting specific tasks to the ECB as per prudential supervision policies of credit institutions (the "**SSM Regulation**") in order to establish a single supervisory mechanism (the "**Single Supervisory Mechanism**" or "**SSM**"). From 4 November 2014, the SSM Regulation has conferred to the ECB, in conjunction with the national regulatory authorities of the Eurozone and participating Member States, direct supervisory responsibility over "banks of significant importance" in the Eurozone.

In this respect, "banks of significant importance" include any Eurozone bank in relation to which (i) the total value of its assets exceeds €30 billion or – unless the total value of its assets is below €5 billion – the ratio of its total assets over the national gross domestic product exceeds 20%; (ii) is one of the three most significant credit institutions established in a Member State; (iii) has requested, or is a recipient of, direct assistance from the European Financial Stability Facility or the European Stability Mechanism; (iv) is considered by the ECB to be of significant relevance where it has established banking subsidiaries in more than one participating Member State and its cross-border assets/liabilities represent a significant part of its total assets/liabilities.

Notwithstanding the fulfilment of the relevant criteria, the ECB, on its own initiative after consulting with each national competent authority or upon request by a national competent authority, may declare an institution significant to ensure the consistent application of high-quality supervisory standards. Intesa Sanpaolo and the Intesa Sanpaolo Group have been classified, respectively, as a significant supervised entity and a significant supervised group within the meaning of Regulation (EU) No. 468/2014 of the ECB of 16 April 2014 establishing the framework for co-operation within the Single Supervisory Mechanism between the ECB and each national

competent authority and with national designated authorities (the "**SSM Framework Regulation**") and, as such, are subject to direct prudential supervision by the ECB in respect of the functions granted to ECB by the SSM Regulation and the SSM Framework Regulation.

Moreover, the Bank of Italy on 26 April 2024, has announced the introduction of a systemic risk buffer and borrower-based measures applicable to all banks and banking group authorized in Italy of 1.0 per cent of exposures towards Italian residents weighted for credit and counterparty credit risk (to be gradually phase-in until June 2025). Therefore, it is not yet clear what impact these regulatory changes will have on the Intesa Sanpaolo Group's operations. Moreover, on 19 June 2024 the CRD VI and CRR III (as both defined below) have been published in the Official Journal of the European Union. Finally, as at the date of this Base Prospectus, the Council announced that it had agreed a negotiating mandate on the review of the CMDI Reform (as defined below). The CMDI Reform includes, among other things, the amendment of the ranking of claims in insolvency ensuring a general depositor preference with a single-tier depositor preference. The implementation of the CMDI Proposal is subject to further legislative procedures and, as at the date of this Base Prospectus, there is still legal uncertainty as to what extent its adoption and implementation would impact on the Issuer's operation.

For further details, please see the "*Regulatory Section*" of this Base Prospectus.

Reputational and ESG Risk of Intesa Sanpaolo

*Financial institutions are facing increased scrutiny on climate and broader environmental, social and governance ("**ESG**")-related issues from governments, regulators, shareholders and other bodies. This focus on ESG may lead to reputational risks if the Bank is not perceived to support the transition to a lower carbon economy, as well as to protect biodiversity and human rights. The Bank is also required to review and enhance our ESG risk management frameworks in alignment with emerging regulatory guidance and to ensure that we accurately portray the ESG aspects of our activities.*

Within the Bank the governance of reputational and ESG risks is closely integrated due to the strong interconnections between these risk profiles.

Reputational risk is the current or prospective risk of a decline in profits or enterprise value (capitalization) resulting from a negative perception of the Intesa Sanpaolo Group's image by customers, counterparties, Intesa Sanpaolo Group shareholders, investors, or regulatory authorities. While ESG risks include all risks arising from potential negative impacts, direct or indirect, on the environment, people and communities and more generally all stakeholders, in addition to those arising from corporate governance. Within this category of risk climate change risk is of significant relevance.

The Bank is exposed to risks arising from climate change either directly through its own operations or indirectly through its financing and investment activities. The taxonomy adopted by Intesa Sanpaolo divides climate change risks into physical and transition risks.

Physical risks represent the negative financial impact from climate change, including more frequent extreme weather events and gradual climate change, as well as environmental degradation, i.e. air, water and soil pollution, water stress, biodiversity loss, and deforestation. These types of risks – which can usually arise in both the short/medium and long term – can be broken down into acute and chronic risks:

- acute physical risks refer to specific events that have the potential to create significant physical damage (e.g. flooding of rivers and oceans, tropical storms). These events are occurring more frequently, on both a regional and global basis;

- chronic physical risks involve a series of physical impacts of considerably longer duration than those posed by acute risks. They are identifiable as processes of change rather than single events. In most cases, the impacts are localised (e.g., drought) but chronic risks are likely to become more significant in the long term.

Transition risks are the negative financial impacts that an institution may incur, directly or indirectly, as a result of the process of adjustment to a low-carbon and more environmentally sustainable economy, arising from:

- public policy and legal risks: this category includes policies that attempt to limit actions that contribute to the negative effects of climate change or political actions that seek to promote adaptation to climate change and the legal risk arising from the inability of organisations to mitigate/adapt to climate change;

- technological developments: these include innovations that support the transition to a low-carbon and energy-efficient economic system;

- consumer preferences: changes in the demand and supply of certain goods, products and services;

- reputational risk arising from changes in customer or community perceptions of an organisation's contribution to the transition to a low-carbon economy.

Even though the Bank is working on the identification of the potential impact and the mitigation action to be taken to address both transition and physical risks, climate change could nonetheless have a material adverse effect on our business, results of operations and financial condition. In our Business Plan, we aim at creating strong and sustainable value for our shareholders, further increasing our solid capital position and our ESG commitment. We are also working to achieve a net-zero emission target, in terms of own emissions by 2030, and in terms of loan and investment portfolios, asset management and insurance sectors by 2050. This includes the ability to identify, monitor and manage ESG-related risks associated with the activities of customer companies in the investment and lending decisions by the Intesa Sanpaolo Group. Both rapidly changing regulatory as well as stakeholder demands, combined with significant focus by stakeholders, may materially affect our businesses if we fail to adopt such demands or appropriately implement our strategic plans.

1.5. Risks related to the entry into force of new accounting principles and the amendment of the applied accounting principles

The Bank is exposed, as much as any other entity operating within the bank sector, to the effects deriving from both the entry into force of new accounting principles and the amendment of the existing ones, in particular with respect to the International Accounting Standards ("**IAS**") and International Financial Reporting Standards ("**IFRS**"), as approved and adopted within the European legal system.

It is primarily noted that IFRS 17 Insurance Contracts, published by the International Accounting and Standards Board in May 2017 and subject to subsequent amendments, endorsed with Regulation (EU) no. 2036/2021 of 19 November 2021, is applicable from 1 January 2023.

The Interim Statement as at 31 March 2023 was the first financial statement drawn up in application of IFRS 17. At the same time, the insurance companies of the Intesa Sanpaolo Group also applied for the first time IFRS 9 Financial Instruments, the application of which was deferred by virtue of the application of the deferral approach[4].

The new standard envisages the introduction of new balance sheet figures and different ways of recognising the profitability of insurance products in the financial statements, which could lead to both balance sheet impacts upon first-time adoption of the standard and volatility in the income statement once the standard is being implemented. The balance sheet impact upon first-time adoption depends on the level of market rates at the transition date, as well as the transition approaches adopted. On the other hand, the income statement result is closely related to how the Contractual Service Margin ("**CSM**") is released over time and how it is adjusted following revisions to the operational and financial assumptions included in the cash flow and risk adjustment. With regard to the effects of the application of IFRS 17, at the transition date (1 January 2022), the Shareholders' Equity in the Intesa Sanpaolo Group Consolidated Financial Statements decreased by € 985 million, net of the tax effect, due to greater insurance liabilities for € 731 million (€ 505 million net of the tax effect) due to the different measurement criteria set out in IFRS 17 in place of the previous IFRS 4 and to the derecognition of intangible assets (new business and distribution) with a finite useful life, for a total of € 685 million (€ 480 million net of the tax effect). The total effect on shareholders' equity as at 31 December 2022 deriving from the combined

[4] Note that, by virtue of the application of the Deferral Approach, the financial assets and liabilities of the subsidiary insurance companies continued to be recognised in accordance with the provisions of IAS 39, while awaiting the entry into force of the new international financial reporting standard on insurance contracts (IFRS 17).

application of IFRS 9 and IFRS 17 was a negative € 552 million net of the tax effect. That effect is due to the impacts of transition to IFRS 17/IFRS 9 as at 1 January 2022 (a negative € 985 million), partially offset during the year by greater income (€ 25 million) and greater reserves (€ 408 million) expressed in accordance with the new standards.

Shareholders' Equity in terms of own funds decreased as at 31 December 2022 by € 408 million, with an impact of -11 basis points on the CET 1 ratio. Note that, for the purpose of the prudential calculation, the investment in the insurance companies falls under the Danish Compromise regime, which allows the investment to be weighted at 370% instead of deducting it from CET 1.

For further details on the first adoption of the new principle IFRS 17 and IFRS 9 for the Intesa Sanpaolo Group's insurance companies, including a complete illustration of the provisions of these standards, the Intesa Sanpaolo Group's choices and the related impacts, please refer to the specific section "*Transition to IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments by the Group's insurance companies*" included in the 2023 Audited Financial Statements.

For further details on the first adoption of the new principle or amendment to existing international IAS and IFRS accounting principles please refer to the specific information included in the chapter "*Notes to the consolidated financial statements – Part A – Accounting policies*" of the 2023 Annual Report and the 2024 Annual Report.

2. RISK FACTORS RELATING TO THE NOTES

Prospective investors are invited to carefully read this chapter on the risk factors before making any investment decision, in order to understand the risks related to the Notes issued under this Base Prospectus to be offered and/or admitted to trading.

The risks below have been classified into the following categories:

1) Risks related to the nature of the Notes;

2) Risks related to the structure of particular issue of Notes;

3) Risks related to the Notes generally;

4) Risks related to the market generally; and

5) Risks related to the offer to the public

2.1. Risks related to the nature of the Notes

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement to the Base Prospectus and all the information contained in the applicable Final Terms;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact that the Notes will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments, but as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio. Prospective purchasers of Notes bearing Structured Rate Interest should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Notes and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Notes in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Notes and the particular underlying(s), as specified in the applicable Final Terms.

Finally, it should be noted that the repayment of the nominal amount at maturity does not protect investors from inflation risk and it does not guarantee that the purchasing value of the invested amount will not be affected by the increase of the general level of prices of consumer products. Consequentially, the effective return on the Notes, *i.e.* the inflation-adjusted return measured over the life of the Notes, could be negative.

Regulatory restrictions with regard to certain types of Notes

The BRRD II and the SRMR II have detailed the scope of liabilities that are intended to be eligible for the purposes of the minimum requirement for own funds and eligible liabilities ("**MREL**"). In particular, according to Article 45b para. 2 of the BRRD II and Article 12c par. 2 of the SRMR II, certain types of Notes may be considered as eligible liabilities available to meet the MREL Requirements (as defined below).

As a consequence, in relation to Notes that may be considered as eligible liabilities according to such Articles, all the provisions concerning the eligible liabilities set out in the BRRD II, in the SRMR II and in the CRR II should be deemed applicable for the Notes which satisfy the conditions set out the in the MREL Requirements.

Notes intended to be eligible are subject to certain restrictions. In particular, the respective Noteholders are not entitled to set off claims arising from such Notes against any of the Issuer's claims. No security of whatever kind and no guarantee is, or shall at any time be, provided by the Issuer or other entities related to the Issuer, which enhances the seniority of the claims under these Notes. Furthermore, the early redemption and the repurchase of Notes that are intended to be eligible for the purposes of MREL are subject to specific restrictions such as the prior consent of the competent authority. Further, termination rights, if any, are excluded for the respective Noteholders, other than in the case of the insolvency or liquidation of the Issuer, under all relevant laws and regulations amended from time to time, which are and will be applicable to it.

These restrictions limit the rights of the Noteholders and might expose them to the risk that their investment will have a lower potential return than expected.

In addition, the BRRD II, the SRMR II and the CRR II have been recently adopted and there is uncertainty as to their implementation and interpretation in the relevant Member States.

2.2. Risks related to the structure of particular issue of Notes

General consideration in respect of Structured Rate Interest

An investment in Notes which bear interest determined by reference to one or more values of shares, indices, commodities, futures contracts, exchange rates, inflation rates, interest rates, funds, swap rates and Baskets composed of the aforementioned financial reference assets, either directly or inversely ("**Structured Rate Interest**"), may entail the risk that the resulting interest rate or interest amount will be less than that payable on a conventional debt security at the same time. Potential investors should be aware that:

(a) the market price of such Notes may be volatile;

(b) movements in the underlying asset may adversely affect the amount of interest to be paid to the Noteholder and may also affect the market value of the Notes;

(c) they may receive no interest.

A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common features. In particular:

(i) Certain considerations associated with Interest linked to Inflation Rates

The Issuer may issue Structured Notes bearing Structured Rate Interest linked to the performance of one or more rates of inflation. A relevant consumer price index or other formula linked to a measure of inflation to which the Structured Rate Interest is linked may be subject to significant and unforeseeable fluctuations that may not correlate with general changes in interest rates, currencies or other indices. The timing of changes in the relevant consumer price index or other formula linked to a measure of inflation to which the Structured Rate Interest is linked may affect the amount that investors in Structured Notes receive, even if the average level is consistent with their expectations.

A relevant consumer price index or other formula linked to a measure of inflation to which the Structured Rate Interest is linked is only one measure of inflation for the relevant jurisdiction and may not correlate perfectly with the rate of inflation experienced by holders of the relevant Structured Notes in such jurisdiction.

(ii) Certain considerations associated with Interest linked to Interest Rates

An investment in Structured Notes bearing Structured Rate Interest linked to interest rates may not provide the same level of return as a direct investment in the underlying interest rate.

An investment in Structured Notes bearing Structured Rate Interest linked to interest rates may bear similar market risks to a direct interest rate investment and potential investors should take advice accordingly.

Potential investors in any such Notes should be aware that, depending on the terms of the underlying interest rate, they may receive no or a limited amount of interest. In addition, movements in interest rates may be subject to significant fluctuations that may not correlate with changes in other indices and the timing of changes in the interest rates may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in interest rates, the greater the effect on yield.

Interest rates are determined by various factors which are influenced by macro economic, political or financial factors, speculation and central bank and government intervention. In recent years, interest rates have been relatively low and stable, but this may not continue and interest rates may rise and/or become volatile. Fluctuations that have occurred in any interest rate in the past are not necessarily indicative, however, of fluctuation that may occur in the rate during the term of any Note. Fluctuations in interest rates will affect the value of Structured Notes.

If the amount of interest payable is dependent upon movements in interest rates and is determined in conjunction with a multiplier greater than one or by reference to some other participation factor, the effect of changes in the interest rates on interest payable will be magnified.

The market price of such Structured Notes may be volatile and, if the amount of interest payable is dependent upon movements in interest rates, may depend upon the volatility of interest rates. Movements in interest rates may be dependent upon economic, financial and political events in one or more jurisdictions.

(iii) Certain considerations associated with Interest linked to Exchange Rates

The Issuer may issue Structured Notes where the amount of interest payable is dependent upon movements in currency exchange rates.

Changes in currency exchange rates cannot be predicted. Although historical data with respect to currency exchange rates may be available, the historical performance of currency exchange rates should not be taken as an indication of future performance.

Potential investors in any such Structured Notes should be aware that, depending on the terms of the Structured Notes, they may receive no or a limited amount of interest. In addition, movements in currency exchange rates may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices and the timing of changes in the exchange rates may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in currency exchange rates, the greater the effect on yield.

If the amount of interest payable is dependent upon movements in currency exchange rates and is determined in conjunction with a multiplier greater than one or by reference to some other participation factor, the effect of changes in the currency exchange rates on interest payable will be magnified.

The market price of such Notes may be volatile and, if the amount of interest payable is dependent upon movements in currency exchange rates, may depend upon the volatility of currency exchange rates. Movements in currency exchange rates may be dependent upon economic, financial and political events in one or more jurisdictions.

(iv) Certain considerations associated with Interest linked to Commodities

The Issuer may issue Structured Notes where the amount of interest payable is dependent upon the price or changes in the price of a commodity or basket of commodities.

Changes in the price of a commodity or basket of commodities cannot be predicted. Although historical data with respect to a commodity or basket of commodities may be available, the historical performance of a commodity or basket of commodities should not be taken as an indication of future performance.

Potential investors in any such Notes should be aware that depending on the terms of the Structured Notes they may receive no or a limited amount of interest. In addition, the movements in the price of the commodity or commodities may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the commodity or the commodities may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the price or prices of the commodities, the greater the effect on yield.

If the amount of interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the commodity or commodities on interest payable will be magnified.

The market price of such Notes may be volatile and may depend on the volatility of the price of the commodities. The price of commodities may be affected by economic, financial and political events in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) on which any such commodities may be traded.

(v) Certain considerations associated with Interest linked to Futures Contracts

The yield on Structured Notes where the amount of interest payable is linked to futures contracts may not be perfectly correlated to the trend in the price of the futures contract underlying, as the use of futures contracts generally involves a rolling mechanism.

In particular, if the Futures Contract N-th Near-by Feature is specified as applicable, it will be specified in the relevant Final Terms if the Calculation Agent will be entitled to determine, on the basis of a Futures Contract N-th Near-by, the Initial Reference Value or the Interim Initial Reference Value (in relation to the Call Interest or the Put Interest), the Mandatory Initial Reference Value or the Mandatory Interim Initial Reference Value (in case of Mandatory Early Redemption) and/or, if the feature Rolling is specified as applicable, the Reference Value (other than the Mandatory Initial Reference Value or Mandatory Interim Initial Reference Value in case of Mandatory Early Redemption) and/or the Interim Final Reference Value or the Final Reference Value (in relation to the Call Interest or the Put Interest).

The Futures Contract N-th Near-by is the n-th futures contract that has the same features of the

futures contract indicated as Underlying.

Therefore, in the Final Terms will be specified:

(i) the ordinal number of the Futures Contract N-th Near-by to be used for the determination of (x) the Initial Reference Value or the Interim Initial Reference Value (in relation to the Call Interest or the Put Interest), the Mandatory Initial Reference Value or the Mandatory Interim Initial Reference Value (in case of Mandatory Early Redemption) (y) and/or the Reference Value (other than the Mandatory Initial Reference Value or Mandatory Interim Initial Reference Value in case of Mandatory Early Redemption) and/or the Interim Final Reference Value or the Final Reference Value (in relation to the Call Interest or the Put Interest); and

(ii) if the Initial Reference Value or the Interim Initial Reference Value (in relation to the Call Interest or the Put Interest), the Mandatory Initial Reference Value or the Mandatory Interim Initial Reference Value (in case of Mandatory Early Redemption) will be determined on the basis of the Futures Contract N-th Near-by. In such case, the Futures Contract N-th Near-by will be the n-th futures contract that has an expiration date which is the closest (but beyond) to the Initial Observation Date or Interim Initial Observation Date(s) (in relation to the Call Interest Notes or the Put Interest Notes), the Mandatory Initial Observation Date or Mandatory Interim Initial Observation Date(s) (in case of Mandatory Early Redemption); and/or

(iii) if the feature Rolling is applicable. In such case, the Reference Value (other than the Mandatory Initial Reference Value or Mandatory Interim Initial Reference Value in case of Mandatory Early Redemption) and/or the Interim Final Reference Value or the Final Reference Value (in relation to the Call Interest or the Put Interest) will be determined on the basis of the Futures Contract N-th Near-by that will have an expiration date which is the closest (but beyond) to any observation date/period during the lifetime of the Notes and/or to the Interim Final Observation Date(s) or to the Final Observation Date (in relation to the Call Interest or the Put Interest).

This means that any futures contracts which expire prior to the relevant payment date under the applicable Structured Notes are replaced with futures contracts that have a later expiry date. Investors may, therefore, only marginally benefit from any rise or fall in the price of the futures contract underlying.

(vi) Certain considerations associated with Interest linked to Funds

The Issuer may issue Structured Notes where the amount of interest payable is dependent upon the price or changes in the price of units or shares in a fund or funds.

Changes in the price of units or shares in a fund or funds cannot be predicted. Although historical data with respect to the units or shares in a fund or funds may be available, the historical performance of the units or shares in a fund or funds should not be taken as an indication of future performance.

Potential investors in any such Notes should be aware that depending on the terms of the Structured Notes they may receive no or a limited amount of interest. In addition, the movements in the price of units or shares in the fund or funds may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the units or shares in the fund or funds may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the price or prices of the units or shares in the fund or funds, the greater the effect on yield.

If the amount interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the units or shares of the fund or funds on interest payable will be magnified.

The market price of such Notes may be volatile and may depend on the volatility of the price of units or shares in the fund or funds. The price of units or shares in a fund may be affected by the economic, financial and political events in one or more jurisdictions, including factors affecting the

exchange(s) or quotation system(s) on which any units in the fund or funds may be traded.

(vii) Certain considerations associated with Interest linked to Shares

The Issuer may issue Notes where the amount of interest payable is dependent upon the price of or changes in the price of equity securities or a basket of equity securities.

Changes in the price of equity securities or a basket of equity securities cannot be predicted. Although historical data with respect to the equity securities or a basket of equity securities may be available, the historical performance of the equity securities or a basket of equity securities should not be taken as an indication of future performance.

Potential investors in any such Notes should be aware that depending on the terms of the Structured Notes they may receive no or a limited amount of interest. In addition, the movements in the price of the equity security or basket of equity securities may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the equity security or equity securities may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the price of the equity security or equity securities, the greater the effect on yield.

If the amount of interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the equity security or equity securities on interest payable will be magnified.

The market price of such Structured Notes may be volatile and may be affected by the volatility of the equity security or equity securities, the dividend rate (if any) and the financial results and prospects of the issuer or issuers of the relevant equity security or equity securities as well as economic, financial and political events in one or more jurisdictions, including factors affecting the stock exchange(s) or quotation system(s) on which any such securities may be traded.

(viii) Certain considerations associated with Interest linked to Indices

The Issuer may issue Notes where the amount of interest payable is dependent upon the level of an index or indices.

Changes in the value of the index or indices cannot be predicted. Although historical data with respect to the index or indices may be available, the historical performance of the index or indices should not be taken as an indication of future performance.

Potential investors in any such Notes should be aware that depending on the terms of the Structured Notes (i) they may receive no or a limited amount of interest, and (ii) the market price of such Notes may be volatile. In addition, the movements in the level of the index or indices may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant level of the index or indices may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the level of an index or result of a formula, the greater the effect on yield.

If the amount of interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the level of the index or the indices on interest payable will be magnified.

The market price of such Notes may be volatile and may depend on the level of the index or indices. The level of the index or indices may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which any securities comprising the index or indices may be traded.

Structured Notes are not in any way sponsored, endorsed, sold or promoted by the sponsor of the relevant Index(ices) (the "**Sponsor**") and the Sponsor(s) make(s) no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the Index(ices) and/or the figure at which the Index(ices) stands at any particular time on any particular day or otherwise. The Sponsor(s) shall not be liable (whether in negligence or otherwise) to any person for

any error in the Index(ices) and the Sponsor(s) shall not be under any obligation to advise any person of an error therein.

(ix) Certain considerations associated with Interest linked to a Basket

Where the Notes are linked to a Basket, investors will be exposed to the value of the Baskets and will bear risk in relation to the level or price of each of the financial asset (each, a Basket Constituent) in the Baskets.

Investors should be aware that, even in the case of a positive performance of one or more of the Basket Constituents in the Basket, the value of the Basket as a whole may be negative if the performance of any or all of the other Basket Constituents in the Basket is negative to a greater extent.

Investors should also be aware that the value of a Basket that includes fewer Basket Constituents will generally be affected to a greater extent by changes in the level or price of any particular Basket Constituent included in the Basket than a Basket that includes a greater number of Basket Constituents.

Where the Basket Constituents in a Basket are subject to weighting, the performance of a Basket Constituent with a greater weighting in the Basket will generally have a greater effect on the performance of the Basket than a Basket Constituent with a lesser weighting in the Basket.

(x) Risks related to Disruption Events

Structured Notes may be subject to risks related to additional disruption events, market disruption events, disrupted days and other events that have a material effect on the Notes, if applicable (each as defined in the relevant Final Terms, the "**Disruption Events**").

The occurrence of any Disruption Event may result in the postponement of the relevant observation date relating to any Underlying or affected Basket Constituent, the postponement of the relevant payment date for interest or redemption of the Notes by the Issuer.

Investors should be aware that the Calculation Agent has a large amount of discretion upon the occurrence of any Disruption Event. The Calculation Agent or the entity responsible for the calculation and publication of the value of the relevant Underlying, as the case may be, may make adjustments to the Conditions as it considers appropriate and may determine the fair market value of the relevant Underlying or good faith estimate of the level of the Index, as applicable, as specified in the relevant Final Terms.

Any postponement of the observation date or payment date or any amendment to the Conditions may have an adverse effect on the value of the Notes. The occurrences of any such event may also adversely affect the investors' investment schedule, timetable or plans in relation to which the payment dates of the Notes are connected.

An investor in the Notes should ensure he fully understands the nature of the Disruption Events and the possible consequences and fallbacks that could impact the Notes or any relevant Underlying.

(xi) Features relating to the method of calculation of Structured Rate Interest

Since Structured Rate Interest Amounts are linked to the performance of underlying asset(s), then certain features of such Notes may determine amounts due thereunder. Investors must ensure that they read the terms and conditions of such Notes to fully understand the risks thereof.

For instance, and without prejudice to further features or options disclosed in the terms and conditions of the Notes, one or more of the following features or options may be applicable:

Best Of Option: (i) where there is a single Underlying or Basket, the method by which the Calculation Agent selects the Best Of value, being the first, the second or the third and so forth (as specified in the applicable Final Terms) best performance of such Underlying or Basket among those determined for two or more periods specified in the applicable Final Terms; or (ii) where there

are two or more Underlyings, or two or more Baskets, the method by which the Calculation Agent selects the Best Of Underlying or Basket, as the case may be, being the Underlying or Basket with the first, the second or the third and so forth (as specified in the applicable Final Terms) best performance compared with the other Underlyings or Baskets, as the case may be;

Cliquet Option: the method of calculation of the performance of the Underlying which is based on a series of forward start options. Each option enters into force on the date specified in the applicable Final Terms. The Call /Put Strike of each forward start option is reset when the option enters into force;

Himalaya Option: the method of calculation of the performance of a Basket based on a selection process in accordance with which, in each Himalaya Valuation Period, the Basket Constituent having the best Performance will be selected and removed from the Basket for each subsequent Himalaya Valuation Period(s) relating to the same Call/Put Interest Payment Date (but shall not be removed in respect of subsequent Call/Put Interest Payment Dates). Therefore, once the Basket Constituent has been selected in relation to a Himalaya Valuation Period, it will not be taken into account for the following Himalaya Valuation Period(s) relating to the same Call/Put Interest Payment Date. On each such subsequent Himalaya Valuation Period, other best performing Basket Constituents will be selected and removed from the Basket for each subsequent Himalaya Valuation Period(s) relating to the same Call/Put Interest Payment Date. As a result, for the purposes of the calculation of the Call/Put Performance, the Calculation Agent will consider the arithmetic mean of the performance of the Basket Constituents having the best Performances in the relevant Himalaya Valuation Periods according to the selection process described above;

Knock-in Event: the event specified in the applicable Final Terms that has to occur on a Knock-in Observation Date or at any time during the Knock-in Observation Period (as specified in the relevant Final Terms) for the applicability of the Call/Put Option.

Knock-out Event: the event specified in the applicable Final Terms that has to occur on a Knock-in Observation Date or at any time during the Knock-in Observation Period (as specified in the relevant Final Terms) for the non-applicability of the Call/Put Option.

Rainbow Option: a method for calculating the relevant Interest Amount when the Underlying is constituted by a Basket. Pursuant to such method of calculation, the Issuer will specify in the applicable Final Terms the weightings (expressed as percentages) potentially applicable to the Basket Constituents in the Basket and then such weightings will be assigned to each Basket Constituent on the basis of such Basket Constituent's performance compared to the performances of the other Basket Constituents.

Spread Option: is an option that provides exposure to the difference between the values or the performance of two Underlyings multiplied by the Participation Factor;

Worst Of Option: (i) where there is a single Underlying or Basket, the method by which the Calculation Agent selects the Worst Of value, being the first, the second or the third and so forth (as specified in the applicable Final Terms) worst performance of such Underlying or Basket among those determined for two or more periods specified in the applicable Final Terms; or (ii) where there are two or more Underlyings, or two or more Baskets, the method by which the Calculation Agent selects the Worst Of Underlying or Basket being the Underlying or Basket with the first, the second or the third and so forth (as specified in the applicable Final Terms) worst performance compared with the other Underlyings or Baskets, as the case may be.

(xii) Occurrence of events/conditions

Whether an event or a condition has occurred or not may be determined by reference (a) to one or more Underlying(s) and, in the case of each such Underlying, whether it is lower than, lower than or equal to, higher than, higher than or equal to or within specified values or levels; (b) to specified dates only or during a period; and/or (c) to the performance of such Underlying(s), or by reference to the level/price/value of the relevant Underlying(s) continuously observed of the relevant Underlying or determined on a specified date.

Risks related to Fixed/Floating Rate Notes and Notes that include an option for the Issuer, or a predetermined

condition, to switch the method for the calculation of interest

Fixed/Floating Rate Notes may bear interest at a rate that either the Issuer may elect to convert, or the occurrence of a predetermined condition may automatically convert, from a fixed rate to a floating rate, or from a floating rate to a fixed rate. In case of switch from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes relating to the same reference rate. In addition, the new floating rate at any time may be lower than the interest rates payable on other Notes. If the rate converts from a floating rate to a fixed rate, the fixed rate may be lower than the then prevailing interest rates payable on its Notes.

Moreover, Notes may bear Interest at a rate that the Issuer may elect to convert, or the occurrence of a predetermined condition may automatically convert, for example, from a structured rate to a floating rate, or from a structured rate to a fixed rate and so forth.

The Issuer's ability to convert, or the possibility of the predetermined condition to cause to convert, the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing.

The rate of Fixed Reset Rate Interest will reset on each Reset Date, which can be expected to affect the interest payment on an investment in Notes bearing Fixed Reset Rate Interest and could affect the market value of Notes bearing Fixed Reset Rate Interest

Notes bearing Fixed Reset Rate Interest will initially earn interest at the Initial Rate of Interest until (but excluding) the first Reset Date. On the first Reset Date, however, and on each Reset Date (if any) thereafter, the interest rate will be reset to a different fixed rate of interest per annum (each such interest rate, a "**Reset Rate of Interest**"). The Reset Rate of Interest for any Reset Period could be less than Initial Rate of Interest or the Reset Rate of Interest for prior Reset Periods and could affect the market value of an investment in the Notes bearing Fixed Reset Rate Interest.

Risks relating to Dual Currency Notes

The Issuer may issue Dual Currency Interest Notes and/or Dual Currency Redemption Notes (together, "**Dual Currency Notes**") where the interest and/or principal is payable in one or more currencies which may be different from the currency in which the Notes are denominated. An investment in Dual Currency Notes will entail significant risks not associated with a conventional debt security.

Currency exchange rates may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices and the timing of changes in the exchange rates may affect the actual yield to investors. In particular, in the case of negative fluctuations of the relevant exchange rates, the potential investor may be exposed to a partial loss of the capital invested.

If any FX Market Disruption Event occurs or exists Noteholders should be aware that the Issuer may either direct the Calculation Agent (i) to make such consequential adjustments to the Notes (including any payment obligations or the currency of payment) as it determines and/or (ii) to determine any Reference Exchange Rate or to substitute any affected Reference Exchange Rate with a substitute Reference Exchange Rate.

In addition, investors who intend to convert gains or losses from the redemption or sale of Dual Currency Notes into their home currency may be affected by fluctuations in exchange rates between their home currency and the Payment Currency (as defined below) of the Notes. Currency values may be affected by complex political and economic factors, including governmental action to fix or support the value of a currency/currencies, regardless of other market forces.

Regulation of "benchmarks" may lead to future reforms or discontinuation

The Euro Interbank Offered Rate ("**EURIBOR**") and other interest rates or other types of rates and indices which are deemed to be "benchmarks" have been subject to significant regulatory scrutiny and legislative intervention in recent years. This relates not only to creation and administration of benchmarks, but, also, to the use of a benchmark rate. It is not possible to predict with certainty whether, and to what extent, EURIBOR will continue to be supported going forwards. This may cause EURIBOR to perform differently than it has done in the past and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to

a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

In the EU, for example, Regulation (EU) No. 2016/1011, as amended (the "**Benchmark Regulation**") applies to the provision of, contribution of input data to, and the use of, a benchmark within the EU, subject to certain transitional provisions.

Legislation such as the Benchmark Regulation could have a material impact on any Notes linked to EURIBOR or another benchmark rate or index for example, if the methodology or other terms of the benchmark are changed in the future in order to comply with the terms of the Benchmark Regulation or other similar legislation, or if a critical benchmark is discontinued or is determined to be by a regulator to be "no longer representative". Such factors could (amongst other things) have the effect of reducing or increasing the rate or level or may affect the volatility of the published rate or level of the benchmark. They may may also have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks", or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

Although EURIBOR has subsequently been reformed in order to comply with the terms of the Benchmark Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with the Euro Short Term Rate ("€STR") or an alternative benchmark.

The elimination of EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions (as further described in Condition 3(d)(ii)(G) (*Benchmark Replacement*), or result in adverse consequences to holders of any Notes linked to such benchmark (including Floating Rate Notes whose interest rates are linked to EURIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

In relation to Notes for which SOFR is specified as the Reference Rate in the relevant Final Terms, if the Issuer determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders, all as described and as such terms are defined in Condition 3(d)(ii)(C).

The use of a Substitute Rate or a Successor Rate or an Alternative Benchmark Rate may result in interest payments that are substantially lower than or that do not otherwise correlate over time with the payments that could have been made on the Notes if the relevant benchmark remained available in its current form. Furthermore, if the Issuer is unable to appoint an Independent Adviser or if the Issuer fails to agree a Successor Rate or an Alternative Benchmark Rate or adjustment spread, if applicable with the Independent Adviser, the Issuer may have to exercise its discretion to determine (or to elect not to determine) an Alternative Benchmark Rate or adjustment spread, if applicable in a situation in which it is presented with a conflict of interest. In addition, while any Adjustment Spread may be expected to be designed to eliminate or minimise any potential transfer of value between counterparties, the application of the Adjustment Spread to the Notes may not do so and may result in the Notes performing differently (which may include payment of a lower interest rate) than they would do if the Reference Rate were to continue to apply in its current form.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation or any of the international or national reforms and the possible application of the benchmark replacement provisions of the Notes, investigations and licensing issues in making any investment decision with respect to the Notes linked to or referencing such a "benchmark".

The administrator of SONIA, SOFR or any related indices may make changes that could change the value of SONIA, SOFR, or any related index, or discontinue SONIA, SOFR or any related index

Newer reference rates or any related indices and rates that fall outside the scope of the EU Benchmarks Regulation and UK Benchmarks Regulation may also be subject to changes or discontinuation. For example, the Bank of England, the Federal Reserve or Bank of New York (or their successors) as administrators of SONIA (and the SONIA Compounded Index), SOFR (and the SOFR Compounded Index), respectively, may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such risk-free rate is calculated, eligibility criteria applicable to the transactions used to calculate SONIA or SOFR, or timing related to the publication of SONIA or SOFR or any related indices. In addition, the relevant administrator may alter, discontinue or suspend calculation or dissemination of SONIA or SOFR or any related index (in which case a fallback method of determining the interest rate on the Notes will apply). The relevant administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk- free rate.

Methodologies for the calculation of risk-free rates (including overnight rates or forward-looking rates) as reference rates may vary and may evolve

"Risk-free" rates, such as the Sterling Overnight Index Average ("**SONIA**") and the Secured Overnight Financing Rate ("**SOFR**") as reference rates for Eurobonds, have become more commonly used as benchmark rates for bonds in recent years. Most of the rates are backwards-looking, but the methodologies to calculate the risk-free rates are not uniform. Such different methodologies may result in slightly different interest amounts being determined in respect of otherwise similar securities.

The Issuer may in the future also issue Notes referencing SONIA, the SONIA Compounded Index, SOFR or the SOFR Compounded Index that differ materially in terms of interest determination when compared with any previous Notes issued by it under this Programme. Such variations could result in reduced liquidity or increased volatility, or might otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

In addition, investors should consider how any mismatch between applicable conventions for the use of reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SONIA, SOFR or any related indices. Furthermore, in relation to the compounded indices, it is unpredictable for the Issuer to prevent possible different interpretation of the Benchmark Regulation in respect of the method of calculation or to the qualification of such indices.

It is not possible to calculate interest rates in advance for Notes which reference SONIA, SOFR, or any related index

Interest on Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may therefore be difficult for investors in Notes which reference such risk-free rates reliably to estimate the amount of interest which will be payable on such Notes. Further, in contrast to Notes linked to interbank offered rates, if Notes referencing backwards-looking rates become due and payable as a result of an Event of Default under Condition 9 of the Terms and Conditions, or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

If so specified in the applicable Final Terms, the reference rate for a series of Notes bearing Floating Rate Interest may also be determined by reference to a risk free rate other than SONIA or SOFR, such as, without limitation, the Euro Short-Term Rate (€STR), the Swiss Average Rate Overnight (SARON) or the Tokyo Overnight Average Rate (TONAR). The market also continues to develop in relation to such risk free rates and similar considerations as those described above in relation to SONIA and SOFR may apply to the use of any other risk free rate as the reference rate for any series of Notes bearing Floating Rate Interest.

Notes issued, if any, as "Green Bonds", "Social Bonds" or "Sustainability Bonds" may not be a suitable investment for all investors seeking exposure to green assets or social assets or sustainable assets

If so specified in the relevant Final Terms, the Issuer may issue Notes under the Programme described as "green bonds" ("**Green Bonds**") or "social bonds" ("**Social Bonds**") or "sustainability bonds" ("**Sustainability Bonds**"), in accordance with the principles set out by the International Capital Market Association ("**ICMA**") (respectively, the Green Bond Principles ("**GBP**"), the Social Bond Principles ("**SBP**") and the Sustainability Bond Guidelines ("**SBG**")).

In such a case, prospective investors should have regard to the information set out at "Reasons for the Offer, estimated net proceeds and total expenses" in the applicable Final Terms and must determine for themselves the relevance of such information for the purpose of any investment in the Notes together with any other investigation such investors deem necessary, and must assess the suitability of that investment in light of their own circumstances. In particular, no assurance is given by the Issuer or the Manager that the use of such proceeds for the funding of any green project or social project or combination of any green and social project, as the case may be, will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations (including, but not limited to, Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy Regulation**")) and the Sustainable Finance Taxonomy Regulation Delegated Acts for climate change adaptation and mitigation objectives (the "**EU Taxonomy Regulation Delegated Acts**") approved in principle by the EU Commission on 21 April 2021 and formally adopted on 4 June 2021 (the EU Taxonomy Regulation and the EU Taxonomy Regulation Delegated Acts, jointly, the ("**EU Taxonomy Framework**")) or by its own by-laws or other governing rules or investment portfolio mandates (in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, the relevant Eligible Green Projects, Eligible Social Projects or Eligible Sustainable Projects). On 9 December 2021, a first delegated act on sustainable activities for climate change mitigation and adaptation objectives of the EU Taxonomy ("**Climate Delegated Act**") was published in the Official Journal and is applicable from 1 January 2022. On 6 July 2021 the European Commission adopted the delegated act supplementing Article 8 of the EU Taxonomy Regulation which was then published in the Official Journal on 10 December 2021 and is applicable since January 2022. This delegated act specifies the content, methodology and presentation of information to be disclosed by financial and non-financial undertakings concerning the proportion of environmentally sustainable economic activities in their business, investments or lending activities. On 9 March 2022, the European Commission adopted a complementary climate delegated act including, under strict conditions, specific nuclear and gas energy activities in the list of economic activities covered by the EU taxonomy. It was published in the Official Journal on 15 July 2022 and will apply as of January 2023. The criteria for the specific gas and nuclear activities are in line with EU climate and environmental objectives and will help accelerate the shift from solid or liquid fossil fuels, including coal, towards a climate-neutral future. On 21 November 2023, a delegated act and annexes containing the technical screening criteria of the remaining four environmental objectives and the amendments to the Disclosure Delegated Act were published in the Official Journal; on the same day, a delegated act amending the Climate Delegated Act, was published in the Official Journal.

On 18 June 2019, the Commission Technical Expert Group on sustainable finance published its final report on a future European standard for green bonds (the "**EU Green Bond Standard**"). In the context of the public consultation on the renewed sustainable finance strategy, the European Commission launched a targeted consultation on the establishment of an EU Green Bond Standard, that builds and consults on the work of the Commission Technical Expert Group and has run between 12 June and 2 October 2020. On 19 October 2020, the European Commission published the Commission Work Programme 2021, in which expressed the intention to deliver a legislative proposal by the end of the second quarter of 2021. On 6 July 2021, the European Commission officially adopted a legislative proposal for a EU Green Bond Standard setting out four main requirements: (i) allocation of the funds raised by the green bond should be made in compliance with the EU Taxonomy (as defined below); (ii) full transparency on the allocation of the green bond proceeds; (iii) monitoring and compliance activities to be carried out by an external reviewer; and (iv) registration of external reviewers with the ESMA and subject to its supervision. The European Commission, the European Council and the European Parliament entered into trilogue negotiations and reached a provisional agreement on 28 February 2023 on the legislative proposal for an EU Green Bond Standard introducing a voluntary standard. On 10 May 2023, a version of the regulation adopted by the legislative bodies of the European Union was published. Finally, on 30 November 2023, the regulation on the "European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds" was published in the Official Journal (the "**EU Green Bond Regulation**"); the Regulation will enter into force on the 20 December 2023 and will apply from 21 December 2024.

The Notes issued, as Green Bonds, under this Programme may not be eligible for the Issuer to be entitled to use the designation of "European Green Bond" or "EuGB" and will not comply with the EU Green Bond Regulation,

nor is the Issuer under any obligation to take steps to have any such green bonds become eligible for such designation. Furthermore, it should be noted that there is currently no clearly established definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, respectively "green" or a "social" or a "sustainable" project or as to what precise attributes are required for a particular project to be defined as "green" or "social" or "sustainable" or such other equivalent label. The EU Taxonomy Regulation is nevertheless subject to further developments.

Accordingly, no assurance is or can be given to investors that any green or social project, as the case may be, towards which proceeds of the Notes are to be applied will meet the investor expectations regarding such "green" or "social" performance objectives (including those set out under the EU Taxonomy Regulation and any related technical screening criteria, the European Green Bond Regulation, SFDR – the Sustainable Finance Disclosure Regulation EU 2019/2088 on sustainability related disclosures in the financial services sector – and any implementing legislation and guidelines, or any similar legislation in the United Kingdom or any market standards or guidance, including green, sustainable or social bond principles or other similar principles or guidance published by ICMA (the "**ICMA Principles**")) or that any adverse social, green, sustainable and/or other impacts will not occur during the implementation of any green or social or combination of any green and social project. Further, no assurance can be given that Eligible Loans (as defined in "Use of Proceeds" below) will meet investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels (including but not limited to the EU Taxonomy Regulation and any related technical screening criteria, the European Green Bond Regulation, SFDR, and any implementing legislation and guidelines, or any similar legislation in the United Kingdom or any market standards or guidance, including the ICMA Principles) or any requirements of such labels or market standards as they may evolve from time to time. Any Green Bonds issued under the Programme will not be compliant with the European Green Bond Regulation and are only intended to comply with the requirements and processes in the Issuer's Green, Social and Sustainability Bond Framework. It is not clear if the establishment under the EU Green Bond Regulation of the EuGB label and the optional disclosure templates for bonds marketed as "environmentally sustainable" could have an impact on investor demand for, and pricing of, green use of proceeds bonds that do not comply with the requirements of the EuGB label or the optional disclosure templates, such as the Green Bonds issued under this Programme. It could result in reduced liquidity or lower demand or could otherwise affect the market price of any Green Bonds issued under this Programme that do not comply with the requirements of the European Green Bond Regulation.

While it is the intention of the Issuer to apply an amount equivalent to the proceeds of Social Bonds, Green Bonds or Sustainability Bonds in, or substantially in, the manner described in the applicable Final Terms, there can be no assurance that the green, low carbon, social or combination of any green and social projects (either resulting from the original application of the proceeds of the Notes or a subsequent reallocation of such proceeds), as the case may be, will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly the proceeds of the relevant Green Bonds, Social Bonds or Sustainability Bonds will be totally or partially disbursed for such projects. Nor can there be any assurance that such green, low carbon, social or combination of any green and social projects will be completed within any specified period or with the results or outcome as originally expected or anticipated by the Issuers, or that the originally designated green, low carbon, social or combination of any green and social project (or any project(s) resulting from any subsequent reallocation of some or all of the proceeds of the relevant Green Bonds, Social Bonds or Sustainability Bonds) will not be disqualified as such.

The Issuer does not undertake to ensure that there are at any time sufficient Eligible Loans to allow for allocation of an amount equal to the net proceeds of the issue of such Green/Social/Sustainable Bonds in full.

An amount equal to the net proceeds of the issue of any Green/Social/Sustainable Bonds which, from time to time, are not allocated as funding for Eligible Loans is intended by the Issuer to be held pending allocation.

The Issuer's Green, Social and Sustainability Bond Framework may be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Base Prospectus. A withdrawal of the Issuer's Green, Social and Sustainability Bond Framework may affect the value of such Green Bonds, Social Bonds or Sustainability Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green or social or sustainable assets. The Issuer's Green, Social and Sustainability Bond Framework does not form part of, nor is incorporated by reference, in this Base Prospectus.

No assurance of suitability or reliability of any Second Party Opinion or any other opinion or certification of any third party relating to any Green/Social/Sustainability Bonds

Furthermore, it should be noted that in connection with the issue of Green Bonds, Social Bonds or Sustainability Bonds, the Issuer may request a sustainability rating agency or sustainability consulting firm to issue a second-party opinion confirming that the relevant green and/or low carbon and/or social and/or combination of any green and social project, as the case may be have been defined in accordance with the broad categorisation of eligibility for green, social and combination of any green and social projects set out in the GBP, the SBP and the SBG and/or a second-party opinion regarding the suitability of the Notes as an investment in connection with certain environmental, sustainability or social projects (any such second-party opinion, a "**Second-party Opinion**"). A Second-party Opinion may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed above and other factors that may affect the value of the Notes or the projects financed or refinanced toward an amount corresponding the net proceeds of the relevant issue of Green Bonds, Social Bonds or Sustainability Bonds. A Second-party Opinion would not constitute a recommendation to buy, sell or hold the relevant Green Bonds, Social Bonds or Sustainability Bonds and would only be current as of the date it is released. The criteria and/or considerations that formed the basis of the Second Party Opinion and any other such opinion, review or certification or post-issuance report may change at any time and the Second Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. A withdrawal of the Second-party Opinion may affect the value of such Green Bonds, Social Bonds or Sustainability Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green or social or sustainable assets. No representation or assurance is given as to the suitability or reliability of any Second-party Opinion, review, certification of any third party (including any post-issuance reports prepared by an external reviewer) made available in connection with an issue of Notes issued as "Green Bonds", "Social Bonds" or "Sustainability Bonds". For the avoidance of doubt, any such Second-party Opinion, review, certification or post-issuance report is not incorporated in this Base Prospectus. Any such Second-party Opinion, review, certification or post-issuance report is not a recommendation by the Issuer, the Manager or any other person to buy, sell or hold any such Notes and is current only as of the date it was issued. As at the date of this Base Prospectus, the providers of any such Second-party Opinion, review, certifications or post-issuance report are not subject to any specific regulatory or other regime or oversight. The EU Green Bond Regulation will introduce a supervisory regime of external reviewers of European Green Bonds but this is not due to take full effect until 21 June 2026. Prospective investors must determine for themselves the relevance of any such Second-party Opinion, review, certification, post-issuance report and/or the information contained therein.

No assurance that Green/Social/Sustainability Bonds will be admitted to trading on any dedicated "green", "sustainable", "social" (or similar) segment of any stock exchange or market, or that any admission obtained will be maintained

In the event that any such Notes are listed or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently labelled segment of a stock exchange or securities market, no representation or assurance is given by the Issuer, the Manager or any other person that such listing or admission satisfies any present or future investment criteria or guidelines with which such investor is required, or intends, to comply. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. No representation or assurance is given or made by the Issuer, the Manager or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or that any such listing or admission to trading will be maintained during the life of the Notes.

No breach of contract or Event of Default

While it is the intention of the Issuer to apply an amount equivalent to the proceeds of Social Bonds, Green Bonds or Sustainability Bonds, in, or substantially in, the manner described in the applicable Final Terms, there can be no assurance that the green, low carbon, social or combination of any green and social projects (either resulting from the original application of the proceeds of the Notes or a subsequent reallocation of such proceeds), as the case may be, will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly the proceeds of the relevant Green Bonds, Social Bonds or Sustainability Bonds will be totally or partially disbursed for such projects. Nor can there be any assurance that such green, low carbon, social or combination of any green and social projects will be completed within any specified period or with the results or outcome as originally expected or anticipated by the Issuer or that the originally designated green, low carbon, social or combination of any green and social project (or any project(s) resulting from any subsequent reallocation of some or all of the proceeds of the relevant Green Bonds, Social Bonds or Sustainability Bonds) will not be disqualified as such. Any such event or failure by the Issuer (including any failure to comply with their reporting obligations or to obtain any assessment, opinion, review, certification or post-issuance report, including the Second-party Opinion in relation to Green Bonds, Social Bonds or Sustainability Bonds) and any actual or potential maturity mismatch between the green, social or sustainable asset(s) towards which proceeds of the Notes may have been applied and the relevant Notes; or the failure of the Notes issued as Green Bonds, Social

Bonds or Sustainability Bonds to meet investors' expectations or requirements regarding such "green", "sustainable", "social" or similar labels (including but not limited to the EU Taxonomy Regulation and any related technical screening criteria, the EU Green Bond Regulation, SFDR, and any implementing legislation and guidelines, or any similar legislation in the United Kingdom or any market standards or guidance, including the ICMA Principles), will not: (i) give rise to any claim of a Noteholder against the Issuer; (ii) constitute an Event of Default under the relevant Notes or result in the acceleration of the Notes; (iii) lead to an obligation of the Issuer to redeem such Notes or be a relevant factor for the Issuer in determining whether or not to exercise any optional redemption rights in respect of any Notes; (iv) affect the qualification of such Notes as eligible liabilities instruments (if applicable) or impact any of the features of such Notes, including (without limitation, as applicable) features relating to ranking, permanence, loss absorption and/or flexibility of payments; (v) have any impact on the status of the Notes as indicated in Condition 2; or (vi) prevent the applicability of the Italian Bail-In Power (or any other provision of the applicable banking regulations).

The performance of any Green Bonds, Social Bonds or Sustainability Bonds is not linked to the performance of the relevant Eligible Projects or the performance of the Issuers in respect of any environmental or similar targets. For the avoidance of doubt, neither the proceeds of any Green Bonds, Social Bonds or Sustainability Bonds nor any amount equal to such proceeds will be segregated by the Issuer from its capital and other assets and payments due and the operation of any other features (as the case may be) on the relevant Green Bonds, Social Bonds or Sustainability Bonds shall not depend on the performance of the relevant project nor have any preferred or any other right against the green, social or sustainable assets towards which proceeds of the Notes are to be applied.

Regardless of their "green", "social" or "sustainable" or such other equivalent label, Green Bonds, Social Bonds or Sustainability Bonds, as any other Notes, will be fully subject to the application of CRR eligibility criteria and BRRD requirements for eligible liabilities instruments (including the application of mandatory write-down or conversion to equity in the event a resolution procedure is initiated in respect of the Group (including the Issuer) and the Notes (or the proceeds thereof) will be available to absorb all losses (whether or not related to any green, social or sustainable assets towards which proceeds of the relevant Notes may have been applied or, if relevant, reallocated) in accordance with their terms (if applicable) or the Relevant Regulations and, as such, proceeds from Green Bonds, Social Bonds or Sustainability Bonds qualifying as eligible liabilities should cover all losses in the balance sheet of each Issuer. The fact that such Notes are designated as Green Bonds, Social Bonds or Sustainability Bonds does not provide their holders with any priority compared to other Notes and such Notes will be subject to the same risks relating to their level of subordination and the enforcement rights of the holders of the Notes will be equally extremely limited.

Any event described above or failure to apply the proceeds of the issue of the Notes for any green, social or combination of any green and social projects as aforesaid may have a material adverse effect on the value of the Notes and/or result in adverse consequences for, amongst others, investors with portfolio mandates to invest in securities to be used for a particular purpose. Any failure by the Issuer to comply with their reporting obligations in relation to Green Bonds, Social Bonds or Sustainability Bonds as applicable, will not constitute an Event of Default under the relevant Notes.

Participation factors, Maximum Rates, Minimum Rates applied to the calculation of Interest

The determination of amounts due under the Notes may be subject, *inter alia*, to one or a combination of the following features, where applicable:

- a Minimum Rate and/or a Maximum Rate and/or a Dynamic Minimum Rate of Interest;

- a Participation Factor;

- the addition or subtraction of a Margin;

- a Global Cap or a Global Floor.

The application of such features may result in the calculation being subject to a minimum and/or maximum amount or otherwise increasing or decreasing the amount that would otherwise have been calculated had no such feature(s) been applicable.

In relation to the Structured Rate Notes, the relevant calculation will not be made only by reference to the performance of the relevant Underlying(s). For instance movements in the value of the relevant Underlying will be magnified where a participation factor applies and may therefore result in greater gains or losses than if no

participation rate applied.

Mandatory Early Redemption

If "Mandatory Early Redemption" is specified as applicable in the applicable Final Terms, then such Final Terms will specify what constitutes a "Mandatory Early Redemption Event" and, following the occurrence of a Mandatory Early Redemption Event, the Notes will be redeemed on the relevant Mandatory Early Redemption Payment Date and the relevant Mandatory Early Redemption Amount specified in the applicable Final Terms will become payable and no further amount shall be payable in respect of such Notes. In this case, investors are subject to a reinvestment risk, as they may not be able to replace their investment in such Notes with an investment that has a similar profile of chances and risks as the relevant Notes.

If any Notes are redeemed early in accordance with the above, the amount received by the relevant holders will be limited to the Mandatory Early Redemption Amount irrespective of the price of the relevant Underlying(s) or any other reference factor(s) applicable to such Underlying(s). Furthermore, investors will not benefit from any movement in the price of relevant Underlying(s) that may occur during the period between the relevant date of early redemption and the maturity date.

Inflation Linked Redemption Amount

If "Inflation Linked Redemption Amount" is specified as applicable in the applicable Final Terms, the return at maturity on the Notes depends on the performance of the Inflation Index (although the Inflation Linked Redemption Amount will never be below par). If the Inflation Index moves against expectations, the Noteholders will not benefit from an increase of the return on their investment.

Maximum Rate of Interest

To the extent a Maximum Rate of Interest applies, investors should be aware that the Interest Rate is capped at such Maximum Rate of Interest level. Consequently, investors may not participate in any increase of market interest rates, which may also negatively affect the market value of the Notes.

Notes issued at a substantial discount or premium

The market value of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Notes subject to optional redemption by the Issuer (Issuer Call)

An optional redemption feature of Notes (Issuer Call) is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

In respect of Notes which are conventional debt securities, the Issuer may be expected to redeem such Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

In relation to Notes that qualify as eligible liabilities under the MREL Requirements, the exercise of the Issuer Call may be subject to particular restrictions prescribed by the applicable laws and regulations at the relevant time, as described in Risk Factor "*Early redemption and repurchase of the Notes which qualify as MREL eligible liabilities may be restricted"* below.

Risk related to the early redemption of the Notes following a MREL Disqualification Event

If the Notes qualified as MREL eligible liabilities at the time of the issuance and subsequently become ineligible due to a change in MREL Requirements, then a MREL Disqualification Event will occur.

If a MREL Disqualification Event occurs and is continuing in relation to any Series of such Notes, the Issuer in

its discretion may redeem all, but not some only, of the Notes of such Series. If the Issuer should redeem such Notes, the Noteholders will receive an amount which shall be equal to the nominal amount, together with any outstanding interest, of the Notes. Such Notes may only be redeemed by the Issuer subject to compliance by the Issuer with any conditions or restrictions to such redemption or repurchase prescribed by the MREL Requirements at the relevant time. See "*Early redemption and repurchase of the Notes which qualify as MREL eligible liabilities may be restricted*" below.

A MREL Disqualification Event shall be deemed to have occurred if, by reason of the introduction of, or a change in, the MREL Requirements, which was not reasonably foreseeable by the Issuer at the Issue Date of Notes initially specified as MREL eligible liabilities, all or part of the aggregate outstanding nominal amount of such Notes are or will be excluded fully or partially from the liabilities that are eligible to meet the MREL Requirements.

In such case the Noteholders may be exposed to the risk that, due to the early redemption, their investment may have a lower than expected potential return and that it may not be possible to reinvest the amount received at the same conditions applied to the initial investment made in the Notes. In addition, a MREL Disqualification Event could result in a decrease in the market price of the Notes.

Early redemption and repurchase of the Notes which qualify as MREL eligible liabilities may be restricted

Any early redemption or repurchase of Notes intended to qualify as eligible liabilities under the MREL Requirements, is subject to compliance by the Issuer with any conditions or restrictions to such redemption or repurchase prescribed by the applicable laws and regulations at the relevant time, including any requirements applicable to such redemption due to the qualification of such Notes at such time as eligible liabilities available to meet the MREL Requirements.

The new regulatory framework, set out in Articles 77 and 78a of CRR II, provides that the relevant resolution authority shall grant permission to call, redeem, repay or repurchase liabilities that are eligible to meet the MREL Requirements (eligible liabilities instruments), prior their contractual maturity.

In particular, according to such provisions the relevant resolution authority would approve an early redemption of the eligible liabilities in accordance with Article 78a of the CRR where one of the following conditions is met:

(i) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the eligible liabilities with own funds instruments or eligible liabilities instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(ii) the Issuer has demonstrated to the satisfaction of the resolution authority that its own funds and eligible liabilities would, following such call, redemption, repayment or repurchase, exceed the requirements for own funds and eligible liabilities laid down in the applicable MREL Requirements by a margin that the Relevant Authority considers necessary; or

(iii) the Issuer has demonstrated to the satisfaction of the resolution authority that the partial or full replacement of the eligible liabilities with own funds instruments is necessary to ensure compliance with the own funds requirements laid down in the applicable MREL Requirements actions for continuing authorization, subject in any event to any different conditions or requirements as may be provided from time to time under the applicable laws and regulations, as adopted by the Republic of Italy.

The BRRD II, the SRMR II and CRR II have been recently adopted and there are still some provisions related to Article 78a CRR II that need to be specified in Regulatory Technical Standards ("**RTS**") to be adopted by the European Banking Authority ("**EBA**"). The RTS require the EBA to develop the procedure — in terms of coordination between competent and resolution authorities, timelines and information — for relevant resolution authorities to follow to provide prior permission to banks to replace or reduce eligible liabilities instruments. Moreover, the new regulatory framework has been recently adopted and leaves uncertainty as to its interpretation in the relevant Member States.

Risks related to Notes qualifying as eligible liabilities instruments according to the MREL Requirements which may be subject to modification without the Noteholders' consent

If (i) at any time a MREL Disqualification Event occurs and is continuing in relation to any Series of Notes qualifying as eligible liabilities instruments according to the MREL Requirements and/or (ii) in order to ensure the effectiveness and enforceability of Condition 21 (*Acknowledgement of the Italian Bail-in Power*), then the

Issuer may, subject to giving any notice required to be given to, and receiving any consent required from, the competent authority and/or as appropriate the Relevant Authority (without any requirement for the consent or approval of the holders of the Notes of that Series), at any time vary the terms of such Notes so that they remain or, as appropriate, become, Qualifying Notes (as defined below), provided that such variation does not itself give rise to any right of the Issuer to redeem the varied notes.

Qualifying Notes are securities issued by the Issuer that, other than in respect of the effectiveness and enforceability of Condition 21 (*Acknowledgement of the Italian Bail-in Power*), have terms not materially less favourable to the Noteholders (as reasonably determined by the Issuer) than the terms of the Notes qualifying as eligible liabilities instruments according to the MREL Requirements. However, no assurance can be given as to whether any of these changes will negatively affect any particular Noteholders. In addition, the tax and stamp duty consequences of holding such varied securities could be different for some categories of Noteholders from the tax and stamp duty consequences for them of holding the securities prior to such variation.

Risks related to Instalment Notes

The Notes will be redeemed through instalments, under a periodical amortisation plan, and this could have a negative impact on the liquidity of the Notes.

The Noteholders should take into account that the interest amount on such Notes will be lower than on equivalent Notes that are not redeemed with an amortisation plan, since the interest is calculated on the amount of principal not yet redeemed.

Investment in Instalment Notes involves the risk that the Noteholders may not be able to reinvest the sums received before the maturity of the Notes at a yield at least equal to the initial yield, depending on various market conditions.

2.3. Risks related to Notes generally

Modification, waivers and substitution

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Agent and the Issuer may, without the consent of Noteholders, agree to (i) any modification (subject to certain specific exceptions) of the Notes or the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders or (ii) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or proven error or to comply with mandatory provisions of law.

The Issuer (or any previously substituted company from time to time) shall, without the consent of the Noteholders, be entitled at any time to substitute for the Issuer any other company as principal debtor in relation to any Series of Notes subject to certain conditions precedent being satisfied. In addition, the Issuer shall have the right to change the branch through which it is acting for the purposes of any Series of Notes. Upon any such substitution of Issuer or branch, the Terms and Conditions of the Notes will be amended in all consequential respects.

Euro-system Eligibility

The European Central Bank maintains and publishes a list of assets which are recognised as eligible collateral for Eurosystem monetary and intra-day credit operations. In certain circumstances, recognition may impact on (among other things) the liquidity of the relevant assets. Recognition (and inclusion on the list) is at the discretion of the Eurosystem and is dependent upon satisfaction of certain Eurosystem eligibility criteria and rules. If application is made for any Notes to be recognised and added to the list of eligible assets, there can be no assurance that such Notes will be so recognised, or, if they are recognised, that they will continue to be recognised at all times during their life.

Calculation Agent's Discretion and Conflicts of Interest

Under the Terms and Conditions of the Notes, the Calculation Agent may make certain determinations in respect

of the Notes, and certain adjustments to the Terms and Conditions of the Notes, which could affect amounts of interest and/or principal payable by the Issuer in respect of the Notes. The Terms and Conditions of the Notes will specify the circumstances in which the Calculation Agent will be able to make such determinations and adjustments. In exercising its right to make such determinations and adjustments the Calculation Agent is entitled to act in its sole and absolute discretion**.**

Where the Issuer acts as Calculation Agent or the Calculation Agent is an affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Notes that may influence amounts of interest and/or principal payable by the Issuer in respect of the Notes.

The Issuer may at the date hereof or at any time hereafter, be in possession of information in relation to an underlying asset that is or may be material in the context of the Notes and may or may not be publicly available to Noteholders. There is no obligation on the Issuer or, if relevant, any Manager to disclose to Noteholders any such information.

The Issuer and/or any of its affiliates may have existing or future business relationships with any underlying asset (including, but not limited to, lending, depositary, risk management, advisory and banking relationships), and will pursue actions and take steps that they or it deems necessary or appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Noteholder.

Taxation

Potential purchasers and sellers of Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred and/or any asset(s) are delivered or in other jurisdictions.

In addition, it is not possible to predict whether the taxation regime applicable to Notes on the date of purchase or subscription will be amended during the term of the Notes. If such amendments are made, the taxation regime applicable to the Notes may differ substantially from the taxation regime in existence on the date of purchase or subscription of the Notes.

For further information on the taxation regime applicable to Notes see Condition 8 and the section entitled "*Taxation*" in this Base Prospectus.

Italian tax treatment of proceeds payable under the Notes

Law No. 111 of 9 August 2023, published in the Official Gazette No. 189 of 14 August 2023 ("**Law 111**"), delegates power to the Italian Government to enact, within twenty-four months from its publication, one or more legislative decrees implementing the reform of the Italian tax system (the "**Tax Reform**").

According to Law 111, the Tax Reform is expected to significantly change the taxation of financial incomes and capital gains and introduce various amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be quantified or foreseen with certainty at this stage. As a result, the information provided in this Base Prospectus may not comply with the future tax landscape.

Prospective purchasers of the Notes should be aware that the prospected changes to the tax regime of financial income and capital gains could lead to an increased tax cost for the prospected purchasers of the Notes and, consequently, result in a lower return of their investment.

Prospective purchasers of the Notes should consult their own tax advisors regarding the tax consequences described above.

Change of law

The Terms and Conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus.

Notes where denominations involve integral multiples: definitive Notes

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors who hold Notes through interests in the Global Notes will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes issued under the Programme will be represented on issue by one or more Global Notes that may be deposited with a common depositary or common safekeeper for Euroclear and Clearstream, Luxembourg (see "*Form of the Notes*"). Except in the circumstances described in each Global Note, investors will not be entitled to receive Notes in definitive form. Each of Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Note held through it. While the Notes are represented by a Global Note, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

While the Notes are represented by Global Notes, the Issuer will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note.

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

United Kingdom's exit from the European Union

On 23 June 2016, the United Kingdom (the "**UK**") held a referendum on the UK's membership of the EU. The result of the referendum's vote was to leave the EU and the UK Government invoked article 50 of the Lisbon Treaty. On 24 January 2020, it was announced that the government of the UK and the EU had executed and entered into to a withdrawal agreement (the "**Withdrawal Agreement**"). On 29 January 2020, the European Parliament voted to consent to the Withdrawal Agreement, and on 30 January 2020, the European Council (the "**EU Council**") adopted, by written procedure, the decision on the conclusion of the Withdrawal Agreement on behalf of the EU. On 31 January 2020, upon the UK's exit from the EU, the Withdrawal Agreement entered into force. A transition period begins following the date of the UK's withdrawal until 31 December 2020 (the "**Transition Period**"). During the Transition Period, the UK was bound by EU rules despite not being its member state and remained in the single market area, while the future terms of the UK's relationship with the EU were being negotiated.

On 24 December 2020, the EU and the UK reached an agreement on the Trade and Cooperation Agreement (the "**Trade and Cooperation Agreement**"), which sets out the principles of the relationship between the EU and the UK following the end of the Transition Period. The Trade and Cooperation Agreement was signed on 30 December 2020. The Trade and Cooperation Agreement has provisional application until the EU and UK complete their ratification procedures. On 29 April 2021, the EU Council ratified the Trade and Cooperation Agreement. The Trade and Cooperation Agreement does not create a detailed framework to govern the cross-border provision of regulated financial services from the UK into the EU and from the EU into the UK. Notwithstanding the conclusion of the Withdrawal Agreement, the application of the Trade and Cooperation Agreement by the EU and the UK and the implementation by the UK of retained EU law, there remain significant uncertainties with regard to the political and economic outlook of the UK and the EU.

There are a number of areas of uncertainty in connection with the future of the UK and its relationship with the European Union and the negotiation of the UK's exit terms and related matters may take several years. Given this uncertainty and the range of possible outcomes, it is not currently possible to determine the impact that the referendum, the UK's departure from the EU and/or any related matters may have on general economic conditions

in the UK and the EU. It is also not possible to determine the impact that these matters will have on the Issuer or any other party to the transaction documents, or on the regulatory position of any such entity or of the transactions contemplated by the transaction documents under EU regulation or more generally.

Risks relating to holding CREST Depository Interests

CREST Depository Interests are separate legal obligations distinct from the Notes and holders of CREST Depository Interests will be subject to provisions outside the Notes

Holders of CDIs ("**CDI Holders**") will hold or have an interest in a separate legal instrument and will not be holders of the Notes in respect of which the CDIs are issued (the "**Underlying Notes**"). The rights of CDI Holders to the Notes are represented by the relevant entitlements against the CREST Depository (as defined herein) which (through the CREST Nominee (as defined herein)) holds interests in the Notes.

Accordingly, rights under the Underlying Notes cannot be enforced by CDI Holders except indirectly through the intermediary depositaries and custodians. The enforcement of rights under the Notes will be subject to the local law of the relevant intermediaries. This could result in an elimination or reduction in the payments that otherwise would have been made in respect of the Notes in the event of any insolvency or liquidation of any of the relevant intermediaries, in particular where the Notes held in clearing systems are not held in special purpose accounts and are fungible with other securities held in the same accounts on behalf of other customers of the relevant intermediaries.

For further information on the issue and holding of CDIs see the section entitled "*Clearing and Settlement*" in this Base Prospectus.

No physical document of title issued in respect of the Notes issued in dematerialised form

Notes issued under the Programme may be issued in dematerialised form and evidenced at any time through book entries pursuant to the relevant provisions of the Financial Services Act and in accordance with the CONSOB and Bank of Italy Joint Regulation. In no circumstance would physical documents of title be issued in respect of the Notes issued in dematerialised form. While the Notes are represented by book entries, investors will be able to trade their beneficial interests only through Monte Titoli and the authorised financial intermediaries holding accounts on behalf of their customers with Monte Titoli. As the Notes are held in dematerialised form with Monte Titoli, investors will have to rely on the procedures of Monte Titoli and the financial intermediaries authorised to hold accounts therewith, for transfer, payment and communication with the Issuer.

Potential Conflicts of Interest for Dematerialised Notes

The Issuer may act as Paying Agent and Calculation Agent for the Dematerialised Notes and a conflict of interest may arise being the Issuer engaged in its other banking activities from time to time and in transactions involving an index or related derivatives which may affect amounts receivable by Noteholders during the term and on the maturity of the Dematerialised Notes or the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders..

2.4. Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

If an entity is appointed as market maker or liquidity provider or price maker in the secondary market in respect

of any Notes, this may, in certain circumstances, affect the price of the Notes in the secondary market.

The Issuer will act as liquidity provider

If the relevant Final Terms provide so, the Issuer may act as liquidity provider in relation to the Notes, among other things, also by publishing on his website the indicative value of the Notes determined by taking into consideration, for instance, the bid and ask prices in respect of the Notes and the hedging and/or unwinding costs. In this case, investors should take into account that such indicative value may significantly differ from the value of the Notes as quoted by other market makers and it should not be construed as the fair market price of such Notes nor as a fair estimation of consideration in respect of any disposal of such Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency or, if Dual Currency Interest and/or Dual Currency Redemption is specified as being applicable in the Final Terms, the Issuer will pay principal and/or interest on the Notes in a currency different to the Specified Currency (the "**Payment Currency**"). This presents certain risks relating to currency conversion if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency and/or, as applicable, the Payment Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency and/or, as applicable, the Payment Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency and/or, as applicable, the Payment Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The above risks may be increased for currencies of emerging market jurisdictions.

Interest rate and Exchange Rate risks

Investment in Notes bearing Fixed Rate Interest involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes. Investment in Notes bearing Floating Rate Interest involves the risk that interest rates may vary from time to time, resulting in variable interest payments to Noteholders.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. Where an issue of Notes is rated, investors should be aware that:

- such rating will reflect only the views of the rating agency and may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Notes;
- a rating is not a recommendation to buy, sell or hold securities and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency; and
- notwithstanding the above, an adverse change in a credit rating could adversely affect the trading price for the Notes.

In addition, in relation to unsolicited ratings:

- the Issuer is under no obligation to disclose any such ratings in the Final Terms or in any Supplement to this Base Prospectus; and
- unsolicited ratings assigned to the Issuer or Notes may differ from any then existing ratings assigned.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended, the CRA Regulation) from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EU

credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by ESMA in accordance with the CRA Regulation is not a conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between the publication of the updated ESMA list and certain supervisory measures being taken against the relevant rating agency. If any credit ratings are assigned to the Notes, certain information with respect to the relevant credit rating agencies and ratings will be disclosed in the Final Terms.

Any decline in the credit ratings of the Issuer may affect the market value of the Notes

The credit ratings of the Issuer are an assessment of its ability to pay its obligations, including those on the Notes. Consequently, actual or anticipated declines in the credit ratings of the Issuer may affect the market value of the Notes.

Legal investment considerations may restrict certain investments

Each prospective purchaser of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes (i) is fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or if it is acquiring the Notes in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Notes. Potential investors should consult with their own tax, legal, accounting and/or financial advisers before considering investing in the Notes.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

No reliance

A prospective purchaser may not rely on the Issuer, the Managers, if any, or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above. None of the Issuer, the Managers, if any, or any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective purchaser of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

2.5. Risks related to the offer to the public

Impact of implicit fees on the Issue Price / Offer Price

Investors should note that implicit fees (e.g. placement commissions/distribution commissions, structuring fees) may be a component of the Issue Price / Offer Price of the Notes, but such fees will not be taken into account for the purposes of determining the price of the relevant Notes in the secondary market and could result in a difference between the Issue Price and/or Offer Price, the theoretical value of the Notes, and or/ the actual bid/offer price quoted in the secondary market. Any such difference may have an adverse effect on the value of the Notes.

Investors should also take into consideration that if Notes are sold on the secondary market immediately following the offer period relating to such Notes, the implicit fees included in the Issue Price /Offer Price on initial subscription for such Notes will not be taken into account to determine the price at which such Notes may be sold in the secondary market.

The Issuer will specify in the relevant Final Terms the type and amount of any implicit fees which are applicable from time to time.

Public offers

If Notes are distributed by means of a public offer, under certain circumstances indicated in the relevant Final Terms, the Issuer and/or other entities specified in the Final Terms may have the right to withdraw the offer, which in such circumstances will be deemed null and void according to the terms indicated in the relevant Final Terms.

In this case, investors who have already paid or delivered subscription monies for the relevant Notes will be entitled to reimbursement of such amounts, but will not receive any interest that may have accrued in the period between their payment or delivery of subscription monies and the reimbursement of the Notes.

Furthermore, under certain circumstances indicated in the relevant Final Terms, the Issuer and/or the other entities specified in the Final Terms may have the right to postpone the closing of the offer period and, if so, the Issue Date of the Notes.

In this case, investors who have paid or delivered subscription monies for the relevant Notes prior to the communication of the postponement of the Issue Date will not receive any interest that would have accrued if the Notes had been issued on the original Issue Date.

INFORMATION INCORPORATED BY REFERENCE

The following information, which has previously been published and filed with the CSSF is incorporated by reference in, and forms part of, this Base Prospectus:

(i) the press release issued by Intesa Sanpaolo on 26 May 2025 and entitled "Intesa Sanpaolo launches buyback for 2 billion euro authorised by the ECB and approved by the Shareholders' Meeting", available at the following website:

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/comunicati-stampa-en/2025/05/20250526_startBB_uk.pdf

(ii) the English translation of the unaudited consolidated interim financial statements of the Intesa Sanpaolo Group as at and for the three months ended 31 March 2025, available at the following website:

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2025/31032025_Interim_statement.pdf

(iii) the press release issued by Intesa Sanpaolo on 6 May 2025 and entitled "Intesa Sanpaolo: Consolidated Results as at 31 March 2025" (the "**6 May Press Release**"), available at the following website:

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/comunicati-stampa-en/2025/05/20250506_Ris1Q25_uk.pdf

(iv) the press release issued by Intesa Sanpaolo on 29 April 2025 and entitled "Intesa Sanpaolo: Shareholders' Meeting" (the "**29 April Press Release**"), available at the following website:

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/comunicati-stampa-en/2025/04/20250429_Ass_uk.pdf

(v) the English translation of the audited consolidated annual financial statements of the Intesa Sanpaolo Group as at and for the year ended 31 December 2024, as shown in the Intesa Sanpaolo Group 2024 Annual Report, available at the following website;

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/2024_Annual_report.pdf

(vi) the English translation of the audited consolidated annual financial statements of the Intesa Sanpaolo Group as at and for the year ended 31 December 2023, as shown in the Intesa Sanpaolo Group 2023 Annual Report, available at the following website;

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2023/2023_Annual__report.pdf

(vii) the section "Terms and Conditions of the Notes" contained in the Base Prospectus dated 12 July 2024 from page 115 to and including page 222, available at the following website:

https://www.prodottiequotazioni.intesasanpaolo.com/en/attachments/090201d18a85bcac

This Base Prospectus will be available, in electronic format, on the website of the Luxembourg Stock Exchange (https://www.luxse.com) and at the following website: www.prodottiequotazioni.intesasanpaolo.com.

Any information contained in or incorporated by reference in any of the documents specified above which is not included in the cross-reference list in this Base Prospectus is not incorporated by reference and is either not relevant to investors or is covered elsewhere in this Base Prospectus and, for the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

The Issuer declares that the English translation of each of the Intesa Sanpaolo Group's consolidated financial statements incorporated by reference in this Base Prospectus is an accurate and not misleading translation in all material respect of the Italian language version of the Intesa Sanpaolo Group's consolidated financial statements. Intesa Sanpaolo takes responsibility for the accuracy of such translations.

Cross-reference list

The following table shows where the information required under article 19(2) of Regulation (EU) 2017/1129 can be found in the above-mentioned documents.

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FORM OF THE NOTES

A. NOTES IN PHYSICAL FORM

The Notes in Physical Form of each Series will be in either bearer form, with or without interest Coupons attached ("**Bearer Notes**"), or registered form, without Coupons attached ("**Registered Notes**"). Registered Notes will not be exchangeable for Bearer Notes and *vice versa*.

Bearer Notes

The applicable Final Terms will specify whether the TEFRA D Rules or the TEFRA C Rules are applicable in relation to the Bearer Notes (referred to herein as "**TEFRA D Notes**" and "**TEFRA C Notes**", respectively), provided that if the Notes do not have a maturity of more than 365 days, the applicable Final Terms will specify that the TEFRA Rules are not applicable.

An issuance of Notes to which the TEFRA C Rules apply may initially be represented by a permanent global note (a "**Permanent Bearer Global Note**") or a temporary bearer global note (a "**Temporary Bearer Global Note**") (Permanent Bearer Global Notes and Temporary Bearer Global Notes are referred to collectively herein as "**Bearer Global Notes**"). In all other cases, each Tranche of Notes with a maturity of more than 365 days will be initially issued in the form of a Temporary Bearer Global Note. In either case, the Bearer Global Notes will:

(a) if the Bearer Global Notes are intended to be issued in new global note ("**NGN**") form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"); and

(b) if the Bearer Global Notes are not intended to be issued in NGN Form, be delivered on or prior to the original issue date of the Tranche to a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg.

If the Notes are intended to be held in a manner which would allow Eurosystem eligibility, this will mean that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper (and, in case of registered notes, registered in the name of a nominee of one of the ICSDs acting as common safekeeper) and does not necessarily mean that the Notes will be recognised 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.

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made against presentation of the Temporary Bearer Global Note (if the Temporary Bearer Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not United States persons, or persons who have purchased for resale directly or indirectly to any United States person or to a person within the United States or its possessions, as required by U.S. Treasury Regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent.

On and after the date (the "**Exchange Date**") which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) for interests in a Permanent Bearer Global Note of the same Series against certification of beneficial ownership in accordance with U.S. Treasury Regulations as described above, unless such certification has already been given. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) of the Permanent Bearer Global Note (if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification.

A Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive

Bearer Notes with, where applicable, interest coupons and talons attached (1) upon not less than 60 days' written notice given to the Agent by Euroclear and/or Clearstream, Luxembourg acting in the instructions of any holder of an interest in this Global Note or (2) upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default (as defined in Condition 9) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) and have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available, or (iii) as a result of a change in law, the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) may give notice to the Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur not later than 60 days after the date of receipt of the first relevant notice by the Agent.

The following legend will appear on all Bearer Notes with a maturity of more than 365 days and on all and interest coupons relating to such Notes:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes or interest coupons.

Registered Notes

Registered Notes of each Tranche will initially be represented by a global note in registered form, without Receipts or Coupons, (a "**Registered Global Note**") which will be deposited with a common depositary for, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg or, in the case of Registered Global Notes issued under the new global note structure, registered in the name of a nominee of one of the International Central Securities Depositaries acting as Common Safekeeper, as specified in the applicable Final Terms. Prior to expiry of the Distribution Compliance Period applicable to each Tranche of the Notes, beneficial interests in a Registered Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 1 of the Terms and Conditions of the Notes and such Registered Global Note will bear a legend regarding such restrictions on transfer.

For so long as any of the Notes is represented by a Registered Global Note issued under the new global note structure and held by a Common Safekeeper on behalf of Euroclear and/or Clearstream, Luxembourg, each person who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg as entitled to a particular nominal amount of Notes shall be deemed to be the holder of such nominal amount of Notes for all purposes other than with respect to the payment of principal, premium (if any), interest or other amounts on such Notes, for which purpose the registered holder (as shown in the Register) of the relevant Registered Global Note, such Common Safekeeper, shall be deemed to be the holder of such nominal amount of Notes in accordance with and subject to the terms of the relevant Registered Global Note and the expressions "Noteholder" and "Noteholders" and related expressions shall be construed accordingly. Transfers of beneficial interests in the underlying Registered Notes represented by a Registered Global Note will be effected only through the book-entry system maintained by Euroclear and/or Clearstream, Luxembourg.

Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under certain circumstances, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will be made to the persons shown on the Register (as defined in Condition 1(a) of the Terms and Conditions of the Notes) as the registered holder of the Registered Global Notes. None of the Issuer any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 4(i) of the Terms and Conditions of the Notes) immediately preceding the due date for payment in the manner provided in that Condition. A Registered Note in definitive form may be transferred by the transferor or a person duly authorised on behalf of the transferor (i) surrendering the Registered Note, and (ii) depositing at the specified office of the Registrar a duly completed transfer certificate (a "**Transfer Certificate**") in the form set out in the Agency Agreement (copies of which are available from the Registrar) signed by or on behalf of the transferor. The Registrar shall, after due and careful enquiry, and upon being satisfied with the documents of title and the identity of the person making the request, subject to the regulations set out under the Agency Agreement, enter the name of the transferee in the Register for the definitive Registered Notes as the noteholder of the Registered Notes specified in the form of transfer.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without Receipts, Coupons or Talons attached upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available, or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 of the Terms and Conditions of the Notes if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the Registrar.

General

Notes in Physical Form which are represented by a Bearer Global Note or Registered Global Note (together, a "**Global Note**") will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*"), the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 9. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then the Global Note will become void at 8.00 p.m. (London time) on such day and, in the case of Notes represented by a Registered Global Note, the corresponding entry in the Register kept by the Registrar will become void. At the same time, holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of a deed of covenant (the "**Deed of Covenant**") dated on or about 14 July 2025 and executed by the Issuer.

B. DEMATERIALISED NOTES

Dematerialised Notes will be held in dematerialised form on behalf of the beneficial owners thereof, from their date of issue until their redemption or cancellation thereof, by Monte Titoli, for the account of the relevant Monte Titoli Account Holders. The expression "Monte Titoli account holder" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli and include any

financial intermediary appointed by Euroclear and/or Clearstream, Luxembourg for the account of participants in Euroclear and/ or Clearstream, Luxembourg.

The Notes will at all times be held in book entry form and title to the Notes will be evidenced by book entries pursuant to the relevant provisions of the Financial Services Act and in accordance with the CONSOB and Bank of Italy Regulation. No physical document of title will be issued in respect of the Dematerialised Notes. However, the Noteholders may ask the relevant intermediaries for certification pursuant to Article 83-*quinquies* and 83-*sexies* of the Financial Services Act.

Payment of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent for the Dematerialised Notes to the accounts of the Monte Titoli Account Holders whose accounts with Monte Titoli are credited with those Notes and thereafter credited by such Monte Titoli Account Holders to the accounts of the beneficial owners of those Notes or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream, Luxembourg, as the case may be.

C. CREST DEPOSITORY INTERESTS

Investors may also hold interests in the Notes indirectly through Euroclear UK & Ireland Limited (formerly known as CRESTCo Limited) ("**CREST**") through the issuance of dematerialised depository interests ("**CREST Depository Interests**" or "**CDIs**") issued, held, settled and transferred through CREST, representing interests in the relevant Notes in respect of which the CDIs are issued (the "**Underlying Notes**"). CREST Depository Interests are independent securities distinct from the Notes, constituted under English law and transferred through CREST and will be issued by CREST Depository Limited (the "**CREST Depository**") pursuant to the global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated) (the "**CREST Deed Poll**"). See "*Clearing and Settlement*" for more information regarding holding CDIs.

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

PLEASE CAREFULLY READ THE RISK FACTORS IN THE BASE PROSPECTUS

EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN FINANCIAL AND LEGAL ADVISORS ABOUT THE RISKS ASSOCIATED WITH AN INVESTMENT IN THE NOTES AND THE SUITABILITY OF AN INVESTMENT IN THE NOTES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES.

[**PROHIBITION OF SALES TO RETAIL INVESTORS -** The Notes 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 (the "**EEA**")] [and] [*Insert jurisdiction(s)* [●]]. For these purposes, a retail investor means a person who is one (or more) of the following: (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 2016/97/EU, as amended ("**IDD**"), 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 the Prospectus Regulation [or (iv) a retail client within the meaning of any equivalent definition under the applicable legislation of [Insert jurisdiction(s) [●]]. Consequently no key information document required by Regulation (EU) No 1286/2014 as amended (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the [EEA] [and][*Insert jurisdiction(s)* [●] [only]] has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the [EEA] [and] [*Insert jurisdiction(s)* [●] [only]] may be unlawful under the PRIIPS Regulation.]

[*Date*]

Intesa Sanpaolo S.p.A.

(incorporated as a società per azioni in the Republic of Italy)

Legal entity identifier (LEI): 2W8N8UU78PMDQKZENC08

[Title of Notes]

under the Note Issuance Programme IMI Corporate & Investment Banking

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the **Conditions**) set forth in the Base Prospectus dated 14 July 2025 [and the supplement[s] to the Base Prospectus dated [●]] which [together] constitute[s] a base prospectus [for the purposes of the Prospectus Regulation as amended][5] (the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 8(1) of the Prospectus Regulation][6] and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified offices of the Paying Agents. The Base Prospectus has been published on the websites of Luxembourg Stock Exchange (www.luxse.com) and

[5] Delete where the Notes are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation.

[6] Delete where the Notes are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation.

the Issuer's website (www.prodottiequotazioni.intesasanpaolo.com). In the event of any inconsistency between the Conditions and the Final Terms, these Final Terms prevail. [An issue specific summary of the Notes is annexed to these Final Terms.][7] In the case of the Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange, the Final Terms will be published on the website of the Luxembourg Stock Exchange [and of the Issuer][8].]

(*The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date:)*

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the "**Conditions**") set forth in the Base Prospectus dated 12 July 2024, which are incorporated by reference in the Base Prospectus dated 14 July 2025. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8(1) of the Prospectus Regulation and must be read in conjunction with the Base Prospectus dated 14 July 2025 [and the supplement[s] to it dated [●]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the "**Base Prospectus**"), including the Conditions incorporated by reference in the Base Prospectus [as supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as supplemented]. The Base Prospectus [and the supplement to the Base Prospectus] is [are] available for viewing during normal business hours at the registered office of the Issuer [and the specified offices of the Principal Security Agent]. The Base Prospectus [and the supplement to the Base Prospectus] [has] [have] been published on the websites of the Luxembourg Stock Exchange (www.luxse.com) and the Issuer (www.prodottiequotazioni.intesasanpaolo.com). [An issue specific summary of the Notes is annexed to these Final Terms.]]

[*Include whichever of the following apply or specify as "Not applicable". Note that the numbering should remain as set out below, even if "Not applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.*]

1.	(i)	Series Number:	[ ]
	(ii)	Tranche Number:	[ ] *(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*]
	(iii)	Date on which the Notes will be consolidated and form a single Series:	The Notes will be consolidated and form a single Series with [*identify earlier Tranches*] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 36 below, which is expected to occur on or about [*date*]][Not applicable]
2.	Specified Currency:		[ ]
3.	Aggregate Nominal Amount:		
	(i)	Series:	[ ]
	(ii)	Tranche:	[ ]

[7] Delete where the Notes are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation.

[8] Delete where the Notes are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation.

4.	Issue Price of Tranche:		[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
5.	(i)	Specified Denominations:	[ ] (*Note – where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed*: *"[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]."))*
	(ii)	Calculation Amount:	[ ] (*If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.*) [*In case of Instalment Notes:* The Calculation Amount is specified at point[s] [39] below)]
6.	(i)	Issue Date:	[ ]
	(ii)	Interest Commencement Date:	[ ] [*Specify*/Issue Date/Not applicable] *(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
7.	Type of Notes:		[Fixed Rate Notes] [Fixed Reset Rate Notes] [Floating Rate Notes] [Fixed [Reset]] [Floating] to [Floating] [Fixed [Reset]] Rate [Switchable] Notes [Zero Coupon Notes] [Structured [Autocallable] [Dual Currency [Interest/Redemption]] Notes] (*specify all Note types which apply*)
8.	Maturity Date:		[Interest Payment Date falling in or nearest to [*specify month and year*]]/[●]
9.	Form of Notes:		[Bearer/Registered/Dematerialised]
10.	Interest Basis:		[[●] per cent. [per annum] Fixed Rate] [from and including the [Issue Date/[●]] up to but excluding [●]] [[●] per cent. Fixed Rate from [●] to [●], then [●]

per cent. Fixed Rate from [●] to [●]]

[[●] per cent. Fixed Rate until [●], then calculated in accordance with paragraph 21 below]

[[EURIBOR] / [SONIA] / [SOFR] / [*Insert Other Overnight Rate*][*specify reference rate*] [+/-[●] per cent.] Floating Rate]

[Floating Rate: CMS Rate Linked Interest]

(specify details if required)

[Floating Rate: Difference in Rates]

(specify details if required)

[Floating Rate: Composite Floating Rate]

(specify details if required)

[Zero Coupon]

[Call Interest linked to [*specify underlying(s) among the following: shares, indices, commodities, futures contracts, exchange rates, inflation rates, interest rates, funds, swap rates and Baskets composed of the aforementioned financial reference assets*]]

[Put Interest linked to [*specify underlying(s) among the following: shares, indices, commodities, futures contracts, exchange rates, inflation rates, interest rates, funds, swap rates and Baskets composed of the aforementioned financial reference assets*]]

[Digital Interest linked to [*specify underlying(s) among the following: shares, indices, commodities, futures contracts, exchange rates, inflation rates, interest rates, funds, swap rates and Baskets composed of the aforementioned financial reference assets*]]

[Range Accrual Interest linked to [*specify underlying(s) among the following: shares, indices, commodities, futures contracts, exchange rates, inflation rates, interest rates, funds, swap rates and Baskets composed of the aforementioned financial reference assets*]]

[Spread Interest linked to [*specify underlying(s) among the following: shares, indices, commodities, futures contracts, exchange rates, inflation rates, interest rates, funds, swap rates and Baskets composed of the aforementioned financial reference assets*]]

[Forward CMS Interest linked to [*specify underlying(s) among the following: shares, indices, commodities, futures contracts, exchange*

		rates, inflation rates, interest rates, funds, swap rates and Baskets composed of the aforementioned financial reference assets]] (further particulars specified at point[s] [●] below) [*If the Underlying qualifies as "benchmark" for the purposes of the Benchmark Regulation insert:* [*specify benchmark(s)*] [is/are] provided by [*insert administrator(s) legal name(s)*] [*repeat as necessary*]. [As at the date of these Final Terms, [*insert administrator(s) legal name(s)*] [appear[s]]/[[does]/[do] not appear] [*repeat as necessary*] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmark Regulation.][As far as the Issuer is aware, [[*insert benchmark(s*)] [does/do] not fall within the scope of the Benchmark Regulation by virtue of Article 2 of that Regulation] [*repeat as necessary*] *OR* [the transitional provisions in Article 51 of the Benchmark Regulation apply], such that [*insert administrator(s) legal name(s)*] [is/are] not currently required to obtain recognition, endorsement or equivalence [since [*specify benchmark(s)*] [has/have] been recognised as [a] critical benchmark(s)]. [*repeat as necessary*].]
11.	Redemption/Payment Basis:	[Redemption at par] [Instalment] [*specify other*]
12.	Change of Interest Basis:	[Applicable – see [Fixed Rate Note Provisions,] [Fixed Reset Rate Note Provisions,] [Floating Rate Note Provisions,] [Call Interest Provisions,] [Put Interest Provisions,] [Digital Interest Provisions,] [Range Accrual Interest Provisions,] [Spread Interest Provisions,] [Forward CMS Interest Provisions,] and Change of Interest Basis Provisions]/[Not applicable] (*Specify the date when any change of interest basis occurs or cross refer to paragraphs 19, 20, 21, 22, 23, 24, 25, 26 and 27 and identify there*)
13.	Investor Put:	[Applicable] [Not applicable] [*specify whether or not a redemption of the Note will occur upon the exercise of the Investor Put*] [*If redemption of the Note will not occur specify further particulars*] [*If redemption of the Note will occur*: further particulars specified at point[s] [●] below]
14.	Issuer Call:	[Applicable] [Not applicable]

			[(further particulars specified at point[s] [●] below)]
15.	Mandatory Early Redemption:		[Applicable] [Not applicable] [(further particulars specified at point[s] [●] below)]
16.	Dual Currency Note Provisions:		[Applicable]/[Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Calculation Agent:	[ ]
	(ii)	Payment Currency:	[ ]
	(iii)	Successor Currency:	[Applicable]/[Not applicable].
	(iv)	Rate Calculation Date:	[ ]/[As per Condition 7]
		• Number of Rate Calculation Business Days:	[ ]
		• Rate Calculation Business Days:	[ ]/[As per Condition 7]
		• Rate Calculation Business Centre(s):	[ ]/[As per Condition 7]
	(v)	Valuation Time:	[ ]/[As per Condition 7]
	(vi)	EM Currency Provisions:	[Applicable]/[Not applicable]
	(vii)	Unscheduled Holiday:	[Applicable]/[Not applicable]
		• Maximum Days of Unscheduled Holiday Postponement:	[ ]
	(viii)	Cumulative Events:	[Applicable]/[Not applicable]
		• Maximum Days of Cumulative Postponement:	[ ]
	(ix)	FX Market Disruption Event(s):	Currency Disruption Event: [Applicable]/[Not applicable]
	(x)	FX Disruption Fallback:	[Calculation Agent Determination] [Currency Reference Dealers] [EM Fallback Valuation Postponement] [Maximum Days of EM Fallback Valuation Postponement: [ ]] [EM Valuation Postponement]

[Maximum Days of EM Valuation Postponement:

[ ]]

[Fallback Reference Price [*specify also alternate FX Price Source(s)*]]

[Other Published Sources]

[Postponement]

[Maximum Days of Postponement:

[ ]]

(*More than one FX Disruption Fallback may apply and if so must be specified in the order in which they apply*)

(xi) FX Price Source(s): [ ]

(xii) Number of Reference Dealers: [ ]/[As per Condition 7]

(xiii) Price Materiality Percentage: [ ]

(xiv) Specified Financial Centre(s): [ ]

17. Tax Gross-Up: [Condition 8(i) applicable]/[Condition 8(ii) applicable]

18. Method of distribution: [Syndicated/Non-syndicated/Not applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

19. Fixed Rate Note Provisions: [Applicable [in respect of the period from [●] to [●]] [subject to the exercise of the Switch Option]/[subject to the Switch Condition]]/[(i) in case of exercise of the Issuer's Switch Option, the Switch Option Effective Date]/[or]/[(ii) in case of non-exercise of the Issuer's Switch Option, [the Maturity Date]/[●]]/[(i) in case of occurrence of the Switch Condition, the Switch Condition Effective Date]/[or]/[(ii) in case of non-occurrence of the Switch Condition, [the Maturity Date]/[●]]/[Not applicable]/[●]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Rate(s) of Interest: [[ ] per cent. per annum [in respect of the Interest Period from [●] to [●], and [ ] per cent. per annum in respect of the Interest Period from [●] to [●], in each case] payable [●] in arrear] / [*specify other in case of different Rates of Interest in respect of different Interest Periods*].

(ii) Fixed Interest Period(s): [ ]

(iii) Fixed Interest Payment Date(s): [●] in each year up [to and including the Maturity Date]]/[*specify other*]. The first Fixed Interest

		Payment Date is [●]. *(NB: This will need to be amended in the case of long or short coupons)*
(iv)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[●]//[Not applicable]
(v)	Additional Business Centre(s):	[ ]/[Not applicable]
(vi)	Fixed Interest Accrual Date(s):	[The Fixed Interest Accrual Dates are [●] [in each year up to and including the Maturity Date].] [The Fixed Interest Accrual Dates shall be the Fixed Interest Payment Dates.]
(vii)	Fixed Coupon Amount(s):	[ ] per Calculation Amount]/[Not applicable] *(Applicable to Notes in definitive form)* *(N.B. Specify different Fixed Coupon Amounts if different Rates of Interest are specified as being applicable in respect of different Interest Periods)*
(viii)	Broken Amount(s):	[ ] per Calculation Amount, payable on the Fixed Interest Payment Date falling [in/on] [●] *(Applicable to Notes in definitive form)*
(ix)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)]/[Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360]/[360/360]/[Bond Basis] [30E/360]/[Eurobond Basis] [30E/360 (ISDA)] *(specify details, if necessary)* [●] [Not applicable] (*NB: Actual/Actual (ICMA) is normally appropriate (i) for Fixed Rate Notes except for Fixed Rate Notes denominated in U.S. dollars for which 30/360 is normally appropriate, or (ii) where interest is not payable in regular instalments (e.g. if there are Broken Amounts))*
(x)	Determination Date(s):	[●] in each year [*Only relevant where Day Count Fraction is Actual/Actual ICMA in which case insert regular Fixed Interest Payment Dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.* *NB: This will need to be amended in the case of regular Fixed Interest Payment Dates which are*

not of equal duration.]

20.	Fixed Reset Rate Note Provisions:	[Applicable [in respect of the period from [●] to [●]] [subject to the exercise of the Switch Option]/[subject to the Switch Condition]]/[(i) in case of exercise of the Issuer's Switch Option, the Switch Option Effective Date]/[or]/[(ii) in case of non-exercise of the Issuer's Switch Option, [the Maturity Date]/[●]]/[(i) in case of occurrence of the Switch Condition, the Switch Condition Effective Date]/[or]/[(ii) in case of non-occurrence of the Switch Condition, [the Maturity Date]/[●]]/[Not applicable]/[●] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Initial Rate of Interest:	[●] per cent. per annum payable [●] in arrear
(ii)	Fixed Reset Interest Period:	[ ]
(iii)	Fixed Reset Interest Accrual Date:	[ ]
(iv)	Reset Date(s):	[ ]
(v)	Reset Rate(s):	[[ ] per cent. per annum payable [●] in arrear]/[A rate per annum equal to the sum of (a) the Reset Reference Rate and (b) the Reset Margin]
(vi)	Reset Reference Rate(s):	[Mid Swap Rate/Reference Bond] (*Only relevant where the Reset Rate(s) is a rate per annum equal to the sum of (a) the Reset Reference Rate and (b) the Reset Margin)*
	• Mid Swap Benchmark Rate	[[ ]/Not applicable] (*Delete if Reference Bond selected or if Specified Currency is euro*)
	• Reset Rate Screen Page:	[[ ]/Not applicable] (*Delete if Reference Bond selected or if Reset Rate(s) specified in sub-paragraph (v) above*)
	• Mid Swap Maturity:	[[ ]/Not applicable] (*Delete if Reset Rate(s) specified in sub-paragraph (v) above*)
	• Reference Bond Issuing State:	[[ ]/Not applicable] (*Delete if Mid Swap Rate selected or if Specified Currency is not euro*)
	• Disruption Fallbacks	[*specify details in accordance with Condition 3*]
(vii)	Fixed Reset Interest Payment Date(s):	[●] in each year up [to and including the Maturity Date]]/[*specify other*]. The first Fixed Reset Interest Payment Date is [●]. *(NB: This will need to be amended in the case of long or short coupons)*
(viii)	Fixed Reset Interest Amount(s):	[ ] per Calculation Amount]/[Not applicable]

(Applicable to Notes in definitive form)

(ix) Broken Amount(s): [ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]

(Applicable to Notes in definitive form)

(x) Day Count Fraction: [Actual/Actual (ICMA)]
[Actual/Actual (ISDA)]/[Actual/Actual]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360]/[360/360]/[Bond Basis]
[30E/360]/[Eurobond Basis]
[30E/360 (ISDA)]
(specify details, if necessary)

[●]

[Not applicable]

(*NB: Actual/Actual (ICMA) is normally appropriate (i) for Fixed Reset Rate Notes except for Fixed Reset Rate Notes denominated in U.S. dollars for which 30/360 is normally appropriate, or (ii) where interest is not payable in regular instalments (e.g. if there are Broken Amounts))*

(xi) Determination Dates: [●] in each year

[*Only relevant where Day Count Fraction is Actual/Actual ICMA in which case insert regular Interest Payment Dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.*

NB: This will need to be amended in the case of regular Interest Payment Dates which are not of equal duration.]

(xii) Reset Margin(s): [ ]/Not applicable (*Delete if Reset Rate(s) specified in sub-paragraph (v) above*)

(xiii) Reset Determination Date(s): [ ]/Not applicable (*Delete if Reset Rate(s) specified in sub-paragraph (v) above*)

(xiv) Reset Rate Time: [ ]/Not applicable (*Delete if Reset Rate(s) specified in sub-paragraph (v) above*)

(xv) Relevant Financial Centre: [ ]/Not applicable (*Delete if Reset Rate(s) specified in sub-paragraph (v) above*)

21. Floating Rate Note Provisions: [Applicable [in respect of the period from [●] to [●]] [subject to the exercise of the Switch Option]/[subject to the Switch Condition]]/[(i) in case of exercise of the Issuer's Switch Option, the Switch Option Effective Date]/[or]/[(ii) in case of non-exercise of the Issuer's Switch Option, [the Maturity Date]/[●]]/[(i) in case of occurrence of the Switch Condition, the Switch Condition Effective Date]/[or]/[(ii) in case of non-occurrence

		of the Switch Condition, [the Maturity Date]/[●]]/[Not applicable]/[●] [Applicable only for the purpose of the calculation of the [Digital Rate 1]/[and]/[Digital Rate 2]] *(insert in case the Digital Rate 1 and/or Digital Rate 2 are floating rates)* (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) *(In case the Digital Rate 1 and/or Digital Rate 2 are floating rates, insert "Not applicable" in respect of the paragraphs not required for the calculation of the Digital Rate and specify "in respect of Digital Rate 1" and "in respect of Digital Rate 2" in case the same paragraphs contains different information in respect of the Digital Rate 1 and Digital Rate 2)*
(i)	Floating Interest Period(s):	[ ]
(ii)	Floating Interest Accrual Dates:	[ ]
(iii)	Floating Interest Payment Date(s):	[[●] in each year up [to and including the Maturity Date]]/[*specify other*]. The first Floating Interest Payment Date is [●].]
(iv)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[●]/[Not applicable]
(v)	Additional Business Centre(s):	[ ]/[Not applicable]
(vi)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination / ISDA Determination / Difference in Rates/ Composite Floating Rate]
(vii)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):	[ ]
(viii)	Screen Rate Determination:	[Applicable]/[Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Term Rate:	[Applicable] [Not applicable]
	• Overnight Rate:	[Applicable] [Not applicable] (*If not applicable, delete the paragraphs below from (i) to (x)*)
	– Calculation Method:	[Compounded Daily SOFR]/[Compounded Daily SOFR Index]/[Compounded Daily SONIA]/[Compounded Daily Rate][Weighted Average Rate]

–	Observation Method:	[Lag][Lock-out][Observation Shift]
–	Observation Period:	[●][Not Applicable][As defined in Condition 3]
–	p:	[3][●] [U.S. Government Securities Business Days][London Banking Days][Relevant Business Days][●][Not Applicable][As defined in Condition 3] (*NB: A minimum of 3 should be specified unless otherwise agreed with the Calculation Agent or such other person as party responsible for calculating the Rate of Interest*)
–	SOFR IndexStart Number of U.S. Government Securities Business Days:	[5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)
–	SOFR IndexEnd Number of U.S. Government Securities Business Days	[5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)
–	Relevant Business Day:	[*Insert details*][Not applicable](*only applicable in case of Other Overnight Rate*)
–	D:	[[365/360/[ ]] days][Not applicable]
–	r:	[ ][Not applicable] (*only applicable in case of Other Overnight Rate*)
–	Lock-out Period:	[●][Not Applicable](*only applicable in case of Other Overnight Rate*)
•	Reference Rate(s):	[[ ] month [EURIBOR]]/ [SONIA] / [SOFR] / [*Insert Other Overnight Rate*] /[CMS Rate] / [ ] / [*specify relevant yield of Government securities*][*specify relevant swap rate*]
•	Relevant Financial Centre:	[London/Brussels/*specify other Relevant Financial Centre*]
•	Reference Currency:	[ ] (*only relevant for CMS Rate*)
•	Designated Maturity(ies):	[ ] (*only relevant for CMS Rate*) [[●] in respect of the Interest Payment Date falling on [●]]/[●] *(specify in case of different Designated Maturities in respect of each Interest Payment Date)*
•	Specified Time:	[ ] in the Relevant Financial Centre
•	Interest Determination Date(s):	[ ] *(in the case of EURIBOR):* [the second day on which the T2 is open prior to the start of each Interest Period]

(in the case of a CMS Rate where the Reference Currency is euro and fixing is in advance): [second day on which the T2 is open prior to the start of each Interest Period]

(in the case of a CMS Rate where the Reference Currency is euro and fixing is in arrears): [second day on which the T2 is open prior to the end of each Interest Period]

(in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in advance): [second [*specify type of day*] prior to the start of each Interest Period]

(in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in arrears): [second [*specify type of day*] prior to the end of each Interest Period]

- Relevant Screen Page: [ ]

(*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)

(*In the case of CMS Rate Linked Interest Note, specify relevant screen page and any applicable headings and captions*)

- Reference Rate Administrator and Calculation Entity: [ ] [Not Applicable]

- Disruption Fallbacks [*specify details in accordance with Condition 3*]

(ix) ISDA Determination: [Applicable]/[Not applicable]

- Floating Rate Option: [ ]

- Designated Maturity: [ ]

- Reset Date: [ ]

(In the case of EURIBOR or CMS Rate based option, the first day of the Interest Period)

- Disruption Fallbacks [*specify details in accordance with Condition 3*]

(x) 2021 ISDA Definitions [Applicable][Not Applicable]

- Applicable Benchmark [ ][Not Applicable]

- Fixing Day [ ]

- Fixing Time [ ]

[ ][Not Applicable]

	• Any other terms relating to the 2021 ISDA Definitions	
(xi)	Difference in Rates:	[Applicable]/[Not applicable]
	• Rate 1:	[ ]
	• Manner in which Rate 1 is to be determined:	[Reference Rate determined in accordance with Screen Rate Determination/ISDA Rate determined in accordance with ISDA Determination]
	• Margin 1 applicable to Rate 1:	[Not applicable]/[[+/-] [●] per cent. per annum]
	• Rate Multiplier 1 applicable to Rate 1:	[Not applicable]/[[ ] per cent.]
	Sub-paragraphs below to be completed if Rate 1 is a Reference Rate to be determined in accordance with Screen Rate Determination:	
	• Term Rate:	[Applicable] [Not applicable]
	• Overnight Rate:	[Applicable] [Not applicable] (*If not applicable, delete the paragraphs below from (i) to (x)*)
	– Calculation Method:	[Compounded Daily SOFR]/[Compounded Daily SOFR Index]/[Compounded Daily SONIA]/[Compounded Daily Rate][Weighted Average Rate]
	– Observation Method:	[Lag][Lock-out][Observation Shift]
	– Observation Period:	[●][Not Applicable][As defined in Condition 3]
	– p:	[3][●] [U.S. Government Securities Business Days][London Banking Days][Relevant Business Days][●][Not Applicable][As defined in Condition 3] (*NB: A minimum of 3 should be specified unless otherwise agreed with the Calculation Agent or such other person as party responsible for calculating the Rate of Interest*)
	– SOFR IndexStart Number of U.S. Government Securities Business Days:	[5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)
	– SOFR IndexEnd Number of U.S. Government Securities Business Days	[5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)
	– Relevant Business Day:	[*Insert details*][Not applicable](*only applicable in case of Other Overnight Rate*)

	– D:	[[365/360/[ ]] days][Not applicable]
	– r:	[ ][Not applicable] (*only applicable in case of Other Overnight Rate*)
	– Lock-out Period:	[●][Not Applicable](*only applicable in case of Other Overnight Rate*)
•	Reference Rate(s):	[[ ] month [EURIBOR]]/ [SONIA] / [SOFR] / [*Insert Other Overnight Rate*] /[CMS Rate] / [ ] / [*specify relevant yield of Government securities*][*specify relevant swap rate*]
•	Relevant Financial Centre:	[London/Brussels/*specify other Relevant Financial Centre*]
•	Reference Currency:	[ ] (*only relevant for CMS Rate*)
•	Designated Maturity(ies):	[ ] (*only relevant for CMS Rate*) [[●] in respect of the Interest Payment Date falling on [●]]/[●] *(specify in case of different Designated Maturities in respect of each Interest Payment Date)*
•	Specified Time:	[ ] in the Relevant Financial Centre
•	Interest Determination Date(s):	[ ] *(in the case of EURIBOR):* [the second day on which the T2 is open prior to the start of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is euro and fixing is in advance):* [second day on which the T2 is open prior to the start of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is euro and fixing is in arrears):* [second day on which the T2 is open prior to the end of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in advance):* [second [*specify type of day*] prior to the start of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in arrears):* [second [*specify type of day*] prior to the end of each Interest Period]
•	Relevant Screen Page:	[ ] (*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions*

	appropriately) (*In the case of CMS Rate Linked Interest Note, specify relevant screen page and any applicable headings and captions*)
• Reference Rate Administrator and Calculation Entity:	[ ] [Not Applicable]
• Disruption Fallbacks:	[*specify details in accordance with Condition 3*]
Sub-paragraphs below to be completed if Rate 1 is an ISDA Rate to be determined in accordance with ISDA Determination:	
• Floating Rate Option:	[ ]
• Designated Maturity:	[ ]
• Reset Date:	[ ] *(In the case of EURIBOR or CMS Rate based option, the first day of the Interest Period)*
• Disruption Fallbacks:	[*specify details in accordance with Condition 3*]
• Rate 2:	[ ]
• Manner in which Rate 2 is to be determined:	[Reference Rate determined in accordance with Screen Rate Determination/ISDA Rate determined in accordance with ISDA Determination]
• Margin 2 applicable to Rate 2:	[Not applicable]/[[+/-] [●] per cent. per annum]
• Rate Multiplier 2 applicable to Rate 2:	[Not applicable]/[[ ] per cent.]
Sub-paragraphs below to be completed if Rate 2 is a Reference Rate to be determined in accordance with Screen Rate Determination:	
• Term Rate:	[Applicable] [Not applicable]
• Overnight Rate:	[Applicable] [Not applicable] (*If not applicable, delete the paragraphs below from (i) to (x)*)
– Calculation Method:	[Compounded Daily SOFR]/[Compounded Daily SOFR Index]/[Compounded Daily SONIA]/[Compounded Daily Rate][Weighted Average Rate]
– Observation Method:	[Lag][Lock-out][Observation Shift]

–	Observation Period:	[●][Not Applicable][As defined in Condition 3]
–	p:	[3][●] [U.S. Government Securities Business Days][London Banking Days][Relevant Business Days][●][Not Applicable][As defined in Condition 3] (*NB: A minimum of 3 should be specified unless otherwise agreed with the Calculation Agent or such other person as party responsible for calculating the Rate of Interest*)
–	SOFR IndexStart Number of U.S. Government Securities Business Days:	[5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)
–	SOFR IndexEnd Number of U.S. Government Securities Business Days	[5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)
–	Relevant Business Day:	[*Insert details*][Not applicable](*only applicable in case of Other Overnight Rate*)
–	D:	[[365/360/[ ]] days][Not applicable]
–	r:	[ ][Not applicable] (*only applicable in case of Other Overnight Rate*)
–	Lock-out Period:	[●][Not Applicable](*only applicable in case of Other Overnight Rate*)
•	Reference Rate(s):	[[ ] month [EURIBOR]]/ [SONIA] / [SOFR] / [*Insert Other Overnight Rate*] /[CMS Rate] / [ ] / [*specify relevant yield of Government securities*][*specify relevant swap rate*]
•	Relevant Financial Centre:	[London/Brussels/*specify other Relevant Financial Centre*]
•	Reference Currency:	[ ] (*only relevant for CMS Rate*)
•	Designated Maturity(ies):	[ ] (*only relevant for CMS Rate*) [[●] in respect of the Interest Payment Date falling on [●]]/[●] *(specify in case of different Designated Maturities in respect of each Interest Payment Date)*
•	Specified Time:	[ ] in the Relevant Financial Centre
•	Interest Determination Date(s):	[ ] *(in the case of EURIBOR):* [the second day on which the T2 is open prior to the start of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is euro and fixing is in advance):*

[second day on which the T2 is open prior to the start of each Interest Period]

(in the case of a CMS Rate where the Reference Currency is euro and fixing is in arrears): [second day on which the T2 is open prior to the end of each Interest Period]

(in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in advance): [second [*specify type of day*] prior to the start of each Interest Period]

(in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in arrears): [second [*specify type of day*] prior to the end of each Interest Period]

- Relevant Screen Page: [ ]

(*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)

(*In the case of CMS Rate Linked Interest Note, specify relevant screen page and any applicable headings and captions*)

- Reference Rate Administrator and Calculation Entity: [ ] [Not Applicable]

- Disruption Fallbacks: [*specify details in accordance with Condition 3*]

Sub-paragraphs below to be completed if Rate 2 is an ISDA Rate to be determined in accordance with ISDA Determination:

- Floating Rate Option: [ ]

- Designated Maturity: [ ]

- Reset Date: [ ]

(In the case of EURIBOR or CMS Rate based option, the first day of the Interest Period)

- Disruption Fallbacks: [*specify details in accordance with Condition 3*]

(xii) Composite Floating Rate: [Applicable]/[Not applicable]

[For the determination of the Rate of Interest, please see paragraph (viii) above.] *(Please complete subparagraphs under paragraph (viii) above)*

[For the determination of the Difference in Rates, please see paragraph (xi) above] *(Please complete*

subparagraphs under paragraph (xi) above)

(*If not applicable, delete the sub-paragraphs of this paragraph*)

- Cap_1: [●]/[Not applicable]
- $Floor_1$: [●]/[Not applicable]
- Cap_2: [●]/[Not applicable]
- $Floor_2$: [●]/[Not applicable]

(xiii) Substitute Rate: [Applicable [*Specify the Substitute Rate, the relevant screen page and any spread adjustment, if applicable*]]/[Not applicable]

(xiv) Linear Interpolation: [Not applicable/Applicable - the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]

(xv) Margin(s): [Not applicable]/[[+/-] [●] per cent. per annum]

(xvi) Rate Multiplier: [Not applicable]/[[ ] per cent.]

(xvii) Minimum Rate of Interest: [Fixed Rate]/[Floating Rate]/[Linked to an Underlying]/[Not applicable]

- Fixed Rate: [[●] per cent. per annum][in respect of the Interest Payment Date falling on [●]]/[●]/[/[Not applicable]
- Floating Rate: [Applicable] [Not applicable]
  - Term Rate: [Applicable] [Not applicable]
  - Overnight Rate: [Applicable] [Not applicable]

(If not applicable, delete the paragraphs below)

  - Calculation Method: [Compounded Daily SOFR]/[Compounded Daily SOFR Index]/[Compounded Daily SONIA]/[Compounded Daily Rate][Weighted Average Rate]
  - Observation Method: [Lag][Lock-out][Observation Shift]
  - Observation Period: [●][Not Applicable][As defined in Condition 3]
  - p: [3][●] [U.S. Government Securities Business Days][London Banking Days][Relevant Business Days][●][Not Applicable][As defined in Condition 3]

(NB: A minimum of 3 should be specified unless otherwise agreed with the Calculation Agent or

		such other person as party responsible for calculating the Rate of Interest)
	o SOFR IndexStart Number of U.S. Government Securities Business Days:	[5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)
	o SOFR IndexEnd Number of U.S. Government Securities Business Days	[5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)
	o Relevant Business Day:	[Insert details][Not applicable](*only applicable in case of Other Overnight Rate*)
	o D:	[[365/360/[ ]] days][Not applicable]
	o r:	[ ][Not applicable] (*only applicable in case of Other Overnight Rate*)
	o Lock-out Period:	[●][Not Applicable](*only applicable in case of Other Overnight Rate*)
–	Reference Rate(s):	[[ ] month [EURIBOR]]/ [SONIA] / [SOFR] / [Insert Other Overnight Rate] /[CMS Rate] / [ ] / [*specify relevant yield of Government securities][specify relevant swap rate*]
–	Minimum Rate Margin:	[Not applicable]/[[+/-] [●] per cent. per annum]
–	Relevant Financial Centre:	[London/Brussels/specify other Relevant Financial Centre]
–	Reference Currency:	[ ] (only relevant for CMS Rate)
–	Designated Maturity(ies):	[ ] (only relevant for CMS Rate) [[●] in respect of the Interest Payment Date falling on [●]]/[●] (*specify in case of different Designated Maturities in respect of each Interest Payment Date*)
–	Specified Time:	[ ] in the Relevant Financial Centre
–	Interest Determination Date(s):	[ ] *(in the case of EURIBOR):* [the second day on which the T2 is open prior to the start of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is euro and fixing is in advance):* [second day on which the T2 is open prior to the start of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is euro and fixing is in arrears):* [second

		day on which the T2 is open prior to the end of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in advance):* [second [specify type of day] prior to the start of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in arrears):* [second [specify type of day] prior to the end of each Interest Period]
	– Relevant Screen Page:	[ ] *(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)* *(In the case of CMS Rate Linked Interest Note, specify relevant screen page and any applicable headings and captions)*
	– Reference Rate Administrator and Calculation Entity:	[ ] [Not Applicable]
	– Disruption Fallbacks	[*specify details in accordance with Condition 3*]
•	Linked to an Underlying:	[Applicable]/[Not applicable]
	– Underlying(s):	*[specify name and details of the relevant underlying(s)][where different periods are envisaged, specify if the underlying will be the same for all the periods or will differ in relation to each period][in case of Baskets, specify the number of Basket Constituents and the Basket Constituent Weight, subject to the application of the Rainbow/Cliquet options]*
	– Call Option:	[European]/[Asian]
	– Participation Factor:	[Not applicable][●]
	– Formula for the calculation of the Call Performance:	[*Insert the formula for the calculation of the performance in accordance with Condition 3(a)(I-4) with only the applicable formula components*]
	○ Initial Observation Date(s):	[ ][Not Applicable]
	○ Interim Initial Observation Date(s):	[ ][Not applicable]

	○ Interim Final Observation Date(s):	[ ] [Not applicable]
	○ Final Observation Date(s):	[ ]
	○ Multiplier Factor:	[Not applicable][●]
	○ Cap:	[Not applicable][Applicable -]
	○ Floor:	[Not applicable][Applicable -]
	○ Weighting:	[Not applicable][●]
	○ Rate Days Count Fraction:	[Applicable]/[Not applicable][°°°](*specify details, if necessary*) (*If not applicable, delete the sub-paragraphs of this paragraph*)
	● D:	[ ] [days]
	● dc:	[ ] [days]
– Best Of Option:		[Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable]
– Worst Of Option:		[Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable]
– Cliquet Option:		[Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable]
– Rainbow Option:		[Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable] *(N.B.: only applicable if the Underlying is a Basket)*
– Himalaya Option:		[Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable] *(N.B.: only applicable if the Underlying is a Basket)*
	○ Himalaya Valuation Period(s):	[ ]
– Information Source:		[ ][Not applicable]
– Provisions for the calculation of the Reference Value of the Underlying in the case of market disruption event or adjustment event or incorrect values published by the Information Source:		[*Specify details in accordance with Condition 6*]
(xviii) Maximum Rate of Interest:		[Fixed Rate]/[Floating Rate]/[Linked to an Underlying]/[Not applicable]

- Fixed Rate: [[●] per cent. per annum][in respect of the Interest Payment Date falling on [●]]/[●]/[/[Not applicable]

- Floating Rate: [Applicable] [Not applicable]

  – Term Rate: [Applicable] [Not applicable]

  – Overnight Rate: [Applicable] [Not applicable]

    (*If not applicable, delete the paragraphs below)*

    - Calculation Method: [Compounded Daily SOFR]/[Compounded Daily SOFR Index]/[Compounded Daily SONIA]/[Compounded Daily Rate][Weighted Average Rate]

    - Observation Method: [Lag][Lock-out][Observation Shift]

    - Observation Period: [●][Not Applicable][As defined in Condition 3]

    - p: [3][●] [U.S. Government Securities Business Days][London Banking Days][Relevant Business Days][●][Not Applicable][As defined in Condition 3]

      (*NB: A minimum of 3 should be specified unless otherwise agreed with the Calculation Agent or such other person as party responsible for calculating the Rate of Interest*)

    - SOFR IndexStart Number of U.S. Government Securities Business Days: [5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)

    - SOFR IndexEnd Number of U.S. Government Securities Business Days [5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)

    - Relevant Business Day: [Insert details][Not applicable](*only applicable in case of Other Overnight Rate*)

    - D: [[365/360/[ ]] days][Not applicable]

    - r: [ ][Not applicable] (*only applicable in case of Other Overnight Rate*)

    - Lock-out Period: [●][Not Applicable](*only applicable in case of Other Overnight Rate*)

  – Reference Rate(s): [[ ] month [EURIBOR]]/ [SONIA] / [SOFR] / [Insert Other Overnight Rate] /[CMS Rate] / [ ] / [*specify relevant yield of Government securities][specify relevant swap rate*]

–	Maximum Rate Margin:	[Not applicable]/[[+/-] [●] per cent. per annum]
–	Relevant Financial Centre:	[London/Brussels/specify other Relevant Financial Centre]
–	Reference Currency:	[ ] (only relevant for CMS Rate)
–	Designated Maturity(ies):	[ ] (only relevant for CMS Rate) [[●] in respect of the Interest Payment Date falling on [●]]/[●] (*specify in case of different Designated Maturities in respect of each Interest Payment Date*)
–	Specified Time:	[ ] in the Relevant Financial Centre
–	Interest Determination Date(s):	[ ] *(in the case of EURIBOR):* [the second day on which the T2 is open prior to the start of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is euro and fixing is in advance):* [second day on which the T2 is open prior to the start of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is euro and fixing is in arrears):* [second day on which the T2 is open prior to the end of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in advance):* [second [specify type of day] prior to the start of each Interest Period] (*in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in arrears):* [second [specify type of day] prior to the end of each Interest Period]
–	Relevant Screen Page:	[ ] *(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)* *(In the case of CMS Rate Linked Interest Note, specify relevant screen page and any applicable headings and captions)*
–	Reference Rate Administrator and Calculation Entity:	[ ] [Not Applicable]
–	Disruption Fallbacks	[*specify details in accordance with Condition 3*]

- Linked to an Underlying: [Applicable]/[Not applicable]

  – Underlying(s): [*specify name and details of the relevant underlying(s)][where different periods are envisaged, specify if the underlying will be the same for all the periods or will differ in relation to each period][in case of Baskets, specify the number of Basket Constituents and the Basket Constituent Weight, subject to the application of the Rainbow/Cliquet options*]

  – Call Option: [European]/[Asian]

  – Participation Factor: [Not applicable][●]

  – Formula for the calculation of the Call Performance: [*Insert the formula for the calculation of the performance in accordance with Condition 3(a)(I-4) with only the applicable formula components*]

    o Initial Observation Date(s): [ ][Not Applicable]

    o Interim Initial Observation Date(s): [ ][Not applicable]

    o Interim Final Observation Date(s): [ ] [Not applicable]

    o Final Observation Date(s): [ ]

    o Multiplier Factor: [Not applicable][●]

    o Cap: [Not applicable][Applicable -]

    o Floor: [Not applicable][Applicable -]

    o Weighting: [Not applicable][●]

    o Rate Days Count Fraction: [Applicable]/[Not applicable][°°°](*specify details, if necessary*) (*If not applicable, delete the sub-paragraphs of this paragraph*)

      - D: [ ] [days]

      - dc: [ ] [days]

  – Best Of Option: [Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable]

  – Worst Of Option: [Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable]

  – Cliquet Option: [Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable]

  – Rainbow Option: [Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable] *(N.B.: only applicable if the Underlying is a Basket)*

	– Himalaya Option:	[Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable] *(N.B.: only applicable if the Underlying is a Basket)*
	○ Himalaya Valuation Period(s):	[ ]
	– Information Source:	[ ][Not applicable]
	– Provisions for the calculation of the Reference Value of the Underlying in the case of market disruption event or adjustment event or incorrect values published by the Information Source:	[*Specify details in accordance with Condition 6*]
(xix)	Dynamic Minimum Rate of Interest:	[Applicable]/[Not applicable] (*If not applicable, delete the sub-paragraphs of this paragraph*)
	• First Minimum Rate of Interest:	[●]
	• Subsequent Minimum Rate of Interest:	[●] *(insert a description of the Subsequent Minimum Rate of Interest)*
(xx)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)]/[Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360]/[360/360]/[Bond Basis] [30E/360]/[Eurobond Basis] [30E/360 (ISDA)] *(specify details, if necessary)* [●] [Not applicable]
(xxi)	Rate Days Count Fraction:	[Applicable]/[Not applicable][°°°]*(specify details, if necessary)* (*If not applicable, delete the sub-paragraphs of this paragraph*)
	• D:	[ ] [days]
	• d_c:	[ ] [days]
22.	Call Interest Provisions:	[Applicable [in respect of the period from [●] to [●]] [subject to the exercise of the Switch Option]/[subject to the Switch Condition]]/[(i) in case of exercise of the Issuer's Switch Option, the Switch Option Effective Date]/[or]/[(ii) in case of non-exercise of the Issuer's Switch Option, [the

		Maturity Date]/[●]]/[(i) in case of occurrence of the Switch Condition, the Switch Condition Effective Date]/[or]/[(ii) in case of non-occurrence of the Switch Condition, [the Maturity Date]/[●]]/[Not applicable]/[●] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Underlying(s):	[*specify name and details of the relevant underlying(s)*][*where different periods are envisaged, specify if the underlying will be the same for all the periods or will differ in relation to each period*][*in case of Baskets, specify the number of Basket Constituents and the Basket Constituent Weight, subject to the application of the Rainbow/Cliquet options*]
(ii)	Call Interest Period(s):	[ ]
(iii)	Call Interest Accrual Dates:	[ ]
(iv)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[●]/[Not applicable]
(v)	Call Interest Payment Date(s):	[●] in each year up [to and including the Maturity Date]]/[*specify other*]. The first Call Interest Payment Date is [●].
(vi)	Call Option:	[European]/[Asian]
(vii)	Call Interest Amount:	[*Insert the formula for the calculation of the Call Interest Amount in accordance with Condition 3(a)(I-4) with only the applicable formula components*]
(viii)	Participation Factor:	[Not applicable][●]
(ix)	Margin:	[Not applicable]/[[+/-] [●] per cent. per annum]
(x)	Minimum Rate of Interest:	[[●] per cent. per annum]/[Not applicable]
(xi)	Maximum Rate of Interest:	[[●] per cent. per annum]/[Not applicable]
(xii)	Knock-in Event:	[Applicable]/[Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Knock-in Level:	[●] [Not applicable]
	• Knock-in Range:	[●] [Not applicable]
	• Knock-in Observation Period:	[●]
	• Knock-in Observation Date(s):	[●]

(xiii)	Knock-out Event:	[Applicable]/[Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Knock-out Level:	[●] [Not applicable]
	• Knock-out Range:	[●] [Not applicable]
	• Knock-out Observation Period:	[●]
	• Knock-out Observation Date(s):	[●]
(xiv)	Formula for the calculation of the Call Performance:	[*Insert the formula for the calculation of the performance in accordance with Condition 3(a)(I-4) with only the applicable formula components*]
	• Initial Observation Date(s):	[ ][Not Applicable]
	• Interim Initial Observation Date(s):	[ ][Not applicable]
	• Interim Final Observation Date(s):	[ ] [Not applicable]
	• Final Observation Date(s):	[ ]
	• Multiplier Factor:	[Not applicable][●]
	• Cap:	[Not applicable][Applicable -]
	• Floor:	[Not applicable][Applicable -]
	• Weighting:	[Not applicable][●]
	• Rate Days Count Fraction:	[Applicable]/[Not applicable][°°°]*(specify details, if necessary)* (*If not applicable, delete the sub-paragraphs of this paragraph*)
	– D:	[ ] [days]
	– d_c:	[ ] [days]
(xv)	Best Of Option:	[Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable]
(xvi)	Worst Of Option:	[Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable]
(xvii)	Cliquet Option:	[Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable]
(xviii)	Rainbow Option:	[Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable] *(N.B.: only applicable if the Underlying is a Basket)*

(xix)	Himalaya Option:	[Applicable [*Specify details in accordance with Condition 3(a)(I)*]]/[Not applicable] *(N.B.: only applicable if the Underlying is a Basket)*
	• Himalaya Valuation Period(s):	[ ]
(xx)	Futures Contract N-th Near-by Feature: *(Delete the sub-paragraphs if not applicable)*	[Applicable [*Specify details*]] [Not applicable] (*Only applicable if the Underlying is a futures contract*)
	• Futures Contract N-th Near-by:	[●]
	• N-th Near-by Initial Date:	[●] [Not applicable] (*Only applicable if the Initial Reference Value or Interim Initial Reference Value are determined on the basis of the Futures Contract N-th Near-by*)
	• Rolling:	[Applicable [*Specify details*]] [Not applicable]
	• Rollover Date(s):	[●] [Not applicable]
(xxi)	Information Source:	[ ][Not applicable]
(xxii)	Provisions for the calculation of the Reference Value of the Underlying in the case of market disruption event or adjustment event or incorrect values published by the Information Source:	[*Specify details in accordance with Condition 6*]
(xxiii)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)]/[Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360]/[360/360]/[Bond Basis] [30E/360]/[Eurobond Basis] [30E/360 (ISDA)] *(specify details, if necessary)* [●] [Not applicable]
23.	Put Interest Provisions:	[Applicable [in respect of the period from [●] to [●]] [subject to the exercise of the Switch Option]/[subject to the Switch Condition]]/[(i) in case of exercise of the Issuer's Switch Option, the Switch Option Effective Date]/[or]/[(ii) in case of non-exercise of the Issuer's Switch Option, [the Maturity Date]/[●]]/[(i) in case of occurrence of the Switch Condition, the Switch Condition Effective Date]/[or]/[(ii) in case of non-occurrence of the Switch Condition, [the Maturity Date]/[●]]/[Not applicable]/[●] (*If not applicable, delete the remaining sub-*

		paragraphs of this paragraph)
(i)	Underlying(s)	[*specify name and details of the relevant underlying(s)*][*where different periods are envisaged, specify if the underlying will be the same for all the periods or will differ in relation to each period*][*in case of Baskets, specify the number of Basket Constituents and the Basket Constituent Weight, subject to the application of the Rainbow/Cliquet options*]
(ii)	Put Interest Period(s):	[ ]
	Put Interest Accrual Dates:	[ ]
(iii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[●]/[Not applicable]
(iv)	Put Interest Payment Date(s):	[●] in each year up [to and including the Maturity Date]]/[*specify other*]. The first Put Interest Payment Date is [●].
(v)	Put Option:	[European]/[Asian]
(vi)	Put Interest Amount:	[*Insert the formula for the calculation of the Put Interest Amount in accordance with Condition 3(a)(II-4) with only the applicable formula components*]
(vii)	Participation Factor:	[Not applicable][●]
(viii)	Margin:	[Not applicable]/[[+/-] [●] per cent. per annum]
(ix)	Minimum Rate of Interest:	[[●] per cent. per annum]/[Not applicable]
(x)	Maximum Rate of Interest:	[[●] per cent. per annum]/[Not applicable]
(xi)	Knock-in Event:	[Applicable]/[Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Knock-in Level:	[●] [Not applicable]
	• Knock-in Range:	[●] [Not applicable]
	• Knock-in Observation Period:	[●]
	• Knock-in Observation Date(s):	[●]
(xii)	Knock-out Event:	[Applicable]/[Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	• Knock-out Level:	[●] [Not applicable]

	• Knock-out Range:	[●] [Not applicable]
	• Knock-out Observation Period:	[●]
	• Knock-out Observation Date(s):	[●]
(xiii)	Formula for the calculation of the Put Performance:	[*Insert the formula for calculating the performance in accordance with Condition 3(a)(II-4) with only the applicable formula components*]
	• Initial Observation Date(s):	[ ][Not Applicable]
	• Interim Initial Observation Date(s):	[ ][Not Applicable]
	• Interim Final Observation Date(s):	[ ][Not Applicable]
	• Final Observation Date(s):	[ ]
	• Multiplier Factor:	[Not applicable][●]
	• Cap:	[Not applicable][Applicable -]
	• Floor:	[Not applicable][Applicable -]
	• Weighting:	[Not applicable][●]
	• Rate Days Count Fraction:	[Applicable]/[Not applicable][°°°]*(specify details, if necessary)* (*If not applicable, delete the sub-paragraphs of this paragraph*)
	– D:	[ ] [days]
	– dc:	[ ] [days]
(xiv)	Best Of Option:	[Applicable [*Specify details in accordance with Condition 3(a)(II)*]]/[Not applicable]
(xv)	Worst Of Option:	[Applicable [*Specify details in accordance with Condition 3(a)(II)*]]/[Not applicable]
(xvi)	Cliquet Option:	[Applicable [*Specify details in accordance with Condition 3(a)(II)*]]/[Not applicable]
(xvii)	Rainbow Option:	[Applicable [*Specify details in accordance with Condition 3(a)(II)*]]/[Not applicable]
(xviii)	Himalaya Option: Himalaya Valuation Period(s):	[Applicable [*Specify details in accordance with Condition 3(a)(II)*]]/[Not applicable]
(xix)	Futures Contract N-th Near-by Feature: *(Delete the sub-paragraphs if not*	[Applicable [*Specify details*]] [Not applicable] (*Only applicable if the Underlying is a futures*

	applicable)	*contract*)
	• Futures Contract N-th Near-by:	[●]
	• N-th Near-by Initial Date:	[●] [Not applicable] (*Only applicable if the Initial Reference Value or Interim Initial Reference Value are determined on the basis of the Futures Contract N-th Near-by*)
	• Rolling:	[Applicable [*Specify details*]] [Not applicable]
	• Rollover Date(s):	[●] [Not applicable]
(xx)	Information Source:	[ ][Not applicable]
(xxi)	Provisions for the calculation of the Reference Value of the Underlying in the case of market disruption event or adjustment event or incorrect values published by the Information Source:	[*Specify details in accordance with Condition 6*]
(xxii)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)]/[Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360]/[360/360]/[Bond Basis] [30E/360]/[Eurobond Basis] [30E/360 (ISDA)] *(specify details, if necessary)* [●] [Not applicable]
24.	Digital Interest Provisions:	[Applicable [in respect of the period from [●] to [●]] [subject to the exercise of the Switch Option]/[subject to the Switch Condition]]/[(i) in case of exercise of the Issuer's Switch Option, the Switch Option Effective Date]/[or]/[(ii) in case of non-exercise of the Issuer's Switch Option, [the Maturity Date]/[●]]/[(i) in case of occurrence of the Switch Condition, the Switch Condition Effective Date]/[or]/[(ii) in case of non-occurrence of the Switch Condition, [the Maturity Date]/[●]]/[Not applicable]/[●] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Digital Interest Period(s):	[ ]
	• Digital Interest Accrual Dates:	[ ]
(ii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding

		Business Day Convention]/[●]/[Not applicable]
(iii)	Digital Interest Payment Date(s):	[●] in each year up [to and including the Maturity Date]]/[*specify other*]. The first Digital Interest Payment Date is [●].
(iv)	Digital Interest Amount:	[*Insert the formula for the calculation of the Digital Interest Amount in accordance with Condition 3(a)(III-4)*]
(v)	Digital Rate 1:	[[●]%] *(insert in the case of a fixed rate)* [Calculated as provided under the Floating Rate Note Provisions above] *(insert in the case of a floating rate)*
(vi)	Digital Rate 2:	[[●]%] *(insert in the case of a fixed rate)* [Calculated as provided under the Floating Rate Note Provisions above] *(insert in the case of a floating rate)*
(vii)	Digital Condition:	[Single Performance Condition. The Single Performance Condition will be satisfied if the Performance of [*specify underlying/Basket*] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level][falls within the Reference Range]] [Podium Performance Condition. The Podium Performance Condition occurs when the Single Performance Condition has been satisfied at least in relation to [*insert number of underlyings/baskets*] [Underlyings/Baskets]. The Single Performance Condition occurs [[if the [Single Performance][Basket Performance] of at least [*specify number of underlying/Basket*] [Underlyings/Baskets] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range]] [Spread Performance Condition. The Spread Performance Condition will be satisfied when the difference between the [Single Performance/Basket Performance] of [the Underlying 1/Basket 1] and the [Single Performance/Basket Performance] of [the Underlying 2/Basket 2] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range]] [Single Reference Value Condition The Single Reference Value Condition will be satisfied when the Reference Value [on the relevant Digital Observation Date[s]] [at any time during a Digital Observation Period] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range]] [Podium Reference Value Condition. The Podium Reference Value Condition will be satisfied when

the Single Reference Value Condition has been satisfied, [on the relevant Digital Observation Date[s]] [at any time during a Digital Observation Period], at least in relation to [*insert number of underlyings/baskets*] [Underlyings/Baskets]. The Single Reference Value Condition is considered as satisfied[[if the Reference Value of at least [*specify number of underlying/Basket*] [Underlyings/Baskets] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range]]

[Spread Reference Value Condition. The Spread Performance Condition will be satisfied when the difference between the Reference Value of [the Underlying 1/Basket 1] and the Reference Value of [the Underlying 2/Basket 2] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range] [on the relevant Digital Observation Date[s]] [at any time during a Digital Observation Period]]

[Single Best Performance Condition. The Single Best Performance Condition will be satisfied if the Best Performance of [Underlying/Basket] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range].

The Best Performance is the [*insert: first, or second, or third, etc., as the case may be*] highest performance of the [Underlying/Basket], selected by the Calculation Agent among the performances of the [Underlying/Basket] determined on the following periods: [*insert at least two periods*]]

[Single Worst Performance Condition. The Single Worst Performance Condition will be satisfied if the Worst Performance of [Underlying/Basket] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range].

The Worst Performance is the [*insert: first, or second, or third, etc., as the case may be*] worst performance of the [Underlying/Basket], selected by the Calculation Agent among the performances of the [Underlying/Basket] determined on the following periods: [*insert at least two periods*]]

- Underlying(s): [*specify name and details of the Underlying or the Underlyings (if Podium Conditions are applicable) or the Underlying 1 and Underlying 2 (if Spread Reference Value Conditions are applicable*)]

- Formula for calculating the Performance: [*Insert the formula for calculating the performance in accordance with Condition 3(a)(III) with only the applicable formula components*]

•	Barrier Level:	[[●]][Not applicable]
•	Reference Range:	[from [●]% to [●]%] [Not applicable]
•	Multiplier Factor:	[ ][Not applicable]
•	Initial Observation Date(s):	[ ][Not Applicable]
•	Interim Initial Observation Date(s):	[ ][Not applicable]
•	Interim Final Observation Date(s):	[ ][Not applicable]
•	Final Observation Date(s):	[ ][Not applicable]
•	Digital Observation Date(s):	[ ][Not applicable]
•	Digital Observation Period(s):	[ ][Not applicable]
•	Information Source:	[ ][Not applicable]
•	Provisions for calculating the Reference Value of the Underlying in the case of market disruption event or adjustment event or incorrect values published by the Information Source:	[*Specify details in accordance with Condition 6*]

(viii)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)]/[Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360]/[360/360]/[Bond Basis] [30E/360]/[Eurobond Basis] [30E/360 (ISDA)] *(specify details, if necessary)* [●]
(ix)	Memory Effect:	[Applicable]/[Not applicable] *(N.B.: only applicable when the Digital Rate is equal to zero as a result of the non-occurrence of the relevant condition)*
(x)	Consolidation Effect:	[Applicable]/[Not applicable](*N.B.: not applicable if the Reload Effect is applicable*)
(xi)	Reload Effect:	[Applicable]/[Not applicable](*N.B.: not applicable if the Consolidation Effect is applicable*)

25.	Range Accrual Interest Provisions:	[Applicable [in respect of the period from [●] to [●]] [subject to the exercise of the Switch Option]/[subject to the Switch Condition]]/[(i) in

		case of exercise of the Issuer's Switch Option, the Switch Option Effective Date]/[or]/[(ii) in case of non-exercise of the Issuer's Switch Option, [the Maturity Date]/[●]]/[(i) in case of occurrence of the Switch Condition, the Switch Condition Effective Date]/[or]/[(ii) in case of non-occurrence of the Switch Condition, [the Maturity Date]/[●]]/[Not applicable]/[●] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Range Accrual Interest Period(s):	[ ]
	Range Accrual Interest Accrual Dates:	[ ]
(ii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[●]/[Not applicable]
(iii)	Range Accrual Interest Payment Date(s):	[●] in each year up [to and including the Maturity Date]]/[*specify other*]. The first Range Accrual Interest Payment Date is [●].
(iv)	Range Accrual Interest Amount:	[*Insert the formula for the calculation of the Range Accrual Interest Amount in accordance with Condition 3(a)(IV-4) with only the applicable formula components*]
(v)	Minimum Rate of Interest:	[[●] per cent. per annum]/[Not applicable]
(vi)	Maximum Rate of Interest:	[[●] per cent. per annum]/[Not applicable]
(vii)	Underlying(s):	[*specify name and details of the underlying(s)*]
	• Reference Period:	[ ]
	• Information Source:	[ ][Not applicable]
	• Provisions for calculating the Reference Value in the case of market disruption event or adjustment event or incorrect values published by the Information Source:	[*Specify details in accordance with Condition 6*]
(viii)	Fluctuation Range:	[ ]
(ix)	In Range Yield:	[Fixed Rate]/[Floating Rate]
	• Fixed Rate:	[[●] per cent. per annum][in respect of the Interest Payment Date falling on [●]]/[●]/[/[Not applicable]
	• Floating Rate:	[Applicable] [Not applicable]
	– Term Rate:	[Applicable] [Not applicable]
	– Overnight Rate:	[Applicable] [Not applicable]

(*If not applicable, delete the paragraphs below)*

- o Calculation Method: [Compounded Daily SOFR]/[Compounded Daily SOFR Index]/[Compounded Daily SONIA]/[Compounded Daily Rate][Weighted Average Rate]
- o Observation Method: [Lag][Lock-out][Observation Shift]
- o Observation Period: [●][Not Applicable][As defined in Condition 3]
- o p: [3][●] [U.S. Government Securities Business Days][London Banking Days][Relevant Business Days][●][Not Applicable][As defined in Condition 3]

  (*NB: A minimum of 3 should be specified unless otherwise agreed with the Calculation Agent or such other person as party responsible for calculating the Rate of Interest*)
- o SOFR IndexStart Number of U.S. Government Securities Business Days: [5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)
- o SOFR IndexEnd Number of U.S. Government Securities Business Days [5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)
- o Relevant Business Day: [Insert details][Not applicable](*only applicable in case of Other Overnight Rate*)
- o D: [[365/360/[ ]] days][Not applicable]
- o r: [ ][Not applicable] (*only applicable in case of Other Overnight Rate*)
- o Lock-out Period: [●][Not Applicable](*only applicable in case of Other Overnight Rate*)

– Reference Rate(s): [[ ] month [EURIBOR]]/ [SONIA] / [SOFR] / [Insert Other Overnight Rate] /[CMS Rate] / [ ] / [*specify relevant yield of Government securities]/[specify relevant swap rate*]

– Relevant Financial Centre: [London/Brussels/specify other Relevant Financial Centre]

– Reference Currency: [ ] (only relevant for CMS Rate)

– Designated Maturity(ies): [ ] (only relevant for CMS Rate)

[[●] in respect of the Interest Payment Date falling on [●]]/[●] (*specify in case of different Designated Maturities in respect of each Interest Payment*

Date)

– Specified Time: [ ] in the Relevant Financial Centre

– Interest Determination Date(s): [ ]

(in the case of EURIBOR): [the second day on which the T2 is open prior to the start of each Interest Period]

(in the case of a CMS Rate where the Reference Currency is euro and fixing is in advance): [second day on which the T2 is open prior to the start of each Interest Period]

(in the case of a CMS Rate where the Reference Currency is euro and fixing is in arrears): [second day on which the T2 is open prior to the end of each Interest Period]

(in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in advance): [second [specify type of day] prior to the start of each Interest Period]

(*in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in arrears):* [second [specify type of day] prior to the end of each Interest Period]

– Relevant Screen Page: [ ]

(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)

(In the case of CMS Rate Linked Interest Note, specify relevant screen page and any applicable headings and captions)

– Reference Rate Administrator and Calculation Entity: [ ] [Not Applicable]

– Disruption Fallbacks [*specify details in accordance with Condition 3*]

- In Range Days: [ ]
- Margin: [Not applicable]/[[+/-] [●] per cent. per annum]
- Rate Days Count Fraction: [Applicable]/[Not applicable][°°°]*(specify details, if necessary)* (*If not applicable, delete the sub-paragraphs of this paragraph*)

  – D: [ ] [days]

  – dc: [ ] [days]

(x) Out Range Yield: [Fixed Rate]/[Floating Rate]

- Fixed Rate: [[●] per cent. per annum][in respect of the Interest Payment Date falling on [●]]/[●]/[/[Not applicable]

- Floating Rate: [Applicable] [Not applicable]

  – Term Rate: [Applicable] [Not applicable]

  – Overnight Rate: [Applicable] [Not applicable]

    (*If not applicable, delete the paragraphs below)*

    - Calculation Method: [Compounded Daily SOFR]/[Compounded Daily SOFR Index]/[Compounded Daily SONIA]/[Compounded Daily Rate][Weighted Average Rate]

    - Observation Method: [Lag][Lock-out][Observation Shift]

    - Observation Period: [●][Not Applicable][As defined in Condition 3]

    - p: [3][●] [U.S. Government Securities Business Days][London Banking Days][Relevant Business Days][●][Not Applicable][As defined in Condition 3]

      (*NB: A minimum of 3 should be specified unless otherwise agreed with the Calculation Agent or such other person as party responsible for calculating the Rate of Interest*)

    - SOFR IndexStart Number of U.S. Government Securities Business Days: [5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)

    - SOFR IndexEnd Number of U.S. Government Securities Business Days [5][●] U.S. Government Securities Business Days [●][Not Applicable] (*only relevant for SOFR*)

    - Relevant Business Day: [Insert details][Not applicable](*only applicable in case of Other Overnight Rate*)

    - D: [[365/360/[ ]] days][Not applicable]

    - r: [ ][Not applicable] (*only applicable in case of Other Overnight Rate*)

    - Lock-out Period: [●][Not Applicable](*only applicable in case of Other Overnight Rate*)

  – Reference Rate(s): [[ ] month [EURIBOR]]/ [SONIA] / [SOFR] / [Insert Other Overnight Rate] /[CMS Rate] / [ ] / [*specify relevant yield of Government securities][specify relevant swap*

rate]

–	Relevant Financial Centre:	[London/Brussels/specify other Relevant Financial Centre]
–	Reference Currency:	[ ] (only relevant for CMS Rate)
–	Designated Maturity(ies):	[ ] (only relevant for CMS Rate) [[●] in respect of the Interest Payment Date falling on [●]]/[●] (*specify in case of different Designated Maturities in respect of each Interest Payment Date*)
–	Specified Time:	[ ] in the Relevant Financial Centre
–	Interest Determination Date(s):	[ ] *(in the case of EURIBOR):* [the second day on which the T2 is open prior to the start of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is euro and fixing is in advance):* [second day on which the T2 is open prior to the start of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is euro and fixing is in arrears):* [second day on which the T2 is open prior to the end of each Interest Period] *(in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in advance):* [second [specify type of day] prior to the start of each Interest Period] (*in the case of a CMS Rate where the Reference Currency is other than euro and fixing is in arrears):* [second [specify type of day] prior to the end of each Interest Period]
–	Relevant Screen Page:	[ ] *(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)* *(In the case of CMS Rate Linked Interest Note, specify relevant screen page and any applicable headings and captions)*
–	Reference Rate Administrator and Calculation Entity:	[ ] [Not Applicable]
–	Disruption Fallbacks	[*specify details in accordance with Condition 3*]

	• Out Range Days:	[ ]
	• Margin:	[Not applicable]/[[+/-] [●] per cent. per annum]
	• Rate Days Count Fraction:	[Applicable]/[Not applicable][°°°]*(specify details, if necessary)* (*If not applicable, delete the sub-paragraphs of this paragraph*)
	– D:	[ ] [days]
	– dc:	[ ] [days]
(xi)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)]/[Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360]/[360/360]/[Bond Basis] [30E/360]/[Eurobond Basis] [30E/360 (ISDA)] *(specify details, if necessary)* [●] [Not applicable]
(xii)	In Range Spread:	[Not applicable]/[[+/-] [●] per cent. per annum]
(xiii)	Out Range Spread:	[Not applicable]/[[+/-] [●] per cent. per annum]
26.	Spread Interest Provisions:	[Applicable [in respect of the period from [●] to [●]] [subject to the exercise of the Switch Option]/[subject to the Switch Condition]]/[(i) in case of exercise of the Issuer's Switch Option, the Switch Option Effective Date]/[or]/[(ii) in case of non-exercise of the Issuer's Switch Option, [the Maturity Date]/[●]]/[(i) in case of occurrence of the Switch Condition, the Switch Condition Effective Date]/[or]/[(ii) in case of non-occurrence of the Switch Condition, [the Maturity Date]/[●]]/[Not applicable]/[●] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Spread Interest Period(s):	[ ]
	• Spread Interest Accrual Dates:	[ ]
(ii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[●]/[Not applicable]
(iii)	Spread Interest Payment Date(s):	[●] in each year up [to and including the Maturity Date]]/[*specify other*]. The first Spread Interest Payment Date is [●].
(iv)	Spread Interest Amount:	[*Insert the formula for the calculation of the Spread Interest Amount in accordance with*

		Condition 3(a)(V-3) with only the applicable formula components]
(v)	Participation Factor:	[Not applicable][●]
(vi)	Multiplier Factor:	[Not applicable][ ]
(vii)	Margin:	[Not applicable]/[[+/-] [●] per cent. per annum]
(viii)	Minimum Rate of Interest:	[[●] per cent. per annum]/[Not applicable]
(ix)	Maximum Rate of Interest:	[[●] per cent. per annum]/[Not applicable]
(x)	Formula for calculating the Spread:	[*specify details of the formula in accordance with Condition 3(a)(V) with only the applicable formula components*]
	• Underlying 1:	[*specify name and details of the relevant underlying*]
	• Rate Multiplier 1:	[●][Not applicable]
	• Cap1:	[●][Not applicable]
	• Floor1:	[●][Not applicable]
	• Observation Date(s):	[ ][Not applicable]
	• Initial Observation Date(s):	[ ][Not applicable]
	• Interim Initial Observation Date(s):	[ ][Not applicable]
	• Interim Final Observation Date(s):	[ ][Not applicable]
	• Final Observation Date(s):	[ ][Not applicable]
	• Rate Days Count Fraction:	[Applicable]/[Not applicable][°°°]*(specify details, if necessary)* (*If not applicable, delete the sub-paragraphs of this paragraph*)
	– D:	[ ] [days]
	– d_c:	[ ] [days]
	Information Source:	[ ][Not applicable]
	Provisions for calculating the Reference Value of the Underlying in the case of market disruption event or adjustment event or incorrect values published by the Information Source:	[*Specify details in accordance with Condition 6*]
	• Underlying 2:	[*specify name and details of the relevant underlying*]

•	Rate Multiplier 2:	[●][Not applicable]
•	Cap2	[●][Not applicable]
•	Floor2	[●][Not applicable]
•	Observation Date(s):	[ ][Not applicable]
•	Initial Observation Date(s):	[ ][Not applicable]
•	Interim Initial Observation Date(s):	[ ][Not applicable]
•	Interim Final Observation Date(s):	[ ][Not applicable]
•	Final Observation Date(s):	[ ][Not applicable]
•	Rate Days Count Fraction:	[Applicable]/[Not applicable][°°°]*(specify details, if necessary)* (*If not applicable, delete the sub-paragraphs of this paragraph*)
	– D:	[ ] [days]
	– dc:	[ ] [days]
•	Information Source:	[ ][Not applicable]
•	Provisions for calculating the Reference Value of the Underlying in the case of market disruption event or adjustment event or incorrect values published by the Information Source:	[*Specify details in accordance with Condition 6*]
•	Fixed Value:	[●][Not applicable]
(xi)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)]/[Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360]/[360/360]/[Bond Basis] [30E/360]/[Eurobond Basis] [30E/360 (ISDA)] *(specify details, if necessary)* [●] [Not applicable]
27.	Forward CMS Interest Provisions:	[Applicable [in respect of the period from [●] to [●]] [subject to the exercise of the Switch Option]/[subject to the Switch Condition]]/[(i) in case of exercise of the Issuer's Switch Option, the Switch Option Effective Date]/[or]/[(ii) in case of

		non-exercise of the Issuer's Switch Option, [the Maturity Date]/[●]]/[(i) in case of occurrence of the Switch Condition, the Switch Condition Effective Date]/[or]/[(ii) in case of non-occurrence of the Switch Condition, [the Maturity Date]/[●]]/[Not applicable]/[●] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Forward CMS Interest Period(s):	[ ]
	• Forward CMS Interest Accrual Dates:	[ ]
(ii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[●]/[Not applicable]
(iii)	Forward CMS Interest Payment Date(s):	[●] in each year up [to and including the Maturity Date]]/[specify other]. The first Forward CMS Interest Payment Date is [●].
(iv)	Forward CMS Interest Amount:	*(Insert the formula for the calculation of the Forward CMS Interest Amount in accordance with Condition 3(a)(VI-3) with only the applicable formula components*)
(v)	Forward CMS Determination Date(s):	[●]
(vi)	Maximum Rate:	[[●] per cent. per annum]/[Not applicable]
(vii)	Minimum Rate:	[[●] per cent. per annum]/[Not applicable]
(viii)	Forward CMS:	[*specify details of the formula in accordance with Condition 3(a)(VI) with only the applicable formula components*]
	• CMSX:	[●]
	• CMSY:	[●]
	• $DV01_X$	[*specify details of the formula in accordance with Condition 3(a)(VI) with only the applicable formula components*]
	• $DV01_Y$	[*specify details of the formula in accordance with Condition 3(a)(VI) with only the applicable formula components*]
	• X:	[●]
	• Y:	[●]
	• t:	[●]
	• z:	[●]

	(ix)	Reference Currency:	[●]
	(x)	Specified Time:	[●]
	(xi)	Relevant Screen Page:	[●]
		• Provisions for calculating the value of the CMS Rate in the case of market disruption event or adjustment event or incorrect values published by the Information Source:	[*Specify details in accordance with Condition 6*]
	(xii)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)]/[Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360]/[360/360]/[Bond Basis] [30E/360]/[Eurobond Basis] [30E/360 (ISDA)] (specify details, if necessary) [●] [Not applicable]
28.	Zero Coupon Note Provisions:		[Applicable]/[Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Accrual Yield:	[ ] per cent. per annum
	(ii)	Reference Price:	[ ]
	(iii)	Day Count Fraction in relation to Early Redemption Amounts and late payment:	[30/360]/[Actual/360]/[Actual/365] *(specify details, if necessary)* [●]
29.	Change of Interest Basis:		[Applicable]/[Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) (*N.B. To be completed in addition to above paragraphs (as appropriate) if any change of interest basis occurs*)
	(i)	Issuer's Switch Option:	[Applicable]/[Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
		• Switch Option:	[*specify details of the change(s) in Interest Basis and the relevant Interest Periods to which the change(s) in Interest Basis applies* (*N.B. The*

Issuer must give notice of the exercise of the Switch Option to Noteholders on or prior to the relevant Switch Option Expiry Date)]

- Switch Option Expiry Date: [ ]
- Switch Option Effective Date(s): [ ]
- Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[●]/[Not applicable]

(ii) Switch Condition: [Applicable]/[Not applicable]

(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

- Switch Condition Effective Date: [ ]
- Switch Condition: [Single Performance Condition. The Single Performance Condition will be satisfied if the Performance of [*specify underlying/Basket*] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level][falls within the Reference Range]]

  [Podium Performance Condition. The Podium Performance Condition occurs when the Single Performance Condition has been satisfied at least in relation to [*insert number of underlyings/baskets*] [Underlyings/Baskets]. The Single Performance Condition occurs [[if the [Single Performance][Basket Performance] of at least [*specify number of underlying/Basket*] [Underlyings/Baskets] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range]]

  [Spread Performance Condition. The Spread Performance Condition will be satisfied when the difference between the [Single Performance/Basket Performance] of [the Underlying 1/Basket 1] and the [Single Performance/Basket Performance] of [the Underlying 2/Basket 2] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range]]

  [Single Reference Value Condition The Single Reference Value Condition will be satisfied when the Reference Value [on the relevant Switch Condition Observation Date[s]] [at any time during a Switch Condition Observation Period] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range]]

  [Podium Reference Value Condition. The Podium

Reference Value Condition will be satisfied when the Single Reference Value Condition has been satisfied, [on the relevant Switch Condition Observation Date[s]] [at any time during a Switch Condition Observation Period], at least in relation to [*insert number of underlyings/baskets*] [Underlyings/Baskets]. The Single Reference Value Condition is considered as satisfied[[if the Reference Value of at least [*specify number of underlying/Basket*] [Underlyings/Baskets] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range]]

[Spread Reference Value Condition. The Spread Performance Condition will be satisfied when the difference between the Reference Value of [the Underlying 1/Basket 1] and the Reference Value of [the Underlying 2/Basket 2] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range] [on the relevant Switch Condition Observation Date[s]] [at any time during a Switch Condition Observation Period]]

[Single Best Performance Condition. The Single Best Performance Condition will be satisfied if the Best Performance of [Underlying/Basket] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range].

The Best Performance is the [*insert: first, or second, or third, etc., as the case may be*] highest performance of the [Underlying/Basket], selected by the Calculation Agent among the performances of the [Underlying/Basket] determined on the following periods: [*insert at least two periods*]]

[Single Worst Performance Condition. The Single Worst Performance Condition will be satisfied if the Worst Performance of [Underlying/Basket] [is [higher than][lower than] [and][/][or] [equal to] the Barrier Level] [falls within the Reference Range].

The Worst Performance is the [*insert: first, or second, or third, etc., as the case may be*] worst performance of the [Underlying/Basket], selected by the Calculation Agent among the performances of the [Underlying/Basket] determined on the following periods: [*insert at least two periods*]]

- Underlying(s): [*specify name and details of the Underlying or the Underlyings (if Podium Conditions are applicable) or the Underlying 1 and Underlying 2 (if Spread Reference Value Conditions are applicable*)]

	• Formula for calculating the Performance:	[*Insert the formula for calculating the performance in accordance with Condition 3(e)(iii) with only the applicable formula components*]
	• Barrier Level:	[[●]][Not applicable]
	• Reference Range:	[from [●]% to [●]%] [Not applicable]
	• Multiplier Factor:	[ ][Not applicable]
	• Initial Observation Date(s):	[ ][Not Applicable]
	• Interim Initial Observation Date(s):	[ ][Not applicable]
	• Interim Final Observation Date(s):	[ ][Not applicable]
	• Final Observation Date(s):	[ ][Not applicable]
	• Switch Condition Observation Date(s):	[ ][Not applicable]
	• Switch Condition Observation Period(s):	[ ][Not applicable]
	• Information Source:	[ ][Not applicable]
	• Provisions for calculating the Reference Value of the Underlying in the case of market disruption event or adjustment event or incorrect values published by the Information Source:	[*Specify details in accordance with Condition 6*]
30.	Global Cap:	[[●] per cent.]/[Not applicable]
31.	Global Floor:	[[●] per cent.]/[Not applicable]

PROVISIONS RELATING TO REDEMPTION

32.	Issuer Call:	[Applicable]/[Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[ ]
	(ii) Optional Redemption Amount:	[[ ] per Calculation Amount]
	(iii) If redeemable in part:	
	• Minimum Redemption Amount:	[ ]

		• Maximum Redemption Amount:	[ ]
	(iv)	Notice period:	[ ]
			(*N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.*)
33.	Investor Put:		[Applicable]/[Not applicable]
			(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Optional Redemption Date(s):	[ ]
	(ii)	Optional Redemption Amount:	[[ ] per Calculation Amount]
	(iii)	Notice period:	[ ]
			(*N.B. the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems [and custodians] as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent. The notice period will not be shorter than 5 (five) Business Days prior to the exercise of the right to require redemption/sale of the Notes*)
34.	Mandatory Early Redemption:		[Applicable]/[Not applicable]
			(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Mandatory Early Redemption Amount(s):	[ ](*N.B.: the Mandatory Early Redemption Amount shall not be less than the Issue Price*)
	(ii)	Mandatory Early Redemption Payment Date(s):	[ ]
	(iii)	Mandatory Early Redemption Event(s):	[*Specify whether the Mandatory Early Redemption Event depends upon the Reference Value of the Underlying, or the performance of the Underlying, or the Spread between the performance of Underlying 1 and Underlying 2, being higher than, lower than and/or equal to the Mandatory Early Redemption Level.*]
		• Mandatory Early Redemption Level(s):	[ ]
		• Underlying(s):	[ ]

•	Multiplier Factor:	[Not applicable][ ]
•	Weighting:	[Not applicable][ ]
•	Mandatory Early Redemption Valuation Period(s):	[ ]
	– Mandatory Initial Observation Date(s):	[ ][Not applicable]
	– Mandatory Interim Initial Observation Date(s):	[ ][Not applicable]
	– Mandatory Interim Final Observation Date(s):	[ ][Not applicable]
	– Mandatory Final Observation Date(s):	[ ][Not applicable]
•	Futures Contract N-th Near-by Feature: (Delete the sub-paragraphs if not applicable):	[Applicable [*Specify details*]] [Not applicable](*Only applicable if the Underlying is a futures contract*)
•	Futures Contract N-th Near-by:	[●]
•	N-th Near-by Initial Date:	[●] [Not applicable] (*Only applicable if the Mandatory Initial Reference Value or the Mandatory Interim Initial Reference Value are determined on the basis of the Futures Contract N-th Near-by*)
•	Rolling:	[Applicable [*Specify details*]] [Not applicable]
•	Rollover Date(s):	[●] [Not applicable]
•	Information Source(s):	[ ][Not applicable]
•	Provisions for calculating the Reference Value of the Underlying in the case of market disruption event or adjustment event or incorrect values published by the Information Source:	[*Specify details in accordance with Condition 6*]

35.	Final Redemption Amount of each Note:	[[ ] per Calculation Amount/*specify other*/Not Applicable]
36.	Inflation Linked Redemption Amount:	[Applicable]/[Not applicable] [●] *(Specify details)* (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

	(i)	Inflation Index:	[●]
	(ii)	Information Source:	[●]
	(iii)	Initial Observation Date(s):	[●]
	(iv)	Final Observation Date(s):	[●]
	(v)	Provisions for calculating the value of the Inflation Index in the case of market disruption event or adjustment event or incorrect values published by the Information Source:	[●]
37.	Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(v)):		[[ ]/per Calculation Amount] (*N.B. for all Notes attention should be given as to how accrued interest should be included in the computation of the Early Redemption Amount (if at all)*)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

38.	Form of Notes:		
	(i)	Form of Notes:	[[Permitted for TEFRA D Notes, TEFRA C Notes, and Bearer Notes to which TEFRA does not apply - Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event]] [Permitted for TEFRA C Notes and Notes to which TEFRA Rules are not applicable - Permanent Bearer Global Note exchangeable for definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event]]] [CREST Depository Interests ("**CDIs**") representing the Notes may also be issued in accordance with the usual procedures of Euroclear UK & Ireland Limited ("**CREST**")] (*N.B. The exchange upon notice should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 5 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for definitive Notes*.) [Registered Global Note (US$/€[●] nominal amount) registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream,

		Luxembourg]/Registered Notes in definitive form (*specify nominal amounts*)] [Dematerialised Notes held by Monte Titoli on behalf of the beneficial owners, until redemption or cancellation thereof, for the account of the relevant Monte Titoli Account Holders]
	(ii) New Global Note:	[Yes/No/Not applicable]
39.	Additional Financial Centre(s)	[Not applicable/*give details*] (*Note that this paragraph relates to the place of payment and not to Interest Payment Dates*)
40.	Talons for future Coupons to be attached to definitive Notes (and dates on which such Talons mature):	[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made.][Not applicable]
41.	Details relating to Instalment Notes:	[Applicable] [Not Applicable] The Notes [are/are not] Instalment Notes. (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Instalment Amount(s):	[●]
	(ii) Instalment Dates(s):	[●]
42.	Prohibition of Sales to Retail Investors:	[Applicable. The Notes 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 (the "**EEA**")] [and] [*Insert jurisdiction(s)* [●].] [*Insert any other selling restriction* [●]]. [The Notes are only intended to be offered, sold or otherwise made available to investors via the professional segment of [the regulated market of the Luxembourg Stock Exchange]/[the Euro MTF Market]/[●].] [Not applicable] (*If the Notes clearly do not constitute "packaged" products, "Not applicable" should be specified. If the Notes may constitute "packaged" products or constitute "packaged" products but will be offered to qualified investors only and no key information document will be prepared, "Applicable" should be specified.*)
[43.	Additional selling restrictions[9]:]	[The following selling restrictions shall apply in addition to the selling restrictions set forth in the

[9] Only applicable if the Notes are not intended to be offered to retail investors.

Base Prospectus: [●]]

[THIRD PARTY INFORMATION

[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

[Signed on behalf of Intesa Sanpaolo S.p.A.:

By: ……
Duly authorised]

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing:	[Application [[has] [may] [will]] [also] [been] [be] made][is expected to be made in] [Luxembourg – [Luxembourg Stock Exchange]] [and] [Republic of Italy[– Borsa Italiana]] [None]
(ii)	Admission to trading	[Application [[has] [may] [will]] [also] [been] [be] made][is expected to be made] for the Notes to be admitted to trading on [*specify details of the relevant market/trading venue in Luxembourg/Republic of Italy as the case may be*] with effect from [●]. (*specify all the relevant markets / trading venues - if more than one - by enlisting them in different paragraphs*)]. [[After the Issue Date] [A][a]pplication may be made by the Issuer (or on its behalf) to list the Notes on such further or other stock exchanges or regulated markets or to admit to trading on such other trading venues (including without limitation multilateral trading facilities) as the Issuer may decide.] [Not applicable.] [*Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading*] [Only qualified investors, as defined in Article 2 (e) of the Prospectus Regulation, are allowed to purchase the Notes on the [●].]
(iii)	Estimate of total expenses related to admission to trading:	[ ]*

2. RATINGS

[*The following provisions are only applicable if credit ratings have been specifically assigned to the Notes*]

Ratings:	[The Notes to be issued [[have been]/[are expected to be]] rated [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies)*].] [*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.*] (*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.*) [[*Insert the legal name of the relevant credit rating agency entity*] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). [As such [*insert the legal name of the relevant credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and

Markets Authority on its website in accordance with such Regulation].]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended). [[*Insert the legal name of the relevant non-EU credit rating agency entity*] is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). The ratings have been endorsed by [*insert the legal name of the relevant EU-registered credit rating agency entity*] in accordance with the CRA Regulation. [*Insert the legal name of the relevant EU-registered credit rating agency entity*] is established in the European Union and registered under the CRA Regulation. [As such [*insert the legal name of the relevant EU credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]] The European Securities Markets Authority has indicated that ratings issued in [Japan/Australia/the USA/Canada/Hong Kong/Singapore/Argentina/Mexico (*delete as appropriate*)] which have been endorsed by [*insert the legal name of the relevant EU credit rating agency entity that applied for registration*] may be used in the EU by the relevant market participants.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"), but it [is]/[has applied to be] certified in accordance with the CRA Regulation, [EITHER:] and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation] OR: [although notification of the corresponding certification decision has not yet been provided by the European Securities and Markets Authority and [*insert the legal name of the relevant non-EU credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation]]

[[*Insert the legal name of the relevant credit rating agency entity*] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority [and [*insert the legal name of the relevant credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its

website in accordance with such Regulation.]]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). However, the application for registration under the CRA Regulation of [*insert the legal name of the relevant non-EU credit rating agency entity that applied for registration*], which is established in the European Union, disclosed the intention to endorse credit ratings of [*insert the legal name of the relevant non-EU credit rating agency entity*][, although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority and [*insert the legal name of the relevant EU credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation]] The European Securities Markets Authority has indicated that ratings issued in [Japan/Australia/the USA/Canada/Hong Kong/Singapore/Argentina/Mexico (*delete as appropriate*)] which have been endorsed by [*insert the legal name of the relevant EU credit rating agency entity that applied for registration*] may be used in the EU by the relevant market participants.]

[Not applicable. No ratings have been assigned to the Notes at the request of or with the cooperation of the Issuer in the rating process.]

3. NOTIFICATION

[Not applicable.]

[The CSSF [has been requested to provide/has provided] the *Commissione Nazionale per le società e la Borsa* with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Regulation.]]

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[[Save for any commission payable to the Manager[s],] [and costs payable to the Issuer] so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. - *Amend as appropriate if there are other interests. In the event that the Issuer acts as Calculation Agent or the Calculation Agent is an affiliate of the Issuer, include a reference to the risk factor "Calculation Agent's Discretion and Conflicts of Interest"]*

[(*When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.*)]

5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

[(i) Reasons for the offer and use of proceeds: [ ]

(*See "Use of Proceeds" wording in Base Prospectus - if reasons for offer different from making profit and/or hedging certain risks (for example for a Green Bond, a Social Bond or an issuance of a Sustainability Bond) will*

need to include those reasons here.)]**

[(i)/(ii)]	Estimated net proceeds:	[ ] (*If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.*)**
[(i)/(ii)/(iii)]	Estimated total expenses:	[ ]. [*Expenses are required to be broken down into each principal intended "use" and presented in order of priority of such "uses"*]**

6. YIELD (*Fixed Rate Notes and Fixed Reset Rate Notes only*)

Indication of yield: [ ] [Not applicable]

7. PERFORMANCE OF RATES (for Notes bearing *Floating Rate Interests only*)**

[Applicable] [Not applicable]

[Details of performance of [●] rate can be obtained, [but not] free of charge, from [Reuters/Bloomberg/*give details of electronic means of obtaining the details of performance*].]

8. INFORMATION CONCERNING THE UNDERLYING(S)

[Applicable] [Not applicable]

[*Need to include details of the Underlying, the relevant ISIN code (if applicable), the relevant Information Source, as well as the Index Sponsor (in the case of indices) and where information about it can be obtained, where past and future performance and volatility of the Underlying can be obtained free of charge and by electronic means and the relevant Basket Constituent and its weight in case of Baskets*]

[*Need to include index disclaimer in case of index as Underlying.*]

9. OPERATIONAL INFORMATION

(i)	ISIN Code:	[ ]
(ii)	[Common Code] [●] [*specify other security identification code, if any*]:	[ ] [Not applicable]
[(iii)]	Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking, S.A. and Monte Titoli S.p.A. and the relevant identification number(s):	[Not applicable/give name(s) and number(s)] [The Notes will settle in Euroclear Bank S.A./N.V. and Clearstream Banking, S.A.. The Notes will also be made eligible for CREST via the issue of CDIs representing the Notes]
[(iv)]	Delivery:	Delivery [against/free of] payment
[(v)]	Names and addresses of additional Paying Agent(s) (if any):	[ ] [Not applicable]
[(vi)]	Name(s) and address(es) of Listing Agent(s) *(only applicable for Listing*	[ ] [Not applicable]

Agent(s) other than the Luxembourg Listing Agent:

[(vii)] Intended to be held in a manner which would allow Eurosystem eligibility:

[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is held under the new safekeeping structure ("**NSS**"))] *[include this text for registered notes which are to be held under the NSS]*] and does not necessarily mean that the Notes will be recognised 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.]/

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is held under the new safekeeping structure ("**NSS**"))] *[include this text for registered notes which are to be held under the NSS]*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank ("**ECB**") being satisfied that Eurosystem eligibility criteria have been met.]

10. DISTRIBUTION

(i) If syndicated, names [and addresses]** of Managers [and underwriting commitments]**:

[Not applicable/give names [*and addresses and underwriting commitments*] **]

(*Including names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers and an indication of the material features of the agreements, including, where applicable, the quotas. Where not all of the issue is underwritten, a statement of the portion not covered. Also provide an indication of the placing commission*)**

(ii) Date of [Subscription] Agreement**:

[ ]

(iii) Stabilisation Manager (if any):

[Not applicable/give name [*and address, if not provided under above paragraph*]**]

(iv) If non-syndicated, name [and address]** of relevant

[Not applicable/*give name* [*and address*]**]

Manager, if applicable:

(v)	Total commission and concession**:	[[ ] per cent, of the Aggregate Nominal Amount] [*specify other*]**
(vi)	US Selling Restrictions:	[Reg. S compliance category 2]; [TEFRA D/TEFRA C/TEFRA not applicable]
(vii)	Public Offer:	[Applicable]/[Not applicable] (*If not applicable, delete the remaining placeholders of this paragraph (vii) and also paragraph 11 below*)
	• Public Offer Jurisdictions:	[Grand Duchy of Luxembourg] [and] [Republic of Italy]
	• Offer Period:	[*specify date*] until [*specify date or a formula such as "the Issue Date" or "the date which falls [●] Business Days thereafter*"]
	• Financial intermediaries granted specific consent to use the Base Prospectus in accordance with the Conditions in it:	[*insert names and addresses of financial intermediaries receiving consent (specific consent)*]
	• General Consent:	[Not applicable][Applicable]
	• Other Authorised Offeror Terms:	[Not applicable][*Add here any other Authorised Offeror Terms*]. (*Authorised Offeror Terms should only be included here where General Consent is applicable.*) (*N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a public offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Public offers may only be made into jurisdictions in which the Base Prospectus (and any supplement) has been notified/passported*.)

11. TERMS AND CONDITIONS OF THE OFFER**

(*Delete whole section if sub-paragraph 10(vii) above is specified to be Not applicable because there is no Public Offer*)

(i)	Offer Price:	[Issue Price][Not applicable][*specify details*]
(ii)	Conditions to which the offer is subject:	[Not applicable/*give details*]
(iii)	The time period, including any possible amendments, during which the offer will be open:	See Offer Period specified in paragraph 10 of PART B above.
(iv)	Description of the application	[Not applicable/*give details*]

	process:	
(v)	Details of the minimum and/or maximum amount of the application:	[Not applicable/*give details*]
(vi)	Description of possibility to reduce subscriptions and manner for refunding amounts paid in excess by applicants:	[Not applicable/*give details*]
(vii)	Details of the method and time limits for paying up and delivering the Notes:	[Not applicable/*give details*]
(viii)	Manner in and date on which results of the offer are to be made public:	[Not applicable/*give details*]
(ix)	Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not applicable/*give details*]
(x)	Whether tranche(s) have been reserved for certain countries:	[Not applicable/*give details*]
(xi)	Process for notifying to applicants of the amount allotted and an indication whether dealing may begin before notification is made:	[Not applicable/*give details*]
(xii)	Amount of any expenses and taxes charged to the subscriber or purchaser:	[Not applicable/*give details*]
(xiii)	Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:	[The Authorised Offerors identified in paragraph 10 of PART B above and identifiable from the Base Prospectus/None/*give details*].
(xiv)	Name(s) and address(es) of the entities which have a firm commitment to act as intermediaries in secondary market trading, providing liquidity through bid and offer rates and description of the main terms of its/their commitment:	[[*specify*] will be appointed as registered market maker[s] when the Notes are issued/None/*give details*] [The Issuer will publish [on every Business Day] [on his website] an indicative value of the Notes, [taking into consideration [●]] [pursuant to the following determination method: [●]].
(xv)	Type and amount of fees relating to the offer, including any implicit fees:	[●]

12. POST-ISSUANCE INFORMATION

The Issuer [intends to provide post-issuance information [*specify what information about the Underlying(s) will be reported and where it can be obtained*]] [does not intend to provide post-issuance information, except if required by any applicable laws and regulations].

Notes:

***** **Delete if minimum denomination is less than €100,000 (or its equivalent in the relevant currency as at the date of issue)**

****** **Delete if minimum denomination is €100,000 (or its equivalent in the relevant currency as at the date of issue)**

APPLICABLE FINAL TERMS - ISSUE SPECIFIC SUMMARY OF THE NOTES

[*Insert completed issue specific summary of the Notes, unless minimum denomination is equal to or greater than EUR 100,000 (or its equivalent in another currency)*]]

TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes (the "**Conditions**"), which, except in the case of Dematerialised Notes, will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange (if any) and specified by the Issuer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Conditions. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note.*

In the case of Dematerialised Notes, the following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be applicable to each Series of Notes issued in dematerialised form under the Programme.

Reference should be made to "Form of the Notes" *for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.*

Notes in Physical Form

These provisions apply only to notes in physical form (the "**Notes in Physical Form**").

This Note in Physical Form is one of a Series (as defined below) of Notes issued by Intesa Sanpaolo S.p.A. (the "**Issuer**") pursuant to the Agency Agreement (as defined below).

References herein to the Notes in Physical Form shall be references to the Notes in Physical Form of this Series and shall mean:

(i) in relation to any Notes in Physical Form represented by a Note in global form (a "**Global Note**", which term shall include any Bearer Global Note or Registered Global Note), units of each Specified Denomination in the Specified Currency;

(ii) any Global Note; and

(iii) any definitive Notes issued in exchange for a Global Note.

The Notes in Physical Form and the Coupons (as defined below) have the benefit of an Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") dated on or about 14 July 2025 and made between the Issuer, BNP Paribas, Luxembourg Branch[10] in its capacity as issuing and principal paying agent and agent bank (the "**Principal Paying Agent**", which expression shall include any successor agent), transfer agent ("**Transfer Agent**") and the other paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents) and BNP Paribas, Luxembourg Branch as registrar (the "**Registrar**", which expression shall include any successor registrar). The Principal Paying Agent, Registrar and Transfer Agent are referred together as the "**Agent**".

Interest bearing definitive Bearer Notes have interest coupons ("**Coupons**") and, if indicated in the applicable Final Terms, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Notes do not have Coupons or Talons attached on issue.

The Final Terms for this Note in Physical Form (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note and complete these Terms and Conditions for the purposes of this Note. References to the "**applicable Final Terms**" or "**relevant Final Terms**" are to the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

Any reference to "**Noteholders**" or "**holders**" in relation to any Notes in Physical Form shall mean the holders of the Notes in Physical Form and shall, in relation to any Notes in Physical Form represented by a Global Note, be

[10] *BNP Paribas, Luxembourg Branch, being part of a financial group providing client services with a worldwide network covering different time zones, may entrust parts of its operational processes to other BNP Paribas Group entities and/or third parties, whilst keeping ultimate accountability and responsibility in Luxembourg.*

construed as provided below. Any reference herein to "**Couponholders**" shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

The Noteholders and the Couponholders are entitled to the benefit of the Deed of Covenant (the "**Deed of Covenant**") dated on or about 14 July 2025 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

Dematerialised Notes

These provisions apply only to notes in dematerialised form (the "**Dematerialised Notes**").

These Dematerialised Notes are one of a Series (as defined below) of Dematerialised Notes issued by Intesa Sanpaolo S.p.A. (the "**Issuer**").

Dematerialised Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of final terms expressed to apply to the Dematerialised Notes (the "**Final Terms**") which complete these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms.

The Issuer will also act as paying agent for the Dematerialised Notes (the "**Paying Agent**") save that the Issuer is entitled to appoint a different Paying Agent for the Dematerialised Notes in accordance with Condition 13 (*Agents and Registrar*). References in these Conditions to "Paying Agent" shall mean, for so long as the Issuer acts as paying agent for the Dematerialised Notes, the Issuer in its capacity as such, or such other party from time to time appointed by the Issuer to act as paying agent for the Dematerialised Notes.

Any references in these Conditions to "Principal Paying Agent" and "Agent" shall mean, in relation to the Dematerialised Notes, the Paying Agent for the Dematerialised Notes.

Any reference in these Conditions to "**Noteholders**" or "**Holders**" in relation to any Dematerialised Notes shall mean the beneficial owners of the Dematerialised Notes and evidenced in book entry form with Monte Titoli S.p.A., with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy ("**Monte Titoli**") pursuant to the relevant provisions of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and in accordance with the CONSOB and Bank of Italy Joint Regulation dated 13 August 2018, as subsequently amended and supplemented from time to time (the "**CONSOB and Bank of Italy Joint Regulation**"). No physical document of title will be issued in respect of the Dematerialised Notes. Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream Banking**") are intermediaries authorised to operate through Monte Titoli.

General

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Agent and the other Paying Agent (such Agents being together referred to as the "**Agents**"). Copies of the applicable Final Terms are available for viewing at the registered office of the Issuer and the specified offices of the Paying Agents and copies may be obtained during normal business hours at the specified office of each of the Agents save that, if this Note is neither listed on a stock exchange nor admitted to trading on any market, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity. If the Notes are to be admitted to trading on the Luxembourg Stock Exchange Regulated Market, the Final Terms will be published on the website of Luxembourg Stock Exchange. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail. In the case of any inconsistency between the applicable Final Terms and the Conditions, the applicable Final Terms shall prevail.

In these Terms and Conditions:

General Definitions

"**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms.

"**Adjustment Spread**" means either a spread (which may be a positive or negative value or zero), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Benchmark Rate (as the case may be) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) in the case of a Successor Rate if no such recommendation has been made, or in the case of an Alternative Benchmark Rate, the Independent Adviser determines is customarily applied to the relevant Successor Rate or Alternative Benchmark Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or

(iii) if no such recommendation has been made, the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Benchmark Rate (as the case may be); or

(iv) if the Independent Adviser determines that no such industry standard is recognised or acknowledged, the Independent Adviser determines (acting in good faith and in a commercially reasonable manner) to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Benchmark Rate (as the case may be).

"**Affiliate**" means, in relation to any entity (the **First Entity**), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "control" means ownership of a majority of the voting power of an entity.

"**Amortised Face Amount**" means, in relation to Zero Coupon Notes, an amount calculated in accordance with the following formula:

$$\mathrm{RP} \times \left(1 + \mathrm{AY}\right)^{\mathrm{y}}$$

Where:

"**RP**" means the Reference Price; and

"**AY**" means the Accrual Yield expressed as a decimal; and

"**y**" is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360.

"**Basket**" means, in relation to Structured Rate Interest Amounts and Mandatory Early Redemption Amounts, a

portfolio composed of two or more financial reference assets (each a "**Basket Constituent**") from among those set out in the definition of Underlying below as specified in the relevant Final Terms;

"**Basket Calculation**" means, in relation to Structured Rate Interest Amounts and Mandatory Early Redemption Amounts, the method used in order to determine the value of the Basket, where, at any time, the value of the Basket will be equal to the sum of the single values of the Basket Constituent at such time, divided by the single value of the Basket Constituent at time "0", and multiplied by the relevant Basket Constituent Weight of each Basket Constituent comprised in the same Basket in accordance with the following formula:

$$Basket_t = \sum_{i=1}^{n} \frac{C_t^i}{C_0^i} \times W^i$$

Where:

"$\boldsymbol{Basket_t}$" is the value of Basket at time "*t*", as specified in the applicable Final Terms;

"$\boldsymbol{t}$" means the date(s) specified in the applicable Final Terms;

"$\boldsymbol{C_t^i}$" is the value of Basket Constituent "*i*" at time "*t*";

"$\boldsymbol{C_0^i}$" is the value of Basket Constituent "*i*" at time "*0*";

"W^i" is the weighting of Basket Constituent "*i*"; and "n" is the number of the Basket Constituents, provided that, if there are two or more Interim Initial Observation Dates, the values of the Basket Constituents at time "0" will correspond to the arithmetic mean of the relevant values of each Basket Constituent determined on such Interim Initial Observation Dates. The Initial Reference Value of the Basket will be equal, by definition, to 1;

"**Basket Constituent Weight**" means the weighting of each Basket Constituent within the Basket, expressed as a percentage specified in the applicable Final Terms from time to time in relation to the single issue;

"**Bearer Global Note**" means a global note (temporary (a **Temporary Global Note**) or permanent) in bearer form;

"**Benchmark Event**" means:

(i) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(ii) a public statement by the administrator of the relevant Reference Rate that it has ceased, or will cease, publishing such Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate); or

(iii) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will be permanently or indefinitely discontinued; or

(iv) a public statement by the supervisor of the administrator of the Reference Rate (as applicable) that means that such Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(v) a public statement by the supervisor of the administrator of the relevant Reference Rate that, in the view of such supervisor, such Reference Rate is no longer representative of an underlying; or

(vi) it has or will become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, the adoption of a decision to withdraw the authorisation or registration as set out in Article 35 of the Benchmark Regulation or other provisions under the Benchmark Regulation, if applicable);

Unless otherwise specified in the relevant Final Terms, the change of the Reference Rate methodology does not constitute a Benchmark Event. In the event of a change in the formula and/or (mathematical or other) methodology used to measure the Relevant Benchmark, reference shall be made to the Reference Rate based on the formula and/or methodology as changed;

"**BRRD**" means Directive 2014/59/EU of the Parliament and of the Council of the European Union establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended or replaced from time to time;

"**Business Day**" means a day which is both:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in each Additional Business Centre specified in the applicable Final Terms; and

(b) either:

(i) in relation to any sum payable in a Specified Currency or, as the case may be, Payment Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Principal Financial Centre of the country of the relevant Specified Currency or, as the case may be, Payment Currency; or

(ii) in relation to any sum payable in euro, a day on which the T2 is open;

"**Calculation Amount**" means the amount specified in the "Calculation Amount" field in the applicable Final Terms;

"**Calculation Entity**" means the entity responsible for the calculation and publication of the Reference Rate that will be indicated in the relevant Final Terms;

"**Clearstream, Luxembourg**" means Clearstream Banking, S.A..

"**CMS Reference Banks**" means (i) where the Reference Currency is Euro, the principal office of five leading swap dealers in the inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London inter-bank market, (iii) where the Reference Currency is United States dollars, the principal New York City office of five leading swap dealers in the New York City inter-bank market, or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre inter-bank market, in each case selected by the Calculation Agent (or selected by the Issuer, if the Calculation Agent is the Principal Paying Agent).

"**Day Count Fraction**" means:

(a) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:

(i) in the case of Notes where the number of days in the relevant Interest Period is equal to or shorter than the Determination Period during which the relevant Interest Period ends, the number of days in such Interest Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

(ii) in the case of Notes where the Interest Period is longer than the Determination Period during which the Interest Period ends, the sum of:

(A) the number of days in such Interest Period falling in the Determination Period in which the Interest Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(B) the number of days in such Interest Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(b) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Interest Period falling in a leap

year divided by 366 and (b) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(c) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(d) if "Actual/365 (Sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(e) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(f) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms,:

(i) the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30; or

(ii) in the case of Notes bearing Fixed Rate Interest only, if "30/360" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Accrual Date (or, if none, the Interest Commencement Date) to (but excluding) the next relevant accrual date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360;

(g) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D_2 will be 30; and

(h) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and in which case D_2 will be 30;

"**Determination Date**" means the date(s) specified in the applicable Final Terms;

"**Determination Period**" means the period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

"**EURIBOR**" means the Euro-zone inter-bank offered rate;

"**Euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

"**Euroclear**" means Euroclear Bank S.A./N.V;

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser of recognised standing with relevant experience in the international capital markets, in each case appointed by the Issuer at its own expense;

"**Index Sponsor**" means, in relation to an index Underlying, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such index and (b) announces (directly or through an agent) the level of such index on a regular basis during each Business Day, which as of the Issue Date is the index sponsor specified for such index in the applicable Final Terms;

"**Information Source**" means, in relation to Structured Rate Interest Amounts and Mandatory Early Redemption Amounts, the information source that publishes the reference value of the Underlying. The Information Source will be specified in the relevant Final Terms and may include, without limitation, third-party information providers (such as Bloomberg or Reuters), a supervisory authority or a central bank, a regulated market or other trading venue manager or a third-party intermediary.

"**Instalment Amount(s)**" means the amount(s) specified as such in the applicable Final Terms, which may be the same, increase or decrease over the life of the Notes;

"**Instalment Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Instalment Notes**" means, if the applicable Final Terms specified that the Notes are Instalment Notes, the Notes that will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms;

"**Interest Accrual Date(s)**" means, in relation to a Fixed Rate (the "**Fixed Interest Accrual Date**"), or in relation to a Fixed Reset Rate (the "**Fixed Reset Interest Accrual Date**"), or in relation to a Floating Rate (the "**Floating Interest Accrual Date**"), or in relation to a Call Interest Amount (the "**Call Interest Accrual Date**"), or in relation to a Put Interest Amount (the "**Put Interest Accrual Date**"), or in relation to a Digital Interest Amount (the "**Digital Interest Accrual Date**"), or in relation to a Range Accrual Interest Amount (the "**Range Accrual Interest Accrual Date**"), or in relation to a Spread Interest Amount (the "**Spread Interest Accrual Date**"), or in relation to a Forward CMS Interest Amount (the "**Forward CMS Interest Accrual Date**"), the date(s) specified as such in the relevant Final Terms.

"**Interest Amount**" means (i) in relation to a Structured Rate Note the "**Structured Rate Interest Amount**", or (iv) in relation to a Fixed Rate Note, the "**Fixed Coupon Amount"**, or (iii) in relation to a Fixed Reset Rate Note, the "**Fixed Reset Interest Amount**", or (iv) in relation to a Floating Rate Note, the "**Floating Interest Amount**", calculated in accordance with Condition 3(a), Condition 3(b), Condition 3(c) or Condition 3(d). In any case, the Interest Amount will not result in an amount lower than zero;

"**Interest Commencement Date**" means the date specified as such in the applicable Final Terms;

"**Interest Payment Date**" means one or more Business Day(s), specified in the applicable Final Terms, on which the Issuer shall pay, in arrear the Fixed Coupon Amounts (the "**Fixed Interest Payment Date**"), the Fixed Reset Interest Amounts (the "**Fixed Reset Interest Payment Date**"), the Floating Interest Amounts (the "**Floating Interest Payment Date**"), the Call Interest Amounts (the "**Call Interest Payment Date**"), the Put Interest Amounts (the "**Put Interest Payment Date**"), the Digital Interest Amounts (the "**Digital Interest Payment Date**"), the Range Accrual Interest Amounts (the "**Range Accrual Interest Payment Date**"), the Spread Interest Amounts (the "**Spread Interest Payment Date**") and the Forward CMS Interest Amounts (the "**Forward CMS Interest Payment Date**");

"**Interest Period**" means, in relation to a Fixed Rate (the "**Fixed Interest Period**"), or in relation to a Fixed Reset Rate (the "**Fixed Reset Interest Period**"), or in relation to a Floating Rate (the "**Floating Interest Period**"), or in relation to a Call Interest Amount (the "**Call Interest Period**"), or in relation to a Put Interest Amount (the "**Put Interest Period**"), or in relation to a Digital Interest Amount (the "**Digital Interest Period**"), or in relation to a Range Accrual Interest Amount (the "**Range Accrual Interest Period**"), or in relation to a Spread Interest Amount (the "**Spread Interest Period**"), or in relation to a Forward CMS Interest Amount (the "**Forward CMS Interest Period**"), the period beginning on (and including) the immediately preceding Interest Accrual Date (or, failing this, the Interest Commencement Date) and ending on (but excluding) the Interest Accrual Date (or, in case of Fixed Reset Rate Interest, the next Reset Date) of the relevant interest amount;

"**Italian Bail-in Power**" means any write-down, conversion, transfer, modification, or suspension power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Republic of Italy, relating to (i) the transposition of the BRRD (including, but not limited to, Legislative Decrees No. 180/2015 and 181/2015) as amended from time to time; and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of a regulated entity (or other affiliate of such regulated entity) can be reduced, cancelled, modified, or converted into shares, other securities, or other obligations of such regulated entity or any other person (or suspended for a temporary period);

"**Italian Resolution Authority**" means the Bank of Italy or other governmental authority in Italy (or other country in which the Issuer is then domiciled) or in the European Union having primary responsibility for the prudential

oversight and supervision of the Issuer acting in its capacity as resolution authority within the meaning of Article 2(18) of the BRRD;

"**Long Maturity Note**" means a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

"**Luxembourg Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in Luxembourg.

"**Milan Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in Milan.

"**Monte Titoli Account Holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository banks appointed by Euroclear, as operator of the Euroclear System, and Clearstream Banking.

"**MREL Disqualification Event**" means, in relation to Notes that qualify as MREL eligible liabilities in the applicable Final Terms, the event occurring if, at any time, by reason of the introduction of, or a change in, the MREL Requirements, which was not reasonably foreseeable by the Issuer at the Issue Date, all or part of the aggregate outstanding nominal amount of such Notes is or will be excluded fully or partially from the eligible liabilities available to meet the MREL Requirements *provided that*:

(i) the exclusion of a Series of such Notes from the MREL Requirements due to the remaining maturity of such Notes being less than any period prescribed thereunder, does not constitute a MREL Disqualification Event;

(ii) the exclusion of all or some of a Series of Notes from the MREL Requirements due to there being insufficient headroom for such Notes within a prescribed exception to the otherwise applicable general requirements for eligible liabilities (to the extent applicable to Intesa Sanpaolo and/or the Group) does not constitute a MREL Disqualification Event; and

(iii) the exclusion of all or some of a Series of such Notes from the MREL Requirements as a result of such Notes being purchased by or on behalf of Intesa Sanpaolo or as a result of a purchase which is funded directly or indirectly by Intesa Sanpaolo, does not constitute a MREL Disqualification Event;

"**MREL Requirements**" means the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities applicable to Intesa Sanpaolo and/or the Group, from time to time (including any applicable transitional or grandfathering provisions), including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities adopted by the Republic of Italy, a Relevant Authority or the European Banking Authority from time to time (whether or not such requirements, guidelines or policies are applied generally or specifically to Intesa Sanpaolo and/or the Group), as any of the preceding laws, regulations, requirements, guidelines, rules, standards, policies or interpretations may be amended, supplemented, superseded or replaced from time to time;

"**Other Overnight Rate**" means an overnight risk free rate other than SONIA and SOFR, appearing on the agreed screen page of a commercial quotation service, which may be specified as the Reference Rate for Notes bearing Floating Rate Interests;

"**Payment Day**" means any day which (subject to Condition 10) is:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(i) in the case of Notes in definitive form only, the relevant place of presentation;

(ii) each Additional Financial Centre specified in the applicable Final Terms; and

(b) either:

(i) in relation to any sum payable in a Specified Currency or, as the case may be, Payment Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency or, as the case may be, Payment Currency (which if the Specified Currency or, as the case may be, Payment Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively); or

(ii) in relation to any sum payable in euro, a day on which the T2 is open.

"**Principal Financial Centre**" means, as applicable, the capital city of the country issuing the Specified Currency; provided, however, that with respect to United States Dollars, Australian dollars or New Zealand dollars, the Principal Financial Centre shall be New York, Sydney; and Auckland, respectively;

"**Provisions for Meetings of Noteholders**" means the provisions for meetings of noteholders applicable to Dematerialised Notes attached to these Conditions as Schedule 1;

"**Qualifying Notes**" means securities issued directly or indirectly by the Issuer that:

(i) (A) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for Own Funds and eligible liabilities under the then applicable MREL Requirements; (B) include a ranking at least equal to that of the Notes that qualify as eligible liabilities; (C) have the same Rate of Interest and the same Interest Payment Dates as those from time to time applying to the Notes that qualify as eligible liabilities; (D) have the same redemption rights as the Notes that qualify as eligible liabilities; (E) preserve any existing rights under the Notes that qualify as eligible liabilities to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation; (F) are assigned (or maintain) the same or higher solicited credit ratings as were assigned to the Notes immediately prior to such variation or substitution, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 21 (*Acknowledgment of the Italian Bail-in Power*); and (G) other than in respect of the effectiveness and enforceability of Condition 21 (*Acknowledgment of the Italian Bail-in Power*), have terms not materially less favourable to a holder of the Notes that qualify as eligible liabilities, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing which is independent of the Group, than the terms of the Notes that qualify as eligible liabilities; and

(ii) are listed on a recognized stock exchange if the Notes were listed immediately prior to such variation or substitution.

"**Rate Days Count Fraction**" means, if specified as applicable in the relevant Final Terms, the ratio to be applied to the Call Performance, the Put Performance, the In Range Yield, the Out Range Yield, the Spread (in relation to Underlyings other than interest rates, inflation rates or swap rates), for the calculation of the relevant Interest Amount, expressed as a formula as follows:

$$\text{Rate Days Count Fraction} = \frac{D}{d_c}$$

Where:

"***D***" means the number of calendar days specified in the applicable Final Terms;

"d_c" means the number of calendar days specified in the applicable Final Terms.

"**Reference Banks**" means the bank(s) specified in the applicable Final Terms or, if none, four major banks selected by the Issuer or an agent appointed by the Issuer in the market that is most closely connected with the Reference Rate;

"**Reference Rate**" means the reference rate specified as such in the applicable Final Terms;

"**Reference Rate Administrator**" means the administrator of the reference rate specified as such in the applicable Final Terms;

"**Registered Global Note**" means a global note in registered form;

"**Regulation S**" means Regulation S under the Securities Act;

"**Relevant Authority**" means the European Central Bank, the Bank of Italy, or any successor authority having responsibility for the prudential supervision of the Issuer or the Group within the framework of the Single Supervisory Mechanism set out under Council Regulation (EU) No. 1024/2013 and in accordance with the applicable MREL Requirements and/or, as the context may require, the Italian resolution authority, the Single Resolution Board established pursuant to Regulation (EU) No. 806/2014, and/or any other authority in Italy or in the European Union entitled to exercise or participate in the exercise of the Italian Bail-in Power or having primary responsibility for the prudential oversight and supervision of Intesa Sanpaolo from time to time;

"**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable): (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof;

"**Relevant Regulations**" means any requirements contained in the regulations, rules, guidelines and policies of the competent authority or the Relevant Resolution Authority, or of the European Parliament and Council then in effect in the Republic of Italy, relating to capital adequacy and applicable to the Issuer and/or the Group from time to time (including any applicable transitional provisions), (including, but not limited to, as at the Issue Date of the relevant Series of Notes, the rules contained in, or implementing, CRD IV, CRR, the BRRD and the SRMR, delegated or implementing acts adopted by the European Commission and guidelines issued by the European Banking Authority);

"**Relevant Financial Centre**" means the relevant financial centre specified in the applicable Final Terms;

"**Securities Act**" means the United States Securities Act of 1933, as amended;

"**SOFR**" has the meaning ascribed to it in Condition 3(d)(ii)(C)(2);

"**SONIA**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) in each case on the London Banking Day immediately following**;**

"**Structured Rate Interest Amount**" means the "**Call Interest Amount**", the "**Put Interest Amount**", the "**Digital Interest Amount**", the "**Range Accrual Interest Amount**", the "**Spread Interest Amount**" and the "**Forward CMS Interest Amount**", calculated in accordance with Condition 3(a);

"**Sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent;

"**Successor Rate**" means the reference rate (and related alternative screen page or source, if available) that the Independent Adviser (with the Issuer's agreement) determines is a successor to or replacement of the relevant Reference Rate which is formally recommended by any Relevant Nominating Body;

"**Substitute Rate**" means the reference rate that may be specified in the applicable Final Terms;

"**T2**" means the real time gross settlement system operated by the Eurosystem (previously known as TARGET2 System) or any successor or replacement for that system;

"**Treaty**" means the Treaty establishing the European Community, as amended;

"**Underlying**" means, in relation to Structured Rate Interest Amounts and/or Mandatory Early Redemption Amounts, the financial asset specified in the Final Terms for the purposes of the determination of a Structured Rate Interest and/or the occurrence of a Mandatory Early Redemption Event.

The Underlying(s) will be specified in the applicable Final Terms and will be one or more of the following: shares, indices (which will not be an index composed by the Issuer or any legal entities of the group), commodities, futures contracts, exchange rates, inflation rates, interest rates, funds, swap rates and Baskets composed of the aforementioned financial assets.

The relevant Final Terms will specify, in relation to the applicable Underlying, the ISIN code (if applicable), the relevant Information Source, details of where the information about the Underlying can be obtained, as well as the Index Sponsor (in the case of indices).

The Underlyings may be the same until the Maturity Date (and identical for all the Interest Periods and/or the Mandatory Early Redemption Valuation Periods) or differ in relation to each Interest Period and/or Mandatory Early Redemption Valuation Period as specified in the Final Terms;

1. **FORM, DENOMINATION AND TITLE**

(a) ***Form and Title of Notes in Physical Form***

The Notes in Physical Form are in bearer form ("**Bearer Notes**") or registered form ("**Registered Notes**") and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination. Registered Notes may not be exchanged for Bearer Notes or an interest therein and *vice versa.*

Definitive Bearer Notes are issued with coupons for the payment of interest ("**Coupons**") attached, unless they are Zero Coupon Notes or non-interest bearing Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable, and, if applicable, talons for further Coupons ("**Talons**") attached.

Subject as set out below, title to Bearer Notes and the Coupons will pass by delivery and title to Registered Notes will pass upon registration of transfers in the Register (as defined below) and surrender of the Bearer Notes in accordance with the provisions of the Agency Agreement. The Issuer and any Agent will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraphs.

The Issuer has appointed the Registrar at its office specified below to act as registrar of the Registered Notes. The Issuer shall cause to be kept at the specified office of the Registrar for the time being at 60 avenue J.F. Kennedy L-2085 Luxembourg, a register (the "**Register**") on which shall be entered, *inter alia*, the name and address of the holder entitled to payments of principal and stated interest on the Registered Notes, the amount and type of the Registered Notes held by each holder and particulars of all transfers of title to the Registered Notes. The entries in the Register shall be conclusive absent manifest error and the Issuer and the Agents may treat the person whose name is recorded in the Register pursuant to the Terms and Conditions as the holder of such Notes for purposes of the payment of principal or interest on such Notes.

For so long as any of the Notes is represented by a Bearer Global Note or a Registered Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder (as shown in the Register) of the relevant Registered Global Note shall be treated by the Issuer and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

(b) ***Transfers of Registered Notes***

(i) Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected only through the book-entry system maintained by Euroclear, or Clearstream, Luxembourg as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be exchangeable for Registered Notes in definitive form or for a beneficial interest in another Registered Global Note only in the Specified Denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures

for the time being of Euroclear or Clearstream, Luxembourg as the case may be and in accordance with the terms and conditions specified in the Agency Agreement.

(ii) Transfers of Registered Notes in definitive form

Subject as provided in paragraph (v) below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the Specified Denominations set out in the applicable Final Terms). In order to effect any such transfer (i) the holder or holders must (a) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (b) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, and upon being satisfied with the documents of title and the identity of the person making the request, enter the name of the transferee of the definitive Registered Notes in the Register as the noteholder of the Registered Notes. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(iii) Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 5, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(iv) Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(v) Exchanges and transfers of Registered Notes generally

Holders of Registered Notes in definitive form may exchange such Notes for interests in a Registered Global Note of the same type at any time. Prior to expiry of the applicable Distribution Compliance Period (as defined below), transfers by the holder of, or of a beneficial interest in, a Registered Global Note may be made to a transferee in the United States or who is a U.S. person under Regulation S (or for the account or benefit of such person) only pursuant to an exemption from the registration requirements of the Securities Act and in accordance with any applicable securities laws of any State of the US or any other jurisdiction.

"**Distribution Compliance Period**" means the period that ends 40 days after the completion of the distribution of each Tranche of Notes.

(c) ***Transfers of Bearer Notes***

For so long as the Bearer Notes are represented by a Bearer Global Note, all transactions (including transfers of Notes) in the open market or otherwise must be effected through an account with Euroclear, or Clearstream, Luxembourg, as the case may be, subject to and in accordance with the rules and procedures for the time being of Euroclear, or Clearstream, Luxembourg, as the case may be.

Any transfer or attempted transfer of Bearer Notes within the United States or its possessions or to, or for the account or benefit of, a United States person in violation of the TEFRA Rules (as defined in General Description of the Programme: Form of Notes) shall be null and void *ab initio* and shall vest no rights in the purported transferee (the "**Disqualified Transferee**"), and the last preceding holder that was not a Disqualified Transferee shall be restored to all rights as a noteholder thereof retroactively to the date of transfer of such interest by the relevant noteholder.

(d) ***Form, Title and Transfer of Dematerialised Notes***

The Dematerialised Notes will be in held in dematerialised form in the Specified Denomination(s) on behalf of the beneficial owners by Monte Titoli for the account of the relevant Monte Titoli Account Holders as of their respective date of issue. Monte Titoli shall act as depository for Euroclear and Clearstream Banking.

The Dematerialised Notes will at all times be evidenced by, and title to the Dematerialised Notes will be established or transferred by way of, book-entries pursuant to the relevant provisions of the Financial Services Act and in accordance with the CONSOB and Bank of Italy Joint Regulation. No physical document of title will be issued in respect of the Dematerialised Notes.

References to the records of Euroclear and/or Clearstream, Luxembourg shall be to the records for which Monte Titoli acts as depository. References to Euroclear and/or Clearstream shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

(e) ***Denomination of Notes***

The Notes will be issued in such denominations specified by the Issuer in the applicable Final Terms, provided that the minimum denomination of each Note admitted to trading on an exchange within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Regulation will be EUR 1,000 (or, if the Notes are denominated in a currency other than Euro, the equivalent amount in such currency).

For any Note, the applicable Final Terms may specify whether such Note is a Dual Currency Interest Note and/or a Dual Currency Redemption Note (together, "**Dual Currency Notes**").

For any Note, the applicable Final Terms will specify whether such Note is a Fixed Rate Note, a Fixed Reset Rate Note, a Floating Rate Note, a Zero Coupon Note, a Structured Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms. This Note may be a non-interest bearing Note, if specified as such in the applicable Final Terms.

2. **STATUS OF THE NOTES**

The Notes and any relative Coupons constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

Notes that are intended to be eligible for the purposes of the minimum requirement for own funds and eligible liabilities ("**MREL**") are subject to certain restrictions which will increase in the future – following the full applicability of the relevant provisions arising from the MREL Requirements.

In particular, in relation to Series of Notes issued in order to satisfy the MREL Requirements:

(i) the Noteholders unconditionally and irrevocably waive any right of set-off, netting, counterclaim, abatement or other similar remedy which they might otherwise have under the laws of any jurisdiction or otherwise in respect of such Notes;

(ii) claims arising from such Notes are neither secured, nor subject to a guarantee or any other arrangement that enhances the seniority of the claims by the Issuer or by other entities related to the Issuer;

(iii) to the extent that the Issuer intends to qualify Series of Notes as eligible liabilities in accordance with article 45c paragraph 2 lett. b) of the BRRD II and 12c paragraph 2 lett. b) of the SRMR II, the value of the claim arising from such Series of Notes in cases of the insolvency and of the resolution of the Issuer is fixed or increasing, and does not exceed the initially paid-up amount of Notes, under all relevant laws and regulations amended from time to time, which are and will be applicable to the Issuer.

(iv) for the avoidance of doubt, there is no negative pledge in respect of the Notes.

3. INTEREST PROVISIONS

The applicable Final Terms will indicate whether the Notes are Structured Rate Notes, Fixed Rate Notes, Fixed Reset Rate Notes, Floating Rate Notes, Zero Coupon Notes, or any combination of the foregoing. The applicable Final Terms may also indicate that the Notes are Dual Currency Interest Notes.

Where the Notes are specified to be Structured Rate Notes, the interest payable in respect of the Notes will be calculated in accordance with Condition 3(a) below. Where the Notes are specified to be Fixed Rate Notes, the interest payable in respect of the Notes will be calculated in accordance with Condition 3(b) below. Where the Notes are specified to be Floating Rate Notes, the interest payable in respect of the Notes will be calculated in accordance with Condition 3(c) below.

Where the Notes are specified to be Fixed Reset Rate Notes, the interest payable in respect of the Notes will be calculated in accordance with Condition 3(d) below.

Where the Notes are specified to be any combination of the foregoing, the interest payable in respect of the Notes will be calculated in accordance with Condition 3(a), Condition 3(b), Condition 3(c) or Condition 3(d) below, each applicable for the relevant periods specified in the applicable Final Terms.

*Where the Notes are specified to be Dual Currency Interest Notes, all payments of interest in respect of the Notes shall be made in a currency (the "**Payment Currency**") other than the Specified Currency. The relevant rate of exchange of the Specified Currency into the Payment Currency (such rate of exchange, the "**Reference Exchange Rate**") shall be determined in accordance with Condition 7 below.*

In any case, the Interest Amount will not result in an amount lower than zero.

(a) *Structured Rate Interest*

*This Condition 3(a) applies to Notes bearing Structured Rate Interest only. The applicable Final Terms contains provisions applicable to the determination of structured rate interest and must be read in conjunction with this Condition 3(a) for full information on the manner in which interest is calculated on the Notes. The applicable Final Terms will specify the Interest Period, the Interest Commencement Date, the Rate(s) of Interest (where Digital Interest is applicable), the Interest Amount(s) (where one of the following, as described below, is applicable: Call Interest, Put Interest, Range Accrual Interest, Spread Interest and Forward CMS Interest), the Interest Payment Date(s), the Interest Accrual Dates, the Rate Days Count Fraction (if applicable), the Day Count Fraction and the Business Day Convention. The Rate of Interest may be specified in the applicable Final Terms either (x) as the same Rate of Interest for all Interest Periods or (y) as a different Rate of Interest in respect of one or more Interest Periods. Notes may also provide for a Maximum Rate of Interest (also referred to as the "**Maximum Rate**") or a Minimum Rate of Interest (also referred to as the "**Minimum Rate**"), determined in accordance with Condition 3(d) below.*

Interest calculated by reference to a structured rate ("**Structured Rate Interest**") will be payable in respect of each Interest Period as set out in this Condition 3(a).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically

corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(1) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(2) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(3) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

Where the Business Day Convention is specified in the applicable Final Terms as being "Not applicable", the relevant date shall not be adjusted in accordance with any Business Day Convention.

I. CALL INTEREST

I-1: For the purposes of this sub-paragraph I:

"**Best Of Option**" means (i) where there is a single Underlying or Basket, the method by which the Calculation Agent selects the Best Of value, being the first, the second or the third and so forth (as specified in the applicable Final Terms), as the case may be, best performance of such Underlying or Basket amongst those determined in two or more periods specified in the applicable Final Terms; or (ii) where there are two or more Underlyings, or two or more Baskets, the method by which the Calculation Agent selects the Best Of Underlying or Basket, as the case may be, being the Underlying or Basket with the first, the second or the third and so forth (as specified in the applicable Final Terms) best performance compared with the other Underlyings or Baskets, as the case may be;

"**Call Interest Amount**" means the interest amount determined in the manner set out in this paragraph I;

"**Call Interest Payment Date**" means one or more Business Day(s), specified in the applicable Final Terms, on which the Issuer shall pay in arrear the relevant Call Interest Amount;

"**Call Option**" means an option that provides exposure to the performance of an Underlying, calculated as a single value (a "**European Call Option**") or calculated as an arithmetic mean (an "**Asian Call Option**"), in each case to the extent of the relevant Participation Factor. If so specified in the applicable Final Terms, the Call Option (and, as a result, the calculation of the Call Performance) may be applicable and/or not applicable dependent upon the occurrence, respectively, of a Knock-in Event or a Knock-out Event;

"**Call Performance**" means the performance of the Underlying determined as specified below in paragraph I-4;

"**Call Strike**" means the value used in the calculation of the Underlying's performance, being the level that is compared to the Final Reference Value in order to determine the performance of the Underlying;

"**Cliquet Option**" means a method of calculation of the performance of the Underlying which is based on a series of forward start options. Each option will enter into force on the date specified in the applicable Final Terms. The Call Strike of each forward start option is reset when the option enters into force.

"**Final Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Final Reference Value**" means the value of the relevant Underlying, Basket or Basket Constituent, as the case may be, determined on the Final Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation". When the Underlying is represented by a futures contract and if the Futures Contract N-th Near-by Feature and Rolling are specified as applicable in the relevant Final Terms, means the value of the Futures Contract N-th Near-by on the Final Observation Date;

"**Futures Contract N-th Near-by**" means, if the Futures Contract N-th Near-by Feature is specified as applicable, the n-th futures contract that has the same features of the futures contract indicated as Underlying.

The relevant Final Terms will specify:

(i) the ordinal number of the Futures Contract N-th Near-by to be used for the determination of the:

- Initial Reference Value or the Interim Initial Reference Value and/or

- the Reference Value and/or the Interim Final Reference Value or the Final Reference Value; and

(ii) if the Initial Reference Value or the Interim Initial Reference Value of the Underlying will be determined on the basis of a Futures Contract N-th Near-by. In such case, the Futures Contract N-th Near-by will be the n-th futures contract that has an expiration date which is the closest (but beyond) to the Initial Observation Date or Interim Initial Observation Date(s); and/or

(iii) if Rolling is specified as applicable. In such case, the Reference Value and/or the Interim Final Reference Value or the Final Reference Value will be determined on the basis of the Futures Contract N-th Near-by that will be the n-th futures contract with an expiration date which is the closest (but beyond) to any observation date/period during the lifetime of the Notes and/or to the Interim Final Observation Date(s) or to the Final Observation Date.

When the Futures Contract N-th Near-by replaces the futures contract indicated as Underlying, the applicable Final Terms will specify the relevant N-th Near-by Initial Date and/or the relevant Rollover Date(s). On the N-th Near-by Initial Date and/or the Rollover Dates, the Noteholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

"**Futures Contract N-th Near-by Feature**" means, if specified as applicable and when the Underlying is a futures contract, the feature pursuant to which the Calculation Agent will be entitled to determine, as specified in the relevant Final Terms:

(i) if the Initial Reference Value or Interim Initial Reference Value will be determined on the basis of a Futures Contract N-th Near-by; and/or

(ii) if Rolling is specified as applicable. In such case, the Reference Value in relation to any observation date/period during the lifetime of the Notes and/or the Interim Final Reference Value or the Final Reference Value will be determined on the basis of a Futures Contract N-th Near-by;

"**Himalaya Option**" means the method of calculation of the performance of a Basket based on a selection process in accordance with which, in each Himalaya Valuation Period, the Basket Constituent having the best Performance (each Performance of the Basket Constituent will be determined according to paragraph 1(A) or 1(B) below as the case may be and as specified in the relevant Final Terms) will be selected and removed from the Basket for each subsequent Himalaya Valuation Period(s) relating to the same Call Interest Payment Date (but shall not be removed in respect of subsequent Call Interest Payment Dates). Therefore, once the Basket Constituent has been selected in relation to a Himalaya Valuation Period, it will not be taken into account for the following Himalaya Valuation Period(s) relating to the same Call Interest Payment Date. On each such subsequent Himalaya Valuation Period, other best performing Basket Constituents will be selected and removed from the Basket for each subsequent Himalaya Valuation Period(s) relating to the same Call Interest Payment Date. As a result, for the purposes of the calculation of the Call Performance, the Calculation Agent will consider the arithmetic mean of the performance of the Basket Constituents having the best Performances in the relevant Himalaya Valuation Periods according to the selection process described above in this definition.

"**Himalaya Valuation Period(s)**" means the period(s) specified as such in the applicable Final Terms. For avoidance of doubt, there are more than one Himalaya Valuation Period in relation to the same Call Interest Payment Date;

"**Initial Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Initial Reference Value**" means (a) the predetermined value(s) indicated in the applicable Final Terms or (b) the value of the relevant Underlying, Basket or Basket Constituent, as the case may be, determined on the Initial Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by

the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation". When the Underlying is represented by a futures contract and the Futures Contract N-th Near-by Feature is specified as applicable, if in the relevant Final Terms is specified that the Initial Reference Value will be determined on the basis of the Futures Contract N-th Near-by, means the value of such Futures Contract N-th Near-by on the Initial Observation Date;

"**Interim Final Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Interim Final Reference Value**" means the value of relevant Underlying, Basket or Basket Constituent, as the case may be, determined on the Interim Final Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket*, the value determined in accordance with the definition of "Basket Calculation". When the Underlying is represented by a futures contract and if the Futures Contract N-th Near-by Feature and Rolling are specified as applicable in the relevant Final Terms, means the value of the Futures Contract N-th Near-by on the Interim Final Observation Date;

"**Interim Initial Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Interim Initial Reference Value**" means (a) the predetermined value(s) indicated in the applicable Final Terms or (b) the value of relevant Underlying, Basket or Basket Constituent, as the case may be, determined on the Interim Initial Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation". When the Underlying is represented by a futures contract and the Futures Contract N-th Near-by Feature is specified as applicable, if in the relevant Final Terms is specified that the Interim Initial Reference Value will be determined on the basis of the Futures Contract N-th Near-by, means the value of such Futures Contract N-th Near-by on the Interim Initial Observation Date(s);

"**Knock-in Event**" means the event specified in the applicable Final Terms that has to occur on a Knock-in Observation Date or at any time during the Knock-in Observation Period (as specified in the relevant Final Terms) for the Call Option to be applicable. The Knock-in Event will occur when the Reference Value of a single Underlying or Basket, on the relevant Knock-in Observation Date(s) or at any time during a Knock-in Observation Period (as specified in the applicable Final Terms):

(A) is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Knock-in Level**"); or

(B) falls within a range of values (the "**Knock-in Range**") specified in the applicable Final Terms;

"**Knock-in Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Knock-in Observation Period**" means the period specified as such in the applicable Final Terms;

"**Knock-out Event**" means the event specified in the applicable Final Terms that has to occur on a Knock-out Observation Date or at any time during the Knock-out Observation Period (as specified in the relevant Final Terms) for the Call Option to not be applicable. The Knock-out Event will occur when the Reference Value of a single Underlying or Basket, on the relevant Knock-out Observation Date(s) or at any time during a Knock-out Observation Period (as specified in the applicable Final Terms):

(A) is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Knock-out Level**"); or

(B) falls within a range of values (the "**Knock-out Range**") specified in the applicable Final Terms;

"**Knock-out Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Knock-out Observation Period**" means the period specified as such in the applicable Final Terms;

"**Margin**" means the value expressed as a percentage specified in the applicable Final Terms which may be the

same throughout all the Call Interest Periods, or it may be different in relation to each Call Interest Period, as specified in the applicable Final Terms;

"**Multiplier Factor**" or "**P**" means the multiplier used for the determination of the performance of the Underlying and which (i) may be higher than, or lower than, or equal to 1 (i.e. 100%) or equal to 0 and (ii) will be specified in the applicable Final Terms;

"**N-th Near-by Initial Date**" means, when the Futures Contract N-th Near-by Feature is specified as applicable in the relevant Final Terms and that the Initial Reference Value or Interim Initial Reference Value will be determined on the basis of the Futures Contract N-th Near-by, the date specified in the applicable Final Terms on which the Futures Contract N-th Near-by will replace the futures contract indicated as Underlying.

As soon as the Futures Contract N-th Near-by replaces the futures contract on the N-th Near-by Initial Date, the Noteholders will be notified of the Futures Contract N-th Near-by which will be the Underlying, by a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

"**Participation Factor**" or "**PF**" means the multiplier used to determine the extent of the exposure to the performance of the Underlying and which (i) may be higher than, or lower than, or equal to 1 (i.e. 100%) or equal to 0 and (ii) will be specified in the applicable Final Terms;

"**Rainbow Option**" means a method for calculating the relevant Call Interest Amount when the Underlying is constituted by a Basket. Pursuant to such method of calculation, the Issuer will specify in the applicable Final Terms the weightings (expressed as percentages) of the Basket Constituents in the Basket and then such weightings will be assigned to each Basket Constituent on the basis of such Basket Constituent's performance compared to the performances of the other Basket Constituents.

"**Reference Value**" means the value of the Underlying, Basket Constituent or Basket, as the case may be, which will be (i) *in the case of a Basket Constituent or single Underlying,* either (A) *if the Final Terms specify a Knock-in Observation Period or Knock-out Observation Period,* observed continuously in the regular trading hours during such observation period, as displayed on the applicable Information Source and as specified in the applicable Final Terms, or (B) *otherwise, on any Knock-in Observation Date(s) or Knock-out Observation Date(s),* published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms; or (ii) *in the case of a Basket,* determined in accordance with the definition of "Basket Calculation". When the Underlying is represented by a futures contract and if the Futures Contract N-th Near-by Feature and Rolling are specified as applicable in the relevant Final Terms, means the value of the Futures Contract N-th Near-by on the relevant observation date/period;

"**Rolling**" means the feature that may be specified as applicable when the Futures Contract N-th Near-by Feature is specified as applicable in the relevant Final Terms, pursuant to which the Issuer will be entitled to determine the Reference Value in relation to any observation date during the lifetime of the Notes and/or Interim Final Reference Value or the Final Reference Value on the basis of a Futures Contract N-th Near-by;

"**Rollover Date(s)**" means, if Rolling is specified as applicable in the relevant Final Terms, the date(s) specified in the applicable Final Terms on which the Futures Contract N-th Near-by will replace the futures contract indicated as the Underlying in the applicable Final Terms. As soon as the Futures Contract N-th Near-by replaces the futures contract specified as Underlying on the Rollover Date, the Noteholders will be notified of the Futures Contract N-th Near-by which will be the Underlying, by a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Worst Of Option means (i) where there is a single Underlying or Basket, the method by which the Calculation Agent selects the Worst Of value as the case may be, being the first, the second or the third and so forth (as specified in the applicable Final Terms) worst performance of such Underlying or Basket amongst those determined in two or more periods specified in the applicable Final Terms; or (ii) where there are two or more Underlyings, or two or more Baskets, the method by which the Calculation Agent selects the Worst Of Underlying or Basket being the Underlying or Basket with the first, the second or the third and so forth (as specified in the applicable Final Terms) worst performance compared with the other Underlyings or Baskets, as the case may be.

I-2:

Call Interest provides exposure, to the extent of the relevant Participation Factor, to the performance of an Underlying, calculated as a single value (if the applicable Final Terms specify as applicable European Call Option)

or calculated as an arithmetic mean (if the applicable Final Terms specify as applicable Asian Call Option).

Each Call Interest Amount will be paid to the Noteholder in arrear on the relevant Call Interest Payment Date. The Maturity Date may fall on the same day as the Call Interest Payment Date or, if there is more than one Call Interest Payment Date, it may fall on one of the Call Interest Payment Dates.

The applicable Final Terms will specify whether, in relation to one or more Call Interest Amounts, the Maximum Rate and/or the Minimum Rate, the Best Of Option, the Worst Of Option, the Rainbow Option and/or the Cliquet Option are applicable.

Call Interest Amounts may be equal to zero, depending on the performance of the relevant Underlying and on the Minimum Rate of Interest (if applicable pursuant to the relevant Final Terms).

I-3:

The amount of each Call Interest Amount will be calculated by the Calculation Agent in accordance with the applicable formula set out in paragraph I-4, where such amount shall be rounded to the nearest EUR cent, (with 0.005 EUR being rounded upwards) and it will be equal to the product of (A) the Calculation Amount, (B) the lower of (i) the Maximum Rate (if applicable); and (ii) the higher of (x) the Minimum Rate (if applicable) and (y) the Participation Factor (if applicable) multiplied by the higher of (a) 0 and (b) the Call Performance multiplied by the Rate Days Count Fraction (if applicable), and increased or decreased by the Margin (if applicable) and (C) the Day Count Fraction (if applicable).

Whether or not the Call Option is applicable (and, as a result, whether the Call Performance will be calculated) may depend on the occurrence, respectively, of a Knock-in Event or a Knock-out Event, if so specified in the applicable Final Terms.

The Participation Factor may be equal to, lower than or higher than 1 (100%) or equal to 0. In the case the Participation Factor is equal to 100%, the Call Interest Amount will depend upon the total performance of the Underlying. Conversely, if the applicable Participation Factor is lower than 100%, the Call Interest Amount will depend upon a fraction of the performance of the Underlying. Finally, if the applicable Participation Factor is higher than 100%, the Call Interest Amount will depend upon a multiple of the performance of the Underlying;

I-4:

The relevant Final Terms will specify whether, for the purpose of the calculation of the Call Interest Amount, the Maximum Rate and/or the Minimum Rate and/or the Participation Factor and/or the Margin will be applicable and the formula with only the components specified as applicable will be reflected in the relevant item "Call Interest Amount". The formula applicable to the calculation of a Call Interest Amount is as follows:

C = CA × min {Maximum Rate; max {Minimum Rate; [PF × max (0; Call Performance × Rate Days Count Fraction) + Margin] }} × Day Count Fraction

or

C = CA × min {Maximum Rate; max {Minimum Rate; [PF × max (0; Call Performance × Rate Days Count Fraction) - Margin] }} × Day Count Fraction

Where:

"**C**" means the Call Interest Amount;

"**CA**" means the Calculation Amount of the Notes;

"**PF**" means the Participation Factor;

"**Call Performance**" means:

1) If the Call Interest is linked to a single financial asset (and not a Basket): the performance of the relevant Underlying (the "**Single Performance**"), calculated as:

(A) where European Call Option is applicable (the "**Single Performance SV**"):

The value of the relevant Underlying (the "**Underlying$_{(i)}$**") determined in accordance with one of the following formulas, as specified in the applicable Final Terms:

Single Performance$_{(i)}$ SV = $\frac{Underlying_{(i)}^{Final} - P \times Underlying_{(i)}^{Initial}}{Underlying_{(i)}^{Initial}}$

or

Single Performance$_{(i)}$ SV = $P \times \frac{Underlying_{(i)}^{Final}}{Underlying_{(i)}^{Initial}}$

Where:

"***P***" means the multiplier specified in the applicable Final Terms as the Multiplier Factor;

"$\boldsymbol{Underlying_{(i)}^{Final}}$" means either (i) the Final Reference Value or (ii) the Interim Final Reference Value, as specified in the applicable Final Terms;

"$\boldsymbol{Underlying_{(i)}^{Initial}}$" means either (i) the Initial Reference Value or (ii) the Interim Initial Reference Value, as specified in the applicable Final Terms;

(B) where Asian Call Option is applicable (the "**Single Performance AM**"):

The arithmetic mean of the value of the relevant Underlying (the "**Underlying$_{(i)}$**") determined in accordance with one of the following formulas specified in the applicable Final Terms:

Single Performance$_{(i)}$ AM =

$$\frac{Underlying_{(i)}^{Final\ Average} - P \times Underlying_{(i)}^{Initial\ Average}}{Underlying_{(i)}^{Initial\ Average}}$$

or Single Performance$_{(i)}$ AM = $\frac{Underlying_{(i)}^{Final\ Average} - P \times Underlying_{(i)}^{Initial}}{Underlying_{(i)}^{Initial}}$

or Single Performance$_{(i)}$ AM = $\frac{Underlying_{(i)}^{Final} - P \times Underlying_{(i)}^{Initial\ Average}}{Underlying_{(i)}^{Initial\ Average}}$

Where

"***P***" means the multiplier specified in the applicable Final Terms as the Multiplier Factor;

"$\boldsymbol{Underlying_{(i)}^{Final}}$" means the Final Reference Value of the relevant Underlying;

"$\boldsymbol{Underlying_{(i)}^{Initial}}$" means the Initial Reference Value of the relevant Underlying;

"$\boldsymbol{Underlying_{(i)}^{Final\ Average}}$" means the arithmetic mean of the Interim Final Reference Values of the relevant Underlying. Such arithmetic mean and/or each Interim Final Reference Value may be subject to a cap (the "***Cap AM ^{Final}***") and/or a floor (the "***Floor AM ^{Final}***") as specified in the applicable Final Terms;

"$\boldsymbol{Underlying_{(i)}^{Initial\ Average}}$" means the arithmetic mean of the Interim Initial Reference Values of the relevant Underlying. Such arithmetic mean and/or each Interim Initial Reference Value may be subject to a cap (the "***Cap AM ^{Initial}***") and/or a floor (the "***Floor AM ^{Initial}***") as specified in the applicable Final Terms;

2) If the Call Interest Amount is linked to a Basket: the performance of the relevant Basket (the "**Basket Performance**") calculated as:

(A) where European Call Option is applicable (the "**Basket Performance SV**"):

(A_1) The performance of the Basket (the "**Basket$_{(i)}$**") determined as the sum of the performance of each Basket Constituent multiplied by the Basket Constituent Weight, in accordance with one of the following formulas:

Where the Cap is specified as applicable:

Basket Performance$_{(i)}$ SV =

$$\sum_{i=1}^{n} Min(Cap;\ Single\ Performance_{(i)}SV)\ \times\ W_{(i)}$$

Where the Floor is specified as applicable:

Basket Performance$_{(i)}$ SV =

$$\sum_{i=1}^{n} Max(Floor;\ Single\ Performance_{(i)}SV)\ \times\ W_{(i)}$$

Where both the Cap and the Floor are specified as applicable:

Basket Performance$_{(i)}$ SV =

$$\sum_{i=1}^{n} Min[Cap; \max(Floor\ ; Single\ Performance_{(i)}SV)]\ \times\ W_{(i)}$$

Where neither the Cap nor the Floor are specified as applicable:

Basket Performance$_{(i)}$ SV =

$$\sum_{i=1}^{n} Single\ Performance_{(i)}SV\ \times\ W_{(i)}$$

Where:

"***n***" means the number of the Basket Constituents;

"$\boldsymbol{Single\ Performance_{(i)}SV}$" means the performance calculated for each Basket Constituent in accordance with the formula specified above at paragraph 1(A);

"$\boldsymbol{W_{(i)}}$" means the Basket Constituent Weight. The Basket Constituent Weight may be:

(i) a percentage specified in the applicable Final Terms; or

(ii) if the "**Rainbow Option**" is specified as applicable, the weightings will be specified in the applicable Final Terms but each of such weightings will be assigned to the Basket Constituents depending on the performance of the relevant Basket Constituent as specified in the applicable Final Terms;

"***Cap***" means, if applicable, the value expressed as a percentage specified in the applicable Final Terms;

"***Floor***" means, if applicable, the value expressed as a percentage specified in the applicable

Final Terms;

or

(A_2) The performance of the Basket (the **Basket$_{(i)}$**) determined in accordance with the following formula:

$$\text{Basket Performance}_{(i)}\ SV = \frac{Basket_{(i)}^{Final} - P \times Basket_{(i)}^{Initial}}{Basket_{(i)}^{Initial}}$$

Where:

"***P***" means the multiplier specified in the applicable Final Terms as the Multiplier Factor;

"$\boldsymbol{Basket_{(i)}^{Final}}$" means the Final Reference Value of the Basket;

"$\boldsymbol{Basket_{(i)}^{Initial}}$" means the Initial Reference Value of the Basket equal, by definition, to 1;

(B) where Asian Call Option is applicable (the "**Basket Performance AM**"), either:

(B_1) The arithmetic mean of the performance of the Basket (the "**Basket$_{(i)}$**") determined as the sum of the performances of the Basket Constituents in the Basket determined by reference to the arithmetic mean of the performance of each Basket Constituent multiplied by the relevant Basket Constituent Weight, in accordance with the following formula:

$$\text{Basket Performance}_{(i)}\ AM = \sum_{i=1}^{n} Single\ Performance_{(i)}AM\ \times\ W_{(i)}$$

Where:

"***n***" means the number of the Basket Constituents;

"$\boldsymbol{Single\ Performance_{(i)}AM}$" means the performance calculated as the arithmetic mean of the performance of each Basket Constituent determined in accordance with one of the formulas specified above at paragraph 1(B);

"$\boldsymbol{W_{(i)}}$" means the Basket Constituent Weight. The Basket Constituent Weight may be:

(i) a percentage specified in the applicable Final Terms; or

(ii) if the "**Rainbow Option**" is applicable, the weightings will be specified in the applicable Final Terms but each of such weightings will be assigned to each Basket Constituent depending on the performance of the relevant Basket Constituent as specified in the applicable Final Terms;

or (B_2) The arithmetic mean of the value of the Basket (the "**Basket$_{(i)}$**") determined in accordance with one of the following formulas as specified in the applicable Final Terms:

$$\text{Basket Performance}_{(i)}\ AM = \frac{Basket_{(i)}^{Final\ Average} - P \times Basket_{(i)}^{Initial\ Average}}{Basket_{(i)}^{Initial\ Average}}$$

$$\text{or Basket Performance}_{(i)}\ AM = \frac{Basket_{(i)}^{Final\ Average} - P \times Basket_{(i)}^{Initial}}{Basket_{(i)}^{Initial}}$$

$$\text{or Basket Performance}_{(i)}\ AM = \frac{Basket_{(i)}^{Final} - P \times Basket_{(i)}^{Initial\ Average}}{Basket_{(i)}^{Initial\ Average}}$$

Where:

"***P***" means the multiplier specified in the applicable Final Terms as the Multiplier Factor;

"$\boldsymbol{Basket}_{(i)}^{\boldsymbol{Final}}$" means the Final Reference Value of the Basket;

"$\boldsymbol{Basket}_{(i)}^{\boldsymbol{Initial}}$" means the Initial Reference Value of the Basket equal, by definition, to 1;

"$\boldsymbol{Basket}_{(i)}^{\boldsymbol{Final\ Average}}$" means the arithmetic mean of the Interim Final Reference Values. Such arithmetic mean and/or each Interim Final Reference Value may be subject to a cap (the "***Cap AM*** $^{\boldsymbol{Final}}$") and/or a floor (the "***Floor AM*** $^{\boldsymbol{Final}}$") as specified in the applicable Final Terms;

"$\boldsymbol{Basket}_{(i)}^{\boldsymbol{Initial\ Average}}$" means the arithmetic mean of the Interim Initial Reference Values. Such arithmetic mean and/or each Interim Initial Reference Value may be subject to a cap (the "***Cap AM*** $^{\boldsymbol{Initial}}$") and/or a floor (the "***Floor AM*** $^{\boldsymbol{Initial}}$") as specified in the applicable Final Terms;

The applicable formula of the Call Performance to be applied for the calculation of the Call Interest Amount will be reflected in the relevant item of the Final Terms "Formula for the calculation of the Call Performance" with only the applicable components.

3) If the "**Best Of Option**" is applicable:

(A) *If the Call Interest Amount is linked to a single Underlying or a single Basket:*

The "n" best performance of the Underlying or Basket (where "n" may be the first, the second, the third and so forth best performance) selected by the Calculation Agent from among the performances of the Underlying or Basket determined in two or more periods specified in the applicable Final Terms (the "**Best Performance**"). The Best Performance will be determined as follows:

(i) the Calculation Agent will determine the performance of the Underlying or Basket, for the periods specified in the applicable Final Terms, in accordance with the formulas specified above at paragraph 1(A) or 1 (B) for single Underlying and at paragraph 2(A) or 2 (B) for single Basket;

(ii) the Calculation Agent will then sort such performances in descending order, from the highest value to the lowest;

(iii) the Best Performance will be the performance, in such descending order, that matches the number specified in the applicable Final Terms in relation to the Best Of Option. By way of example, if the Final Terms provide for the application of the First Best Of Option, the Best Performance will be the best Single Performance / Basket Performance among those determined for the periods specified in the applicable Final Terms; if the applicable Final Terms provide for the application of the Second Best Of Option, the Best Performance will be the second best Single Performance / Basket Performance among those determined for the periods specified in the applicable Final Terms, and so forth.

(B) *If the Call Interest Amount is linked to two or more Underlyings or two or more Baskets:*

(B_1) *if European Call Option is applicable*, the performance of the Underlying with the "n" highest performance (where "n" may be the first, the second, the third and so forth best performance) (the **Best Performance SV**) of all the Underlyings or Baskets, as the case may be The Best Performance SV will be determined as follows:

(i) the Calculation Agent will determine the performance of each Underlying or Basket in accordance with the formulas specified above at paragraph 1(A) for Underlyings and at paragraph 2(A) for Baskets;

(ii) the Calculation Agent will then sort such performances in descending order, from the highest value to the lowest;

(iii) the Best Performance SV will be the performance calculated as the value of the Underlying or Basket whose performance, in such descending order, matches the number specified in the applicable Final Terms in relation to the Best Of Option. By way of example, if the Final Terms provide for the application of the First Best Of Option, the Best Performance SV will be the performance of the Underlying or Basket with the best Single Performance SV / Basket Performance SV compared to the other Underlying or Baskets; if the Final Terms provide for the application of the Second Best Of Option, the Best Performance SV will be the performance of the Underlying or Basket with the second best Single Performance SV / Basket Performance SV compared to the other Underlyings or Baskets, and so forth.

(B_2) *if Asian Call Option is applicable*, the performance of the Underlying calculated as an arithmetic mean with the "n" highest performance (where "n" may be the first, the second, the third and so forth best performance) (the **Best Performance AM**) of all the Underlyings or Baskets. The Best Performance AM will be determined as follows:

(i) the Calculation Agent will determine the performance being equal to the arithmetic mean of the performance of each Underlying or Basket determined in accordance with the formulas specified above at paragraph 1(B) for Underlyings and at paragraph 2(B) for Baskets;

(ii) the Calculation Agent will then sort such performances in descending order, from the highest value to the lowest;

(iii) the Best Performance AM will be the performance calculated as the arithmetic mean of the performance of the Underlying or Basket whose performance, in such descending order, matches the number specified in the applicable Final Terms in relation to the Best Of Option. By way of example, if the Final Terms provide for the application of the First Best Of Option, the Best Performance AM will be the performance of the Underlying or Basket with the best Single Performance AM / Basket Performance AM compared to the other Underlyings or Baskets; if the Final Terms provide for the application of the Second Best Of Option, the Best Performance AM will be the performance of the Underlying or Basket with the second best Single Performance AM / Basket Performance AM compared to the other Underlyings or Baskets, and so forth.

4) If the "**Worst Of Option**" is applicable:

(A) *If the Call Interest Amount is linked to a single Underlying or a single Basket:*

The "n" worst performance of the Underlying or Basket (where "n" may be the first, the second, the third and so forth worst performance) selected by the Calculation Agent from among the performances of the Underlying or Basket determined for two or more periods specified in the applicable Final Terms (the "**Worst Performance**"). In such case, the Worst Performance will be determined as follows:

(i) the Calculation Agent will determine the performance of the Underlying or Basket, for the periods specified in the applicable Final Terms, in accordance with the formulas specified above at paragraph 1(A) or 1(B) for single Underlying and at paragraph 2(A) or 2(B) for single Basket;

(ii) the Calculation Agent will then sort such performances in ascending order, from the lowest value to the highest;

(iii) the Worst Performance will be the performance, in such ascending order, that matches the number specified in the applicable Final Terms in relation to the Worst Of Option. By way of example, if the Final Terms provide for the application of the First Worst Of Option, the Worst Performance will be the lowest Single Performance / Basket Performance among those determined for the periods specified in the applicable Final Terms; if the applicable Final Terms provide for the application of the Second Worst Of Option, the Worst Performance will be the second lowest Single Performance /

Basket Performance of those determined for the periods specified in the applicable Final Terms, and so forth.

(B) *If the Call Interest is linked to two or more Underlyings or two or more Baskets:*

(B_1) *if European Call Option is applicable*, the performance calculated as the value of the Underlying with the "n" lowest performance (where "n" may be the first, the second, the third and so forth worst performance) (the "**Worst Performance SV**") of all the Underlyings or Baskets The Worst Performance SV will be determined as follows:

(i) the Calculation Agent will determine the performance of each Underlying or Basket in accordance with the formulas specified above at paragraph 1(A) for single Underlyings and at paragraph 2(A) for Baskets;

(ii) the Calculation Agent will then sort such performances in ascending order, from the lowest value to the highest;

(iii) the Worst Performance SV will be the performance calculated as the value of the Underlying or Basket whose performance, in such ascending order, matches the number specified in the applicable Final Terms in relation to the Worst Of Option. By way of example, if the Final Terms provide for the application of the First Worst Of Option, the Worst Performance SV will be the performance of the Underlying or Basket with the worst Single Performance SV / Basket Performance SV compared to the other Underlyings or Baskets; if the Final Terms provide for the application of the Second Worst Of Option, the Worst Performance SV will be the performance of the Underlying or Basket with the second worst Single Performance SV / Basket Performance SV compared to the other Underlyings or Baskets, and so forth.

(B_2) *if Asian Call Option is applicable*, the performance of the Underlying calculated as an arithmetic mean with the "n" lowest performance (where "n" may be the first, the second, the third and so forth worst performance) (the "**Worst Performance AM**") of all other Underlyings or Baskets The Worst Performance AM will be determined as follows:

(i) the Calculation Agent will determine the performance being equal to the arithmetic mean of the performance of each Underlying or Basket determined in accordance with the formulas specified above at paragraph 1(B) for Underlyings and at paragraph 2(B) for Baskets;

(ii) the Calculation Agent will then sort such performances in ascending order, from the lowest value to the highest;

(iii) the Worst Performance AM will be the performance calculated as the arithmetic mean of the performance of the Underlying or Basket whose performance, in such ascending order, matches the number specified in the applicable Final Terms in relation to the Worst Of Option. By way of example, if the Final Terms provide for the application of the First Worst Of Option, the Worst Performance AM will be the performance of the Underlying or Basket with the worst Single Performance AM / Basket Performance AM compared to the other Underlyings or Baskets; if the Final Terms provide for the application of the Second Worst Of Option, the Worst Of Performance AM will be the performance of the Underlying or Basket with the second worst Single Performance AM / Basket Performance AM compared to the other Underlyings or Baskets, and so forth.

5) If the "**Himalaya Option**" is applicable (where the Call Interest is linked to a Basket):

The relevant performance will be calculated by reference to the arithmetic average of the Performances of the Basket Constituents (each "**Performance**" of the Basket Constituent will be determined according to paragraph 1(A) or 1(B) above as the case may be and as specified in the relevant Final Terms) having the best performance for each relevant Himalaya Valuation Period but provided that, once a Basket Constituent has been determined to have the best performance for any Himalaya Valuation Period, such Basket Constituent's performance shall be disregarded for each subsequent Himalaya Valuation Period

relating to the same Call Interest Payment Date (but shall not be disregarded in respect of subsequent Call Interest Payment Dates). As such, amounts due are not directly linked to any one Basket Constituent(s) and the positive performance of some Basket Constituent(s) may be offset by the negative performance of other Basket Constituent(s), particularly as a consistently high performing Basket Constituent will only have the first occurrence of its best performance (compared to other Basket Constituents) included in the calculation of the arithmetic average performance for the relevant Call Interest Payment Date.

II. PUT INTEREST

II-1: For the purposes of this sub-paragraph II:

"**Best Of Option**" means (i) where there is a single Underlying or Basket, the method by which the Calculation Agent selects the Best Of value, being the first, the second or the third and so forth (as specified in the applicable Final Terms), as the case may be, best performance of such Underlying or Basket among those determined in two or more periods specified in the applicable Final Terms; or (ii) where there are two or more Underlyings, or two or more Baskets, the method by which the Calculation Agent selects the Best Of Underlying or Basket, as the case may be, being the Underlying or Basket with the first, the second or the third and so forth (as specified in the applicable Final Terms) best performance compared with the other Underlyings or Baskets, as the case may be;

"**Cliquet Option**" means a method of calculation of the performance of the Underlying which is based on a series of forward start options. Each option will enter into force on the date specified in the applicable Final Terms. The Put Strike of each forward start option is reset when the option enters into force.

"**Final Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms.

"**Final Reference Value**" means the value of the relevant Underlying, Basket or Basket Constituent, as the case may be, determined on the Final Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation". When the Underlying is represented by a futures contract and if the Futures Contract N-th Near-by Feature and Rolling are specified as applicable in the relevant Final Terms, means the value of the Futures Contract N-th Near-by on the Final Observation Date;

"**Futures Contract N-th Near-by**" means, if the Futures Contract N-th Near-by Feature is specified as applicable, the n-th futures contract that has the same features of the futures contract indicated as Underlying.

The relevant Final Terms will specify:

(i) the ordinal number of the Futures Contract N-th Near-by to be used for the determination of the:

- Initial Reference Value or the Interim Initial Reference Value and/or
- the Reference Value and/or the Interim Final Reference Value or the Final Reference Value; and

(ii) if the Initial Reference Value or the Interim Initial Reference Value of the Underlying will be determined on the basis of a Futures Contract N-th Near-by. In such case, the Futures Contract N-th Near-by will be the n-th futures contract that has an expiration date which is the closest (but beyond) to the Initial Observation Date or Interim Initial Observation Date(s); and/or

(iii) if Rolling is specified as applicable. In such case, the Reference Value and/or the Interim Final Reference Value and/or the Final Reference Value will be determined on the basis of the Futures Contract N-th Near-by that will be the n-th futures contract with an expiration date which is the closest (but beyond) to any observation date/period during the lifetime of the Notes and/or to the Interim Final Observation Date(s) and/or to the Final Observation Date.

When the Futures Contract N-th Near-by replaces the futures contract indicated as Underlying, the applicable Final Terms will specify the relevant N-th Near-by Initial Date and/or the relevant Rollover Date(s). On the N-th Near-by Initial Date and/or the Rollover Dates, the Noteholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

"**Futures Contract N-th Near-by Feature**" means, if specified as applicable and when the Underlying is a futures contract, the feature pursuant to which the Calculation Agent will be entitled to determine, as specified in the relevant Final Terms:

(i) if the Initial Reference Value or Interim Initial Reference Value will be determined on the basis of a Futures Contract N-th Near-by; and/or

(ii) if Rolling is specified as applicable. In such case, the Reference Value in relation to any observation date/period during the lifetime of the Notes and/or the Interim Final Reference Value or the Final Reference Value will be determined on the basis of a Futures Contract N-th Near-by;

Himalaya Option means the method of calculation of the performance of a Basket based on a selection process in accordance with which, in each Himalaya Valuation Period, the Basket Constituent having the best Performance (each Performance of the Basket Constituent will be determined according to paragraph 1(A) or 1(B) below as the case may be and as specified in the relevant Final Terms) will be selected and removed from the Basket for each subsequent Himalaya Valuation Period(s) relating to the same Put Interest Payment Date (but shall not be removed in respect of subsequent Put Interest Payment Dates). Therefore, once the Basket Constituent has been selected in relation to a Himalaya Valuation Period, it will not be taken into account for the following Himalaya Valuation Period(s) relating to the same Put Interest Payment Date. On each such subsequent Himalaya Valuation Period, other best performing Basket Constituents will be selected and removed from the Basket for each subsequent Himalaya Valuation Period(s) relating to the same Put Interest Payment Date. As a result, for the purposes of the calculation of the Put Performance, the Calculation Agent will consider the arithmetic mean of the performance of the Basket Constituents having the best Performances in the relevant Himalaya Valuation Periods according to the selection process described above in this definition.

"**Himalaya Valuation Period(s)**" means the period(s) specified as such in the applicable Final Terms. For avoidance of doubt, there may be more than one Himalaya Valuation Period in relation to the same Put Interest Payment Date;

"**Initial Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms.

"**Initial Reference Value**" means (a) the predetermined value(s) indicated in the applicable Final Terms or (b) the value of the relevant Underlying, Basket or Basket Constituent, as the case may be, determined on the Initial Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation". When the Underlying is represented by a futures contract and the Futures Contract N-th Near-by Feature is specified as applicable, if in the relevant Final Terms is specified that the Initial Reference Value will be determined on the basis of the Futures Contract N-th Near-by, means the value of such Futures Contract N-th Near-by on the Initial Observation Date;

"**Interim Final Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Interim Final Reference Value**" means the value of the relevant Underlying, Basket or Basket Constituent, as the case may be, determined on the Interim Final Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation". When the Underlying is represented by a futures contract and if the Futures Contract N-th Near-by Feature and Rolling are specified as applicable in the relevant Final Terms, means the value of the Futures Contract N-th Near-by on the relevant observation date;

"**Interim Initial Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Interim Initial Reference Value**" means (a) the predetermined value(s)indicated in the applicable Final Terms or (b) the value of the relevant Underlying, Basket or Basket Constituent, as the case may be, determined on the Interim Initial Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation". When the Underlying is represented by a futures contract and the Futures Contract N-th Near-by Feature is specified as applicable, if in the relevant Final Terms is specified that

the Interim Initial Reference Value will be determined on the basis of the Futures Contract N-th Near-by, means the value of such Futures Contract N-th Near-by on the Interim Initial Observation Date(s);

"**Knock-in Event**" means the event specified in the applicable Final Terms that has to occur on a Knock-in Observation Date or at any time during the Knock-in Observation Period (as specified in the relevant Final Terms) for the Put Option to be applicable. The Knock-in Event will occur when the Reference Value of a single Underlying or Basket, on the relevant Knock-in Observation Date(s) or at any time during a Knock-in Observation Period (as specified in the applicable Final Terms):

(A) is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Knock-in Level**"); or

(B) falls within a range of values (the "**Knock-in Range**") specified in the applicable Final Terms;

"**Knock-in Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Knock-in Observation Period**" means the period specified as such in the applicable Final Terms;

"**Knock-out Event**" means the event specified in the applicable Final Terms that has to occur on a Knock-out Observation Date or at any time during the Knock-out Observation Period (as specified in the relevant Final Terms) for the Put Option to not be applicable. The Knock-out Event will occur when the Reference Value of a single Underlying or Basket, on the relevant Knock-out Observation Date(s) or at any time during a Knock-out Observation Period (as specified in the applicable Final Terms):

(A) is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Knock-out Level**"); or

(B) falls within a range of values (the "**Knock-out Range**") specified in the applicable Final Terms;

"**Knock-out Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Knock-out Observation Period**" means the period specified as such in the applicable Final Terms;

"**Margin**" means the value expressed as a percentage specified in the applicable Final Terms, which may be the same throughout all the Put Interest Periods, or it may be different in relation to each Put Interest Period, as specified in the applicable Final Terms;

"**Multiplier Factor**" or "**P**" means the multiplier used for the determination of the single performance of the Underlying and which (i) may be higher than, or lower than, or equal to 1 (i.e. 100%) or equal to 0 and (ii) will be specified in the applicable Final Terms;

"**N-th Near-by Initial Date**" means, when the Futures Contract N-th Near-by Feature is specified as applicable in the relevant Final Terms and that the Initial Reference Value or Interim Initial Reference Value will be determined on the basis of the Futures Contract N-th Near-by, the date specified in the applicable Final Terms on which the Futures Contract N-th Near-by will replace the futures contract indicated as Underlying.

As soon as the Futures Contract N-th Near-by replaces the futures contract on the N-th Near-by Initial Date, the Noteholders will be notified of the Futures Contract N-th Near-by which will be the Underlying, by a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com.

"**Participation Factor**" or "**PF**" means the multiplier used to determine the extent of the participation in the performance of the Underlying and which (i) may be higher than, or lower than, or equal to 1 (i.e. 100%) or equal to 0 and (ii) will be specified in the applicable Final Terms;

"**Put Interest Amount**" means the interest amount determined in the manner set out in this paragraph;

"**Put Interest Payment Date**" means one or more Business Day(s), specified in the applicable Final Terms, on which the Issuer shall pay, in arrear the relevant Put Interests Amount;

"**Put Option**" means an option that provides exposure to the performance of an Underlying, calculated as a single value (a "**European Put Option**") or calculated as an arithmetic mean (an "**Asian Put Option**"), in each case to

the extent of the relevant Participation Factor. If so specified in the applicable Final Terms, the Put Option (and, as a result, the calculation of the Put Performance) may be activated and/or deactivated upon occurrence, respectively, of a Knock-in Event or Knock-out Event;

"**Put Performance**" means the performance of the Underlying determined as specified below in paragraph II-4;

"**Put Strike**" means the value used in the calculation of the Underlying's performance, representing the level that has to be compared to the Final Reference Value in order to determine the performance;

"**Rainbow Option**" means a method for calculating the relevant Put Interest Amount when the Underlying is constituted by a Basket. Pursuant to such method of calculation, the Issuer will specify in the applicable Final Terms the weightings (expressed as percentages) of the Basket Constituents in the Basket and then such weightings will be assigned to each Basket Constituent on the basis of such Basket Constituent's performance compared to the performances of the other Basket Constituents;

"**Reference Value**" means the value of the Underlying, Basket Constituent or Basket, as the case may be, which will be (i) *in the case of a Basket Constituent or single Underlying,* either (A) *if the Final Terms specify a Knock-in Observation Period or Knock-out Observation Period,* observed continuously in the regular trading hours during such observation period, as displayed on the applicable Information Source and as specified in the applicable Final Terms, or (B) *otherwise, on any Knock-in Observation Date(s) or Knock-out Observation Date(s),* published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms; or (ii) *in the case of a Basket,* determined in accordance with the definition of "Basket Calculation". When the Underlying is represented by a futures contract and if the Futures Contract N-th Near-by Feature and Rolling are specified as applicable in the relevant Final Terms, means the value of the Futures Contract N-th Near-by on the relevant observation date/period;

"**Rolling**" means the feature that may be specified as applicable when the Futures Contract N-th Near-by Feature is specified as applicable in the relevant Final Terms, pursuant to which the Issuer will be entitled to determine the Reference Value in relation to any observation date during the lifetime of the Notes and/or Interim Final Reference Value or the Final Reference Value on the basis of a Futures Contract N-th Near-by;

"**Rollover Date(s)**" means, if Rolling is specified as applicable in the relevant Final Terms, the date(s) specified in the applicable Final Terms on which the Futures Contract N-th Near-by will replace the futures contract indicated as the Underlying in the applicable Final Terms. As soon as the Futures Contract N-th Near-by replaces the futures contract specified as Underlying on the Rollover Date, the Noteholders will be notified of the Futures Contract N-th Near-by which will be the Underlying, by a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

"**Worst Of Option**" means (i) where there is a single Underlying or Basket, the method by which the Calculation Agent selects the Worst Of value as the case may be, being the first, the second or the third and so forth (as specified in the applicable Final Terms) worst performance of such Underlying or Basket among those determined in two or more periods specified in the applicable Final Terms; or (ii) where the Underlying is represented by two or more single Underlyings, or two or more Baskets, the determination method where the Calculation Agent selects the worst of Underlying or Basket that is the underlying asset or Basket which the first, second or third (and so forth, depending on the number of the Underlyings) worst performance, compared with the other Underlyings or Baskets, as the case may be;

II-2:

Put Interest provides exposure, to the extent of the relevant Participation Factor, in the performance of an Underlying, calculated as a single value (if the applicable Final Terms specify as applicable European Put Option) or calculated as an arithmetic mean (if the applicable Final Terms specify as applicable Asian Put Option).

Each Put Interest Amount will be paid to the Noteholder in arrear on the relevant Put Interest Payment Date. The Maturity Date may fall on the same day as the Put Interest Payment Date or, if there is more than one Put Interest Payment Date, it may fall on one of the Put Interest Payment Dates.

The applicable Final Terms will specify whether, in relation to one or more Put Interest Amounts, the Maximum Rate and/or the Minimum Rate, the Best Of Option, the Worst Of Option, the Rainbow Option and the Cliquet Option are applicable.

The Put Interest Amount may be equal to zero, depending on the performance of the relevant Underlying and on the Minimum Rate of Interest (if applicable pursuant to the relevant Final Terms).

II-3:

The amount of each Put Interest Amount will be calculated by the Calculation Agent in accordance with the applicable formula set out in paragraph II-4, where such amount shall be rounded to the nearest EUR cent (with 0.005 EUR being rounded upwards) and it will be equal to the product of (A) the Calculation Amount, (B) the lower of (i) the Maximum Rate (if applicable); and (ii) the higher of (x) the Minimum Rate (if applicable) and (y) the Participation Factor multiplied by higher of (a) 0 and (b) the Put Performance multiplied by the Rate Days Count Fraction (if applicable), and increased or decreased by the Margin (if applicable) and (C) the Day Count Fraction (if applicable).

Whether or not the Put Option is applicable (and, as a result, whether the Put Performance will be calculated) may depend on the occurrence, respectively, of a Knock-in Event or a Knock-out Event, if so specified in the applicable Final Terms.

The Participation Factor may be equal to, lower than or higher than 1 (100%) or equal to 0. In the case the Participation Factor is equal to 100%, the Put Interest Amount will depend upon the total performance of the Underlying. Conversely, if the applicable Participation Factor is lower than 100%, the Put Interest Amount will depend upon a fraction of the performance of the Underlying. Finally, if the applicable Participation Factor is higher than 100%, the Put Interest Amount will depend upon a multiple of the performance of the Underlying;

II-4:

The relevant Final Terms will specify whether, for the purpose of the calculation of the Put Interest Amount, the Maximum Rate and/or the Minimum Rate and/or the Participation Factor and/or the Margin will be applicable and the formula with only the components specified as applicable will be reflected in the relevant item "Put Interest Amount". The formula applicable to the calculation of a Put Interest Amount is as follows:

C = CA × min {Maximum Rate; max {Minimum Rate; [PF × max (0; Put Performance × Rate Days Count Fraction) + Margin]}} × Day Count Fraction

Or

C = CA × min {Maximum Rate; max {Minimum Rate; [PF × max (0; Put Performance × Rate Days Count Fraction) - Margin]}} × Day Count Fraction

Where:

"**C**" means the Put Interest Amount;

"**CA**" means the Calculation Amount of the Notes;

"**PF**" means the Participation Factor.

"**Put Performance**" means:

1) <u>If the Put Interest is linked to a single financial asset (and not a Basket)</u>: the performance of the relevant Underlying (the "**Single Performance**"), calculated as:

(A) *where European Put Option is applicable (the "**Single Performance SV**"):*

The value of the relevant Underlying (the "**Underlying$_{(i)}$**") determined in accordance with the following formula:

$$\text{Single Performance}_{(i)}\,SV = \frac{P \times Underlying_{(i)}^{Initial} - Underlying_{(i)}^{Final}}{Underlying_{(i)}^{Initial}}$$

Where:

"***P***" means the multiplier specified in the applicable Final Terms as the Multiplier Factor;

"$\boldsymbol{Underlying_{(i)}^{Final}}$" means either (i) the Final Reference Value or (ii) the Interim Final Reference Value, as specified in the applicable Final Terms;

"$\boldsymbol{Underlying_{(i)}^{Initial}}$" means either (i) the Initial Reference Value or (ii) the Interim Initial Reference Value, as specified in the applicable Final Terms;

(B) *where Asian Put Option is applicable (the "**Single Performance AM**"):*

The arithmetic mean of the value of the relevant Underlying (the "**Underlying**$_{(i)}$") determined in accordance with one of the following formulas specified in the applicable Final Terms:

Single Performance$_{(i)}$ AM $= \frac{P \times Underlying_{(i)}^{Initial\ Average} - Underlying_{(i)}^{Final\ Average}}{Underlying_{(i)}^{Initial\ Average}}$

or Single Performance$_{(i)}$ AM $= \frac{P \times Underlying_{(i)}^{Initial\ Average} - Underlying_{(i)}^{Final}}{Underlying_{(i)}^{Initial\ Average}}$

or Single Performance$_{(i)}$ AM $= \frac{P \times Underlying_{(i)}^{Initial} - Underlying_{(i)}^{Final\ Average}}{Underlying_{(i)}^{Initial}}$

Where:

"***P***" means the multiplier specified in the applicable Final Terms as the Multiplier Factor;

"$\boldsymbol{Underlying_{(i)}^{Final}}$" means the Final Reference Value of the relevant Underlying;

"$\boldsymbol{Underlying_{(i)}^{Initial}}$" means the Initial Reference Value of the relevant Underlying;

"$\boldsymbol{Underlying_{(i)}^{Final\ Average}}$" means the arithmetic mean of the Interim Final Reference Values of the relevant Underlying. Such arithmetic mean and/or each Interim Final Reference Value may be subject to a cap (the "***Cap AM*** ^{Final}") and/or a floor (the "***Floor AM*** ^{Final}") as specified in the applicable Final Terms;

"$\boldsymbol{Underlying_{(i)}^{Initial\ Average}}$" means the arithmetic mean of the Interim Initial Reference Values of the relevant Underlying. Such arithmetic mean and/or each Interim Initial Reference Value may be subject to a cap (the "***Cap AM*** ^{Initial}") and/or a floor (the "***Floor AM*** ^{Initial}") as specified in the applicable Final Terms;

2) If the Put Interest Amount is linked to a Basket: the performance of the relevant Basket (the "**Basket Performance**") calculated as:

(A) *where European Put Option is applicable (the "**Basket Performance SV**"):*

(A_1) The performance of the Basket (the "**Basket**$_{(i)}$") determined as the sum of the performance of each Basket Constituent multiplied by the relevant Basket Constituent Weight, in accordance with one of the following formulas:

Where the Cap is specified as applicable:

Basket Performance$_{(i)}$ SV $= \sum_{i=1}^{n} Min\ (Cap; Single\ Performance_{(i)}SV)\ \times\ W_{(i)}$

Where the Floor is specified as applicable:

Basket Performance$_{(i)}$ SV $= \sum_{i=1}^{n} Max\ (Floor; Single\ Performance_{(i)}SV)\ \times\ W_{(i)}$

Where both the Cap and the Floor are specified as applicable:

Basket Performance$_{(i)}$ SV $=\sum_{i=1}^{n} Min\ [Cap; \max(Floor; Single\ Performance_{(i)}SV)] \times W_{(i)}$

Where neither the Cap nor the Floor are specified as applicable:

Basket Performance$_{(i)}$ SV $=\sum_{i=1}^{n} Single\ Performance_{(i)}SV \times W_{(i)}$

Where:

"***n***" means the number of the Basket Constituents;

"$\boldsymbol{Single\ Performance_{(i)}SV}$" means the performance calculated for each Basket Constituent in accordance with the formula specified above at paragraph 1(A);

"$\boldsymbol{W_{(i)}}$" means the Basket Constituent Weight. The Basket Constituent Weight may be:

(i) a percentage specified in the applicable Final Terms; or

(ii) if the "**Rainbow Option**" is specified as applicable, the weightings will be specified in the applicable Final Terms but each of such weightings will be assigned to the Basket Constituents depending on the performance of the relevant Basket Constituent as specified in the applicable Final Terms;

"***Cap***"means, if applicable, the value expressed as a percentage indicated in the applicable Final Terms;

"***Floor***" means, if applicable, the value expressed as a percentage indicated in the applicable Final Terms;

or

(A_2) The performance of the Basket (the "**Basket$_{(i)}$**") determined in accordance with the following formula:

$$\text{Basket Performance}_{(i)}\ \text{SV} = \frac{P \times Basket_{(i)}^{Initial} - Basket_{(i)}^{Final}}{Basket_{(i)}^{Initial}}$$

Where:

"***P***" means the multiplier specified in the applicable Final Terms as the Multiplier Factor;

"$\boldsymbol{Basket_{(i)}^{Final}}$" means the Final Reference Value of the Basket;

"$\boldsymbol{Basket_{(i)}^{Initial}}$" means the Initial Reference Value of the Basket equal, by definition, to 1;

(B) *where Asian Put Option is applicable (the "**Basket Performance AM**"), either:*

(B_1) The arithmetic mean of the performance of the Basket (the "**Basket$_{(i)}$**"), determined as the sum of the performances of the Basket Constituents in the Basket determined by reference to the arithmetic mean of the performance of each Basket Constituent multiplied by the relevant Basket Constituent Weight, in accordance with the following formula:

Basket Performance$_{(i)}$ AM $=\sum_{i=1}^{n} Single\ Performance_{(i)}AM \times W_{(i)}$

Where:

"***n***" means the number of the Basket Constituents;

"$\boldsymbol{Single\ Performance_{(i)}AM}$" means the performance calculated as the arithmetic mean of the performance of each Basket Constituent determined in accordance with one the formulas specified above at paragraph 1(B);

"$\boldsymbol{W_{(i)}}$" means the Basket Constituent Weight. The Basket Constituent Weight may be:

(i) a percentage specified in the applicable Final Terms; or

(ii) if the "**Rainbow Option**" is applicable, the weightings will be specified in the applicable Final Terms but each of such weightings will be assigned to each Basket Constituent depending on the performance of the relevant Basket Constituent as specified in the applicable Final Terms;

or

(B_2) The arithmetic mean of the value of the Basket (the "**Basket$_{(i)}$**") determined in accordance with one of the following formulas as specified in the applicable Final Terms:

$$\text{Basket Performance}_{(i)}\text{ AM} = \frac{P \times Basket_{(i)}^{Initial\ Average} - Basket_{(i)}^{Final\ Average}}{Basket_{(i)}^{Initial\ Average}}$$

$$\text{or Basket Performance}_{(i)}\text{ AM} = \frac{P \times Basket_{(i)}^{Initial\ Average} - Basket_{(i)}^{Final}}{Basket_{(i)}^{Initial\ Average}}$$

$$\text{or Basket Performance}_{(i)}\text{ AM} = \frac{P \times Basket_{(i)}^{Initial} - Basket_{(i)}^{Final\ Average}}{Basket_{(i)}^{Initial}}$$

Where

"$\boldsymbol{P}$" means the multiplier specified in the applicable Final Terms as the Multiplier Factor;

"$\boldsymbol{Basket_{(i)}^{Final}}$" means the Final Reference Value of the Basket;

"$\boldsymbol{Basket_{(i)}^{Initial}}$" means the Initial Reference Value of the Basket equal, by definition, to 1;

"$\boldsymbol{Basket_{(i)}^{Final\ Average}}$" means the arithmetic mean of the Interim Final Reference Values. Such arithmetic mean and/or each Interim Final Reference Value may be subject to a cap (the "$\boldsymbol{Cap\ AM^{Final}}$") and/or a floor (the "$\boldsymbol{Floor\ AM^{Final}}$") as specified in the applicable Final Terms;

"$\boldsymbol{Basket_{(i)}^{Initial\ Average}}$" means the arithmetic mean of the Interim Initial Reference Values. Such arithmetic mean and/or each Interim Initial Reference Value may be subject to a cap (the "$\boldsymbol{Cap\ AM^{Initial}}$") and/or a floor (the "$\boldsymbol{Floor\ AM^{Initial}}$") as specified in the applicable Final Terms;

The applicable formula of the Put Performance to be applied for the calculation of the Put Interest Amount will be reflected in the relevant item of the Final Terms "Formula for the calculation of the Put Performance" with only the applicable components.

3) If the "**Best Of Option**" is applicable:

(A) *If the Put Interest Amount is linked to a single Underlying or a single Basket:*

The "n" highest performance (where "n" may be the first, the second, the third and so forth best performance) of the Underlying or Basket selected by the Calculation Agent from among the performances of the Underlying or Basket determined in two or more periods specified in the applicable Final Terms (the "**Best Performance**"). The Best Performance will be determined as follows:

(i) the Calculation Agent will determine the performance of the Underlying or Basket, for the periods specified in the applicable Final Terms, in accordance with the formulas specified above at paragraph 1(A) or 1(B) for single Underlying and at paragraph 2(A) or 2(B) for single Basket;

(ii) the Calculation Agent will then sort such performances in descending order, from the highest value to the lowest;

(iii) the Best Performance will be the performance, in such descending order, that matches the number specified in the applicable Final Terms in relation to the Best Of Option. By way of example, if the Final Terms provide for the application of the First Best Of Option, the Best Performance will be the best Single Performance / Basket Performance among those determined for the periods specified in the applicable Final Terms; if the applicable Final Terms provide for the application of the Second Best Of Option, the Best Performance will be the second best Single Performance / Basket Performance among those determined for the periods specified in the applicable Final Terms, and so forth.

(B) *If the Put Interest Amount is linked to two or more Underlyings or two or more Baskets:*

(B_1) *if European Put Option is applicable*, the performance of the Underlying with the "n" highest performance (where "n" may be the first, the second, the third and so forth best performance) (the "**Best Performance SV**") of all the Underlyings or Baskets, as the case may be The Best Performance SV will be determined as follows:

(i) the Calculation Agent will determine the performance of each Underlying or Basket in accordance with the formulas specified above at paragraph 1(A) for Underlyings and at paragraph 2(A) for Baskets;

(ii) the Calculation Agent will then sort such performances in descending order, from the highest value to the lowest;

(iii) the Best Performance SV will be the performance calculated as the value of the Underlying or Basket whose performance, in such descending order, matches the number specified in the applicable Final Terms in relation to the Best Of Option. By way of example, if the Final Terms provide for the application of the First Best Of Option, the Best Performance SV will be the performance of the Underlying or Basket with the best Single Performance SV / Basket Performance SV compared to the other Underlying or Baskets; if the Final Terms provide for the application of the Second Best Of Option, the Best Performance SV will be the performance of the Underlying or Basket with the second best Single Performance SV / Basket Performance SV compared to the other Underlyings or Baskets, and so forth.

(B_2) *if Asian Put Option is applicable*, the performance of the Underlying calculated as an arithmetic mean with the "n" highest performance (where "n" may be the first, the second, the third and so forth best performance) (the "**Best Performance AM**") of all the Underlyings or Baskets. The Best Performance AM will be determined as follows:

(i) the Calculation Agent will determine the performance being equal to the arithmetic mean of the performance of each Underlying or Basket determined in accordance with the formulas specified above at paragraph 1(B) for Underlyings and at paragraph 2(B) for Baskets;

(ii) the Calculation Agent will then sort such performances in descending order, from the highest value to the lowest;

(iii) the Best Performance AM will be the performance calculated as the arithmetic mean of the performance of the Underlying or Basket whose performance, in such descending order, matches the number specified in the applicable Final Terms in relation to the Best Of Option. By way of example, if the Final Terms provide for the application of the First Best Of Option, the Best Performance AM will be the

performance of the Underlying or Basket with the best Single Performance AM / Basket Performance AM compared to the other Underlyings or Baskets; if the Final Terms provide for the application of the Second Best Of Option, the Best Performance AM will be the performance of the Underlying or Basket with the second best Single Performance AM / Basket Performance AM compared to the other Underlyings or Baskets, and so forth.

4) If the "**Worst Of Option**" is applicable:

(A) *If the Put Interest Amount is linked to a single Underlying or a single Basket:*

The "n" worst performance (where "n" may be the first, the second, the third and so forth worst performance) of the Underlying or Basket selected by the Calculation Agent from among the performances of the Underlying or Basket determined for two or more periods specified in the applicable Final Terms (the "**Worst Performance**"). In such case, the Worst Performance will be determined as follows:

(i) the Calculation Agent will determine the performance of the Underlying or Basket, for the periods specified in the applicable Final Terms, in accordance with the formulas specified above at paragraph 1(A) or 1(B) for single Underlying and at paragraph 2(A) or 2(B) for single Basket;

(ii) the Calculation Agent will then sort such performances in ascending order, from the lowest value to the highest;

(iii) the Worst Performance will be the performance, in such ascending order, that matches the number specified in the applicable Final Terms in relation to the Worst Of Option. By way of example, if the Final Terms provide for the application of the First Worst Of Option, the Worst Performance will be the lowest Single Performance / Basket Performance among those determined for the periods specified in the applicable Final Terms; if the applicable Final Terms provide for the application of the Second Worst Of Option, the Worst Performance will be the second lowest Single Performance / Basket Performance among those determined for the periods specified in the applicable Final Terms, and so forth.

(B) *If the Put Interest is linked to two or more Underlyings or two or more Baskets:*

(B_1) *if European Put Option is applicable*, the performance of the Underlying with the "n" lowest performance (where "n" may be the first, the second, the third and so forth worst performance) (the "**Worst Performance SV**") of all the Underlyings or Baskets. The Worst Performance SV will be determined as follows:

(i) the Calculation Agent will determine the performance calculated as the value of each Underlying or Basket in accordance with the formulas specified above at paragraph 1(A) for Underlyings and at paragraph 2(A) for Baskets;

(ii) the Calculation Agent will then sort such performances in ascending order, from the lowest value to the highest;

(iii) the Worst Performance SV will be the performance calculated as the value of the Underlying or Basket whose performance, in such ascending order, matches the number specified in the applicable Final Terms in relation to the Worst Of Option. By way of example, if the Final Terms provide for the application of the First Worst Of Option, the Worst Performance SV will be the performance of the Underlying or Basket with the worst Single Performance SV / Basket Performance SV compared to the other Underlyings or Baskets; if the Final Terms provide for the application of the Second Worst Of Option, the Worst Performance SV will be the performance of the Underlying or Basket with the second worst Single Performance SV / Basket Performance SV compared to the other Underlyings or Baskets, and so forth.

(B_2) *if Asian Put Option is applicable*, the performance of the Underlying calculated as an arithmetic

mean with the "n" lowest performance (where "n" may be the first, the second, the third and so forth worst performance) (the "**Worst Performance AM**") of all other Underlyings or Baskets The Worst Performance AM will be determined as follows:

(i) the Calculation Agent will determine the performance being equal to the arithmetic mean of the performance of each Underlying or Basket determined in accordance with the formulas specified above at paragraph 1(B) for Underlyings and at paragraph 2(B) for Baskets;

(ii) the Calculation Agent will then sort such performances in ascending order, from the lowest value to the highest;

(iii) the Worst Performance AM will be the performance calculated as the arithmetic mean of the performance of the Underlying or Basket whose performance, in such ascending order, matches the number specified in the applicable Final Terms in relation to the Worst Of Option. By way of example, if the Final Terms provide for the application of the First Worst Of Option, the Worst Performance AM will be the performance of the Underlying or Basket with the worst Single Performance AM / Basket Performance AM compared to the other Underlyings or Baskets; if the Final Terms provide for the application of the Second Worst Of Option, the Worst Performance AM will be the performance of the Underlying or Basket with the second worst Single Performance AM / Basket Performance AM compared to the other Underlyings or Baskets, and so forth.

5) If the "**Himalaya Option**" (where the Put Interest is linked to a Basket) is applicable:

The relevant performance is calculated by reference to the arithmetic average of the Performances of the Basket Constituents (each "**Performance**" of the Basket Constituent will be determined according to paragraph 1(A) or 1(B) above as the case may be and as specified in the relevant Final Terms) having the best performance for each relevant Himalaya Valuation Period but provided that, once a Basket Constituent has been determined to have the highest performance for any Himalaya Valuation Period, such Basket Constituent's performance shall be disregarded for each subsequent Himalaya Valuation Period relating to the same Put Interest Payment Date (but shall not be disregarded in respect of subsequent Put Interest Payment Dates). As such, amounts due are not directly linked to any one Basket Constituent(s) and the positive performance of some Basket Constituent(s) may be offset by the negative performance of other Basket Constituent(s), particularly as a consistently high performing Basket Constituent will only have its first-occurring highest performance included in the calculation of the arithmetic average performance for the relevant Put Interest Payment Date.

III. DIGITAL INTEREST

III-1: For the purposes of this sub-paragraph III:

"**Consolidation Effect**" means the effect in accordance with which, if there is more than one Digital Interest Period and a Digital Condition has occurred in relation to a Digital Interest Period, the Digital Condition relating to the following Digital Interest Period(s) will be deemed to have occurred;

"**Digital Condition**" means the condition specified in the applicable Final Terms that has to occur on a Digital Observation Date or at any time during the Digital Observation Period (as specified in the relevant Final Terms) in order for the relevant Digital Interest Amount to be paid. The Digital Condition may be a Single Performance Condition, Podium Performance Condition, Spread Performance Condition, Single Reference Value Condition, Podium Reference Value Condition, Spread Reference Value Condition, a Single Best Performance Condition or a Single Worst Performance Condition as described below;

"**Digital Interest Amount**" means the interest amount determined as specified in this paragraph III;

"**Digital Interest Payment Date**" means one or more Business Day(s) specified in the applicable Final Terms on which the Issuer shall pay in arrear the relevant Digital Interest Amount;

"**Digital Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Digital Observation Period(s)**" means the period(s) specified as such in the applicable Final Terms;

"**Digital Rate**" means Digital Rate 1 or Digital Rate 2, as applicable.

"**Digital Rate 1**" means (i) the fixed rate of interest or (ii) the floating rate of interest (which shall be calculated in accordance with the Floating Rate Note Provisions, to the extent applicable), each as specified in the Final Terms in relation to each Digital Interest Period payable when the relevant Digital Condition has occurred;

"**Digital Rate 2**" means, (i) the fixed rate of interest or (ii) the floating rate of interest (which shall be calculated in accordance with the Floating Rate Note Provisions, to the extent applicable), each as specified in the Final Terms in relation to each Digital Interest Period payable when the relevant Digital Condition has not occurred;

"**Final Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Final Reference Value**" means the value of the relevant Underlying, Basket Constituent or Basket, as the case may be, determined on the Final Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation".

"**Initial Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Initial Reference Value**" means (a) the predetermined value(s) indicated in the applicable Final Terms or (b) the value of the relevant Underlying, Basket Constituent or Basket, as the case may be, determined on the Initial Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation".

"**Interim Final Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Interim Final Reference Value**" means the value of the relevant Underlying, Basket Constituent or Basket, as the case may be, determined on the Interim Final Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket*, the value determined in accordance with the definition of "Basket Calculation";

"**Interim Initial Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Interim Initial Reference Value**" means (a) the predetermined value(s) indicated in the applicable Final Terms or (b) the value of the relevant Underlying, Basket Constituent or Basket, as the case may be, determined on the Interim Initial Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation";

"**Memory Effect**" means that where there is more than one Digital Interest Period and a Digital Condition has not occurred in relation to a Digital Interest Period or in relation to two or more Digital Interest Periods (and only when the Digital Rate is equal to 0% as a consequence of the non-occurrence of the Digital Condition), the Noteholder will receive an amount equal to the interest amounts payable in respect of the previous Digital Interest Period (not paid because of the non-occurrence of the relevant Digital Condition) on the Digital Interest Payment Date relating to the Digital Interest Period where the Digital Condition has occurred.

"**Multiplier Factor**" or "**P**" means, the multiplier used for the determination of the performance of the Underlying that (i) may be higher than, or lower than, or equal to 1 (i.e. 100%) or equal to 0 and (ii) will be specified in the applicable Final Terms;

"**Reference Value**" means the value of the Underlying, Basket Constituent or Basket, as the case may be, which will be (i) *in the case of a Basket Constituent or single Underlying,* either (A) *if the Final Terms specify a Digital Observation Period,* observed continuously in the regular trading hours during such Digital Observation Period, as displayed on the applicable Information Source and as specified in the applicable Final Terms, or (B) *otherwise,*

on any Digital Observation Date(s), published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms; or (ii) *in the case of a Basket,* determined in accordance with the definition of "Basket Calculation";

"**Reload Effect**" means that where such effect applies, on each Digital Interest Payment Date following the Digital Interest Payment Date in respect of which a Digital Condition has been satisfied (such a Digital Interest Payment Date in respect of which a Digital Condition has been satisfied, a "**Reloaded Digital Interest Payment Date**"), the Noteholder will receive a Digital Interest Amount equal to the Digital Interest Amount paid in respect of the Reloaded Digital Interest Payment Date.

The Notes will not provide simultaneously for the Consolidation Effect and the Reload Effect to apply.

III-2:

Where Digital is applicable, a fixed rate of interest or a floating rate of interest will be paid on the relevant Digital Interest Payment Date equal to (i) Digital Rate 1 if the Digital Condition in relation to the Digital Interest Period has been satisfied or (ii) Digital Rate 2 if the Digital Condition in relation to the Digital Interest Period has not been satisfied.

Each Digital Interest Amount will be paid to the Noteholder in arrear on the relevant Digital Interest Payment Date. The Maturity Date may fall on the Digital Interest Payment Date or, if there is more than one Digital Interest Payment Date, it may fall on one of the Digital Interest Payment Dates.

If so provided in the applicable Final Terms, on the same Digital Interest Payment Date, the Noteholder shall have the right to receive an additional Digital Interest Amount linked to a different Digital Condition and whose payment will not depend upon the occurrence of the first Digital Condition.

The applicable Final Terms will specify whether, in relation to one or more Digital Interest Period, the Consolidation Effect, or the Memory Effect, or the Reload Effect are applicable.

III-3:

The amount of each Digital Interest Amount will be calculated by the Calculation Agent in accordance with the applicable formula set out in paragraph III-4, where such amount shall be rounded to the nearest EUR cent (with 0.005 EUR being rounded upwards) and it will be equal to the product of (A) the Calculation Amount, (B) Digital Rate 1 or Digital Rate 2, as the case may be, and (C) the Day Count Fraction.

III-4:

The formulas applicable to the calculation of Digital Interest Amounts are as follows and will be reflected in the relevant item of the Final Terms "Digital Interest Amount":

(i) If the Digital Condition has occurred in respect of a Digital Interest Period:

C = CA × Digital Rate 1 × Day Count Fraction

(ii) If the Digital Condition has not occurred in respect of a Digital Interest Period:

C = CA × Digital Rate 2 × Day Count Fraction

Where

"**C**" means the Digital Interest Amount;

"**CA**" means the Calculation Amount of the Notes;

"***Day Count Fraction***" means the day count fraction specified in the applicable Final Terms. For avoidance of doubt, the day count fraction may be the same for both the Digital Rates or differ in relation to each Digital Rate, as specified in the relevant Final Terms.

"***Digital Rate 1***" and "***Digital Rate 2***" will be (i) a fixed rate of interest or (ii) a floating rate of interest

(which shall be calculated in accordance with the Floating Rate Note Provisions, to the extent applicable), each as specified in the applicable Final Terms depending upon the satisfaction or the non-satisfaction of a Digital Condition. Digital Rate 1, Digital Rate 2 and the Digital Condition might change for each Digital Interest Period;

"**Digital Condition**" may be, for each Digital Interest Period, a condition:

1) *linked to the performance of a single Underlying or Basket* (the "**Single Performance Condition**")

The Single Performance Condition will be satisfied if the Performance of a single Underlying or Basket:

(A) is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**"), or

(B) falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

The "**Performance**" will be calculated as a "**Single Performance**" or a "**Basket Performance**" in accordance with the following method:

(a) in the case of a <u>single Underlying</u>, the Performance ("**Single Performance$_{(i)}$**"), will be calculated as a value or as an arithmetic mean in accordance with one of the following formulas as specified in the applicable Final Terms:

Single Performance$_{(i)}$ = $\frac{Underlying_{(i)}^{Final} - P \times Underlying_{(i)}^{Initial}}{Underlying_{(i)}^{Initial}}$

or Single Performance$_{(i)}$ = $\frac{Underlying_{(i)}^{Final\ Average} - P \times Underlying_{(i)}^{Initial\ Average}}{Underlying_{(i)}^{Initial\ Average}}$

or Single Performance$_{(i)}$ = $\frac{Underlying_{(i)}^{Final\ Average} - P \times Underlying_{(i)}^{Initial}}{Underlying_{(i)}^{Initial}}$

or Single Performance$_{(i)}$ = $\frac{Underlying_{(i)}^{Final} - P \times Underlying_{(i)}^{Initial\ Average}}{Underlying_{(i)}^{Initial\ Average}}$

Where

"***P***" means, if applicable, the multiplier specified in the applicable Final Terms as the Multiplier Factor;

"$\boldsymbol{Underlying_{(i)}^{Final}}$" means the Final Reference Value of the relevant Underlying;

"$\boldsymbol{Underlying_{(i)}^{Initial}}$" means the Initial Reference Value of the relevant Underlying;

"$\boldsymbol{Underlying_{(i)}^{Final\ Average}}$" means the arithmetic mean of the Interim Final Reference Values of the relevant Underlying; and

"$\boldsymbol{Underlying_{(i)}^{Initial\ Average}}$" means the arithmetic mean of the Interim Initial Reference Values of the relevant Underlying;

(b) in the case of a <u>single Basket</u>, the weighted average of the performances of each Basket Constituent ("**Basket Performance$_{(i)}$**"), will be calculated in accordance with the following formula:

Basket Performance$_{(i)}$ SV = $\sum_{i=1}^{n} Single\ Performance_{(i)} SV \times W_{(i)}$

Where:

"n" means the number of the Basket Constituents;

"$Single\ Performance_{(i)}SV$" means the performance calculated as a value of each Basket Constituent in accordance with the formula specified above at paragraph 1(a);

"$W_{(i)}$" means the Basket Constituent Weight. The Basket Constituent Weight will be a percentage specified in the applicable Final Terms;

The applicable formula of the Performance for the purpose of the determination of the Digital Condition will be reflected in the relevant item of the Final Terms "Formula for calculating the Performance" with only the applicable components.

2) *linked to the performance of a number of Underlyings specified in the applicable Final Terms* (the "**Podium Performance Condition**")

In the case of more than one Underlying or Basket, the Podium Performance Condition occurs when the Single Performance Condition has been satisfied at least in relation to the number ("**N**") of such Underlyings or Baskets specified in the applicable Final Terms. The Single Performance Condition is considered as having occurred in one of the following cases, as specified in the applicable Final Terms:

(A) the Single Performance of at least N Underlyings or the Basket Performance of at least N Baskets is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**") specified in the applicable Final Terms; or

(B) the Single Performance of at least N Underlyings or the Basket Performance of at least N Baskets falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

By way of example, if the applicable Final Terms provide for five Underlyings and the Podium Performance Condition is specified as being satisfied if the Single Performance of at least three Underlyings is higher than the relevant Barrier Level, the Podium Performance Condition will be satisfied if the Single Performances of three Underlyings out of five are higher than the relevant Barrier Level.

The Single Performance and/or the Basket Performance will be determined in accordance with the formulas specified at paragraphs 1(a) and 1(b) of this paragraph III.

3) *linked to the difference between the performance of two Underlyings* (the "**Spread Performance Condition**")

The Spread Performance Condition will be satisfied when the difference between the Single Performance of an Underlying or the Basket Performance of a Basket (the "**Underlying 1**" or the "**Basket 1**") and the Single Performance of another Underlying or another Basket Performance of a Basket (the "**Underlying 2**" or the "**Basket 2**") (such difference, the "**Spread Performance**") is:

(A) higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a percentage (the "**Barrier Level**") specified in the applicable Final Terms; or

(B) falls within a range of percentages (the "**Reference Range**") specified in the applicable Final Terms.

The Single Performance and/or the Basket Performance will be determined in accordance with the formula specified at paragraphs 1(a) and 1(b) of this paragraph III.

4) *linked to the Reference Value of a single Underlying/Basket* (the "**Single Reference Value Condition**")

The Single Reference Value Condition will be satisfied when the Reference Value of a single Underlying or Basket, on the relevant Digital Observation Date(s) or at any time during a Digital Observation Period (as specified in the applicable Final Terms):

(A) is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**") specified in the applicable Final Terms; or

(B) falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

5) *linked to the Reference Values of a number of Underlyings or Baskets specified in the applicable Final Terms* (the "**Podium Reference Value Condition**")

In the case of more than one Underlying or Basket, the Podium Reference Value Condition will be satisfied when the Single Reference Value Condition has been satisfied, on the relevant Digital Observation Date(s) or at any time during a Digital Observation Period (as specified in the applicable Final Terms), at least in relation to the number ("**N**") of such Underlyings or Baskets specified in the applicable Final Terms. The Single Reference Value Condition is considered as satisfied in one of the following cases as specified in the applicable Final Terms:

(A) the Single Reference Value of at least N Underlyings or Baskets is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**") specified in the applicable Final Terms; or

(B) the Single Reference Value of at least N Underlyings or Baskets falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

By way of example, if the applicable Final Terms provide for five Underlyings and the Podium Reference Value Condition is specified as having been satisfied if the Single Reference Value of at least three Underlyings is higher than the Barrier Level, the Podium Reference Value Condition will be satisfied if the Single Reference Values of three Underlyings out of five are higher than the relevant Barrier Level.

6) *linked to the difference between the Reference Values of two Underlyings* (the "**Spread Reference Value Condition**")

The Spread Reference Value Condition is satisfied when the difference between the Single Reference Value of an Underlying or Basket (the "**Underlying 1**" or the "**Basket 1**") and the Single Reference Value of another Underlying or Basket (the "**Underlying 2**" or the "**Basket 2**") (such difference, the "**Spread Reference Value**") on the relevant Digital Observation Date(s) or at any time during a Digital Observation Period (as specified in the applicable Final Terms) is:

(A) higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**") specified in the applicable Final Terms; or

(B) falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

7) *linked to the best performance of a single Underlying or a single Basket* (the "**Single Best Performance Condition**"):

The Single Best Performance Condition will be satisfied if the Best Performance of a single Underlying or Basket:

(A) is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**") specified in the applicable Final Terms, or

(B) falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

For the purposes of this paragraph, the "**Best Performance**" is the "n" highest performance (where "n" may be the first, the second, the third and so forth best performance) of the Underlying or Basket selected by the Calculation Agent from among the performances of the Underlying or Basket determined for two or more periods specified in the applicable Final Terms. The Best Performance will be determined as follows:

i. the Calculation Agent will determine the performance of the Underlying or Basket, for the periods specified in the applicable Final Terms, in accordance with the formulas specified above at paragraph 1(a) for single Underlyings and at paragraph 1(b) for Baskets;

ii. the Calculation Agent will then sort such performances in descending order, from the highest value to the lowest;

iii. the Best Performance will be the performance, in such descending order, that matches the number of best performance specified in the applicable Final Terms. By way of example, the Final Terms will indicate if the Best Performance will be the best performance of the Underlying or Basket among those determined for the periods specified in the applicable Final Terms or if the Best Performance will be the second best performance of the Underlying or Basket among those determined for the periods specified in the applicable Final Terms, and so forth.

8) *linked to the worst performance of a single Underlying or a single Basket* (the "**Single Worst Performance Condition**"):

The Single Worst Performance Condition will be satisfied if the Worst Performance of a single Underlying or Basket:

(A) is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**") specified in the applicable Final Terms, or

(B) falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

For the purposes of this paragraph, the "**Worst Performance**" is the "n" worst performance (where "n" may be the first, the second, the third and so forth worst performance) of the Underlying or Basket selected by the Calculation Agent among the performances of the Underlying or Basket determined for two or more periods specified in the applicable Final Terms. In such case, the Worst Performance will be determined as follows:

i. the Calculation Agent will determine the performance of the Underlying or Basket, on the periods specified in the applicable Final Terms, in accordance with the formulas specified above at paragraph 1(a) above for single Underlyings and at paragraph 1(b) above for Baskets;

ii. the Calculation Agent will then sort such performances in ascending order, from the lowest value to the highest;

iii. the Worst Performance will be the performance, in such ascending order, that matches the number of worst performance specified in the applicable Final Terms. By way of example, the Final Terms will indicate if the Worst Performance will be the lowest performance of the Underlying or Basket among those determined on the periods specified in the applicable Final Terms or if the Worst Performance will be the second lowest performance of the Underlying or Basket among those determined on the periods specified in the applicable Final Terms, and so forth.

IV. RANGE ACCRUAL INTEREST

IV-I: For the purposes of this sub-paragraph IV:

"**Fluctuation Range**" means a range of values that is to be considered in relation to the Reference Value (which may be inside or outside such range) for the purposes of the calculation of the Range Accrual Interest Amount in accordance with the applicable calculation formula. The Final Terms will specify (i) the values constituting such Fluctuation Range, or (ii) the percentages of the values constituting such Fluctuation Range to be determined as set out in the relevant Final Terms. For avoidance of doubt, the Fluctuation Range is always denominated in the same currency used for the determination of the Reference Values (even where this is a different currency from the Specified Currency). As specified in the relevant Final Terms, the lowest value of the Fluctuation Range may be equal to, or lower than, zero;

"**In Range Days**" means, in relation to a Range Accrual Interest Amount, the ratio between (i) the number of days within the Reference Period on which the Reference Value falls inside the relevant Fluctuation Range and (ii) the total number of days that constitutes the Reference Period, Expressed as formula as follows:

$$In\ Range\ Days = \frac{n}{N}$$

Where:

"**n**" means the number of days within the relevant Reference Period on which the Reference Value falls inside the

relevant Fluctuation Range. In order to determine "n", when the Reference Value falls within the relevant Fluctuation Range, the applicable Final Terms will specify whether such Reference Value will also be considered as inside the relevant Fluctuation Range in respect of the immediately following day(s) that are not Business Day(s) (therefore, whether such day(s) will be counted as "n" day(s)); similarly, if the Reference Value on a Business Day falls outside the relevant Fluctuation Range, the applicable Final Terms will specify whether such Reference Value will also be considered as outside the relevant Fluctuation Range in respect of the immediately following day(s) that are not Business Day(s); and

"**N**" means the total number of days (or Business Days, as specified in the applicable Final Terms) in the relevant Reference Period.

"**In Range Yield**" means the interest rate specified in the Final Terms, used for the calculation of the Range Accrual Interest Amount for the days when the Reference Value, in relation to the relevant Range Accrual Interest Period, is within the relevant Fluctuation Range.

Such interest rate will be, as specified in the applicable Final Terms, a fixed rate, or a floating rate (such as the yield of government securities, interbank offered rates, swap rates, specified in the Final Terms and determined in accordance with such Final Terms) as increased or reduced by the Margin (if so specified in the relevant Final Terms), or a rate equal to zero.

Where the In Range Yield is a floating rate, the Out Range Yield will not be the same floating rate specified for the In Range Yield and will be multiplied by the Rate Days Count Fraction if specified as applicable in such Final Terms. Where the In Range Yield is a floating rate, such floating rate shall be determined in accordance with subparagraph (B), (C) and (D) of Condition 3(d), as specified in the applicable Final Terms, where Floating Interest Period, Floating Interest Accrual Date and Floating Interest Payment Date shall be the Range Accrual Interest Period, Range Accrual Interest Accrual Date and Range Accrual Interest Payment Date, respectively.

If the In Range Yield is zero, the Out Range Yield will be greater than zero.

If the In Range Yield is a fixed rate, such rate may be identical or different in relation to each Range Accrual Interest Period.

"**Margin**" means value expressed as a percentage to be added or to be subtracted (as specified in the applicable Final Terms) to the In Range Yield and/or Out Range Yield.

The Margin may be the same throughout all the Range Accrual Interest Periods, or it may change in relation to each Range Accrual Interest Period, as specified in the applicable Final Terms;

"**Out Range Days**" means, in relation to a Range Accrual Interest Amount, the ratio between (i) the number of days within the Reference Period on which the Reference Value of the Reference Rate falls outside the relevant Fluctuation Range and (ii) the total number of days that constitutes the Reference Period, expressed as a formula as follows:

$$Out\ Range\ Days = \frac{(N-n)}{N}$$

Where:

"**n**" means the number of days within the relevant Reference Period on which the Reference Value falls inside the relevant Fluctuation Range. In order to determine "n", when the Reference Value falls within the relevant Fluctuation Range, the applicable Final Terms will specify whether such Reference Value will also be considered as inside the relevant Fluctuation Range in respect of the immediately following day(s) that are not Business Day(s) (therefore, whether such day(s) will be counted as "n" day(s)); similarly, if the Reference Value on a Business Day falls outside the relevant Fluctuation Range, the applicable Final Terms will specify whether such Reference Value will also be considered as outside the relevant Fluctuation Range in respect of the immediately following day(s) that are not Business Day(s); and

"**N**" means the total number of days (or Business Days, as specified in the applicable Final Terms) in the relevant Reference Period.

"**Out Range Yield**" means the interest rate specified in the Final Terms used for the calculation of the Range

Accrual Interest Amount for the days when the Reference Value, in relation to the relevant Range Accrual Interest Period, is outside the relevant Fluctuation Range.

Such interest rate will be, as specified in the Final Terms, a fixed rate, or a floating rate (such as the yield of government securities, interbank offered rates, swap rates specified in the Final Terms and determined in accordance with such Final Terms) increased or reduced by the Margin (if so specified in the relevant Final Terms), or a rate equal to zero.

Where the Out Range Yield is a floating rate, the In Range Yield will not be the same floating rate that represents the Out Range Yield and will be multiplied by the Rate Days Count Fraction if specified as applicable in such Final Terms. Where the Out Range Yield is a floating rate, such floating rate shall be determined in accordance with subparagraph (B), (C) and (D) of Condition 3(d), as specified in the applicable Final Terms, where Floating Interest Period, Floating Interest Accrual Date and Floating Interest Payment Date shall be the Range Accrual Interest Period, Range Accrual Interest Accrual Date and Range Accrual Interest Payment Date, respectively.

If the Out Range Yield is zero, the In Range Yield will be greater than zero.

If the Out Range Yield is a fixed rate, such rate may be identical or different in relation to each Range Accrual Interest Period.

"**Range Accrual Interest Amount**" means the interest amount determined as specified in this paragraph;

"**Range Accrual Interest Payment Date**" means one or more Business Day(s), specified in the applicable Final Terms, on which the Issuer shall pay, in arrear the Range Accrual Interest Amounts;

"**Reference Period**" means the period during which the value of the Reference Value will be determined, for the purposes of the calculation of the Range Accrual Interest Amount pursuant to the relevant calculation formula specified in the Final Terms. In the event of more Reference Periods, the relevant Final Terms will specify the "**First Reference Period**", the "**Second Reference Period**", and so on;

"**Reference Value**" means, in relation to a Range Accrual Interest Amount, to the Underlying(s) and to any day within the relevant Reference Period, the value on such day, or the differential between the values of two Underlyings determined on such day or the differential between the values determined on different days of the Underlying which will be (i) *in the case of a Basket Constituent or single Underlying,* published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* determined in accordance with the definition of "Basket Calculation".

IV-2:

Where Range Accrual Interest is applicable, payment of interest (at the rate of interest specified in the Final Terms) will depend on whether the Reference Value of the Underlying (or the Reference Values of more than one Underlying, or the difference between the Reference Values of two Underlyings) falls inside or outside the relevant Fluctuation Range. In the first case, the interest rate will be equal to the In Range Yield specified in the applicable Final Terms; in the second case, the interest rate will be equal to the Out Range Yield specified in the applicable Final Terms.

The In Range Yield and the Out Range Yield may be equal to zero. In such case, the amount of the Range Accrual Interest Amounts will be higher than zero only when the Reference Value falls inside the Fluctuation Range (when the Out Range Yield is zero) or outside the Fluctuation Range (when the In Range Yield is zero).

Each Range Accrual Interest Amount will be paid to the Noteholder in arrear on the relevant Range Accrual Interest Payment Date. The Maturity Date may fall on the Range Accrual Interest Payment Date or, if there is more than one interest payment date, it may fall on one of the Range Accrual Interest Payment Dates.

IV-3:

The amount of each Range Accrual Interest Amount will be calculated by the Calculation Agent in accordance with the formulas set out in paragraph IV-4 with such amount rounded to the nearest EUR cent (with 0.005 EUR being rounded upwards) and will be equal to the product of (A) the Calculation Amount, (B) the lower of (i) the Maximum Rate (if applicable); and (ii) the higher of (x) the Minimum Rate (if applicable) and (y) the sum of:

(1) a rate equal to the product of (I) the In Range Yield multiplied by the Rate Days Count Fraction (if applicable), and (II) the ratio between (i) the number of days in which the Reference Value falls inside the Fluctuation Range (In Range Days) and (ii) the total number of days of the Reference Period; and

(2) a rate equal to the product of (I) the Out Range Yield multiplied by the Rate Days Count Fraction (if applicable), and (II) the ratio between (i) the number of days in which the Reference Value falls outside the Fluctuation Range (Out Range Days) and (ii) the total number of days of the Reference Period, and (C) the Day Count Fraction.

Each Range Accrual Interest Amount may be linked to more than one Underlying. In such case, the applicable Final Terms will specify the number of Underlyings that have to fall inside or outside the Fluctuation Range, in order to determine the In Range Days and the Out Range Days. By way of example, the applicable Final Terms may indicate that, in order to determine the Range Accrual Interest Amount, the In Range Yield will be payable if at least three Underlyings out of five fall inside the Fluctuation Range. Conversely, the Out Range Yield will be payable.

Finally, it should be noted that the In Range Yield and the Out Range Yield may be the same until the Maturity Date (and identical for all the Range Accrual Interest Periods) or differ in relation to each Range Accrual Interest Period as specified in the Final Terms.

IV-4:

The relevant Final Terms will specify whether, for the purpose of the calculation of the Range Accrual Interest Amount, the Maximum Rate and/or the Minimum Rate will be applicable and the formula with only the components specified as applicable will be reflected in the relevant item "Range Accrual Interest Amount". The formula applicable to the calculation of Range Accrual Interest Amounts is as follows:

C = CA × min {Maximum Rate; max {Minimum Rate; [(In Range Yield × Rate Days Count Fraction × In Range Days) +/- In Range Spread]+ [(Out Range Yield × Rate Days Count Fraction × Out Range Days) +/- Out Range Spread]}} × Day Count Fraction

Where

"**C**" means the Range Accrual Interest Amount;

"**CA**" means the calculation amount of the Notes;

"**In Range Spread**" means, if applicable, the value expressed as a percentage (as specified in the applicable Final Terms);

"**Out Range Spread**" means, if applicable, the value expressed as a percentage (as specified in the applicable Final Terms).

V. SPREAD INTEREST

V-1: For the purposes of this sub-paragraph V:

"**Final Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Final Reference Value**" means the value of the relevant Underlying, Basket or Basket Constituent, as the case may be, determined on the Final Observation Date and which will be (i) *in the case of a Basket Constituent or single Underlying*, the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* determined in accordance with the definition of "Basket Calculation".

"**Initial Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Initial Reference Value**" means (a) the predetermined value(s) indicated in the applicable Final Terms or (b) the value of the relevant Underlying, Basket or Basket Constituent, as the case may be, determined on the Initial Observation Date and which will be (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as

determined in accordance with the Final Terms or (ii) *in the case of a Basket,* determined in accordance with the definition of "Basket Calculation";

"**Interim Final Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Interim Final Reference Value**" means the value of the relevant Underlying, Basket or Basket Constituent, as the case may be, determined on the Interim Final Observation Date and which will be (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* determined in accordance with the definition of "Basket Calculation";

"**Interim Initial Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Interim Initial Reference Value**" means (a) the predetermined value(s) indicated in the applicable Final Terms or (b) the value of the relevant Underlying, Basket or Basket Constituent, as the case may be, determined on the Interim Initial Observation Date and which will be (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* determined in accordance with the definition of "Basket Calculation";

"**Margin**" means the value expressed as a percentage to be added or to be subtracted (as specified in the applicable Final Terms) to the amount of the Spread multiplied by the Participation Factor, which may be the same throughout all the Spread Interest Periods, or it may be different in relation to each Spread Interest Period, as specified in the applicable Final Terms;

"**Participation Factor**" or "**PF**" means the multiplier used to determine the exposure of the Note to the spread between the values or the performances of two Underlyings;

The Participation Factor may be higher than, or lower than, or equal to 1 (i.e. 100%) or equal to 0;

"**Performance**" means the performance of the Underlying calculated according to the following formula:

$$\frac{Underlying_{(i)}^{Final} - P \times Underlying_{(i)}^{Initial}}{Underlying_{(i)}^{Initial}}$$

Where:

"***P***" means the multiplier that (i) may be higher than, or lower than, or equal to 1 (i.e. 100%) or equal to 0 and (ii) will be specified in the applicable Final Terms;

"$\boldsymbol{Underlying_{(i)}^{Final}}$" means the Final Reference Value of the relevant Underlying;

"$\boldsymbol{Underlying_{(i)}^{Initial}}$" means the Initial Reference Value of the relevant Underlying;

"**Reference Value**" means in relation to a Spread Interest Amount and an Underlying:

(a) where such Spread Interest Amount is linked to the Spread between the prices or levels or values of two Underlyings:

(i) if a single Observation Date is specified in the Final Terms in relation to the Underlying, the value of the Underlying on the relevant Observation Date as (i) *in the case of a Basket Constituent or single Underlying,* published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* determined in accordance with the definition of "Basket Calculation";

(ii) if more than one Observation Date is specified in the Final Terms in relation to the Underlying, the arithmetic mean of the values of such Underlying determined on the relevant Observation Dates, as (i) *in the case of a Basket Constituent or single Underlying,* published by the Information Source specified in the Final Terms or, if the Information Source is not available,

as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* determined in accordance with the definition of "Basket Calculation".

(b) where the Spread Interest Amount is linked to the Spread between the performance of two Underlyings, as the case may be, the Initial Reference Value or the Final Reference Value, the Interim Initial Reference Value or the Interim Final Reference Value of such Underlying, as the case may be;

"**Spread**" means the value expressed as percentage calculated in accordance with one of the formulas below, as specified in the relevant Final Terms. In particular, depending on the Underlyings, the Spread is calculated as the difference either:

(i) in relation to Underlyings which are interest rates, inflation rates or swap rates only:

$$Spread = Min[Cap_1; Max(Floor_1; Rate\ Multiplier1 \times Reference\ Value\ of\ Underlying\ 1)] - Min[Cap_2; Max(Floor_2; Rate\ Multiplier2 \times Reference\ Value\ of\ Underlying\ 2)]$$

or

$$Spread = Fixed\ Value - Min[Cap_1; Max(Floor_1; Rate\ Multiplier1 \times Reference\ Value\ of\ Underlying1)]$$

(ii) in relation to Underlyings other than interest rates, inflation rates or swap rates:

$$Spread = Min[Cap_1; Max(Floor_1; Rate\ Multiplier1 \times Performance\ of\ Underlying\ 1 \times Rate\ Days\ Count\ Fraction)] - Min[Cap_2; Max(Floor_2; Rate\ Multiplier2 \times Performance\ of\ Underlying\ 2 \times Rate\ Days\ Count\ Fraction)]$$

or

$$Spread = Fixed\ Value - Min[Cap_1; Max(Floor_1; Rate\ Multiplier1 \times Performance\ of\ Underlying1 \times Rate\ Days\ Count\ Fraction)]$$

Where:

"**Cap_1**" means, if applicable, the value expressed as a percentage, always higher than 0 per cent., indicated in the relevant Final Terms;

"**Cap_2**" means, if applicable, the value expressed as a percentage, always higher than 0 per cent., indicated in the relevant Final Terms;

"**Fixed Value**" means, if applicable, the value expressed as a percentage indicated in the relevant Final Terms;

"**$Floor_1$**" means, if applicable, the value expressed as a percentage indicated in the relevant Final Terms;

"**$Floor_2$**" means, if applicable, the value expressed as a percentage indicated in the relevant Final Terms;

"**Rate Days Count Fraction**" if specified as applicable in the Final Terms, has the meaning ascribed to it in the General Definitions above;

"**Rate Multiplier 1**"and "**Rate Multiplier 2**", if applicable, shall have the value expressed as a percentage indicated in the relevant Final Terms;

The relevant Final Terms will specify whether, for the purpose of the calculation of the Spread, the Cap_1 and/or the $Floor_1$ and/or Rate Multiplier1 and/or the Cap_2 and/or $Floor_2$ and/or Rate Multiplier2 and/or Fixed Value and/or Rate Days Count Fraction will be applicable and the formula with only the components specified as applicable will be reflected in the relevant item "Formula for calculating the Spread".

"**Spread Interest Amount**" means the amount of interest determined as specified in this paragraph V;

"**Spread Interest Payment Date**" means one or more Business Day(s), specified in the applicable Final Terms,

on which the Issuer shall pay, in arrear the Spread Interest Amounts;

"**Spread Option**" means the option that provides exposure to the difference between the values or the performance of two Underlyings multiplied by the Participation Factor;

"**Underlying 1**" means the underlying financial asset specified as such in the relevant Final Terms;

"**Underlying 2**" means the underlying financial asset specified as such in the relevant Final Terms.

V-2:

The Spread Interest Amount provides exposure, to the extent of the Participation Factor, to the difference (the "**Spread**") between the Reference Values or the Performances of two Underlyings.

Each Spread Interest Amount will be paid to the Noteholder in arrear on the relevant Spread Interest Payment Date. The Maturity Date may fall on the Spread Interest Payment Date or, if there is more than one Spread Interest Payment Date, it may fall on one of the Spread Interest Payment Dates.

The amount of each Spread Interest Amount will be calculated by the Calculation Agent in accordance with the formulas set out in paragraph V-3, where such amount is rounded to the nearest EUR cent (with 0.005 EUR being rounded upwards) and it will be equal to the product of (A) the Calculation Amount, (B) the lower of (i) the Maximum Rate (if applicable); and (ii) the higher of (x) the Minimum Rate (if applicable) and (y) the Participation Factor multiplied by the higher of (a) 0 and (b) the Spread between the Reference Values or performances of two Underlyings specified in the applicable Final Terms, and increased or decreased by the Margin and (C) the Day Count Fraction (if applicable).

It should be noted that the Participation Factor may be equal to, lower than or higher than 1 (100%) or equal to 0. In the case the Participation Factor is equal to 100% and the Margin is equal to 0, the Spread Interest Amount will be calculated by reference to the whole Spread. Conversely, if the applicable Participation Factor is lower than 100%, the Spread Interest Amount will be calculated by reference to a fraction of the Spread. Finally, if the applicable Participation Factor is higher than 100%, the Spread Interest Amount will be calculated by reference to a multiple of the Spread.

V-3:

The relevant Final Terms will specify whether, for the purpose of the calculation of the Spread Interest Amount, the Maximum Rate and/or the Minimum Rate and/or the Margin will be applicable and the formula with only the components specified as applicable will be reflected in the relevant item "Spread Interest Amount". The formula applicable to the calculation of Spread Interest Amounts is as follows:

C = CA × min {Maximum Rate; max {Minimum Rate; [PF × max (0; Spread) + Margin]}} × Day Count Fraction

Or

C = CA × min {Maximum Rate; max {Minimum Rate; [PF × max (0; Spread) - Margin]}} × Day Count Fraction

Where:

"**C**" means the Spread Interest Amount;

"**CA**" means the Calculation Amount of the Notes;

"**PF**" means the Participation Factor.

VI. FORWARD CMS INTEREST

VI-1: For the purposes of this sub-paragraph VI:

"**Forward CMS**" means the value calculated in accordance with the following formula:

$$\frac{(\mathrm{DV01_X} \times \mathrm{CMS_X}) - (\mathrm{DV01_Y} \times \mathrm{CMS_Y})}{(\mathrm{DV01_X} - \mathrm{DV01_Y})}$$

"**Forward CMS Determination Date**" means the date(s) specified as such in the applicable Final Terms;

"**Forward CMS Interest Amount**" means the amount of interest determined as specified in this paragraph VI;

"**Forward CMS Interest Payment Date**" means one or more Business Day(s), specified in the applicable Final Terms, on which the Issuer shall pay, in arrear the Forward CMS Interest Amounts;

"**$\mathrm{CMS_X}$**" means the applicable swap rate for swap transactions in the Reference Currency with a maturity equal to X years, expressed as a percentage, specified as such in the relevant Final Terms, as published on the Relevant Screen Page at the Specified Time on the Forward CMS Determination Date;

"**$\mathrm{CMS_Y}$**" means the applicable swap rate for swap transactions in the Reference Currency with a maturity equal to Y years, expressed as a percentage, specified as such in the relevant Final Terms, as published on the Relevant Screen Page at the Specified Time on the Forward CMS Determination Date;

"**$\mathrm{DV01_X}$**" means the value calculated in accordance with the following formula:

$$\sum_{t=1}^{X} \frac{1}{(1 + \mathrm{CMS_X})^t}$$

"**$\mathrm{DV01_Y}$**" means the value calculated in accordance with the following formula:

$$\sum_{z=1}^{Y} \frac{1}{(1 + \mathrm{CMS_Y})^z}$$

"**t**" means the number specified in the relevant Final Terms (t = 1,2… X);

"**X**" the number specified in the relevant Final Terms;

"**Y**" the number specified in the relevant Final Terms;

"**z**" means the number specified in the relevant Final Terms (z = 1,2… Y).

VI-2:

Each Forward CMS Interest Amount will be paid to the Noteholder in arrear on the relevant Forward CMS Interest Payment Date. The Maturity Date may fall on the Forward CMS Interest Payment Date or, if there is more than one Forward CMS Interest Payment Date, it may fall on one of the Forward CMS Interest Payment Dates.

VI-3:

The relevant Final Terms will specify whether, for the purpose of the calculation of the Forward CMS Interest Amount, the Maximum Rate and/or the Minimum Rate will be applicable. The formula applicable to the calculation of Forward CMS Interest Amounts is as follows:

C = CA × min {Maximum Rate; max {Minimum Rate; (Forward CMS + Margin)}} × Day Count Fraction

Where:

"**C**" means the Forward CMS Interest Amount;

"**CA**" means the Calculation Amount of the Notes;

"**Day Count Fraction**" means the day count fraction specified in the applicable Final Terms.

(b) ***Fixed Rate Interest***

This Condition 3(b) applies to Notes bearing Fixed Rate Interest only. The applicable Final Terms contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 3(b) for full information on the manner in which interest is calculated on the Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Fixed Interest Accrual Dates, Fixed Interest Period(s), the Rate(s) of Interest, the Fixed Interest Payment Date(s), the Maturity Date, the Fixed Coupon Amount, any applicable Broken Amount, the Calculation Amount, the Day Count Fraction, the Business Day Convention and any applicable Determination Date. The Rate of Interest may be specified in the applicable Final Terms either (x) as the same Rate of Interest for all Fixed Interest Periods or (y) as a different Rate of Interest in respect of one or more Fixed Interest Periods.

Each Fixed Rate Note bears interest in respect of each Fixed Interest Period at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Fixed Interest Payment Date(s) in each year up to (and including) the Maturity Date. Such interest will be payable in respect of each "**Fixed Interest Period**".

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which a Fixed Interest Payment Date should occur or (y) if any Fixed Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(1) the Following Business Day Convention, such Fixed Interest Payment Date shall be postponed to the next day which is a Business Day; or

(2) the Modified Following Business Day Convention, such Fixed Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Fixed Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(3) the Preceding Business Day Convention, such Fixed Interest Payment Date shall be brought forward to the immediately preceding Business Day.

Where the Business Day Convention is specified in the applicable Final Terms as being "Not applicable", the relevant date shall not be adjusted in accordance with any Business Day Convention.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Fixed Interest Payment Date in respect of the Fixed Interest Period will amount to the Fixed Coupon Amount. Payments of interest on any Fixed Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by:

(1) applying the relevant Rate of Interest to:

(A) in the case of Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

(B) in the case of Notes in definitive form, the Calculation Amount and,

(2) in each case, multiplying such result by the applicable Day Count Fraction.

The resultant figure will be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Note shall be the product of (i) the amount (determined in the manner provided above) for the Calculation Amount, (ii) the Specified Denomination and (iii) the

amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

(c) ***Fixed Reset Rate Interest***

This Condition 3(c) applies to Notes bearing Fixed Reset Rate Interest only. The applicable Final Terms contains provisions applicable to the determination of fixed reset rate interest and must be read in conjunction with this Condition 3(c) for full information on the manner in which interest is calculated on the Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Fixed Reset Interest Period, the Fixed Reset Interest Accrual Dates, the Initial Rate of Interest, the Fixed Reset Interest Payment Date(s), the Reset Date(s), the Reset Rate, the Reset Reference Rate(s), the Reset Margin(s), the Reset Determination Date(s), the Reset Rate Time, the Reset Rate Screen Page, the Mid Swap Maturity, the Day Count Fraction and the Relevant Financial Centre.

Each Fixed Reset Rate Note bears interest:

(i) in respect of the period from (and including) first Fixed Reset Interest Accrual Date (or the Interest Commencement Date) to (but excluding) the Reset Date (or, if there is more than one Reset Period, the first Reset Date occurring after the first Fixed Reset Interest Accrual Date (or the Interest Commencement Date)), at the rate per annum equal to the Initial Rate of Interest; and

(ii) in respect of the Reset Period (or, if there is more than one Reset Period, each successive Reset Period thereafter), at such rate per annum as is equal to the relevant Reset Rate, as determined by the Calculation Agent on the relevant Reset Determination Date in accordance with this Condition 3(c),

(such periods under (a) and (b) above, collectively, the "**Fixed Reset Interest Period**") payable, in each case, in arrear on the interest payment dates(s) (specified in the Final Terms) (each a "**Fixed Reset Interest Payment Date**").

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which a Fixed Reset Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(1) the Following Business Day Convention, such Fixed Reset Interest Payment Date shall be postponed to the next day which is a Business Day; or

(2) the Modified Following Business Day Convention, such Fixed Reset Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Fixed Reset Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(3) the Preceding Business Day Convention, such Fixed Reset Interest Payment Date shall be brought forward to the immediately preceding Business Day.

Where the Business Day Convention is specified in the applicable Final Terms as being "Not applicable", the relevant date shall not be adjusted in accordance with any Business Day Convention.

In these Terms and Conditions:

"**Mid Swap Benchmark Rate**" means EURIBOR if the Specified Currency is euro or, if the Specified Currency is not euro, the rate specified in the "Mid Swap Benchmark Rate" field in the applicable Final Terms for the Specified Currency.

"**Mid Swap Maturity**" means the maturity specified in the applicable Final Terms.

"**Mid Swap Rate**" means for any Reset Period the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate

payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (a) has a term of equal to the relevant Reset Period and commencing on the relevant Reset Date, (b) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (c) has a floating leg based on the Mid Swap Benchmark Rate for the Mid Swap Maturity (as specified in the applicable Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent).

"**Reference Bond**" means for any Reset Period a government security or securities issued by the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be a state so specified in the applicable Final Terms) selected by the Issuer as having an actual or interpolated maturity comparable with the relevant Reset Period that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of bank debt securities denominated in the same currency as the Notes and of a comparable maturity to the relevant Reset Period.

"**Reference Bond Price**" means, with respect to any Reset Determination Date, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (B) if the Calculation Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations.

"**Reference Government Bond Dealer**" means each of five banks (selected by the Issuer), or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing bank bond issues.

"**Reference Government Bond Dealer Quotations**" means, with respect to each Reference Government Bond Dealer and the relevant Reset Determination Date, the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the relevant Reference Bond (expressed in each case as a percentage of its nominal amount) at or around the Reset Rate Time on the relevant Reset Determination Date quoted in writing to the Calculation Agent by such Reference Government Bond Dealer.

"**Reset Determination Date**" means for each Reset Period the date as specified in the Final Terms falling on or before the commencement of such Reset Period on which the rate of interest applying during such Reset Period will be determined.

"**Reset Period**" means the period from (and including) the Reset Date to (but excluding) the Maturity Date (if any) if there is only one Reset Period or, if there is more than one Reset Period, each period from (and including) one Reset Date (or the first Reset Date) to (but excluding) the next Reset Date (or the Maturity Date).

"**Reset Rate**" for any Reset Period means either (i) the rate per annum specified in the applicable Final Terms or (ii), in the event (i) above does not apply, a rate per annum equal to the sum of (a) the applicable Reset Reference Rate and (b) the applicable Reset Margin (rounded down to four decimal places, with 0.00005 being rounded down).

"**Reset Reference Rate**" means either:

(A) if "**Mid Swaps**" is specified in the Final Terms, the Mid Swap Rate displayed on the Reset Rate Screen Page at or around the Reset Rate Time on the relevant Reset Determination Date for such Reset Period; or

(B) if "**Reference Bond**" is specified in the Final Terms, the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the relevant Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its nominal amount) equal to the relevant Reference Bond Price.

If "**Mid Swaps**" is specified in the Final Terms and if the Reset Rate Screen Page is not available, the Calculation Agent (or the Issuer, if the Calculation Agent is the Principal Paying Agent) shall apply the Disruption Fallback(s) in respect of the Reset Reference Rate specified in the applicable Final Terms (provided that, if two or more Disruption Fallbacks are specified, unless otherwise provided in the applicable Final Terms, such Disruption Fallbacks shall apply in the order specified in the applicable Final Terms, such

that if the Calculation Agent determines that the Reset Reference Rate cannot be determined by applying the first specified Disruption Fallback, then the next specified Disruption Fallback shall apply).

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Fixed Reset Interest Payment Date in respect of the period ending on (but excluding) the relevant accrual date will amount to the interest amount (the "**Fixed Reset Interest Amount**"). Payments of interest on any Fixed Reset Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Notes in definitive form where an applicable Fixed Reset Interest Amount or Broken Amount is specified in the applicable Final Terms, the Calculation Agent will calculate the Fixed Reset Interest Amount payable on the Fixed Reset Rate Notes for the relevant period by:

(1) applying the Initial Rate of Interest or the applicable Reset Rate (as the case may be) to:

(A) in the case of Fixed Reset Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Reset Rate Notes represented by such Global Note; or

(B) in the case of Fixed Reset Rate Notes in definitive form, the Calculation Amount;

and,

(2) in each case, multiplying such result by the applicable Day Count Fraction.

The resultant figure will be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Reset Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Reset Rate Note shall be the product of (i) the amount (determined in the manner provided above) for the Calculation Amount, (ii) the Specified Denomination and (iii) the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

The Agent will cause the Reset Rate and each Fixed Reset Interest Amount for each Reset Period to be notified to the Issuer and any stock exchange or other relevant authority on which the relevant Fixed Reset Rate Notes are for the time being listed or by which they have been admitted to listing and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth Luxembourg Business Day (in the case of Notes in Physical Form) or Milan Business Day (in the case of Dematerialised Notes) thereafter.

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 3(c) by the Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the other Paying Agents and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

For the purposes of this Condition 3(c), "**Reset Date**", "**Reset Margin**", "**Reset Rate Screen Page**" and "**Reset Rate Time**" should have the meanings given to those terms in the applicable Final Terms.

(d) ***Floating Rate Interest***

This Condition 3(d) applies to Notes bearing Floating Rate Interest only. It applies to Notes bearing Digital Rate Interest when the Digital Rate 1 and/or the Digital Rate 2 are floating rates, to the extent applicable. The applicable Final Terms contains provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 3(d) for full information on the manner in which interest is calculated on Notes bearing Floating Rate Interest. In particular, the applicable Final Terms will identify any Floating Interest Payment Dates, any Floating Interest Period, any Floating

Interest Accrual Dates, any Interest Commencement Date, the Business Day Convention and any Additional Business Centres. In respect of Notes bearing Floating Rate Interest, the applicable Final Terms will specify whether ISDA Determination or Screen Rate Determination applies to the calculation of interest, the party who will calculate the amount of interest due if it is not the Calculation Agent, the Margin (if any), the Rate Multiplier (if any), whether Difference in Rates or Composite Floating Rate applies as the manner in which the Rate of Interest is to be determined, any maximum or minimum interest rates, the Rate Day Count Fraction (if any) and the Day Count Fraction. Where ISDA Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Floating Rate Option, Designated Maturity(ies) and Reset Date. Where the Screen Rate Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Reference Rate, Interest Determination Date(s) and Relevant Screen Page.

i. *Floating Interest Payment Dates*

Notes may bear interest in respect of each "**Floating Interest Period**" (which expression shall, in these Conditions, mean the period from (and including) the first Floating Interest Accrual Date (or the Interest Commencement Date) to (but excluding) the next (or first) Floating Interest Accrual Date) and such interest will be payable in arrear on the interest payment dates(s) specified in the Final Terms (each a "**Floating Interest Payment Date**").

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which a Floating Interest Payment Date should occur or (y) if any Floating Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(1) the Following Business Day Convention, such Floating Interest Payment Date shall be postponed to the next day which is a Business Day; or

(2) the Modified Following Business Day Convention, such Floating Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(3) the Preceding Business Day Convention, such Floating Interest Payment Date shall be brought forward to the immediately preceding Business Day.

Where the Business Day Convention is specified in the applicable Final Terms as being "Not applicable", the relevant date shall not be adjusted in accordance with any Business Day Convention.

ii. *Rate of Interest*

The Rate of Interest payable from time to time in respect of the Notes will be determined in the manner specified in the applicable Final Terms.

(A) *ISDA Determination for Notes bearing Floating Rate Interests*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Floating Interest Period will be the relevant ISDA Rate multiplied by the relevant Rate Multiplier, if any, plus or minus (as indicated in the applicable Final Terms) the relevant Margin, if any, all as determined by the Calculation Agent and provided that the Rate of Interest may not be less than zero. For the purposes of this sub paragraph (A), "**ISDA Rate**" for a Floating Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(1) the Floating Rate Option is as specified in the applicable Final Terms;

(2) the Designated Maturity is a period specified in the applicable Final Terms;

(3) the relevant Reset Date is as specified in the applicable Final Terms; and

(4) the applicable Disruption Fallbacks are specified in the applicable Final Terms.

For the purposes of this sub paragraph (A): (i) "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Disruption Fallbacks**" have the meanings given to those terms in the ISDA Definitions; (ii) "**Margin**" and "**Rate Multiplier**" have the meanings given to those terms in the applicable Final Terms; (iii) "**ISDA Definitions**" means, in relation to any Series of Notes:

(1) unless "ISDA 2021 Definitions" are specified as being applicable in the relevant Final Terms, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series), as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") (copies of which may be obtained from ISDA website); or

(2) if "ISDA 2021 Definitions" are specified as being applicable in the relevant Final Terms, the latest version of the ISDA 2021 Interest Rate Derivatives Definitions, including each Matrix (as defined therein) (and any successor thereto), each as published by ISDA (or any successor) (copies of which may be obtained from ISDA website), on the date of issue of the first Tranche of the Notes of such Series.

(B) *Screen Rate Determination for Notes bearing Floating Rate Interest other than Notes bearing CMS Rate Linked Interest – Term Rate*

Where Screen Rate Determination and Term Rate are both specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Floating Interest Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. Brussels time, in the case of EURIBOR, or at the Specified Time specified in the applicable Final Terms on the Interest Determination Date in question, in each case multiplied by the relevant Rate Multiplier, if any, plus or minus (as indicated in the applicable Final Terms) the relevant Margin (if any), all as determined by the Calculation Agent and provided that the Rate of Interest may not be less than zero. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (ii)(B)(1) above, no such offered quotation appears or, in the case of (ii)(B)(2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, in order to determine the Rate of Interest, the Calculation Agent shall apply the Disruption Fallback(s) in respect of the Reference Rate specified in the applicable Final Terms (provided that, if two or more Disruption Fallbacks are specified, unless otherwise provided in the applicable Final Terms, such Disruption Fallbacks shall apply in the order specified in the applicable Final Terms, such that if the Calculation Agent determines that the Reference Rate cannot be determined by applying the first specified Disruption Fallback, then the next specified Disruption Fallback shall apply).

However, if in relation to any Interest Determination Date:

(i) the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the provisions set out in the applicable Final Terms; or

(ii) a rate or (as the case may be) an arithmetic mean cannot be published in accordance with the applicable laws and regulations (in particular, the Benchmark Regulation) in relation to any Interest Determination Date, the Rate of Interest applicable to the Notes during such Floating Interest Period will be (i) the last offered quotation or (i) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the last offered quotations, (expressed as a percentage rate per annum) for the Reference Rate, as the case may be, which appeared on the Relevant Screen Page, in each case multiplied by the relevant Rate Multiplier, if any, plus or minus (as indicated in the applicable Final Terms) the relevant Margin (if any).

For the purposes of this sub-paragraph (B), "**Interest Determination Date**", "**Disruption Fallbacks**", "**Margin**", "**Rate Multiplier**", "**Reference Rate**", "**Relevant Screen Page**" and "**Specified Time**" shall have the meanings given to those terms in the applicable Final Terms.

(C) *Screen Rate Determination for Notes bearing Floating Rate Interest other than CMS Rate Linked Interest Notes – Overnight Rate* (*SONIA, SOFR and Other Overnight Rate)*

(1) *Floating Rate Notes referencing SONIA*

(i) This Condition 3(d)(ii)(C)(1) is applicable to the Notes only where Screen Rate Determination and Overnight Rate are both specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the "Reference Rate" is specified in the relevant Final Terms as being "SONIA".

(ii) Where "SONIA" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Floating Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent.

(iii) For the purposes of this Condition 3(d)(ii)(C)(1):

"**Compounded Daily SONIA**", with respect to a Floating Interest Period, will be calculated by the Calculation Agent on each Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SONIA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

"**d**" means:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the number of calendar days in the relevant Floating Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the number of calendar days in the relevant Observation Period;

"$\mathbf{d_o}$" means:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the number of London Banking Days in the relevant Floating Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the number of London Banking Days in the relevant Observation Period;

"**i**" means each London Banking Day from one to d_o;

"**Interest Determination Date**" means the date specified in the relevant Final Terms;

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"$\mathbf{n_i}$" for any London Banking Day "i", in the relevant Floating Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such London Banking Day "i" up to, but excluding, the following London Banking Day;

"**Observation Period**" means, in respect of a Floating Interest Period, the period from, and including, the date falling "p" London Banking Days preceding the first day of such Floating Interest Period (and the first Floating Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling "p" London Banking Days preceding the Floating Interest Payment Date for such Floating Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Floating Interest Period or Observation Period (as applicable), means the number of London Banking Days specified in the relevant Final Terms which shall not be less than 3 (three) London Banking Days;

"**SONIA Reference Rate**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and "$\mathbf{SONIA_i}$" means the SONIA Reference Rate for:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms; the relevant London Banking Day "i";

For the avoidance of doubt, the formula for the calculation of Compounded Daily SONIA only compounds the SONIA Reference Rate in respect of any London Banking Day. The SONIA Reference Rate applied to a day that is a non-London Banking Day will be taken by applying the SONIA Reference Rate for the previous London Banking Day but without compounding.

(iv) If, in respect of any London Banking Day in the relevant Floating Interest Period or Observation Period (as applicable), the Calculation Agent determines that the SONIA Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, then the Calculation Agent shall apply the Disruption Fallback(s) specified in the applicable Final Terms (provided that, if two or more Disruption Fallbacks are specified, unless otherwise provided in the applicable Final Terms, such Disruption Fallbacks shall apply in the order specified in the applicable Final Terms, such that if the Calculation Agent determines that the SONIA Reference Rate cannot be determined by applying the first specified Disruption Fallback, then the next specified Disruption Fallback shall apply). However, if in relation to any Interest Determination Date:

(i) the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the provisions set out in the applicable Final Terms; or

(ii) a rate or (as the case may be) an arithmetic mean cannot be published in accordance with the applicable laws and regulations (in particular, the Benchmark Regulation) in relation to any Interest Determination Date, for the determination of the Rate of Interest applicable to the Notes during such Floating Interest Period, the rate to be used will be the last rate available on the Relevant Screen Page (or which has been otherwise published by the relevant authorised distributors).

The Rate of Interest for such Floating Interest Period will be the Compounded Daily SONIA so determined multiplied by the relevant Rate Multiplier, if any, plus or minus (as indicated in the applicable Final Terms) the applicable Margin.

(2) *Floating Rate Notes referencing SOFR*

(i) This Condition 3(d)(ii)(C)(2) is applicable to the Notes only where Screen Rate Determination and Overnight Rate are both specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the "Reference Rate" is specified in the relevant Final Terms as being "SOFR" or "SOFR Index".

(ii) Where "SOFR" or "SOFR Index" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Floating Interest Period will, subject as provided below, be the Compounded SOFR plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.

(iii) For the purposes of this Condition 3(d)(ii)(C)(2):

"**Compounded SOFR**" with respect to any Floating Interest Period, means:

a. where the Calculation Method in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being "Compounded Daily SOFR", the rate of return of a daily compound interest investment computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

Where

"**d**" means:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the number of calendar days in the relevant Floating Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the number of calendar days in the relevant Observation Period.

"$\mathbf{d_o}$" means:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the number of U.S. Government Securities Business Days in the relevant Floating Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the number of U.S. Government Securities Business Days in the relevant Observation Period.

"**i**" means each U.S. Government Securities Business Day from one to d_o;

"**Interest Determination Date**" means the date specified in the relevant Final Terms;

"**n_i**" for any U.S. Government Securities Business Day "i" in the relevant Floating Interest Period or Observation Period (as applicable), is the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day;

"**Observation Period**" means, in respect of a Floating Interest Period, the period from, and including, the date falling "p" U.S. Government Securities Business Days preceding the first day in such Floating Interest Period (and the first Floating Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling "p" U.S. Government Securities Business Days preceding the Floating Interest Payment Date for such Floating Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Floating Interest Period or Observation Period (as applicable) means the number of U.S. Government Securities Business Days specified in the relevant Final Terms which shall not be less than 3 (three) U.S. Government Securities Business Days;

"**$SOFR_i$**" means the SOFR for:

(i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant U.S. Government Securities Business Day "i";

b. where the Calculation Method in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being "Compounded Daily SOFR Index", the rate computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \frac{360}{d_c}$$

Where

"**SOFR Index**" means, with respect to any U.S. Government Securities Business Day, the SOFR Index value as published by the SOFR Administrator as such index appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on such U.S. Government Securities Business Day (the "**SOFR Determination Time**");

"**$SOFR\ Index_{Start}$**" means the SOFR Index value for the day which is 5 (five) U.S. Government Securities Business Days, or such other number of U.S. Government Securities Business Days as specified in the applicable Final Terms ("**$SOFR\ Index_{Start}$ Number of U.S. Government Securities Business Days**"), preceding the first date of the relevant Floating Interest Period;

"**SOFR Index$_{End}$**" means the SOFR Index value for the day which is 5 (five), or such other number of U.S. Government Securities Business Days as specified in the applicable Final Terms, U.S. Government Securities Business Days ("**SOFR Index$_{End}$ Number of U.S. Government Securities Business Days**"), preceding the Floating Interest Payment Date relating to such Floating Interest Period;

"**d_c**" means the number of calendar days from (and including) the day on which the relevant SOFR Index$_{Start}$ is determined to (but excluding) the day on which the relevant SOFR Index$_{End}$ is determined;

"**Interest Determination Date**" means the day that is the number of U.S. Government Securities Business Days prior to the Floating Interest Payment Date in respect of the relevant Floating Interest Period, specified in the applicable Final Terms.

"**SOFR**" with respect to any U.S. Government Securities Business Day, means:

(i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or

(ii) Subject to Condition 3(d)(ii)(C)(2)(v) below, if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, or any successor source;

"**U.S. Government Securities Business Day**" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities;

(iv) The Disruption Fallback(s) and any event or circumstance which, in the opinion of the Issuer and/or the Calculation Agent could result in the application of a Disruption Fallback(s), will be specified in the applicable Final Terms (provided that, if two or more Disruption Fallbacks are specified, unless otherwise provided in the applicable Final Terms, such Disruption Fallbacks shall apply in the order specified in the applicable Final Terms).

(3) *Floating Rate Notes referencing Other Overnight Rate*

Where Screen Rate Determination and Overnight Rate are both specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the "Reference Rate" is specified in the relevant Final Terms as being different from "SONIA", "SOFR" or "SOFR Index", the applicable Final Terms will also specify the Calculation Method either as Compounded Daily Rate (in which case the provisions of paragraph (1) below shall apply) or Weighted Average Rate (in which case the provisions of paragraph (2) below shall apply).

If, in respect of any Relevant Business Day on which an applicable rate is required to be determined, such rate is not available on the Relevant Screen Page (and has not otherwise been published by the relevant authorised distributors), then the Calculation Agent shall apply the Disruption Fallback(s) in respect of the Reference Rate specified in the applicable Final Terms (provided that, if two or more Disruption Fallbacks are specified, unless otherwise provided in the applicable Final Terms, such Disruption

Fallbacks shall apply in the order specified in the applicable Final Terms, such that if the Calculation Agent determines that the Reference Rate cannot be determined by applying the first specified Disruption Fallback, then the next specified Disruption Fallback shall apply). However, if in relation to any Interest Determination Date:

(i) the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the provisions set out in the applicable Final Terms; or

(ii) a rate or (as the case may be) an arithmetic mean cannot be published in accordance with the applicable laws and regulations (in particular, the Benchmark Regulation) in relation to any Interest Determination Date, for the determination of the Rate of Interest applicable to the Notes during such Floating Interest Period, the rate to be used in the Calculation Method specified in the applicable Final Terms will be the last rate available on the Relevant Screen Page (or which has been otherwise published by the relevant authorised distributors).

The Rate of Interest for such Floating Interest Period will be the Compounded Daily Reference Rate or the Weighted Average Reference Rate so determined (depending on the Calculation Method specified in the applicable Final Terms) multiplied by the relevant Rate Multiplier, if any, plus or minus (as indicated in the applicable Final Terms) the applicable Margin.

For the purposes of this sub-paragraph (C), "**Interest Determination Date**", "**Disruption Fallbacks**", "**Margin**", "**Rate Multiplier**", "**Reference Rate**" and "**Relevant Screen Page**" shall have the meanings given to those terms in the applicable Final Terms.

(1) Calculation Method – Compounded Daily Rate

Where the applicable Final Terms specify the Calculation Method as Compounded Daily Rate, the Rate of Interest for a Floating Interest Period will be the Compounded Daily Reference Rate plus or minus (as indicated in the applicable Final Terms) the applicable Margin, where:

"**Compounded Daily Reference Rate**" means, with respect to a Floating Interest Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate – being the Other Overnight Rate, as specified in the applicable Final Terms as the reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date, in accordance with the following formula (and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{r_i \times n_i}{D}\right)-1\right] \times \frac{D}{d}$$

Where:

"**D**" is the number of calendar days specified in the applicable Final Terms;

"**d**" means:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the number of calendar days in the relevant Floating Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the number of calendar days in the relevant Observation Period;

"**d_o**" means:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the number of Relevant Business Days in the relevant Floating Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the number of Relevant Business Days in the relevant Observation Period;

"**i**" means each Relevant Business Day from one to d_0;

"**n_i**" for any Relevant Business Day "i", in the relevant Floating Interest Period or Observation Period (as applicable), is the number of calendar days from, and including, such Relevant Business Day "i" to, but excluding, the following Relevant Business Day;

"**Observation Period**" means, in respect of a Floating Interest Period, the period from, and including, the date falling "p" Relevant Business Days preceding the first day in such Floating Interest Period (and the first Floating Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling "p" Relevant Business Days preceding the Floating Interest Payment Date for such Floating Interest Period (or the date falling "p" Relevant Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Floating Interest Period or Observation Period (as applicable), means the number of Relevant Business Days specified in the applicable Final Terms, which shall not be less than 3 (three) Relevant Business Days;

"**r**" means, if "Other Overnight Rate" is specified in the applicable Final Terms as the applicable Reference Rate, the Other Overnight Rate in respect of the Relevant Business Day specified in the applicable Final Terms;

"**r_i**" means the applicable Reference Rate as set out in the definition of "r" above for:

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the Relevant Business Day falling "*p*" Relevant Business Days prior to the applicable Relevant Business Day "i"; or

(b) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the applicable Relevant Business Day "i".

"**RBD**" means a "**Relevant Business Day**", being any day which is a business day within the meaning specified in the applicable Final Terms.

(2) Calculation Method – Weighted Average Rate

Where the applicable Final Terms specify the Calculation Method as Weighted Average Rate, the Rate of Interest for a Floating Interest Period will be the Weighted Average Reference Rate plus or minus (as indicated in the applicable Final Terms) the applicable Margin, where:

"**Weighted Average Reference Rate**" means, as calculated by the Calculation Agent as at the relevant Interest Determination Date, in accordance with the following sub-paragraphs (and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards):

(a) where "Lag" is specified as the Observation Method in the applicable Final Terms, the sum of the Reference Rates in respect of each calendar day during the relevant Floating Interest Period divided by the number of calendar days in the relevant Floating Interest Period (and, for these purposes, the Reference Rate in respect of any such calendar day which is not a Relevant Business Day

shall be deemed to be the Reference Rate in respect of the Relevant Business Day immediately preceding such calendar day); or

(b) where "Lock-out" is specified as the Observation Method in the applicable Final Terms, the sum of the Reference Rates in respect of each calendar day during the relevant Floating Interest Period divided by the number of calendar days in the relevant Floating Interest Period (and, for these purposes, the Reference Rate in respect of any such calendar day which is not a Relevant Business Day shall be deemed to be the Reference Rate in respect of the Relevant Business Day immediately preceding such calendar day), provided however that for any calendar day of such Floating Interest Period falling in the Lock-out Period specified in the applicable Final Terms, the relevant Reference Rate will be deemed to be the Reference Rate in respect of the Relevant Business Day immediately preceding the Interest Determination Date for the relevant Floating Interest Period.

(D) *Screen Rate Determination for Notes bearing Floating Rate Interest which are Notes bearing CMS Rate Linked Interest*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the "Reference Rate" is specified in the relevant Final Terms as being "CMS Rate", the Rate of Interest for each Floating Interest Period will, subject as provided below, be the CMS Rate multiplied by the relevant Rate Multiplier, if any, plus or minus (as indicated in the applicable Final Terms) the relevant Margin (if any), all as determined by the Calculation Agent and provided that the Rate of Interest may not be less than zero.

If the Relevant Screen Page is not available, the Calculation Agent (or the Issuer, if the Calculation Agent is the Principal Paying Agent) shall apply the Disruption Fallback(s) in respect of the CMS Rate specified in the applicable Final Terms (provided that, if two or more Disruption Fallbacks are specified, unless otherwise provided in the applicable Final Terms, such Disruption Fallbacks shall apply in the order specified in the applicable Final Terms, such that if the Calculation Agent determines that the CMS Rate cannot be determined by applying the first specified Disruption Fallback, then the next specified Disruption Fallback shall apply).

However, if in relation to any Interest Determination Date:

(i) the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the provisions set out in the applicable Final Terms; or

(ii) a rate or (as the case may be) an arithmetic mean cannot be published in accordance with the applicable laws and regulations (in particular, the Benchmark Regulation) in relation to any Interest Determination Date, the Rate of Interest applicable to the Notes during such Interest Period will be the last CMS Rate appeared on the Relevant Screen Page multiplied by the relevant Rate Multiplier, if any, plus or minus (as indicated in the applicable Final Terms) the relevant Margin (if any).

For the purposes of this sub-paragraph (D):

"**CMS Rate**" shall mean the applicable swap rate for swap transactions in the Reference Currency with a maturity of the relevant Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page as at the Specified Time on the relevant Interest Determination Date in question, all as determined by the Calculation Agent.

"**Designated Maturity(ies)**", "**Interest Determination Date(s)**", "**Margin**", "**Rate Multiplier**", "**Reference Currency**", "**Relevant Screen Page**" and "**Specified Time**" shall have the meanings given to those terms in the applicable Final Terms.

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market at the relevant time.

(E) *Difference in Rates*

Where Difference in Rates is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Floating Interest Period will, subject as provided below, be the Difference in Rates multiplied by the relevant Rate Multiplier, if any, plus or minus (as indicated in the applicable Final Terms) the relevant Margin (if any), all as determined by the Calculation Agent and provided that the Rate of Interest may not be less than zero.

For the purposes of this sub-paragraph (E):

"**Difference in Rates**" means, as specified in the relevant Final Terms:

(a) the value expressed as percentage equal to Rate 2 minus Rate 1, provided that if such value is less than zero, it shall be deemed to be zero; or

(b) the value expressed as percentage calculated in accordance with the formula below, provided that if such value is less than zero, it shall be deemed to be zero:

Difference in Rates = [(Rate Multiplier 2 × Rate 2) + / - Margin 2] – [(Rate Multiplier 1 × Rate 1) + / - Margin 1]

"**Rate Multiplier 1**", "**Rate Multiplier 2**", "**Margin 1**" and "**Margin 2**" shall have the meanings given to those terms in the applicable Final Terms; and

"**Rate 1**" and "**Rate 2**" shall have the meanings given to those terms in the applicable Final Terms, and each shall be determined in accordance with subparagraph (A), (B), (C) and (D) above as specified in the applicable Final Terms, as if each of Rate 1 and Rate 2 were an ISDA Rate, a Reference Rate or a CMS Rate, as appropriate.

(F) *Composite Floating Rate*

Where Composite Floating Rate is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Floating Interest Period will, subject as provided below, be the Composite Floating Rate, as determined by the Calculation Agent.

For the purposes of this sub-paragraph (F):

"**Composite Floating Rate**" means the value expressed as percentage calculated in accordance with the formula below:

Composite Floating Rate = Min[Cap_1; Max($Floor_1$; Rate of Interest)] + Min[Cap_2; Max($Floor_2$; Difference in Rates)]

The Rate of Interest shall be determined in accordance with subparagraph (D) (*Screen Rate Determination for Notes bearing Floating Rate Interest which are Notes bearing CMS Rate Linked Interest*) above as specified in the applicable Final Terms and the Difference in Rates shall be determined in accordance with subparagraph (E) (*Difference in Rates*) above as specified in the applicable Final Terms; and

"**Cap_1**", "**Cap_2**", "**$Floor_1$**" and "**$Floor_2$**" means, if applicable, the related values expressed as a percentage specified in the applicable Final Terms.

(G) *Benchmark replacement*

If the Issuer (in consultation with the Calculation Agent (or the person specified in the

relevant Final Terms as the party responsible for calculating the Rate of Interest and the Interest Amount(s))) determines that a Benchmark Event has occurred, when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to a Reference Rate, then the following provisions shall apply.

If the Substitute Rate is specified as "Not applicable" in the relevant Final Terms, then:

(i) the Issuer shall use reasonable endeavours to appoint an Independent Adviser for the determination of a Successor Rate or of an alternative rate (the "**Alternative Benchmark Rate**") (if the Independent Adviser determines that there is no Successor Rate) and, in either case, an alternative screen page or source (the "**Alternative Relevant Screen Page**") and an Adjustment Spread (if applicable) no later than ten (10) Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the "**Interest Determination Cut-off Date**") for purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods (as applicable) (subject to the subsequent operation of this Condition 3(d)(ii)(G));

(ii) the Alternative Benchmark Rate shall be such rate as the Independent Adviser acting in good faith determines has replaced the relevant Reference Rate in customary market usage for the purposes of determining floating rates of interest or reset rates of interest in respect of eurobonds denominated in the Specified Currency, or, if the Independent Adviser determines that there is no such rate, such other rate as the Independent Adviser acting in good faith believes is most comparable to the relevant Reference Rate, and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate;

(iii) if the Issuer is unable to appoint an Independent Adviser, or if the Independent Adviser cannot select a Successor Rate or an Alternative Benchmark Rate and Alternative Relevant Screen Page prior to the Interest Determination Cut-off Date in accordance with sub-paragraph (ii) above, then the Issuer (acting in good faith and in a commercially reasonable manner) may determine which (if any) rate has replaced the relevant Reference Rate in customary market usage for purposes of determining floating rates of interest or reset rates of interest in respect of eurobonds denominated in the Specified Currency, or, if it determines that there is no such rate, which (if any) rate is most comparable to the relevant Reference Rate, and the Alternative Benchmark Rate shall be the rate so determined by the Issuer and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate; provided however that if (a) this sub-paragraph (iii) applies and the Issuer is unable or unwilling to determine an Alternative Benchmark Rate and Alternative Relevant Screen Page no later than five (5) Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period in accordance with this sub-paragraph (iii), or (b) in case of Notes which qualify as eligible liabilities under MREL Requirements and Benchmark Event is specified as applicable in the relevant Final Terms, the provisions under this Condition 3(d)(ii)(G) would cause the occurrence of a MREL Disqualification Event, ***then*** the Reference Rate applicable to such Interest Period shall be equal to the last value published on the Relevant Screen Page to be used for the determination of the Reference Rate as specified in the applicable Final Terms, multiplied by the relevant Rate Multiplier, if any, plus or minus (as indicated in the applicable Final Terms) the relevant Margin (if any). For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period, and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 3(d)(ii)(G);

(iv) if a Successor Rate or an Alternative Benchmark Rate and an Alternative Relevant Screen Page is determined in accordance with the preceding provisions, such Successor Rate or Alternative Benchmark Rate and Alternative Relevant Screen Page shall be the Reference Rate and the Relevant Screen Page in relation to the

Notes for all future Interest Periods (subject to the subsequent operation of this Condition 3(d)(ii)(G) and shall be multiplied by the relevant Rate Multiplier, if any, plus or minus (as indicated in the applicable Final Terms) the relevant Margin (if any) for the purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods;

(v) if the Independent Adviser determines that (a) an Adjustment Spread is required to be applied to the Successor Rate or Alternative Benchmark Rate and (b) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or Alternative Benchmark Rate for each subsequent determination of a relevant Rate of Interest and Interest Amount(s) (or a component part thereof) by reference to such Successor Rate or Alternative Benchmark Rate;

(vi) if a Successor Rate or an Alternative Benchmark Rate and/or Adjustment Spread is determined in accordance with the above provisions, the Independent Adviser may also specify amendments to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate or Alternative Benchmark Rate and/or Adjustment Spread, which amendments shall apply to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 3(d)(ii)(G)); and

(vii) references to the Reference Rate in the Conditions and the Final Terms will be deemed to be references to the Successor Rate or to the Alternative Benchmark Rate, as the case may be, including any alternative method for determining such rate as described in paragraphs (v) and (vi) if applicable, the Independent Adviser will notify the Issuer of the foregoing as soon as reasonably practicable and the Issuer will give notice as soon as reasonably practicable to the Noteholders and the Agent specifying the Successor Rate or Alternative Benchmark Rate, as well as the details described in this paragraph. The replacement by the Successor Rate or by the Alternative Benchmark Rate and the other matters referred to above will (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent, the Agent and the Noteholders.

For the avoidance of doubt, no consent of the Noteholders shall be required for a variation (as applicable) of the Notes in accordance with paragraphs (v) and (vi) above.

If the Substitute Rate is specified as "Applicable" in the relevant Final Terms, then:

(i) such rate (and the spread adjustment indicated in the relevant Final Terms, if applicable) and the related screen page or source (indicated in the relevant Final Terms) shall automatically replace the Reference Rate for purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods;

(ii) references to the Reference Rate in the Conditions and the Final Terms will be deemed to be references to the Substitute Rate; and

(iii) the replacement by the Substitute Rate and the other matters referred to above will be final and binding on the Issuer, the Calculation Agent, the Agent and the Noteholders.

Provided that, if the applicable Final Terms specifies more than one Successor Rate and/or more than one spread adjustment, this means that – if the Calculation Agent cannot determine the first Successor Rate and/or the first spread adjustment – the Reference Rate shall be substituted by one of the other Substitute Rates in the order specified in the applicable Final Terms and the adjustment spread shall be one of the other alternatives in the order specified in the applicable Final Terms.

Notwithstanding any other provision of this Condition 3(d)(ii)(G), if in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 3(d)(ii)(G), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

iii. *Determination of Rate of Interest and calculation of Interest Amounts*

This provision does not apply to the Digital Rate 1 and Digital Rate 2 when they are a floating rate.

The Calculation Agent will - at or as soon as practicable after each time at which the Rate of Interest is to be determined - determine the Rate of Interest for the relevant Interest Period.

The Calculation Agent will calculate the amount of interest (the "**Interest Amount**") payable in relation to the relevant Interest Period by:

(1) applying the Rate of Interest, multiplied to the Rate Days Count Fraction if specified as applicable in the relevant Final Terms to:

(A) in the case of Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

(B) in the case of Notes in definitive form, the Calculation Amount,

and,

(2) in each case, multiplying such result by the applicable Day Count Fraction.

The resultant figure will be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of (i) the amount (determined in the manner provided above) for the Calculation Amount and (ii) the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

iv. *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Designated Maturity**" means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

v. *Notification of Rate of Interest and Interest Amounts*

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Notes bearing Floating Rate Interest are for the time being listed and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the first day on the Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Notes bearing Floating Rate Interest are for the time being listed and to the Noteholders in accordance with Condition 15.

vi. *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 3 by the Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the other Paying Agents and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

vii. *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with this Condition 3 above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with this Condition 3 above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

The Minimum Rate of Interest and the Maximum Rate of Interest may be the same throughout all the Interest Periods, or it may change in relation to each Interest Period, as specified in the applicable Final Terms.

The Minimum Rate of Interest and the Maximum Rate of Interest may be, as specified in the applicable Final Terms:

(i) a Fixed Rate;

(ii) a Reference Rate increased or decreased by a Minimum Rate Margin or Maximum Rate Margin, as specified in the applicable Final Terms;

(iii) a rate linked to the Reference Value or to the performance of an Underlying (determined in accordance with the method of calculation of the Call Performance (as set out in Condition 3(a)), multiplied by the Participation Factor (that may be equal to, higher than or lower than 100%, as specified in the applicable Final Terms).

viii. *Dynamic Minimum Rate of Interest*

If the applicable Final Terms specifies Dynamic Minimum Rate of Interest to be applicable:

(i) in respect of the first Interest Period, the First Minimum Rate of Interest will be indicated in the applicable Final Terms;

(ii) in respect of the following Interest Periods, the related Minimum Rate of Interest will be the Subsequent Minimum Rate of Interest.

For the purposes of this sub-paragraph viii.:

"**First Minimum Rate of Interest**" shall have the meaning given to those terms in the applicable Final Terms; and

"**Subsequent Minimum Rate of Interest**" means, in respect of each Interest Period other than the first Interest Period, an amount equal to the value expressed as a percentage of the Floating Rate Interest determined in accordance with the applicable provisions of Condition 3 in respect of the previous Interest Period.

ix. *Global Cap / Global Floor*

The Notes may provide for the application of a Global Cap or a Global Floor.

If the applicable Final Terms provide for a Global Cap, this means that the sum of the Interest Amounts paid during the life of the Note may not be higher than the percentage of the Calculation Amount indicated in the Final Terms as "Global Cap".

If the applicable Final Terms provide for a Global Floor, this means that the sum of the Interest Amounts paid during the life of the Note may not be lower than the percentage of the Calculation Amount indicated in the Final Terms as "Global Floor". When the sum of the Interests does not reach the Global Floor, the Note will pay, at maturity, an additional Interest Amount whose amount is equal to the difference between the Global Floor and the sum of the Interest Amounts paid during the life of the Note.

(e) Change of Interest Basis

i. If "**Change of Interest Basis**" is specified as applicable in the applicable Final Terms, the interest payable in respect of the Notes will be calculated in accordance with Condition 3(a), Condition 3(b), Condition 3(c) or Condition 3(d) above, each applicable only for the relevant periods specified in the applicable Final Terms.

ii. If "**Change of Interest Basis**" is specified as applicable in the applicable Final Terms, and "**Issuer's Switch Option**" is also specified as applicable in the applicable Final Terms, the Issuer may, on one or more occasions, as specified in the applicable Final Terms, at its option (any such option, a "**Switch Option**"), having given notice to the Noteholders in accordance with Condition 15 on or prior to the relevant Switch Option Expiry Date, change the Interest Basis of the Notes:

(a) from Fixed Rate to Floating Rate or Fixed Reset Rate or Structured Rate; or
(b) from Floating Rate to Fixed Rate or Fixed Reset Rate or Structured Rate; or
(c) from or Structured Rate to Fixed Rate or Floating Rate or Fixed Reset Rate; or
(d) as otherwise specified in the applicable Final Terms,

each with effect from (and including) the Switch Option Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date; or, where more than one Switch Option Effective Date is specified in the applicable Final Terms, (i) up to and excluding the next following Switch Option Effective Date; or (ii) up to (but excluding) the Maturity Date, as indicated in the applicable Final Terms, provided that:

(A) the Switch Option may be exercised only in respect of all the outstanding Notes;

(B) upon exercise of a Switch Option, the Interest Basis change will be effective from (and including) the relevant Switch Option Effective Date until (but excluding) the Maturity Date; or, where more than one Switch Option Effective Date is specified as applicable in the applicable Final Terms;(i) up to and excluding the next following Switch Option Effective Date; or (ii) up to (but excluding) the Maturity Date, as indicated in the applicable Final Terms,in each case, to the extent the related Switch Option is exercised; and

(C) where a Switch Option has not been exercised prior to the relevant Switch Option Expiry Date, the Issuer shall no longer be entitled to exercise such Switch Option and the Interest Basis

shall not change.

"**Switch Option Expiry Date**" and "**Switch Option Effective Date**" shall mean any date specified as such in the applicable Final Terms, adjusted on the basis of the Business Day Convention, provided that any date specified in the applicable Final Terms as a Switch Option Effective Date shall be deemed as such subject to the exercise of the relevant Switch Option having been notified by the Issuer pursuant to this Condition and in accordance with Condition 15 on or prior to the relevant Switch Option Expiry Date.

iii. If "**Change of Interest Basis**" is specified as applicable in the applicable Final Terms, and "**Switch Condition**" is also specified as applicable in the applicable Final Terms, if the Switch Condition has occurred in respect of the Switch Condition Observation Date or the Switch Condition Observation Period, the Interest Basis of the Notes will be changed from Fixed Rate to Floating Rate or Fixed Reset Rate or Structured Rate or from Floating Rate to Fixed Rate or Fixed Reset Rate or Structured Rate or from or Structured Rate to Fixed Rate or Floating Rate or Fixed Reset Rate or as otherwise specified in the applicable Final Terms with effect from (and including) the Switch Condition Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date, provided that (A) the Switch Condition will apply only in respect of all the outstanding Notes and (B) where a Switch Condition has not been occurred, the Interest Basis shall not change.

"**Final Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Final Reference Value**" means the value of the relevant Underlying, Basket Constituent or Basket, as the case may be, determined on the Final Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation";

"**Initial Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Initial Reference Value**" means (a) the predetermined value(s) indicated in the applicable Final Terms or (b) the value of the relevant Underlying, Basket Constituent or Basket, as the case may be, determined on the Initial Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation";

"**Interim Final Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Interim Final Reference Value**" means the value of the relevant Underlying, Basket Constituent or Basket, as the case may be, determined on the Interim Final Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket*, the value determined in accordance with the definition of "Basket Calculation";

"**Interim Initial Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Interim Initial Reference Value**" means (a) the predetermined value(s) indicated in the applicable Final Terms or (b) the value of the relevant Underlying, Basket Constituent or Basket, as the case may be, determined on the Interim Initial Observation Date as follows (i) *in the case of a Basket Constituent or single Underlying,* the value published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms or (ii) *in the case of a Basket,* the value determined in accordance with the definition of "Basket Calculation";

"**Reference Value**" means the value of the Underlying, Basket Constituent or Basket, as the case may be, which will be (i) *in the case of a Basket Constituent or single Underlying,* either (A) *if the Final Terms specify a Switch Condition Observation Period,* observed continuously in the regular trading hours during such Switch Condition Observation Period, as displayed on the applicable Information Source and as specified in the applicable Final Terms, or (B) *otherwise, on any Switch Condition Observation Date(s),* published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms; or (ii) *in the case of a Basket,* determined in accordance with the definition of "Basket Calculation";

"**Switch Condition Effective Date**" shall mean any date specified as such in the applicable Final Terms;

"**Switch Condition Observation Date(s)**" means the date(s) specified as such in the applicable Final Terms;

"**Switch Condition Observation Period(s)**" means the period(s) specified as such in the applicable Final Terms;

"**Switch Condition**" means the condition specified in the applicable Final Terms that has to occur on a Switch Condition Observation Date or at any time during the Switch Condition Observation Period (as specified in the relevant Final Terms). The Switch Condition may be a Single Performance Condition, Podium Performance Condition, Spread Performance Condition, Single Reference Value Condition, Podium Reference Value Condition, Spread Reference Value Condition, a Single Best Performance Condition or a Single Worst Performance Condition as described below:

1) *linked to the performance of a single Underlying or Basket* (the "**Single Performance Condition**")

The Single Performance Condition will be satisfied if the Performance of a single Underlying or Basket:

(A) is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**"), or

(B) falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

The "**Performance**" will be calculated as a "**Single Performance**" or a "**Basket Performance**" in accordance with the following method:

(a) in the case of a single Underlying, the Performance ("**Single Performance$_{(i)}$**"), will be calculated as a value or as an arithmetic mean in accordance with one of the following formulas as specified in the applicable Final Terms:

$$\text{Single Performance}_{(i)} = \frac{Underlying_{(i)}^{Final} - P \times Underlying_{(i)}^{Initial}}{Underlying_{(i)}^{Initial}}$$

$$\text{or Single Performance}_{(i)} = \frac{Underlying_{(i)}^{Final\ Average} - P \times Underlying_{(i)}^{Initial\ Average}}{Underlying_{(i)}^{Initial\ Average}}$$

$$\text{or Single Performance}_{(i)} = \frac{Underlying_{(i)}^{Final\ Average} - P \times Underlying_{(i)}^{Initial}}{Underlying_{(i)}^{Initial}}$$

$$\text{or Single Performance}_{(i)} = \frac{Underlying_{(i)}^{Final} - P \times Underlying_{(i)}^{Initial\ Average}}{Underlying_{(i)}^{Initial\ Average}}$$

Where

"***P***" means, if applicable, the multiplier specified in the applicable Final Terms as the Multiplier

Factor;

"$\boldsymbol{Underlying}_{(i)}^{\boldsymbol{Final}}$" means the Final Reference Value of the relevant Underlying;

"$\boldsymbol{Underlying}_{(i)}^{\boldsymbol{Initial}}$" means the Initial Reference Value of the relevant Underlying;

"$\boldsymbol{Underlying}_{(i)}^{\boldsymbol{Final\ Average}}$" means the arithmetic mean of the Interim Final Reference Values of the relevant Underlying; and

"$\boldsymbol{Underlying}_{(i)}^{\boldsymbol{Initial\ Average}}$" means the arithmetic mean of the Interim Initial Reference Values of the relevant Underlying;

(b) in the case of a single Basket, the weighted average of the performances of each Basket Constituent ("**Basket Performance$_{(i)}$**"), will be calculated in accordance with the following formula:

$$\text{Basket Performance}_{(i)}\ SV = \sum_{i=1}^{n} Single\ Performance_{(i)}SV \times W_{(i)}$$

Where:

"$\boldsymbol{n}$" means the number of the Basket Constituents;

"$\boldsymbol{Single\ Performance}_{(i)}\boldsymbol{SV}$" means the performance calculated as a value of each Basket Constituent in accordance with the formula specified above at paragraph 1(a);

"$\boldsymbol{W}_{(i)}$" means the Basket Constituent Weight. The Basket Constituent Weight will be a percentage specified in the applicable Final Terms;

The applicable formula of the Performance for the purpose of the determination of the Switch Condition will be reflected in the relevant item of the Final Terms "Formula for calculating the Performance" with only the applicable components.

2) *linked to the performance of a number of Underlyings specified in the applicable Final Terms* (the "**Podium Performance Condition**")

In the case of more than one Underlying or Basket, the Podium Performance Condition occurs when the Single Performance Condition has been satisfied at least in relation to the number ("**N**") of such Underlyings or Baskets specified in the applicable Final Terms. The Single Performance Condition is considered as having occurred in one of the following cases, as specified in the applicable Final Terms:

(A) the Single Performance of at least N Underlyings or the Basket Performance of at least N Baskets is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**") specified in the applicable Final Terms; or

(B) the Single Performance of at least N Underlyings or the Basket Performance of at least N Baskets falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

By way of example, if the applicable Final Terms provide for five Underlyings and the Podium Performance Condition is specified as being satisfied if the Single Performance of at least three Underlyings is higher than the relevant Barrier Level, the Podium Performance Condition will be satisfied if the Single Performances of three Underlyings out of five are higher than the relevant Barrier Level.

The Single Performance and/or the Basket Performance will be determined in accordance with the formulas specified at paragraphs 1(a) and 1(b) of this paragraph iii.

3) *linked to the difference between the performance of two Underlyings* (the "**Spread Performance Condition**")

The Spread Performance Condition will be satisfied when the difference between the Single Performance of an Underlying or the Basket Performance of a Basket (the "**Underlying 1**" or the "**Basket 1**") and the Single Performance of another Underlying or another Basket Performance of a Basket (the "**Underlying 2**" or the "**Basket 2**") (such difference, the "**Spread Performance**") is:

(A) higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a percentage (the "**Barrier Level**") specified in the applicable Final Terms; or

(B) falls within a range of percentages (the "**Reference Range**") specified in the applicable Final Terms.

The Single Performance and/or the Basket Performance will be determined in accordance with the formula specified at paragraphs 1(a) and 1(b) of this paragraph iii.

4) *linked to the Reference Value of a single Underlying/Basket* (the "**Single Reference Value Condition**")

The Single Reference Value Condition will be satisfied when the Reference Value of a single Underlying or Basket, on the relevant Switch Observation Date(s) or at any time during a Switch Observation Period (as specified in the applicable Final Terms):

(A) is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**") specified in the applicable Final Terms; or

(B) falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

5) *linked to the Reference Values of a number of Underlyings or Baskets specified in the applicable Final Terms* (the "**Podium Reference Value Condition**")

In the case of more than one Underlying or Basket, the Podium Reference Value Condition will be satisfied when the Single Reference Value Condition has been satisfied, on the relevant Switch Observation Date(s) or at any time during a Switch Observation Period (as specified in the applicable Final Terms), at least in relation to the number ("**N**") of such Underlyings or Baskets specified in the applicable Final Terms. The Single Reference Value Condition is considered as satisfied in one of the following cases as specified in the applicable Final Terms:

(A) the Single Reference Value of at least N Underlyings or Baskets is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**") specified in the applicable Final Terms; or

(B) the Single Reference Value of at least N Underlyings or Baskets falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

By way of example, if the applicable Final Terms provide for five Underlyings and the Podium Reference Value Condition is specified as having been satisfied if the Single Reference Value of at least three Underlyings is higher than the Barrier Level, the Podium Reference Value Condition will be satisfied if the Single Reference Values of three Underlyings out of five are higher than the relevant Barrier Level.

6) *linked to the difference between the Reference Values of two Underlyings* (the "**Spread Reference Value Condition**")

The Spread Reference Value Condition is satisfied when the difference between the Single Reference Value of an Underlying or Basket (the "**Underlying 1**" or the "**Basket 1**") and the Single Reference Value of another Underlying or Basket (the "**Underlying 2**" or the "**Basket 2**") (such difference, the "**Spread Reference Value**") on the relevant Switch Condition Observation Date(s) or at any time during a Switch Condition Observation Period (as specified in the applicable Final Terms) is:

(A) higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**") specified in the applicable Final Terms; or

(B) falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

7) *linked to the best performance of a single Underlying or a single Basket* (the "**Single Best Performance Condition**"):

The Single Best Performance Condition will be satisfied if the Best Performance of a single Underlying or Basket:

(A) is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**") specified in the applicable Final Terms, or

(B) falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

For the purposes of this paragraph, the "**Best Performance**" is the "n" highest performance (where "n" may be the first, the second, the third and so forth best performance) of the Underlying or Basket selected by the Calculation Agent from among the performances of the Underlying or Basket determined for two or more periods specified in the applicable Final Terms. The Best Performance will be determined as follows:

i. the Calculation Agent will determine the performance of the Underlying or Basket, for the periods specified in the applicable Final Terms, in accordance with the formulas specified above at paragraph 1(a) for single Underlyings and at paragraph 1(b) for Baskets;

ii. the Calculation Agent will then sort such performances in descending order, from the highest value to the lowest;

iii. the Best Performance will be the performance, in such descending order, that matches the number of best performance specified in the applicable Final Terms. By way of example, the Final Terms will indicate if the Best Performance will be the best performance of the Underlying or Basket among those determined for the periods specified in the applicable Final Terms or if the Best Performance will be the second best performance of the Underlying or Basket among those determined for the periods specified in the applicable Final Terms, and so forth.

8) *linked to the worst performance of a single Underlying or a single Basket* (the "**Single Worst Performance Condition**"):

The Single Worst Performance Condition will be satisfied if the Worst Performance of a single Underlying or Basket:

(A) is higher than and/or equal to, or lower than and/or equal to (as specified in the applicable Final Terms) a value (the "**Barrier Level**") specified in the applicable Final Terms, or

(B) falls within a range of values (the "**Reference Range**") specified in the applicable Final Terms.

For the purposes of this paragraph, the "**Worst Performance**" is the "n" worst performance (where "n" may be the first, the second, the third and so forth worst performance) of the Underlying or Basket selected by the Calculation Agent among the performances of the Underlying or Basket determined for two or more periods specified in the applicable Final Terms. In such case, the Worst Performance will be determined as follows:

i. the Calculation Agent will determine the performance of the Underlying or Basket, on the periods specified in the applicable Final Terms, in accordance with the formulas specified above at paragraph 1(a) above for single Underlyings and at paragraph 1(b) above for Baskets;

ii. the Calculation Agent will then sort such performances in ascending order, from the lowest value to the highest;

iii. the Worst Performance will be the performance, in such ascending order, that matches the number of worst performance specified in the applicable Final Terms. By way of example, the Final Terms will indicate if the Worst Performance will be the lowest performance of the Underlying or Basket among those determined on the periods specified in the applicable Final Terms or if the Worst Performance will be the second lowest performance of the Underlying or Basket among those determined on the periods specified in the applicable Final Terms, and so forth.

(f) Accrual of interest

Each Note will cease to bear interest (if any) from the date for its redemption unless payment of principal and/or delivery of all assets deliverable is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

i. the date on which all amounts due in respect of such Note have been paid and/or all assets deliverable in respect of such Note have been delivered; and

ii. five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Agent and/or all assets in respect of such Note have been received by any agent appointed by the Issuer to deliver such assets to Noteholders and notice to that effect has been given to the Noteholders in accordance with Condition 15.

4. **PAYMENTS**

(i) *Method of payment – Registered Notes*

Payments of principal in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg, and/or any other relevant clearing system are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date (the "**Record Date**"). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the principal amount of the Notes held by a holder is less than U.S.$250,000 (or integral multiples of U.S.$1,000 in excess thereof) (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (i) (in the case of payment in a Specified Currency other than euro) a bank in the Principal Financial Centre of the country of such Specified Currency; and (ii) (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and/or any other relevant clearing system are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the Record Date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

Neither the Issuer nor any of the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(ii) *Method of payment – Bearer Notes*

Payments of principal in respect of Bearer Notes will be made against presentation outside the United States or its possessions and surrender of the relevant Bearer Notes to the Issuer and Paying Agent at the office of the Principal Paying Agent outside of the United States or its possessions as specified in the applicable Final Terms.

Payments of interest in respect of Bearer Notes will be made against presentation outside the United States or its possessions of the relevant Bearer Notes to the Issuer and Paying Agent at the office of the Issuer and Paying Agent outside the United States or its possessions as specified in the applicable Final Terms, subject, in the case of payments made in respect of the Temporary Global Note of any Series, to certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not United States persons, or persons who have purchased for resale directly or indirectly to any United States person or to a person within the United States or its possessions, as required by U.S. Treasury Regulations.

In either case, with regard to Bearer Global Notes, such payments will be made outside the United States by transfer to the account of the bearer.

(iii) *Method of payment – General in respect of Notes in Physical Form*

Subject as provided above and below:

i. payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the Principal Financial Centre of the country of such Specified Currency; and

ii. payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

(iv) *Presentation of definitive Bearer Notes and Coupons*

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 4(ii) above only against presentation and surrender of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction).

Bearer Notes in definitive form bearing Fixed Rate Interest should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Bearer Note in definitive form bearing Fixed Rate Interest becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Bearer Note bearing Structured Rate Interest and/or Floating Rate Interest in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

(v) *General provisions applicable to payments in respect of Notes in Physical Form*

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

i. the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;

ii. payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and

iii. such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(vi) *Method of Payment in respect of Dematerialised Notes*

Payment of principal and interest in respect of the Dematerialised Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent to the accounts of the Monte Titoli Account Holders whose accounts with Monte Titoli are credited with those Notes and thereafter credited by such Monte Titoli Account Holders to the accounts of the beneficial owners of those Notes or through Euroclear and Clearstream Banking to the accounts with Euroclear and Clearstream Banking of the beneficial owners of those Dematerialised Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream Banking, as the case may be.

(vii) *Payments Subject to Fiscal and Other Laws*

Payments will be subject in all cases, to (a) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8, (b) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any U.S. Treasury Regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8)) any law implementing an intergovernmental approach thereto, and (c) if the Structured Rate Interest is determined by reference to shares in a U.S. company, any withholding or deduction by reason of Section 871(m) of the Code and the U.S. Treasury Regulations promulgated thereunder, or any published administrative guidance implementing such Section or regulations, imposing a U.S. withholding tax on certain "dividend equivalents" under certain "equity linked instruments".

(viii) *Payment Day*

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

(ix) *Interpretation of principal and interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

i. any additional amounts which may be payable with respect to principal under Condition 7;

ii. the Final Redemption Amount of the Notes;

iii. the Early Redemption Amount of the Notes;

iv. the Mandatory Early Redemption Amount of the Notes;

v. the Optional Redemption Amount(s) (if any) of the Notes;

vi. in relation to Notes redeemable in instalments, the Instalment Amounts;

vii. in relation to Zero Coupon Notes, the Amortised Face Amount; and

viii. any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7.

5. REDEMPTION AND PURCHASE - GENERAL PROVISIONS

(i) *Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note (other than any Note specified to be a Dual Currency Redemption Note in the applicable Final Terms) will be redeemed at least at par by the Issuer at its Final Redemption Amount specified in the relevant Specified Currency on the Maturity Date.

Unless previously redeemed or purchased and cancelled as specified below, each Note specified to be a Dual Currency Redemption Note in the applicable Final Terms will be redeemed by the Issuer at its Final Redemption Amount specified in the relevant Payment Currency on the Maturity Date. The relevant Reference Exchange Rate shall be determined in accordance with Condition 7 below.

If the applicable Final Terms specify that the Notes are Instalment Notes, each Note will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms.

If the applicable Final Terms specify that the Inflation Linked Redemption Amount is applicable, each Note will be redeemed at least at par by the Issuer on the Maturity Date at the Inflation Linked Redemption Amount.

For the purpose of this Condition 5(i):

"**Final Observation Date(s)**" means the date(s) or period (*e.g.*, month) specified as such in the applicable Final Terms.

"**Inflation(T)**" means the value of the Inflation Index published by the Information Source in respect of the Final Observation Date;

"**Inflation(0)**" means the value of the Inflation Index published by the Information Source specified in the Final Terms in respect of the Initial Observation Date;

"**Inflation Index**" means the inflation index specified as such in the applicable Final Terms;

"**Inflation Linked Redemption Amount**" means the amount determined in accordance to the following formula:

$$Calculation\ Amount \times 100\% \times Max\ [1,\ \left(\frac{Inflation\ (T)}{Inflation\ (0)}\right)\ ]$$

"**Information Source**" means the information source specified in the relevant Final Terms;

"**Initial Observation Date(s)**" means the date(s) or period (*e.g.*, month) specified as such in the applicable Final Terms.

(ii) *Redemption for tax reasons*

If Condition 8(i) is specified as applicable in the applicable Final Terms, the Notes may be redeemed at the option of the Issuer in whole, but not in part at any time (if this Note is not bearing Structured Rate Interest and/or Floating Rate Interests) or on any Interest Payment Date (if this Note is bearing Structured Rate Interest and/or Floating Rate Interest and/or is a Dual Currency Note), on giving not less than 30 nor more than 60 days' notice to the Agent, (in the case of Dematerialised Notes) Monte Titoli and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), if:

i. on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8(i) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or any political subdivision of, or any authority in, or of, the Republic of Italy having the power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and

ii. such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Agent (or, in the case of Dematerialised Notes, make available, upon request, to the relevant Noteholder): (x) a certificate signed by two Directors of the Issuer stating that the relevant requirement referred to in Condition 5(ii) i. above will apply on the occasion of the next payment due in respect of the Notes and cannot be avoided by the Issuer taking reasonable measures available to it; and (y) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 5(ii) will be redeemed at their Early Redemption Amount referred to in paragraph (v) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

If Condition 8(ii) is specified as applicable in the applicable Final Terms, Condition 5(ii) shall not apply to the Notes.

In relation to Notes that qualify as eligible liabilities under the MREL Requirements, any early redemption is subject to compliance with the then applicable MREL Requirements (including, without limitation, having obtained the prior permission of the Relevant Authority, if required, as specified in paragraph (vii) below of this Condition).

(iii) *Redemption at the option of the Issuer (Issuer Call)*

If Issuer Call is specified as applicable in the applicable Final Terms, the Issuer may, having given:

i. not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 15; and

ii. not less than 15 days before the giving of the notice referred to in i., notice to the Agent and (in the case of Dematerialised Notes) Monte Titoli,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount in each case as may be specified in the applicable Final Terms.

In the case of a redemption of some only of the Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected (i) individually by lot, in the case of Redeemed Notes represented by definitive Notes, (ii) in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) in the case of Redeemed Notes represented by a Global Note and (iii) in accordance with the rules of Monte Titoli (to be reflected as a *pro-rata* reduction in principal amount) in the case of Dematerialised Notes, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (iii) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 15 at least five days prior to the Selection Date.

In relation to Notes that qualify as eligible liabilities under the MREL Requirements, any early redemption is subject to compliance with the then applicable MREL Requirements (including, without limitation, having obtained the prior permission of the Relevant Authority, if required, as specified in paragraph (vii) below of this Condition).

(iv) *Redemption or sale at the option of the Noteholders (Investor Put)*

If Investor Put is specified as applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer notice in accordance with Condition 15 and within the terms specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, (i) redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date or (ii) buy such Note on the date and at the amount specified in the applicable Final Terms.

To exercise the right to require redemption or sale of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver at least 5 (five) Business Days before the exercise of the right to require redemption/sale of this Note (the "**Put Notice Period**"), at the specified office of the Registrar or, as the case may be, any Paying Agent at any time during normal business hours of such Registrar or Paying Agent falling within the Put Notice Period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "**Put Notice**") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition. If this Note is in definitive form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Registrar or the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption/sale of this Note the holder of this Note must, within the Put Notice Period, give notice to the Registrar or Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Registrar or Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly. In the case of Dematerialised Notes, to exercise the right to require redemption/sale of this Note the holder of this Note must, within the Put Notice Period, give notice to the Paying Agent of such exercise in accordance with the standard procedures of Monte Titoli in a form acceptable to Monte Titoli.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption/sale an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 9.

In relation to Notes that qualify as eligible liabilities under the MREL Requirements, any early redemption is subject to compliance with the then applicable MREL Requirements (including, without limitation, having obtained the prior permission of the Relevant Authority, if required, as specified in paragraph (vii) below of this Condition).

(v) *Early Redemption Amounts*

For the purpose of Condition 5(ii) and Condition 9, each Note will be redeemed at its Early Redemption Amount as follows:

i. in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or

ii. in the case of a Note (other than a Zero Coupon Note but including an Instalment Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Note is denominated, at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or

iii. in the case of a Zero Coupon Note, at the Amortised Face Amount.

(vi) *Mandatory Early Redemption Amounts*

For the purposes of this Condition 5(vi):

"**Futures Contract N-th Near-by**" means, if the Futures Contract N-th Near-by Feature is specified as applicable, the n-th futures contract that has the same features of the futures contract indicated as Underlying.

The relevant Final Terms will specify:

(i) the ordinal number of the Futures Contract N-th Near-by to be used for the determination of the:

- Mandatory Initial Reference Value or the Mandatory Interim Initial Reference Value and/or

- the Reference Value (other than the Mandatory Initial Reference Value or Mandatory Interim Initial Reference Value); and

(ii) if the Mandatory Initial Reference Value or Mandatory Interim Initial Reference Value of the Underlying will be determined on the basis of a Futures Contract N-th Near-by. In such case, the Futures Contract N-th Near-by will be the n-th futures contract that has an expiration date which is the closest (but beyond) to the Mandatory Initial Observation Date or Mandatory Interim Initial Observation Date(s); and/or

(iii) if Rolling is specified as applicable. In such case, the Reference Value (other than the Mandatory Initial Reference Value or Mandatory Interim Initial Reference Value) will be determined on the basis of the Futures Contract N-th Near-by that will be the n-th futures contract with an expiration date which is the closest (but beyond) to any observation date/period during the lifetime of the Notes.

When the Futures Contract N-th Near-by replaces the futures contract indicated as Underlying, the applicable Final Terms will specify the relevant N-th Near-by Initial Date and/or the relevant Rollover

Date(s). On the N-th Near-by Initial Date and/or the Rollover Dates, the Noteholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

"**Futures Contract N-th Near-by Feature**" means, if specified as applicable and when the Underlying is a futures contract, the feature pursuant to which the Calculation Agent will be entitled to determine, as specified in the relevant Final Terms:

(i) if the Mandatory Initial Reference Value or Mandatory Interim Initial Reference Value will be determined on the basis of a Futures Contract N-th Near-by; and/or

(ii) if Rolling is specified as applicable. In such case, the Reference Value in relation to any observation date/period during the lifetime of the Notes (other than the Mandatory Initial Reference Value or Mandatory Interim Initial Reference Value) will be determined on the basis of a Futures Contract N-th Near-by;

"**Mandatory Early Payment Date**" means the Business Day on which the Issuer will pay the Mandatory Early Redemption Amount to the Noteholders;

"**Mandatory Early Redemption Amount**" is an amount that will be specified in the relevant Final Terms and will be paid to the Noteholders on the relevant Mandatory Early Payment Date if a Mandatory Early Redemption Event occurs;

"**Mandatory Early Redemption Event**" means, if applicable pursuant to the relevant Final Terms, the Calculation Agent determines that in the relevant Mandatory Early Redemption Valuation Period the Reference Value, Performance or Spread, as applicable, as determined pursuant to the terms set out in the relevant Final Terms is lower, equal to or higher than the relevant Mandatory Early Redemption Level, as specified in the relevant Final Terms.

"**Mandatory Early Redemption Level**" means, if applicable under the relevant Final Terms, the value or the percentage specified in relation to the Mandatory Early Redemption Valuation Period in the relevant Final Terms;

"**Mandatory Early Redemption Valuation Period**" means the period composed of one or more day(s), as specified in the relevant Final Terms, for which the Calculation Agent determines whether the Reference Value, Performance or Spread of the Underlying is lower than, equal to, or higher than the Mandatory Early Redemption Level and therefore whether a Mandatory Early Redemption Event has occurred. For the purposes of calculating the arithmetic mean of a Reference Value, two or more Mandatory Interim Observation Dates may be specified in relation to a Mandatory Early Redemption Valuation Period, in the relevant Final Terms.

If there is more than one Mandatory Early Redemption Valuation Period, the relevant Final Terms will specify the "**First Mandatory Early Redemption Valuation Period**", the "**Second Mandatory Early Redemption Valuation Period**" and so forth.

The above provisions apply provided that, in the opinion of the Calculation Agent, a Market Disruption Event pursuant to Condition 6 below has not occurred in the relevant Mandatory Early Redemption Valuation Period. In such case, without prejudice to the provisions contained in Condition 6 below relating to the Reference Value continuously observed, the Mandatory Early Redemption Valuation Period will be postponed to the immediately following Business Day on which the Market Disruption Event is no longer taking place;

"**Mandatory Initial Observation Date**" means the date specified as such in the relevant Final Terms.

"**Mandatory Initial Reference Value**" means (i) the predetermined value(s) indicated in the applicable Final Terms or (ii) the Reference Value as determined by the Calculation Agent on the Mandatory Initial Observation Date.

"**Mandatory Interim Initial Observation Date**" means the date specified as such in the relevant Final Terms.

"**Mandatory Interim Initial Reference Value**" means (i) the predetermined value(s) indicated in the

applicable Final Terms or (ii) the Reference Value as determined by the Calculation Agent on the Mandatory Interim Initial Observation Date.

"**Mandatory Interim Reference Value**" means the Reference Value as determined by the Calculation Agent on the Mandatory Interim Observation Date.

"**Mandatory Observation Date**" means the date specified as such in the relevant Final Terms.

"**N-th Near-by Initial Date**" means, when the Futures Contract N-th Near-by Feature is specified as applicable in the relevant Final Terms and that the Mandatory Initial Reference Value or Mandatory Interim Initial Reference Value will be determined on the basis of the Futures Contract N-th Near-by, the date specified in the applicable Final Terms on which the Futures Contract N-th Near-by will replace the futures contract indicated as Underlying.

As soon as the Futures Contract N-th Near-by replaces the futures contract on the N-th Near-by Initial Date, the Noteholders will be notified of the Futures Contract N-th Near-by which will be the Underlying, by a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

"**Performance**" means:

1) the performance of the relevant Underlying calculated as:

(A) The value of the relevant Underlying (the "**Underlying$_{(i)}$**") determined in accordance with the following formula (the "**Single Performance SV**"):

$$\text{Single Performance}_{(i)}\,SV = \frac{Underlying_{(i)}^{Final} - P \times Underlying_{(i)}^{Initial}}{Underlying_{(i)}^{Initial}}$$

Where:

"***P***" means the multiplier specified in the applicable Final Terms as the Multiplier Factor;

"$\boldsymbol{Underlying_{(i)}^{Final}}$" means the Reference Value of the relevant Underlying on the relevant Mandatory Early Redemption Valuation Period;

"$\boldsymbol{Underlying_{(i)}^{Initial}}$" means the Initial Reference Value of the relevant Underlying;

(B) the arithmetic mean of the value of the relevant Underlying (the "**Underlying$_{(i)}$**") determined in accordance with one of the following formulas specified in the applicable Final Terms (the "**Single Performance AM**"):

$$\text{Single Performance}_{(i)}\,AM = \frac{Underlying_{(i)}^{Final\ Average} - P \times Underlying_{(i)}^{Initial\ Average}}{Underlying_{(i)}^{Initial\ Average}}$$

$$\text{or Single Performance}_{(i)}\,AM = \frac{Underlying_{(i)}^{Final\ Average} - P \times Underlying_{(i)}^{Initial}}{Underlying_{(i)}^{Initial}}$$

$$\text{or Single Performance}_{(i)}\,AM = \frac{Underlying_{(i)}^{Final} - P \times Underlying_{(i)}^{Initial\ Average}}{Underlying_{(i)}^{Initial\ Average}}$$

Where:

"***P***" means the multiplier specified in the applicable Final Terms as the Multiplier Factor;

"$\boldsymbol{Underlying_{(i)}^{Final}}$" means the Reference Value of the relevant Underlying in the Mandatory Early Redemption Valuation Period;

"$\boldsymbol{Underlying_{(i)}^{Initial}}$" means the Mandatory Initial Reference Value of the relevant Underlying;

"$\boldsymbol{Underlying}_{(i)}^{\boldsymbol{Final\ Average}}$" means the arithmetic mean of the Mandatory Interim Reference Values of the relevant Underlying;

"$\boldsymbol{Underlying}_{(i)}^{\boldsymbol{Initial\ Average}}$" means the arithmetic mean of the Mandatory Interim Initial Reference Values of the relevant Underlying;

2) the performance of the relevant Basket (the "**Basket Performance**") calculated as:

(A) the performance of the Basket (the "**Basket$_{(i)}$**") determined as the sum of the performance of each Basket Constituent multiplied by the relevant Basket Constituent Weight, in accordance with the following formula (the "**Basket Performance SV**"):

$$\text{Basket Performance}_{(i)}\ SV = \sum_{i=1}^{n} Single\ Performance_{(i)}SV\ \times\ W_{(i)}$$

Where:

"$\boldsymbol{n}$" means the number of the Basket Constituents;

"$\boldsymbol{Single\ Performance_{(i)}SV}$" means the performance calculated as a value for each Basket Constituent in accordance with the formula specified above at paragraph 1(A);

"$\boldsymbol{W_{(i)}}$" means the Basket Constituent Weight. The Basket Constituent Weight is a percentage specified in the applicable Final Terms;

(B) the arithmetic mean of the performance of the Basket (the "**Basket$_{(i)}$**") determined as the sum of the performances calculated as the arithmetic mean of the performance of each Basket Constituent multiplied by the relevant Basket Constituent Weight, in accordance with the following formula (the "**Basket Performance AM**"):

$$\text{Basket Performance}_{(i)}\ AM = \sum_{i=1}^{n} Single\ Performance_{(i)}AM\ \times\ W_{(i)}$$

Where:

"$\boldsymbol{n}$" means the number of the Basket Constituents;

"$\boldsymbol{Single\ Performance_{(i)}AM}$" means the performance calculated as the arithmetic mean of the performance of each Basket Constituent determined in accordance with one of the formulas specified above at paragraph 1(B);

"$\boldsymbol{W_{(i)}}$" means the Basket Constituent Weight. The Basket Constituent Weight is a percentage specified in the applicable Final Terms.

"**Reference Value**" means the value of the Underlying as (i) *in the case of a Basket Constituent or single Underlying,* either (a) observed continuously in the regular trading hours during the relevant period, as displayed on the applicable Information Source and as specified in the applicable Final Terms, or (b) published by the Information Source specified in the Final Terms or, if the Information Source is not available, as determined in accordance with the Final Terms; or (ii) *in the case of a Basket,* determined in accordance with the foregoing definition of "Calculation of Basket". When the Underlying is represented by a futures contract and if the Futures Contract N-th Near-by Feature and/or Rolling are specified as applicable in the relevant Final Terms, means the value of the Futures Contract N-th Near-by on the relevant observation date/period;

"**Rolling**" means the feature that may be specified as applicable when the Futures Contract N-th Near-by Feature is specified as applicable in the relevant Final Terms, pursuant to which the Issuer will be entitled to determine the Reference Value in relation to any observation date during the lifetime of the Notes (other than the Mandatory Initial Reference Value or Mandatory Interim Initial Reference Value) on the basis of a Futures Contract N-th Near-by;

"**Rollover Date(s)**" means, if Rolling is specified as applicable in the relevant Final Terms, the date

specified in the applicable Final Terms on which the Futures Contract N-th Near-by will replace the futures contract indicated as the Underlying in the applicable Final Terms. As soon as the Futures Contract N-th Near-by replaces the futures contract specified as Underlying on the Rollover Date, the Noteholders will be notified of the Futures Contract N-th Near-by which will be the Underlying, by a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

"**Spread**" means the value expressed as percentage calculated in accordance with one of the formulas below, as specified in the relevant Final Terms. In particular, depending on the Underlyings, the Spread is calculated as the difference either::

(i) in relation to Underlyings which are interest rates, inflation rates or swap rates only:

Spread = Reference Value of the Underlying 1 – Reference Value of the Underlying 2

(ii) in relation to Underlyings other than interest rates, inflation rates or swap rates:

Spread = Performance of the Underlying 1 – Performance of the Underlying 2

***

The Notes, if so specified in the relevant Final Terms, may provide for the possibility of automatic early redemption. Upon the occurrence of a Mandatory Early Redemption Event, the Noteholders are entitled to receive the payment of the Mandatory Early Redemption Amount.

A Mandatory Early Redemption Event may occur if the Reference Value, Performance or Spread with reference to a Mandatory Early Redemption Valuation Period is lower than, equal to or higher than Mandatory Early Redemption Level (as indicated in the relevant Final Terms), in which case the Notes will be automatically redeemed and the Noteholder will receive on the Mandatory Early Payment Date the payment of the Mandatory Early Redemption Amount.

In relation to Notes that qualify as eligible liabilities under the MREL Requirements, any early redemption is subject to compliance with the then applicable MREL Requirements.

(vii) *Redemption of Notes that qualify as eligible liabilities under the MREL*

a) Regulatory conditions for call, redemption, repayment or repurchase

Any call, redemption, repurchase, repayment or modification of eligible Notes is subject, to the extent such Notes qualify at such time as liabilities that are eligible to meet the MREL Requirements (so called eligible liabilities), to compliance with the then applicable MREL Requirements, including the condition that the Issuer has obtained the prior permission of the Relevant Authority in accordance with Article 78a of the CRR, where one of the following conditions is met:

(i) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the relevant Notes with Own Funds instruments or eligible liabilities instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(ii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds and eligible liabilities would, following such call, redemption, repayment or repurchase, exceed the requirements for Own Funds and eligible liabilities laid down in the Relevant Regulations by a margin that the Relevant Resolution Authtority, in agreement with the Competent Authority, considers necessary; or

the Issuer has demonstrated to the satisfaction of the Resolution Authority that the partial or full replacement of the relevant Notes with Own Funds instruments is necessary to ensure compliance with the Own Funds requirements laid down in the Relevant Regulations for continuing authorisation, subject in any event to any different conditions or requirements as may be applicable from time to time under the applicable laws and regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) such Notes, in the

limit of a predetermined amount, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out in sub-paragraphs (a) or (b) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78a of the CRR shall not constitute a default of the Issuer for any purposes.

b) Redemption due to a MREL Disqualification Event

In relation to Notes qualified as f MREL eligible liabilities at the time of their issuance, if the Issuer determines that a MREL Disqualification Event has occurred and is continuing, the Issuer in its discretion may, having given a notice to the Noteholders in accordance with Condition 15 (*Notices*) (and, in the case of Dematerialised Notes, to Monte Titoli), which will specify the scheduled date for redemption and payment of the relevant amount, redeem such Series of Notes, in whole but not in part, then outstanding at any time at their nominal amount together with any outstanding interest.

(viii) *Purchases*

The Issuer may at any time purchase Notes (provided that, in the case of definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

In relation to Notes which qualify as eligible liabilities under the MREL Requirements, the Issuer may at any time purchase Notes in compliance with the then applicable MREL Requirements (including, without limitation, having obtained the prior permission of the Relevant Authority, if required, as specified in paragraph (vii) above of this Condition).

(ix) *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together, in the case of definitive Bearer Notes, with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to paragraph (vii) above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

(x) *Instalments*

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 5(v) above.

(xi) *Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 5 (i), (ii), (iii) or (iv) above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in the definition of Amortised Face Amount as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

i. the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

ii. five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15.

6. MARKET DISRUPTIONS AND ADJUSTMENTS

(a) ***Market Disruption Events in relation to Underlyings***

If during the tenor of the Notes, a disruption to the regular determination of the Reference Value

of an Underlying occurs in relation to such Underlying (a "**Market Disruption Event**"), the Calculation Agent will act as specified in the applicable Final Terms.

If the Reference Value of an Underlying cannot be determined on the scheduled date, the Calculation Agent or the entity responsible for the determination and publication of the value of the relevant Underlying will determine such value on the basis of:

1) the first determination immediately prior to or following the scheduled determination date, as specified in the applicable Final Terms; or

2) a determination method in accordance with the best market practice and with the applicable laws and regulations (in particular, the Benchmark Regulation) of the relevant Underlying.

Such determinations will be made in good faith and in a commercially reasonable manner.

However, if the Calculation Agent determines that the Reference Value continuously observed cannot be determined at any time on any relevant period by reason of the occurrence of an event giving rise to a Market Disruption Event, then the Reference Value continuously observed at such time on such period shall be disregarded for the purposes of determining the occurrence of the Knock-out Event, the Knock-in Event and/or the Mandatory Early Redemption Event, as the case may be.

If on the eighth scheduled date from the scheduled date originally expected, a Market Disruption Event is continuing, the value of the relevant Underlying will be determined as specified in the applicable Final Terms or, alternatively, the Issuer may redeem the Notes early at their nominal amount together with any outstanding interest, calculated by the Calculation Agent acting in good faith and in a commercially reasonable manner as specified in the applicable Final Terms.

In relation to Notes that qualify as eligible liabilities under the MREL Requirements, the early redemption of such Notes is subject to compliance with the then applicable MREL Requirements.

(b) ***Adjustment Event in relation to Underlyings***

If during the tenor of the Notes, an exceptional event that modifies the structure of an Underlying or threatens its existence or adversely affects the calculation of its value or any other similar event of an exceptional nature (an "**Adjustment Event**") occurs, the Calculation Agent will act as specified in the applicable Final Terms.

Such events may include, without termination:

1) the occurrence of an extraordinary event (such as a merger, a share split, a consolidation, an increase of corporate capital) in relation to the issuer of the relevant Underlying;

2) the delisting of the Underlying from the relevant market;

3) the modification of the method of calculation of the Underlying;

4) the replacement or cancellation of the relevant Information Source.

On the occurrence of one of these events, the Calculation Agent or the entity responsible for the calculation and publication of the value of the relevant Underlying, will make appropriate adjustments to one or more of the calculation parameters and, if necessary, will replace the Underlying, acting in good faith and in a commercially reasonable manner and with the aim of preserving as far as possible the original features of the Notes and in accordance with the applicable laws and regulations (in particular, the Benchmark Regulation).

If an Adjustment Event has occurred and its negative effects cannot be corrected as described, the Issuer may: (i) apply the provisions of Market Disruption Events as detailed under 6(a) above, or, as alternative, (ii) redeem the Notes early at their nominal amount together with any outstanding interest. The Noteholders will be notified by the Issuer by way of a notice on the Issuer's website.

In relation to Notes that qualify as eligible liabilities under the MREL Requirements, the early redemption of such Notes is subject to compliance with the then applicable MREL Requirements.

(c) ***Incorrect values published by the Information Source***

If during the tenor of the Notes, the Information Source of the Underlying publishes incorrect values in relation to such Underlying and subsequently rectifies such incorrect values, the Calculation Agent will consider the values of the Underlying as amended by the Information Source, provided that these amendments are promptly disclosed in accordance with the methodologies specified in the applicable Final Terms.

7. **DUAL CURRENCY NOTES**

(i) *Payments in Payment Currency*

If the Notes are specified to be Dual Currency Interest Notes in the applicable Final Terms, all payments of interest in respect of such Dual Currency Interest Notes shall be made in the Payment Currency.

If the Notes are specified to be Dual Currency Redemption Notes in the applicable Final Terms, all amounts payable in respect of such Dual Currency Redemption Notes upon redemption of such Dual Currency Redemption Notes pursuant to Conditions 5(i), (ii), (iii), (iv) or (v) above or upon their becoming due and repayable as provided in Condition 8 shall be made in the Payment Currency.

The Calculation Agent will determine the amount to be paid in the Payment Currency by applying the Reference Exchange Rate to the amount that would have been payable in the Specified Currency were it not for this Condition 7(i).

Such payment shall be made on the date such payment would otherwise be payable, provided that, if the Rate Calculation Date is postponed in accordance with the provisions below, such payment shall be made the Number of Rate Calculation Business Days after the Rate Calculation Date (as so postponed). No additional interest shall be payable in respect of any such delay.

For the avoidance of doubt, Condition 4(vi) (*Payment Day*) shall apply to such payment.

(ii) *Definitions*

"**Cumulative Postponement Longstop Date**" means, in respect of any postponement by a number of days equal to the Maximum Days of Cumulative Postponement, the last day of such postponement.

"**EM Fallback Valuation Longstop Date**" means, in respect of any postponement by a number of days equal to the Maximum Days of EM Valuation Fallback Postponement, the last day of such postponement.

"**EM Valuation Longstop Date**" means, in respect of any postponement by a number of days equal to the Maximum Days of EM Valuation Postponement, the last day of such postponement.

"**FX Business Day**" means, in relation to the Reference Exchange Rate, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits), or but for the occurrence of a FX Market Disruption Event would have settled payments and been open for general business in each of the Specified Financial Centres for the Reference Exchange Rate specified in the applicable Final Terms.

"**FX Disrupted Day**" means any day on which a FX Market Disruption Event occurs.

"**FX Disruption Fallback**" means, in respect of the Reference Exchange Rate, Calculation Agent Determination, Currency Reference Dealers, EM Fallback Valuation Postponement, EM Valuation Postponement, Fallback Reference Price, Other Published Sources and Postponement. The applicable Disruption Fallback in respect of the Reference Exchange Rate shall be as specified in the applicable Final Terms, and if two or more Disruption Fallbacks are specified, unless otherwise provided in the applicable Final Terms, such Disruption Fallbacks shall apply in the order specified in the applicable Final Terms, such that if the Calculation Agent determines that the Reference Exchange Rate cannot be determined by applying the first specified Disruption Fallback, then the next specified Disruption

Fallback shall apply.

"**FX Price Source(s)**" means the price source(s) specified in the applicable Final Terms for the Reference Exchange Rate or if the relevant rate is not published or announced by such FX Price Source at the relevant time, the successor or alternative price source or page or publication for the relevant rate as determined by the Calculation Agent in its sole and absolute discretion.

"**Maximum Days of Cumulative Postponement**" means such number of calendar days (or other type of days) as specified in the applicable Final Terms.

"**Maximum Days of EM Fallback Valuation Postponement**" means such number of calendar days (or other type of days) as specified in the applicable Final Terms.

"**Maximum Days of EM Valuation Postponement**" means such number of calendar days (or other type of days) as specified in the applicable Final Terms.

"**Maximum Days of Postponement**" means the number of calendar days (or other type of days) specified as such in the applicable Final Terms.

"**Maximum Days of Unscheduled Holiday Postponement**" means the number of calendar days (or other type of days) specified as such in the applicable Final Terms.

"**Number of Rate Calculation Business Days**" means the number of Rate Calculation Business Days specified as such in the applicable Final Terms;

"**Rate Calculation Business Centre(s)**" means each business centre that is relevant for determining whether a day is a Rate Calculation Business Day, as specified in the applicable Final Terms, provided that if no business centre is specified in the applicable Final Terms, the Rate Calculation Business Centre(s) shall be the Specified Financial Centres for the relevant currencies.

"**Rate Calculation Business Day**" means, unless otherwise specified in the applicable Final Terms, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in the Rate Calculation Business Centre(s).

"**Rate Calculation Date**" means, in respect of any Interest Payment Date or the Maturity Date or other date in which an Early Redemption Amount or Optional Redemption Amount or other amount is due, the day specified as such in the applicable Final Terms or, if no day is specified as such, the day falling the Number of Rate Calculation Business Days prior to such Interest Payment Date, Maturity Date or other date (as the case may be), provided that if any such day is an Unscheduled Holiday (if applicable) or an FX Disrupted Day, the Rate Calculation Date shall be determined in accordance with Condition 7(iv) (*FX Market Disruption Event Adjustment Provisions*) and Condition 7(v) (*EM Currency Provisions*) below;

"**Reference Dealers**" means, in respect of the relevant exchange market, four leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent (or any other number of dealers as specified in the applicable Final Terms).

"**Reference Exchange Rate**" means the spot rate of exchange of the Specified Currency into the Payment Currency (expressed as the number of units (or part units) of the Payment Currency for which one unit of the Specified Currency can be exchanged) appearing on the FX Price Source at the Valuation Time on the Rate Calculation Date.

"**Specified Financial Centres**" means the financial centre(s) specified in the applicable Final Terms.

"**Unscheduled Holiday**" means a day that is not an FX Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9.00 a.m., local time in the relevant Specified Financial Centre two FX Business Days prior to such day.

"**Valuation Time**" means time specified as such in the applicable Final Terms or, if no time is specified as such, the time selected by the Calculation Agent.

(iii) *FX Market Disruption Events*

"**FX Market Disruption Event**" means in relation to the Reference Exchange Rate:

(a) the occurrence or existence, as determined by the Calculation Agent in its sole and absolute discretion, of any FX Price Source Disruption and/or any FX Trading Suspension or Limitation and/or, if Currency Disruption Event is specified as applicable in the applicable Final Terms, any Currency Disruption Event; and

(b) if the applicable Final Terms provides that the EM Currency Provisions shall apply, the occurrence or existence, as determined by the Calculation Agent in its sole and absolute discretion, of any FX Price Source Disruption and/or any Price Materiality Event and/or, if Currency Disruption Event is specified as applicable in the Final Terms, any Currency Disruption Event.

For which purpose:

"**Currency Disruption Event**" means any of Inconvertibility, Non-Transferability and Dual Exchange Rate, each such term as defined below.

"**Dual Exchange Rate**" means the occurrence of an event that splits any currency exchange rate specified for the Reference Exchange Rate into dual or multiple currency exchange rates;

"**FX Price Source Disruption**" means (i) it becomes impossible or otherwise impracticable to obtain and/or execute the Reference Exchange Rate on the Rate Calculation Date or other relevant date or, if different, the day on which rates for that Rate Calculation Date would in the ordinary course be published or announced by the relevant FX Price Source and/or (ii) there is a failure by the relevant FX Price Source to publish any relevant price or rate;

"**FX Trading Suspension or Limitation**" means the suspension of and/or limitation of trading in the rate(s) required to calculate the Reference Exchange Rate (which may be, without limitation, rates quoted on any over-the-counter or quotation-based market, whether regulated or unregulated) provided that such suspension or limitation of trading is material in the opinion of the Calculation Agent;

"**Inconvertibility**" means the occurrence of any event that, from a legal or practical perspective, makes it or is likely to make it impossible and/or not reasonably practicable for the Issuer to convert one relevant currency into another through customary legal channels (including, without limitation, any event that has the direct or indirect effect of hindering, limiting or restricting convertibility by way of any delays, increased costs or discriminatory rates of exchange or any current or future restrictions on repatriations of one currency into another currency);

"**Non-Transferability**" means, as determined by the Calculation Agent in its sole and absolute discretion, the occurrence of any event in or affecting any relevant jurisdiction that makes it or is likely to make it impossible and/or not reasonably practicable for the issuer to deliver any relevant currency into a relevant account;

"**Price Materiality Event**" means, in respect of the Reference Exchange Rate and the Rate Calculation Date that the FX Price Source differs from the Fallback Reference Price by at least the Price Materiality Percentage (and if both an FX Price Source Disruption and a Price Materiality Event occur or exist on any day, it shall be deemed that an FX Price Source Disruption and not a Price Materiality Event occurred or existed on such day).

"**Price Materiality Percentage**" means the percentage specified as such in the applicable Final Terms.

(iv) *FX Market Disruption Event Adjustment Provisions*

(a) *Consequences of FX Disrupted Days*

Without prejudice to the provisions of Condition 7(ii) and 7(iii) above, if the Calculation Agent determines that any Rate Calculation Date is an FX Disrupted Day, the Issuer may, in its sole and absolute discretion, direct the Calculation Agent to determine the Reference Exchange Rate

in respect of such Rate Calculation Date in accordance with the terms of the applicable FX Disruption Fallback(s). The applicable Final Terms may provide that one or more FX Disruption Fallbacks may apply, and if two or more FX Disruption Fallbacks are specified, unless otherwise provided in the applicable Final Terms, such FX Disruption Fallbacks shall apply in the order specified in the applicable Final Terms, such that if the Calculation Agent determines that the Reference Exchange Rate cannot be determined by applying the first specified FX Disruption Fallback, then the next specified FX Disruption Fallback shall apply.

If "Unscheduled Holiday" is specified as being applicable in the applicable Final Terms, the references to "Rate Calculation Date" in the paragraph immediately above shall be deemed to mean the Rate Calculation Date as postponed in accordance with Condition 7(v)(a) (*Unscheduled Holiday*) below.

(b) *FX Disruption Fallbacks*

(A) Calculation Agent Determination

"**Calculation Agent Determination**" means, in respect of a Reference Exchange Rate that is affected by the occurrence of an FX Disrupted Day and any relevant day, that such Reference Exchange Rate for such relevant day (or a method for determining such Reference Exchange Rate) will be determined by the Calculation Agent taking into consideration all available information that in good faith it deems relevant;

(B) Currency Reference Dealers

"**Currency Reference Dealers**" means, in respect of a Reference Exchange Rate that is affected by the occurrence of an FX Disrupted Day and any relevant day, that the Calculation Agent will request each of the Reference Dealers to provide a quotation of its rate at which it will buy one unit of the Specified Currency in units of the Payment Currency at the applicable Valuation Time on such relevant day. If, for any such rate, at least two quotations are provided, the relevant rate will be the arithmetic mean of the quotations. If fewer than two quotations are provided for any such rate, the relevant rate will be the arithmetic mean of the relevant rates quoted by major banks in the relevant market, selected by the Calculation Agent at or around the applicable Valuation Time on such relevant day.

(C) Fallback Reference Price

"**Fallback Reference Price**" means, in respect of a Reference Exchange Rate that is affected by an FX Disrupted Day, that the Calculation Agent will determine the Reference Exchange Rate in respect of such FX Disrupted Day pursuant to the alternate FX Price Source(s) specified as Fallback Reference Price(s) in the applicable Final Terms, applied in the order specified in the applicable Final Terms until a rate has been determined or all Fallback Reference Price(s) have been used.

(D) Other Published Sources

"**Other Published Sources**" means, in respect of a Reference Exchange Rate that is affected by an FX Disrupted Day, that the Calculation Agent will determine such Reference Exchange Rate on such FX Disrupted Day on the basis of the exchange rate for one unit of the Specified Currency in terms of the Payment Currency published by available recognised financial information vendors (as selected by the Calculation Agent) other than the applicable FX Price Source, at or around the applicable Valuation Time on such relevant day.

(E) Postponement

"**Postponement**" means, in respect of a Rate Calculation Date, if such day (or, if applicable, if the original date on which such Rate Calculation Date is scheduled to fall is postponed on account of such original day not being a FX Business Day, such postponed day) is an FX Disrupted Day, then such Rate Calculation Date shall be the

first succeeding FX Business Day that is not an FX Disrupted Day, unless the Calculation Agent determines that each of the consecutive FX Business Days equal in number to the Maximum Days of Postponement immediately following such Rate Calculation Date is an FX Disrupted Day. In that case (i) the last consecutive FX Business Day shall be deemed to be the Rate Calculation Date (notwithstanding the fact that such day may be an FX Disrupted Day) and (ii) the next applicable FX Disruption Fallback shall apply.

(v) *EM Currency Provisions*

(a) *Unscheduled Holiday*

If "Unscheduled Holiday" is specified to be applicable in the applicable Final Terms in respect of the Reference Exchange Rate, if the Calculation Agent determines that a Rate Calculation Date is an Unscheduled Holiday in respect of the Reference Exchange Rate, then the Rate Calculation Date in respect of such Reference Exchange Rate shall be the first succeeding FX Business Day which is not an Unscheduled Holiday, unless the Calculation Agent determines that such first FX Business Day has not occurred on or before the date falling the Maximum Days of Unscheduled Holiday Postponement immediately following such Rate Calculation Date. In that case, the next day after that period that would be an FX Business Day but for an Unscheduled Holiday shall be deemed to be the Rate Calculation Date (such date, the "**Adjusted Rate Calculation Date**").

(b) *Additional FX Disruption Fallbacks*

In addition to the FX Disruption Fallbacks set out in Condition 7(iv)(b) (*FX Market Disruption Event Adjustment Provisions – FX Disruption Fallbacks)* above, the applicable Final Terms may also specify any of the following additional FX Disruption Fallbacks to apply in respect of a Reference Exchange Rate:

(A) EM Valuation Postponement

"**EM Valuation Postponement**" means, in respect of a Reference Exchange Rate (which term shall include, where the applicable Final Terms provide that the prior applicable FX Disruption Fallback is "Fallback Reference Price", the Reference Exchange Rate determined using the applicable Fallback Reference Price), that if the Calculation Agent determines that any Rate Calculation Date is an FX Disrupted Day in respect of such Reference Exchange Rate, then the Rate Calculation Date shall be the first FX Business Day which is not an FX Disrupted Day, unless the Calculation Agent determines that no such FX Business Day has occurred on or before the Maximum Days of EM Valuation Postponement immediately following such Rate Calculation Date. In that case, the next FX Business Day after the EM Valuation Longstop Date shall be deemed to be the Rate Calculation Date (notwithstanding the fact that such day may be an FX Disrupted Day) and the next FX Disruption Fallback specified in the applicable Final Terms in respect of such Reference Exchange Rate shall apply.

(B) EM Fallback Valuation Postponement

"**EM Fallback Valuation Postponement**" means, in respect of a Reference Exchange Rate (which term shall include, where the applicable Final Terms provide that the prior applicable FX Disruption Fallback is "Fallback Reference Price", the Reference Exchange Rate determined using the applicable Fallback Reference Price), that if the Calculation Agent determines that the Reference Exchange Rate (as determined by reference to the applicable Fallback Reference Price) is not available on (a) the first FX Business Day following the end of the Maximum Days of EM Valuation Postponement (where an FX Market Disruption Event has occurred or exists in respect of the Reference Exchange Rate throughout the Maximum Days of EM Valuation Postponement) or (b) the Adjusted Rate Calculation Date (as defined in Condition 7(v)(a) above), then the Rate Calculation Date shall be the first succeeding FX Business Day which is not an FX Disrupted Day, unless the Calculation Agent determines that no such FX Business Day has occurred on or before the Maximum Days of EM Fallback Valuation Postponement immediately following such first FX Business Day following the end of the Maximum Days of EM Valuation Postponement or the Adjusted Rate Calculation Date, as the case may be. In that

case, the next FX Business Day after the EM Fallback Valuation Longstop Date shall be deemed to be the Rate Calculation Date (notwithstanding the fact that such day may be an FX Disrupted Day) and the next FX Disruption Fallback specified in the applicable Final Terms in respect of such Reference Exchange Rate shall apply.

(c) *Cumulative Events*

If "**Cumulative Events**" is specified to be applicable in the applicable Final Terms in respect of a Reference Exchange Rate (which term shall include, where the applicable Final Terms provide that the prior applicable FX Disruption Fallback is "Fallback Reference Price", the Reference Exchange Rate determined using the applicable Fallback Reference Price), then the total number of consecutive calendar days during which such Rate Calculation Date is deferred due to (i) an Unscheduled Holiday, (ii) an EM Valuation Postponement or (iii) an EM Fallback Valuation Postponement (or any combination of (i), (ii) and (iii)), shall not exceed the Maximum Days of Cumulative Postponement in the aggregate.

Accordingly, if by the operation of the paragraph immediately above, a Rate Calculation Date is postponed by the number of calendar days equal to the Maximum Days of Cumulative Postponement, then such Rate Calculation Date shall be the Cumulative Longstop Date. If such Cumulative Postponement Longstop Date is an FX Disrupted Day or an Unscheduled Holiday, then the Calculation Agent shall determine the Reference Exchange Rate in respect of such Cumulative Postponement Longstop Date in accordance with the next applicable FX Disruption Fallback.

(vi) *Correction To Published And Displayed Rates*

In any case where the Reference Exchange Rate is based on information obtained from the Reuters Monitor Money Rates Service, or any other financial information service, the Reference Exchange Rate will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such source, unless the Calculation Agent determines in its sole and absolute discretion that it is not practicable to take into account such correction.

(vii) *Successor Currency*

Where the applicable Final Terms specifies that "Successor Currency" is applicable in respect of the Reference Exchange Rate, then:

(a) each Specified Currency and Payment Currency will be deemed to include any lawful successor currency to the Specified Currency or Payment Currency (the "**Successor Currency**");

(b) if the Calculation Agent determines that on or after the Issue Date but on or before any relevant date on which an amount may be payable in respect of Dual Currency Notes, a country has lawfully eliminated, converted, redenominated or exchanged its currency in effect on the Issue Date or any Successor Currency, as the case may be (the "**Original Currency**") for a Successor Currency, then for the purposes of calculating any amounts of the Original Currency or effecting settlement thereof, any Original Currency amounts will be converted to the Successor Currency by multiplying the amount of Original Currency by a ratio of Successor Currency to Original Currency, which ratio will be calculated on the basis of the exchange rate set forth by the relevant country of the Original Currency for converting the Original Currency into the Successor Currency on the date on which the elimination, conversion, redenomination or exchange took place, as determined by the Calculation Agent. If there is more than one such date, the date closest to such relevant date will be selected (or such other date as may be selected by the Calculation Agent in its sole and absolute discretion);

(c) notwithstanding paragraph (b) above but subject to paragraph (d) below, the Calculation Agent may (to the extent permitted by the applicable law), in good faith and in its sole and absolute discretion, select such other exchange rate or other basis for the conversion of an amount of the Original Currency to the Successor Currency and, will make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in respect of the Notes to account for such elimination, conversion, redenomination or exchange of the Specified Currency or Payment

Currency, as the case may be; and

(d) notwithstanding the foregoing provisions, with respect to any Specified Currency or Payment Currency that is substituted or replaced by the Euro, the consequences of such substitution or replacement will be determined in accordance with applicable law.

8. **TAXATION**

(i) *Gross-Up*

If Condition 8(i) is specified as applicable in the applicable Final Terms, principal and interest shall be payable to the holders of the Notes or Coupons by the Issuer without withholding or deduction for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or in the Republic of Italy or by or on behalf of any political subdivision or any authority therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer shall pay such additional amounts of principal and interest as may be necessary in order that the net amounts received by the holders of the Notes or Coupons after such deduction or withholding shall equal the respective amounts of principal, in case of Notes not qualifying at such time as liabilities that are eligible to meet the MREL Requirements only, and interest in case of any Notes, which would have been receivable had no such deduction or withholding been required, except that no such additional amounts shall be payable with respect to any Note or Coupon:

i. for or on account of *imposta sostitutiva* (at the then applicable rate of tax) pursuant to Italian Legislative Decree No. 239 of April 1, 1996 or, for the avoidance of doubt, Italian Legislative Decree No. 461 of 21 November 1997 (as any of the same amended or supplemented from time to time) or any related implementing regulations; and

ii. in all circumstances in which the procedures set forth in Legislative Decree No. 239 of April 1, 1996 in order to benefit from a tax exemption have not been met or complied with except where such requirements and procedures have not been met or complied with due to the actions or omissions of the Issuer or its agents; or

iii. for any deduction or withholding under Sections 1471 through 1474 of the Code, or any successor provisions or any current or future U.S. Treasury Regulation promulgated thereunder, official interpretations thereof, published administrative guidance implementing such Sections or regulations whenever promulgated or published, or any fiscal or regulatory legislation, rules, or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation thereof such Sections of the Code are referred to herein collectively as "**FATCA**". Notwithstanding anything to the contrary in this Condition 7, all payments in respect of the Notes will be made subject to any withholding or deduction required pursuant to FATCA; or

iv. presented for payment by, or on behalf of, a holder who is liable for such withholding or deduction in respect of such Note or Coupon by reason of his having some connection with the Republic of Italy other than the mere holding of such Note; or

v. presented for payment by, or on behalf of, a holder who is entitled to avoid such withholding or deduction in respect of such Note or Coupon by making a declaration or any other statement, including, but not limited to, a declaration of residence or non-residence or other similar claim for exemption; or

vi. presented for payment more than 30 days after the Relevant Date (as defined in the General Definitions) except to the extent that the holder of such Notes or Coupons would have been entitled to such additional amounts on presenting such Notes or Coupons for payment on such thirtieth day (assuming such day to have been a Payment Day as defined in the General Definitions); or

vii. presented for payment in Italy; or

viii. presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent

in a Member State of the European Union; or

ix. in the event of payment to a non-Italian resident legal entity or a non-Italian resident individual, to the extent that interest or other amounts are paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information with Italy; or

x. in respect of any Note where such withholding or deduction is required pursuant to Presidential Decree No. 600 of 29 September 1973; or

xi. in respect of Notes classified as atypical securities where such withholding or deduction is required under law decree No. 512 of 30 September 1983, as amended and supplemented from time to time; or

xii. if the Structured Rate Interest is determined by reference to shares in a U.S. company, for any deduction or withholding by reason of Section 871(m) of the Code and the U.S. Treasury Regulations promulgated thereunder, or any published administrative guidance implementing such Section or regulations, imposing a U.S. withholding tax on certain "dividend equivalents" under certain "equity linked instruments".

(ii) *No Gross-Up*

If Condition 8(ii) is specified as applicable in the applicable Final Terms, the Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

9. EVENTS OF DEFAULT

Any Noteholder may give notice to the Issuer in accordance with Condition 15 that any Note held by such Noteholder is, and shall accordingly immediately become, due and payable at the Early Redemption Amount, together with accrued interest (if any) to the date of repayment if any of the following events (an "**Event of Default**") occurs and is subsisting:

i. *Non-payment*: the Issuer fails to pay principal or interest in respect of the Notes or any of them within 30 days of the relevant due date; or

ii. *Breach of other obligations*: the Issuer fails to perform any other obligation arising under the Notes and such failure continues for more than 60 days after the Issuer has received notice thereof from Noteholders of a least one-quarter in principal amount of the Notes of the relevant Series demanding redemption; or

iii. *Suspension of payments*: the Issuer suspends its payments generally; or

iv. *Bankruptcy etc.*: a court in the jurisdiction of incorporation of the Issuer institutes bankruptcy or composition proceedings to avert bankruptcy or similar proceedings against the assets of the Issuer, or the Issuer applies for the institution of such proceedings concerning its assets.

In relation to Notes that qualify as eligible liabilities under the MREL Requirements, the Noteholders are not entitled to accelerate the payments of Notes under this Condition, other than in the case of the occurrence of the Event of Default described in letter d above (insolvency or liquidation of the Issuer (and, for the avoidance of doubt, resolution proceeding(s) or moratoria imposed by a resolution authority in respect of the Issuer shall not constitute an Event of Default for the Notes that qualify as eligible liabilities under the MREL Requirements for any purpose).

10. PRESCRIPTION

The Notes and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in the General Definitions) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 4(iv) or any Talon which would be void pursuant to Condition 4(iv).

11. REPLACEMENT OF NOTES, COUPONS AND TALONS

This Condition 11 applies only to Notes in Physical Form. Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent or the Registrar, as the case may be, upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

12. SUBSTITUTION OF THE ISSUER

(i) *Substitution of Issuer*

The Issuer (or any previously substituted company from time to time) shall, without the consent of the Noteholders, be entitled at any time to substitute for the Issuer any other company (the "**Substitute**") as principal debtor in respect of all obligations arising from or in connection with the Notes provided that (i) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Notes represent valid, legally binding and enforceable obligations of the Substitute have been taken, fulfilled and done and are in full force and effect; (ii) the Substitute shall have assumed all obligations arising from or in connection with the Notes and shall have become a party to the Agency Agreement, with any consequential amendments; (iii) the obligations of the Substitute in respect of the Notes shall be unconditionally and irrevocably guaranteed by the Issuer; (iv) each stock exchange or listing authority on which the Notes are listed shall have confirmed that following the proposed substitution of the Substitute the Notes would continue to be listed on such stock exchange; (v) the Issuer shall have given at least 30 days' prior notice of the date of such substitution to the Noteholders in accordance with Condition 15; and (vi) in relation to Notes which qualify as eligible liabilities under the MREL Requirements, if required by the Relevant Regulations, the Issuer has obtained the prior permission of the Relevant Authority.

(ii) *Modification of Terms and Conditions as a result of Substitution of Issuer*

After any substitution or change of branch pursuant to Condition 12(i), the Terms and Conditions will be modified in all consequential respects including, but not limited to, replacement of references to the Republic of Italy in the Terms and Conditions where applicable, by references to the country of incorporation, domicile and/or residence for tax purposes of the Substitute or the new branch, as the case may be. Such modifications shall be notified to Noteholders in accordance with Condition 15.

13. AGENTS AND REGISTRAR

The names of the initial Agents and their initial specified offices are set out below.

In the case of Notes in Physical Form, the Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

i. there will at all times be a Principal Paying Agent and a Registrar;

ii. there will at all times be a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive;

iii. so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent, which may be the Principal Paying Agent (in the case of Bearer Notes) and a Transfer Agent (which may be the Registrar (in the case of Registered Notes)) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and

iv. there will at all times be a Paying Agent in a jurisdiction within Europe other than the jurisdiction in which the Issuer is incorporated.

In the case of Dematerialised Notes, the Issuer reserves the right to terminate its role as Paying Agent at any time and to appoint another person to act as Paying Agent or vary or terminate the appointment of any paying agent appointed under the terms of an agency agreement in a customary form and/or appoint additional or other paying agents and appoint a successor issuing and principal paying agent or Calculation Agent, provided it will at all times maintain:

i. a Paying Agent; and

ii. if a Calculation Agent is specified in the applicable Final Terms, the Issuer shall at all times maintain a Calculation Agent.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in the United States in the circumstances described in Condition 4(iv). Notice of any variation, termination, appointment or change will be given to the Noteholders promptly in accordance with Condition 15.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

14. EXCHANGE OF TALONS

This Condition 14 applies only to Notes in Physical Form. On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 10.

15. NOTICES

(i) All notices to the holders of Registered Notes will be valid if mailed to their registered addresses.

(ii) All notices regarding the Notes, both Bearer and Registered will be deemed to be validly given (i) if published in a leading English language daily newspaper of general circulation in London, and (ii) if and for so long as the Notes are admitted to trading on Luxembourg Stock Exchange Regulated Market, and listed on the Official List of Luxembourg Stock Exchange, the notice is published in accordance with the rules and regulations of the Luxembourg Stock Exchange (which shall include publication on the website of the Luxembourg Stock Exchange (www.luxse.com)); (iii) if and so long as the Notes are admitted to trading on stock exchanges other than the Luxembourg Stock Exchange, the notices are duly published in a manner which complies with the rules of any such other stock exchange (or any other relevant authority) on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given if published in a leading English language daily newspaper of general circulation in London, on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or other relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

For so long as the Dematerialised Notes are held through Monte Titoli, there may be substituted for such

publication in such newspaper(s) the delivery of the relevant notice to Monte Titoli for communication by them to the holders of the Dematerialised Notes and, in addition, for so long as any Dematerialised Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or other relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Dematerialised Notes on the day on which the said notice was given to Monte Titoli.

(iii) Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

16. **MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER**

(i) The Agency Agreement (in the case of Notes in Physical Form) and the Provisions for Meetings of Noteholders, as provided in Schedule 1 (*Provisions for Meetings of Noteholders for Dematerialised Notes*) to these Conditions, contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or upon the request in writing of Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum shall be two or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

The Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

(a) any modification (except as mentioned above) of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or

(b) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

In addition, pursuant to Condition 3(d)(ii)(G) (*Benchmark Replacement*), certain changes may be made to the interest calculation provisions of the Floating Rate Notes in the circumstances and as otherwise set out in such Condition, without the requirement for consent of the Noteholders.

(ii) This Condition 16(ii) applies to Notes qualified as eligible liabilities under the MREL Requirements at the time of the issuance. If at any time a MREL Disqualification Event occurs and/or in order to ensure the effectiveness and enforceability of Condition 21 (*Acknowledgment of the Italian Bail-in Power*), then the Issuer may, subject to giving any notice required to be given to, and receiving any consent required from, the Relevant Authority (without any requirement for the consent or approval of the holders of the such Notes of that Series) and having given not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Paying Agent and the Noteholders of the Notes of that Series, which notice shall be irrevocable, at any time either substitute all (but not some only) of such Notes, or vary the terms of such Notes so that

they remain or, as appropriate, become Qualifying Notes (as defined above), *provided that* such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities.

For the avoidance of doubt, no consent of the Noteholders shall be required for a substitution or variation (as applicable) of such Notes in accordance with this Condition 16(ii).

17. **FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount, issue date, issue price and/or date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

18. **COVENANT TO DISCLOSE INFORMATION**

Each Noteholder (being in the case of Notes held by a nominee or held in a clearing system, the beneficial owner of the Notes), by subscribing or purchasing the Notes or an interest in the Notes:

(a) agrees to provide to the Issuer (or agents acting on its behalf) all information and documentation available to it that is reasonably requested by the Issuer (or agents acting on its behalf) in connection with legal, tax or regulatory matters, including any information that is necessary or advisable in order for the Issuer to comply with legal, tax and regulatory requirements applicable to the Issuer from time to time;

(b) agrees to provide to the Issuer (or agents acting on its behalf) all information and documentation available to it that is reasonably requested by the Issuer (or agents acting on its behalf) to verify the Noteholder's identity and the source of the payment used by such Noteholder or its subsequent transferee when purchasing Notes; and

(c) agrees that the Issuer (or agents acting on its behalf) may, subject to any applicable banking secrecy laws and relevant confidentiality provisions (1) provide such information and documentation and any other information concerning its investment in the Notes to any relevant governmental, banking, taxation or other regulatory authority and (2) take such other steps as they deem necessary or helpful (in all cases, in the sole discretion of the Issuer or its respective agents) to comply with any applicable law or regulation.

19. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

20. **GOVERNING LAW AND SUBMISSION TO JURISDICTION**

(a) *Governing law*

The Notes and the Coupons (and any non-contractual obligations arising out of or in connection with the Notes and the Coupons) are governed by, and shall be construed in accordance with, English law.

Notwithstanding this, (i) in respect of the Dematerialised Notes, the form, registration and transfer of the Dematerialised Notes in Monte Titoli will be governed by, and will be construed in accordance with, Italian law, and, (ii) in respect of the loss absorption provisions described in Condition 21 (*Acknowledgement of Italian Bail-in Power*) and any non-contractual obligations arising out of or in connection with such provisions will be governed by, and will be construed in accordance with, Italian law.

(b) *Submission to jurisdiction*

i. Subject to Condition 20(b)(iii) below, the courts of England have jurisdiction to settle any

dispute arising out of or in connection with the Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a "**Dispute**") and accordingly each of the Issuer and any Noteholders or Couponholders in relation to any Dispute submits to the non-exclusive jurisdiction of the English courts.

ii. For the purposes of this Condition 20(b), the Issuer hereby waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

iii. To the extent allowed by law, the Noteholders and Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction, (ii) concurrent proceedings in any number of jurisdictions.

The Issuer hereby appoints Intesa Sanpaolo S.p.A., London Branch which is presently at 90 Queen Street, London EC4N 1SA or its address for the time beingat its office for the time being, as its agent for service of process, and undertakes that, in the event of Intesa Sanpaolo S.p.A., London Branch ceasing so to act, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

(c) *Other documents*

The Issuer has in the Agency Agreement and the Deed of Covenant submitted to the jurisdiction of the English courts in terms substantially similar to those set out above.

21. ACKNOWLEDGEMENT OF THE ITALIAN BAIL-IN POWER

Notwithstanding any provision of these Conditions or any other agreements, arrangements, or understandings between the Issuer and any Noteholder, and without prejudice to Article 55(1) of the BRRD, by its acquisition of the Notes each Noteholder (which, for the purposes of this Condition 21, includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents to and agrees to be bound by:

a) the effects of the exercise of the Italian Bail-in Power by the Italian Resolution Authority, which exercise may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; (ii) the conversion of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of these Conditions; (iii) the cancellation of the Notes or the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; and (iv) the amendment or alteration of the maturity of the Notes or amendment of the interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

b) the variation of these Conditions, as deemed necessary by the Italian Resolution Authority, to give effect to the exercise of the Italian Bail-in Power by the Italian Resolution Authority.

The exercise of the Italian Bail-in Power by the Italian Resolution Authority shall not constitute an event of default and these Conditions shall remain in full force and effect save as varied by the Italian Resolution Authority in accordance with this Condition 21.

Upon the Issuer being informed or notified by the Relevant Authority of the actual date from which the exercise of the Italian Bail-in Power is effective with respect to the Notes, the Issuer shall notify the holders of the Notes without delay. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Italian Bail-in Power nor the effects on the Notes described in this Condition 21.

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of any Italian Bail-in Power to the Notes.

SCHEDULE 1
PROVISIONS FOR MEETINGS OF NOTEHOLDERS FOR DEMATERIALISED NOTES

1. **DEFINITIONS**

These provisions apply only to Dematerialised Notes.

As used in this Schedule, the following expressions have the following meanings unless the context otherwise requires:

"**block voting instruction**" means an English language document requested by any Noteholder and issued by the relevant Monte Titoli Account Holder in accordance with applicable laws and regulations, and dated which:

(a) relates to a specified nominal amount of Notes which are blocked in an account with the relevant Monte Titoli Account Holder and will not be released until the earlier of the conclusion of the meeting (the "**Blocked Notes**") and a meeting (or adjourned meeting) of the holders of the Series of which those Notes form part;

(b) states that the Noteholder has instructed that the votes attributable to the Notes are to be cast at the meeting in accordance with the instructions given;

(c) identifies with regard to each resolution to be proposed at the meeting the nominal amount of Notes in respect of which instructions have been given that the votes attributable to them should be cast in favour of the resolution and the nominal amount of Notes in respect of which instructions have been given that the votes attributable to them should be cast against the resolution; and

(d) states that one or more named persons (each a proxy) is or are authorised and instructed to cast the votes attributable to the Notes identified in accordance with the instructions referred to in (c) above as set out in the block voting instruction;

"**outstanding**" means, in relation to the Notes of any Series, all the Notes issued other than:

(a) those Notes which have been redeemed and cancelled pursuant to the Conditions;

(b) those Notes in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest (if any) accrued to the date for redemption and any interest (if any) payable under the Conditions after that date) have been duly paid to or to the order of the Agent (and where appropriate notice to that effect has been given to the Noteholders in accordance with the Conditions) and remain available for payment against presentation of the relevant Notes;

(c) those Notes which have been purchased and cancelled in accordance with the Conditions;

(d) those Notes in respect of which claims have become prescribed under the Conditions;

(e) those Notes (if any) which are for the time being held by or for the benefit of the Issuer or any Subsidiary of the Issuer shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

"**voting certificate**" means an English language certificate issued by the relevant Monte Titoli Account Holder in accordance with applicable laws and regulations on holder's request and dated in which it is stated that the bearer of the voting certificate is entitled to attend and vote at the meeting and any adjourned meeting in respect of the Blocked Notes represented by the certificate;

"**24 hours**" means a period of 24 hours including all or part of a day on which banks are open for business both in the place where the meeting is to be held and in each of the places where the Paying Agent has its specified offices (disregarding for this purpose the day on which the meeting is to be held) and that period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included all or part of a day on which banks are open for business in all of the places where the Paying Agent has its specified offices; and

"**48 hours**" means a period of 48 hours including all or part of two days on which banks are open for business both in the place where the meeting is to be held and in each of the places where the Paying Agent has its specified offices (disregarding for this purpose the day on which the meeting is to be held) and that period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included all or part of two days on which banks are open for business in all of the places where the Paying Agent has its specified offices.

References in this Schedule to the "**Notes**" are to the Series of Dematerialised Notes in respect of which the meeting is, or is proposed to be, convened.

For the purposes of calculating a period of clear days, no account shall be taken of the day on which a period commences or the day on which a period ends.

2. EVIDENCE OF ENTITLEMENT TO ATTEND AND VOTE

2.1 The following persons (each an "**Eligible Person**") are entitled to attend and vote at a meeting of the holders of Notes:

(a) a bearer of any voting certificate in respect of the Notes; and

(b) a proxy specified in any block voting instruction.

The holder may obtain a voting certificate from the relevant Monte Titoli Account Holder or require the relevant Monte Titoli Account Holder to issue a block voting instruction in respect of such Note (i) not later than 48 hours before the time fixed for the relevant meeting; or (ii) not later than any different period before the date fixed for the relevant Meeting which may be prescribed by applicable law (including, without limitation, applicable provision of the Italian Financial Act). A voting certificate or block voting instruction shall be valid until the release of the Notes Blocked Notes to which it relates. So long as a voting certificate or block voting instruction is valid, the bearer thereof (in the case of a voting certificate) or any proxy named therein (in the case of a block voting instruction) shall be deemed to be the holder of the Notes to which it relates for all purposes in connection with the meeting. A voting certificate and a block voting instruction cannot be outstanding simultaneously in respect of the same Note.

2.2 **References to blocking/release of Notes**

References to the blocking or release of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of the relevant Monte Titoli Account Holder and Monte Titoli.

2.3 **Validity of block voting instructions**

A block voting instruction in relation to any Notes shall be valid only if it is deposited at the specified office of the Paying Agent or at some other place approved by the Issuer, at least 24 hours before the time fixed for the relevant meeting or the Chairman decides otherwise before the Meeting proceeds to business. If the Issuer requires, a notarised copy of each block voting instruction and satisfactory proof of the identity of each proxy named therein shall be produced at the Meeting, but the Issuer shall not be obliged to investigate the validity of any block voting instruction or the authority of any proxy.

3. CONVENING OF MEETINGS, QUORUM, ADJOURNED MEETINGS

3.1 The Issuer may at any time and, if required in writing by Noteholders holding not less than 5 per cent. in nominal amount of the Notes for the time being outstanding, shall convene a meeting of the Noteholders and if the Issuer fails for a period of seven days to convene the meeting the meeting may be convened by the relevant Noteholders. Whenever the Issuer is about to convene any meeting, it shall immediately give notice in writing to the Agent of the day, time and place of the meeting and of the nature of the business to be transacted at the meeting. Every meeting shall be held at a time and place approved by the Agent.

3.2 At least 21 clear days' notice specifying the place, day and hour of the meeting shall be given to the Noteholders in the manner provided in Condition 15 (*Notices*). The notice, which shall be in the English language, shall state generally the nature of the business to be transacted at the meeting and, in the case of an Extraordinary Resolution only, shall either (i) specify the terms of the Extraordinary Resolution to

be proposed or (ii) inform Noteholders that the terms of the Extraordinary Resolution are available free of charge from the Agent, provided that, in the case of (ii), such resolution is so available in its final form with effect on and from the date on which the notice convening such meeting is given as aforesaid. The notice shall either (i) include statements as to the manner in which Noteholders may arrange for voting certificates or block voting instructions to be issued and, if applicable, appoint proxies or representatives or (ii) inform Noteholders that details of the voting arrangements are available free of charge from the Agent, provided that, in the case of (ii) the final form of such details are so available with effect on and from the date on which the notice convening such meeting is given as aforesaid. A copy of the notice shall be sent by post to the Issuer (unless the meeting is convened by the Issuer).

3.3 The person (who may but need not be a Noteholder) nominated in writing by the Issuer shall be entitled to take the chair at each meeting but if no nomination is made or if at any meeting the person nominated is not present within 15 minutes after the time appointed for holding the meeting the Noteholders present shall choose one of their number to be Chairman failing which the Issuer may appoint a Chairman. The Chairman of an adjourned meeting need not be the same person as was Chairman of the meeting from which the adjournment took place.

3.4 At any meeting one or more Eligible Persons present and holding or representing in the aggregate not less than 5 per cent. in nominal amount of the Notes for the time being outstanding shall (except for the purpose of passing an Extraordinary Resolution) form a quorum for the transaction of business and no business (other than the choosing of a Chairman) shall be transacted at any meeting unless the required quorum is present at the commencement of business. The quorum at any meeting for passing an Extraordinary Resolution shall (subject as provided below) be two or more Eligible Persons present and holding or representing in the aggregate a clear majority in nominal amount of the Notes for the time being outstanding provided that at any meeting the business of which includes any of the following matters (each of which shall only be capable of being effected after having been approved by Extraordinary Resolution):

(a) modification of the Maturity Date (if any) of the Notes or reduction or cancellation of the nominal amount payable at maturity; or

(b) reduction or cancellation of the amount payable or modification of the payment date in respect of any interest in respect of the Notes or variation of the method of calculating the rate of interest in respect of the Notes; or

(c) reduction of any Minimum Rate of Interest and/or Maximum Rate of Interest specified in the applicable Final Terms; or

(d) modification of the currency in which payments under the Notes are to be made; or

(e) modification of the majority required to pass an Extraordinary Resolution; or

(f) the sanctioning of any scheme or proposal described in subclause 4.9(f); or

(g) alteration of this proviso or the proviso to subclause 3.5 below,

(h) the quorum shall be two or more Eligible Persons present and holding or representing in the aggregate not less than two-thirds in nominal amount of the Notes for the time being outstanding.

3.5 If within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the meeting shall if convened by Noteholders be dissolved. In any other case it shall be adjourned to the same day in the next week (or if that day is a public holiday the next following business day) at the same time and place (except in the case of a meeting at which an Extraordinary Resolution is to be proposed in which case it shall be adjourned for a period being not less than 14 clear days nor more than 42 clear days and at a place appointed by the Chairman and approved by the Agent). If within 15 minutes (or a longer period not exceeding 30 minutes as the Chairman may decide) after the time appointed for any adjourned meeting a quorum is not present for the transaction of any particular business, then, subject and without prejudice to the transaction of the business (if any) for which a quorum is present, the Chairman may either dissolve the meeting or adjourn it for a period, being not less than 14 clear days (but without any maximum number of clear days) and to a place as may be appointed by the Chairman (either at or after the adjourned meeting) and approved by the Agent, and the provisions of this sentence shall apply to all further adjourned meetings.

3.6 At any adjourned meeting one or more Eligible Persons present (whatever the nominal amount of the Notes so held or represented by them) shall (subject as provided below) form a quorum and shall (subject as provided below) have power to pass any Extraordinary Resolution or other resolution and to decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place had the required quorum been present provided that at any adjourned meeting the business of which includes any of the matters specified in the proviso to subclause 3.4 the quorum shall be one or more Eligible Persons present and holding or representing in the aggregate not less than one-third in nominal amount of the Notes for the time being outstanding.

3.7 Notice of any adjourned meeting at which an Extraordinary Resolution is to be submitted shall be given in the same manner as notice of an original meeting but as if 10 were substituted for 21 in subclause 3.2 and the notice shall state the relevant quorum. Subject to this it shall not be necessary to give any notice of an adjourned meeting.

4. CONDUCT OF BUSINESS AT MEETINGS

4.1 Every question submitted to a meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes the Chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which he may be entitled as an Eligible Person.

4.2 At any meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or the Issuer or by any Eligible Person present (whatever the nominal amount of the Notes held by him), a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

4.3 Subject to subclause 4.5, if at any meeting a poll is demanded it shall be taken in the manner and, subject as provided below, either at once or after an adjournment as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded.

4.4 The Chairman may, with the consent of (and shall if directed by) any meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting except business which might lawfully (but for lack of required quorum) have been transacted at the meeting from which the adjournment took place.

4.5 Any poll demanded at any meeting on the election of a Chairman or on any question of adjournment shall be taken at the meeting without adjournment.

4.6 Any director or officer of the Issuer and its lawyers and financial advisers may attend and speak at any meeting. Subject to this, no person shall be entitled to attend and speak nor shall any person be entitled to vote at any meeting of the Noteholders or join with others in requiring the convening of a meeting unless he is an Eligible Person. No person shall be entitled to vote at any meeting in respect of Notes held by, for the benefit of, or on behalf of the Issuer or any Subsidiary of the Issuer. Nothing contained in this paragraph shall prevent any of the proxies named in any block voting instruction from being a director, officer or representative of or otherwise connected with the Issuer.

4.7 Subject as provided in subclause 4.6, at any meeting:

(a) on a show of hands every Eligible Person present shall have one vote; and

(b) on a poll every Eligible Person present shall have one vote in respect of:

(i) in the case of a meeting of the holders of Notes all of which are denominated in a single currency, each minimum integral amount of that currency; and

(ii) in the case of a meeting of the holders of Notes denominated in more than one currency, each €1.00 or, in the case of a Note denominated in a currency other than euro, the equivalent of €1.00 in that currency (calculated as specified in subclause 4.14),

or such other amount as the Agent shall in its absolute discretion specify in nominal amount of Notes in respect of which he is an Eligible Person.

Without prejudice to the obligations of the proxies named in any block voting instruction, any person entitled to more than one vote need not use all his votes or cast all the votes to which he is entitled in the same way.

4.8 The proxies named in any block voting instruction need not be Noteholders.

4.9 A meeting of the Noteholders shall in addition to the powers set out above have the following powers exercisable only by Extraordinary Resolution (subject to the provisions relating to quorum contained in subclauses 3.4 and 3.6), namely:

(a) power to approve any compromise or arrangement proposed to be made between the Issuer and the Noteholders or any of them;

(b) power to approve any abrogation, modification, compromise or arrangement in respect of the rights of the Noteholders against the Issuer or against any of its property whether these rights arise under this Schedule, the Notes or otherwise;

(c) power to agree to any modification of the provisions contained in this Schedule or the Conditions or the Notes which is proposed by the Issuer;

(d) power to give any authority or approval which under the provisions of this Schedule or the Notes is required to be given by Extraordinary Resolution;

(e) power to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders and to confer upon any committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution;

(f) power to approve any scheme or proposal for the exchange or sale of the Notes for, or the conversion of the Notes into, or the cancellation of the Notes in consideration of, shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as stated above and partly for or into or in consideration of cash; and

(g) power to approve the substitution of any entity in place of the Issuer (or any previous substitute) as the principal debtor in respect of the Notes.

4.10 Any resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions of this Schedule shall be binding upon all the Noteholders whether present or not present at the meeting and whether or not voting and each of them shall be bound to give effect to the resolution accordingly and the passing of any resolution shall be conclusive evidence that the circumstances justify its passing. Notice of the result of voting on any resolution duly considered by the Noteholders shall be published in accordance with Condition 15 (*Notices*) by the Issuer within 14 days of the result being known provided that non-publication shall not invalidate the resolution.

4.11 The expression "**Extraordinary Resolution**" when used in this Schedule means (a) a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions of this Schedule by a majority consisting of not less than 75 per cent. of the persons voting on the resolution upon a show of hands or, if a poll was duly demanded, by a majority consisting of not less than 75 per cent. of the votes given on the poll or (b) a resolution in writing signed by or on behalf of all the Noteholders, which resolution in writing may be contained in one document or in several documents in similar form each signed by or on behalf of one or more of the Noteholders.

4.12 Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer and any minutes signed by the Chairman of the meeting at which any resolution was passed or proceedings had shall be conclusive evidence of the

matters contained in them and, until the contrary is proved, every meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed or proceedings had at the meeting to have been duly passed or had.

4.13 Subject to all other provisions contained in this Schedule the Agent may without the consent of the Issuer, the Noteholders prescribe any other regulations regarding the calling and/or the holding of meetings of Noteholders and attendance and voting at them as the Agent may in its sole discretion think fit (including, without limitation, the substitution for periods of 24 hours and 48 hours referred to in this Schedule of shorter periods). Any regulations prescribed by the Agent may but need not reflect the practices and facilities of any relevant clearing system. Notice of any other regulations may be given to Noteholders in accordance with Condition 15 (*Notices*) and/or at the time of service of any notice convening a meeting.

4.14

(a) If and whenever the Issuer has issued and has outstanding Notes of more than one Series the previous provisions of this Schedule shall have effect subject to the following changes:

(i) a resolution which affects the Notes of only one Series shall be deemed to have been duly passed if passed at a separate meeting of the holders of the Notes of that Series;

(ii) a resolution which affects the Notes of more than one Series but does not give rise to a conflict of interest between the holders of Notes of any of the Series so affected shall be deemed to have been duly passed if passed at a single meeting of the holders of the Notes of all the Series so affected;

(iii) a resolution which affects the Notes of more than one Series and gives or may give rise to a conflict of interest between the holders of the Notes of one Series or group of Series so affected and the holders of the Notes of another Series or group of Series so affected shall be deemed to have been duly passed only if it is duly passed at separate meetings of the holders of the Notes of each Series or group of Series so affected; and

(iv) to all such meetings all the preceding provisions of this Schedule shall mutatis mutandis apply as though references therein to Notes, Noteholders and holders were references to the Notes of the Series or group of Series in question or to the holders of such Notes, as the case may be.

(b) If the Issuer has issued and has outstanding Notes which are not denominated in euro, or in the case of any meeting of holders of Notes of more than one currency, the nominal amount of such Notes shall:

(i) for the purposes of subclause 3.1 above, be the equivalent in euro at the spot rate of a bank nominated by the Agent for the conversion of the relevant currency or currencies into euro on the seventh dealing day before the day on which the written requirement to call the meeting is received by the Issuer; and

(ii) for the purposes of subclauses 3.4, 3.6 and 4.7 above (whether in respect of the meeting or any adjourned meeting or any poll), be the equivalent at that spot rate on the seventh dealing day before the day of the meeting,

and, in all cases, the equivalent in euro of Dual Currency Notes, Zero Coupon Notes or any other Notes issued at a discount or a premium shall be calculated by reference to the original nominal amount of those Notes.

In the circumstances set out above, on any poll each person present shall have one vote for each €1.00 in nominal amount of the Notes (converted as above) which he holds or represents.

USE OF PROCEEDS

General Funding

The Issuer intends to use the net proceeds from each issue of Notes for general corporate purposes, including making a profit or as otherwise indicated in the relevant Final Terms. A substantial portion of the proceeds may be used to hedge market risks with respect to the Notes.

Green, Climate, Social or Sustainability Bonds

If in respect of any particular issue of Notes, there is a particular identified use of proceeds this will be stated in the applicable Final Terms.

In particular, if so specified in the use of proceeds section of the applicable Final Terms, the Issuer intends to apply an amount equal to the net proceeds from an issue of Notes specifically for green and social projects. Such Notes refers to Green Bonds, Social Bonds and Sustainability Bonds.

In accordance with the ICMA Green Bond Principles, the ICMA Social Bond Principles and the ICMA Sustainability Bond Guidelines, only Notes financing or refinancing Eligible Green Loans, Eligible Social Loans or a combination of both Green and Social Loans as the case may be (together, "**Eligible Loans**"), and complying with the relevant eligibility criteria and any other criteria set out in the Green, Social and Sustainability Bond Framework (as defined below) and which, prior to the relevant Issue Date, will be available in the sustainability section of the Issuer' website at https://group.intesasanpaolo.com/en/sustainability/environment/green-products/Green-bonds (the "**Green, Social and Sustainability Bond Framework**" or the "**Framework**", including as amended, restated or otherwise updated on such website from time to time) will be classified as Green Bonds, Social Bonds or, as the case may be, Sustainability Bonds.

For the avoidance of doubt, the Green, Social and Sustainability Bond Framework is not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus.

The Issuer has obtained a second-party opinion from Institutional Shareholder Services Inc. (ISS ESG) to confirm the Green, Social and Sustainability Bond Framework's validity and its general alignment with the GBP, the SBP and the SBG, as well as an assessment on compliance with the EU Taxonomy Delegated Acts 2021 on a best effort basis and which, prior to the relevant Issue Date, will be available in the investor relations section of the Issuer's website at https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilt%C3%A0/inglese/2022/green-bond-2022/Second%20Party%20Opinion%20ISS%20June%202022.pdf (the "**Issuer's Sustainability Bond Framework Second-party Opinion**").

Eligible Loans have been (or will be, as the case may be) selected by the Issuer from time to time in accordance with the categorization of eligibility for Green Bonds, Social Bonds or Sustainability Bonds set out in the Green, Social and Sustainability Bond Framework, which may change from time to time. Recognizing that the green, social and sustainability bond market and best practices are still evolving, the Issuer will strive to monitor market developments and, when deemed necessary in the Issuer's sole discretion, make appropriate updates to the Framework in order to reflect best market practice.

The selection process of eligible green and social loans is structured and fully integrated in Intesa Sanpaolo's existing investment process. Internal roles and responsibilities are defined as follows:

- the analysis of loans eligibility is managed by the dedicated business teams of the Group;
- the Credit Evaluation function of each dedicated lending desk evaluates client's reputation and creditworthiness; and
- then dedicated lending desk approves the disbursements to be made.

The allocation of proceeds from Eligible Loans will be managed and overseen by the Issuer according to the applicable specific procedures as described in the Framework, including treasury liquidity portfolio, Cash, Time Deposit with Banks or Other form of available short term and medium / long term funding sources (e.g. Commercial Paper Program, Bank Credit Line), that do not include GHG intensive activities (i.e. related to fossil fuels exploitation and to carbon intensive assets such as infrastructure dependent on fossil fuels; fossil fuel-fired power plants; high-carbon assets) nor any disputable sector/activity (Animal maltreatment, Alcohol, Armament, Hazardous chemicals, Gambling, Intensive agro-industrial activities with intensive use of agrochemicals or which

entail deforestation, Nuclear energy, Sex industry, Tobacco). In case of early loan reimbursement or if a loan no longer meets the eligibility criteria, Intesa Sanpaolo will use the net proceeds to finance other Eligible Loans which are compliant with the eligibility criteria of the Framework.

The Framework provides that any proceeds not allocated to fund Eligible Loans in the portfolio will be held in accordance with Intesa Sanpaolo's normal liquidity management. The allocation of the net proceeds of Eligible Loans will be verified by the Issuer's external auditor.

The Issuer intends to publish a yearly report which will describe the use of proceeds set out in the Framework. The allocation report will include the (i) total amount of Intesa Sanpaolo Green, Social and Sustainability bonds outstanding; (ii) total amount of the portfolios broken down per eligible category; (iii) aggregate amounts of net proceeds allocated to each eligible category of the portfolios; (iii) balance of unallocated proceeds at the time of reporting; (iv) amount or the percentage of new financing, and will be made available on the Issuer's website at https://group.intesasanpaolo.com/it/sostenibilita/reporting-di-sostenibilita/green-bond-report.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion, review, certification or post-issuance report of any third party (including any post-issuance reports prepared by an external reviewer whether or not solicited by the Issuer, including the Issuer's Sustainability Bond Framework Second-party Opinion) which may be made available in connection with the issue of any Green Bonds, Social Bonds or Sustainability Bonds and in particular with any Eligible Loans to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, neither any such opinion, review, certification or post-issuance report (including the Issuer's Sustainability Bond Framework Second-party Opinion) nor the Framework are, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus. Neither such opinion, review, certification or post-issuance report (including the Issuer's Sustainability Bond Framework Second-party Opinion) nor the Framework are, nor should be deemed to be, a recommendation by the Issuer or any of the Managers or any other person to buy, sell or hold any such Green Bonds, Social Bonds or Sustainability Bonds. Any such opinion or certification is only current as at the date that opinion or certification was initially issued. Currently, the providers of such opinions, review, certifications or and post-issuance reports are not subject to any specific regulatory or other regime or oversight. The EU Green Bond Regulation will introduce a supervisory regime of external reviewers of European Green Bonds but this is not due to take full effect until 21 June 2026. Prospective investors in any Green Bonds, Social Bonds or Sustainability Bonds should also refer to the risk factor above headed, "*Notes issued, if any, as "Green Bonds", "Social Bonds" or "Sustainability Bonds" may not be a suitable investment for all investors seeking exposure to green assets or social assets or sustainable assets*".

For the purpose of this section:

"**Eligible Green Loans**" means loans identified as such in, and selected in accordance with, the Framework in effect at the time of the relevant issuance, aligned to the following categories: renewable energy, energy efficiency, clean transportation, green buildings, environmentally sustainable management of living natural resources and land-use, biodiversity and circular economy.

"**Eligible Social Loans**" means loans identified as such in, and selected in accordance with, the Framework in effect at the time of the relevant issuance, aligned to the following categories: access to essential services, socioeconomic advancement and empowerment, employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises and affordable housing.

DESCRIPTION OF THE ISSUER

History and Organisation of the Group

Intesa Sanpaolo Origins

Intesa Sanpaolo is the result of the merger by incorporation of Sanpaolo IMI S.p.A. with Banca Intesa S.p.A. (effective 1 January 2007).

Banca Intesa S.p.A.

Banca Intesa S.p.A. was originally established in 1925 under the name of La Centrale and invested in the business of the production and distribution of electricity. After the nationalisation of companies in this sector in the early 1960s, the company changed its name to La Centrale Finanziaria Generale, acquiring equity investments in various companies in the banking, insurance and publishing sector. The company merged by incorporation with Nuovo Banco Ambrosiano in 1985 and assumed its name and constitutional objects. Following the acquisition of Cassa di Risparmio delle Provincie Lombarde S.p.A. ("**Cariplo**") in January 1998, the Intesa Sanpaolo Group's name was changed to Gruppo Banca Intesa. Then, in 2001, Banca Commerciale Italiana S.p.A. was merged into Gruppo Banca Intesa and the Intesa Sanpaolo Group's name was changed to "Banca Intesa Banca Commerciale Italiana S.p.A.". On 1 January 2003 the corporate name was changed to "Banca Intesa S.p.A.".

Sanpaolo IMI S.p.A.

Sanpaolo IMI S.p.A. ("**Sanpaolo IMI**") was formed in 1998 through the merger of Istituto Mobiliare Italiano S.p.A. ("**IMI**") and Istituto Bancario San Paolo di Torino S.p.A. ("**Sanpaolo**").

Sanpaolo originated from the "Compagnia di San Paolo" brotherhood, which was set up in 1563 to help the needy. The "Compagnia di San Paolo" began undertaking credit activities and progressively developed into a banking institution during the nineteenth century, becoming a public law credit institution (Istituto di Credito di Diritto Pubblico) in 1932. Between 1960 and 1990, Sanpaolo expanded its network nationwide through a number of acquisitions of local banks and medium-sized regional banks, ultimately reaching the level of a multifunctional group of national importance in 1991 after its acquisition of Crediop. On 31 December 1991, Sanpaolo became a stock corporation (*società per azioni*) with the name Istituto Bancario San Paolo di Torino Società per Azioni.

IMI was established as a public law entity in 1931 and during the 1980s it developed its specialist credit and investment banking services and, with Banca Fideuram, its professional asset management and financial consultancy services. IMI became a joint stock corporation (*società per azioni*) in 1991.

The merger between Banca Intesa and Sanpaolo IMI and the creation of Intesa Sanpaolo S.p.A.

The boards of directors of Banca Intesa and Sanpaolo IMI unanimously approved the merger of Sanpaolo IMI with Banca Intesa on 12 October 2006 and the merger became effective on 1 January 2007. The surviving entity changed its name to Intesa Sanpaolo S.p.A., the parent company of the Intesa Sanpaolo Group.

Merger of Banca IMI

Intesa Sanpaolo announced on 2 April 2020 that following authorization given by the ECB, the plan for the merger by incorporation of Banca IMI S.p.A. into Intesa Sanpaolo was filed with the Companies Register of Turin. The merger, which was approved by the Board of Directors of Intesa Sanpaolo on 5 May 2020 and by the shareholders' meeting of Banca IMI S.p.A., was completed on 20 July 2020.

UBI Banca S.p.A.

Unione di Banche Italiane S.p.A. ("**UBI Banca**") is the entity resulting from the merger by incorporation of Banca Lombarda e Piemontese S.p.A. into Banche Popolari Unite S.c.p.a. (the "**Merger**"). The Merger became legally effective on 1 April 2007, with the surviving entity, BPU, changing its name to UBI Banca. On 12 October 2015,

UBI Banca was the first Italian *banca popolare* to become a Joint Stock Company (S.p.A.). On 12 April 2019, the ordinary shareholders' meeting of UBI Banca appointed a Board of Directors and a Management Control Committee for the three-year period 2019-2020-2021, implementing the one-tier governance model adopted on 19 October 2018 through the resolution of a shareholders' meeting in extraordinary session.

The merger between Intesa Sanpaolo and UBI Banca

Intesa Sanpaolo acquired control of UBI Banca on 5 August 2020 and merged with it by incorporation on 12 April 2021.

Legal Status

Intesa Sanpaolo is a company limited by shares, incorporated in 1925 under the laws of Italy, operating under Italian law and registered with the Companies' Registry of Turin under registration number 00799960158. It is also registered on the National Register of Banks under no. 5361 and is the Parent Company of the " Intesa Sanpaolo" banking group.

Registered Office

Intesa Sanpaolo's registered office is at Piazza San Carlo 156, 10121 Turin (Italy) and its telephone number is +39 0115551. Intesa Sanpaolo's secondary registered office is at Via Monte di Pietà 8, 20121 Milan (Italy) and its telephone number is +39 0287911.

Website

Intesa Sanpaolo's website is https://group.intesasanpaolo.com/. The information on the website does not form part of this Base Prospectus unless information contained therein is incorporated by reference into this Base Prospectus.

Intesa Sanpaolo mission

The purpose of Intesa Sanpaolo is the deposit-taking and the carrying-on of all forms of lending activities, both directly and through its subsidiaries. Intesa Sanpaolo may, in compliance with laws and regulations applicable from time to time and subject to being granted the required authorisations, directly and through its subsidiaries, provide all banking and financial services, including the establishment and management of open-ended and closed-ended pension schemes, as well as carry out any other transactions that are instrumental for, or related to the achievement of, its corporate purpose.

Ratings

The long-term credit ratings assigned to Intesa Sanpaolo are the following:

– BBB (high) by DBRS Ratings GmbH ("**Morningstar DBRS**"), Positive Trend[11];

– BBB by Fitch Ratings Ireland Limited ("**Fitch Ratings**"), Positive Outlook[12];

– Baa1 by Moody's France SAS ("**Moody's**"), Positive Outlook[13]; and

[11] The rating BBB for Morningstar DBRS indicates adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events. In addition, all rating categories other than AAA and D also contain subcategories (high) and (low). The absence of either a (high) or (low) designation indicates the rating is in the middle of the category.

[12] The rating BBB for Fitch Ratings means good credit quality. 'BBB' ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

[13] For Moody's, obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess speculative characteristics. In addition, Moody's appends numerical modifiers 1, 2, and 3 to each generic

– BBB+ by S&P Global Ratings Europe Limited ("**S&P Global Ratings**"), Stable Outlook[14].

Each of Morningstar DBRS, Fitch Ratings, Moody's and S&P Global Ratings is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**") and appears on the latest update of the list of registered credit rating agencies (as of 10 July 2024) on the ESMA website https://www.esma.europa.eu.

Share Capital

As of 31 December 2024 and as of the date of this Prospectus, the subscribed and paid-in share capital of Intesa Sanpaolo amounts to €10,368,870,930.08, represented by 17,803,670,501 ordinary shares without nominal value.

The Issuer is not aware of any arrangements currently in place, the operation of which may at a subsequent date result in a change of control of the Issuer.

Information on the material changes in the issuer's borrowing and funding structure since the last financial year

Since 31 December 2024, the closing date of the last financial year, there have been no substantial changes in the Issuer's financing and borrowing structure.

Description of the expected financing of the issuer's activities

Group liquidity remains high: as at 31 December 2024, both the regulatory indicators LCR (Liquidity Coverage Ratio) and NSFR (Net Stable Funding Ratio), also adopted as internal liquidity risk measurements metrics, were still well above requirements established by Regulation 575/2013 and Directive 2013/36/EU. The unencumbered liquidity reserves at the various Group's treasury departments, including the high-quality liquid assets (HQLAs) and other eligible components, reached a total of € 207 billion as at 31 December 2024 (€ 202 billion at the end of 2023). The loan to deposit ratio at the end of December 2024, calculated as the ratio between loans to customers and direct deposits from banking business, came to 72,1% (74.5% at the end of 2023). The participation of the Intesa Sanpaolo Group to the TLTRO funding transactions with the ECB, amounting to nominal € 45.1 billion at the end of 2023, was totally repaid during the first nine months of 2024 (with the last tranche, of nominal 60 million Euro, repaid on 25 September 2024).

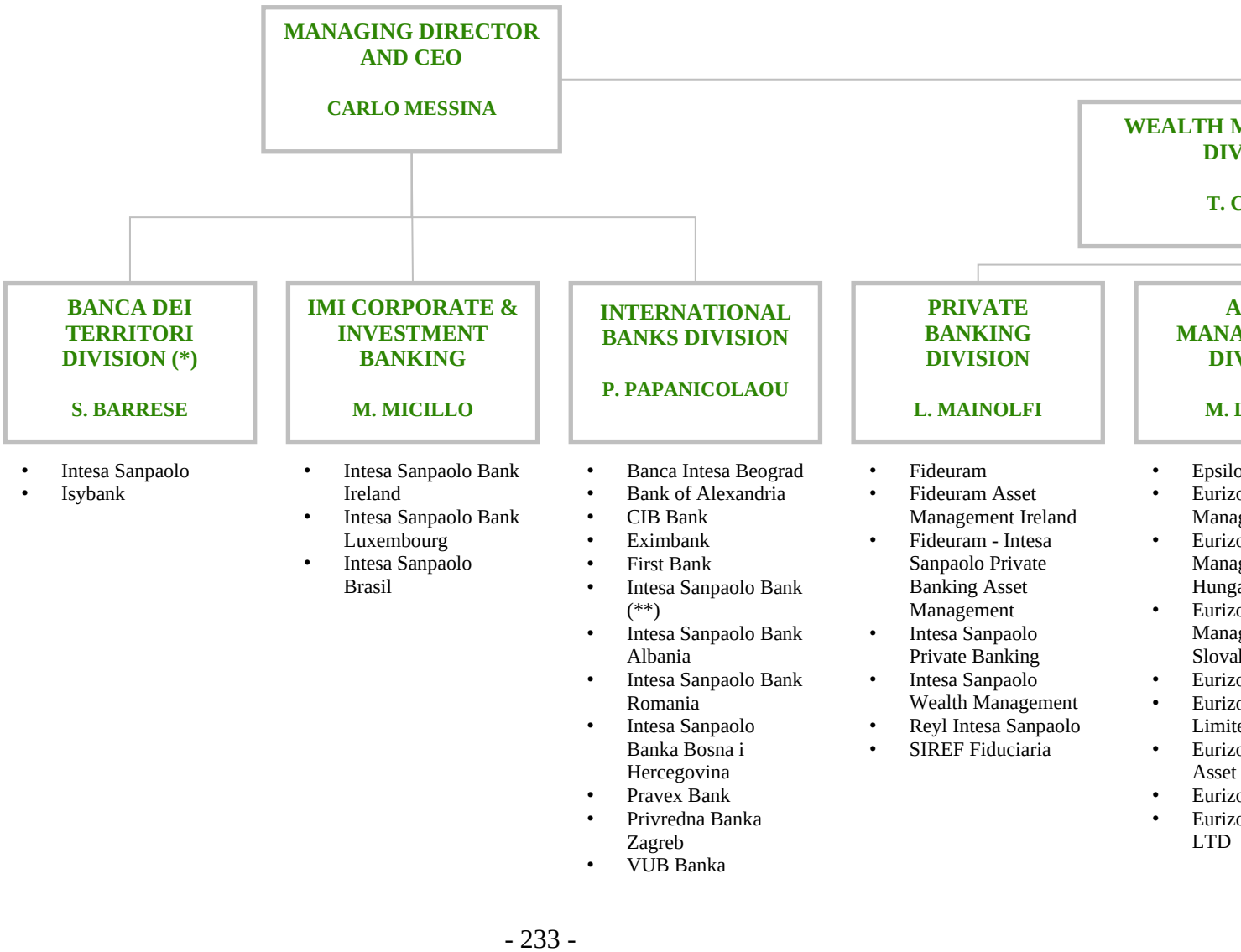
rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates amid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

[14] The rating BBB+ for S&P Global Ratings indicates an adequate capacity to meet financial commitments, but more subject to adverse economic conditions.

Organisational Structure of the Divisions

INTESA SANPAOLO

Organisation chart of the Divisions



The Intesa Sanpaolo Group is one of the top banking groups in Europe with a significant ESG commitment, a world-class position in Social Impact and a strong focus on climate.

The Intesa Sanpaolo Group is a banking group in Italy with approximatively 14 million customers and around 3,000 branches.

The Intesa Sanpaolo Group is a provider of financial products and services to both households and enterprises in Italy.

The Group has a strategic international presence, with over 900 branches and 7.5 million customers. It is among the top players in several countries in Central Eastern Europe and in the Middle East and North Africa, through its local subsidiary banks: the Intesa Sanpaolo Group ranks first in Serbia, second in Croatia and Slovakia, fourth in Albania and Slovenia, sixth in Bosnia and Herzegovina and Egypt, seventh in Moldova and Hungary.

As at 31 December 2024, the Intesa Sanpaolo Group had total assets of €933,285 million, customer loans of €421,512 million, direct deposits from banking business of €584,508 million and direct deposits from insurance business of €177,430 million.

The Intesa Sanpaolo Group operates through six divisions:

(a) The **Banca dei Territori division**: focuses on the market and centrality of the territory for stronger relations with individuals, small and medium-sized enterprises and non-profit entities. The division includes the activities in industrial credit, leasing and factoring, as well as the digital bank Isybank (which also operates in instant banking through Mooney, the partnership with the ENEL Group).

(b) The **IMI Corporate & Investment Banking division**: a global partner which, taking a medium-long term view, supports corporates, financial institutions and public administration, both nationally and internationally. Its main activities include capital markets and investment banking. The division is present in 24 countries where it facilitates the cross-border activities of its customers through a specialist network made up of branches, representative offices and subsidiary banks focused on corporate banking.

(c) The **International Banks division**: includes the following commercial banking subsidiaries: Intesa Sanpaolo Bank Albania in Albania, Intesa Sanpaolo Banka Bosna i Hercegovina in Bosnia and Herzegovina, Privredna Banka Zagreb in Croatia, the Prague branch of VUB Banka in the Czech Republic, Bank of Alexandria in Egypt, Eximbank in Moldova, CIB Bank in Hungary, Intesa Sanpaolo Bank Romania and First Bank in Romania, Banca Intesa Beograd in Serbia, VUB Banka in Slovakia, Intesa Sanpaolo Bank in Slovenia and Pravex Bank in Ukraine.

(d) The **Private Banking division**: serves the customer segment consisting of Private clients and High Net Worth Individuals with the offering of products and services tailored for this segment. The division includes Fideuram - Intesa Sanpaolo Private Banking with 6,814 private bankers

(e) The **Asset Management division**: asset management solutions targeted at the Intesa Sanpaolo Group's customers, commercial networks outside the Intesa Sanpaolo Group, and institutional clientele. The division includes Eurizon with €333 billion of assets under management.

(f) The **Insurance division**: insurance and pension products tailored for the Intesa Sanpaolo Group's clients. The division holds direct deposits of €177 billion and includes Intesa Sanpaolo Assicurazioni - which controls Intesa Sanpaolo Protezione, Intesa Sanpaolo Insurance Agency and InSalute Servizi - and Fideuram Vita.

Intesa Sanpaolo in the last two years

Intesa Sanpaolo in 2023 – Highlights

Intesa Sanpaolo launches buyback for remaining 1,700 million euro

With reference to the programme for the purchase of own shares for annulment (buyback), approved by the Intesa Sanpaolo Shareholders' Meeting of 29 April 2022 and authorised by the ECB with decision notified on 24 June 2022, for a maximum total outlay of € 3,400 million and a number of shares not exceeding 2,615,384,615 Intesa

Sanpaolo ordinary shares, after the initial programme launched on 4 July and concluded on 11 October 2022 for an outlay of € 1,700 million and the purchase of 988,632,803 shares (all of them annulled), on 3 February 2023 the Board of Directors of Intesa Sanpaolo resolved to implement the execution of the remaining part of the programme for a maximum outlay of € 1,700 million and a number of shares not exceeding 1,626,751,812.

The purchases started on 13 February 2023 and ended on 4 April 2023. During the period, a total of 706,004,171 shares were purchased, equal to around 3.72% of the share capital outstanding at the end of the programme, at an average purchase price of € 2.4079 per share, for a total countervalue of € 1,699,999,999.33.

The transactions took place on the regulated market Euronext Milan managed by Borsa Italiana through the third-party intermediary appointed to execute the programme, in full independence and without any involvement of the Intesa Sanpaolo Group, in compliance with the terms authorised by the Intesa Sanpaolo Shareholders' Meeting of 29 April 2022.

The annulment of the shares took place on 2 May 2023. While the share capital remained unchanged at 10,368,870,930.08 euro, the number of ordinary shares with no nominal value decreased from 18,988,803,160 to 18,282,798,989. The Articles of Association amended to reflect said annulment were filed with the Turin Company Register on 3 May 2023.

Ordinary Shareholders' Meeting

On 28 April 2023, the Ordinary Shareholders' Meeting of Intesa Sanpaolo was held, validly constituted, on a single call, to pass resolutions as those in attendance through the appointed representative (in accordance with Article 106, paragraph 4, of Law Decree No. 18 dated 17 March 2020, converted by Law No. 27 dated 24 April 2020, whose effects were most recently extended by Law No. 14 dated 24 February 2023) counted 3,167 holders of voting rights attached to 10,897,630,179 ordinary shares without nominal value representing 57.38977% of the share capital. The Shareholders' Meeting voted in favour of all the items on the agenda.

The resolutions concerned[15]:

− *the approval of the Parent Company's 2022 financial statements and the allocation of net income, with the distribution to the shareholders of a remaining dividend for 2022 corresponding to € 8.68 cents per ordinary share, subject to increase as a result of the execution of the programme of purchase of own shares for annulment (buyback).* Following the annulment of the shares announced at the beginning of May[16], from 24 May 2023 (with coupon presentation on 22 May and record date on 23 May), the amount of € 9.01 cents for each of the 18,282,798,989 ordinary shares constituting the share capital[17] was paid as a remaining dividend on the 2022 net income, for a total dividend distribution, taking into account the interim dividend of € 1,399,608,167.99 paid in November 2022[18], of € 3,046 million, corresponding to a payout ratio of 70% of the consolidated net income;

− *the remuneration policies and incentive plans*. In particular, the Shareholders' Meeting approved the remuneration and incentive policies for 2023 as described respectively in chapters 4 and 1 of Section I of the Report on remuneration policy and compensation paid; it passed a resolution agreeing on the Disclosure on compensation paid in 2022 as described in Section II of the same Report; and it approved the 2023 Annual Incentive Plan, which provides for the assignment, for free, of Intesa Sanpaolo ordinary shares, to be purchased on the market;

− *the authorisation to purchase and dispose of own shares to serve the incentive plans and for trading purposes.*

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15 The related majority of votes by which they were passed are set out in detail in the press release published on the Group's website.

16 In this regard, see the information provided above.

17 The total amount of the dividend paid was € 1,646,462,490.59 against € 1,765,623.70 euro allocated to the Extraordinary reserve in relation to the portion not distributed to the 9,075,453 own shares held by the Bank at the record date (€ 817,698.32) and the rounding differences arisen during the calculation of the final amount of the dividend (€ 947,925.38).

18 Interim dividends are considered net of the portion not distributed to the 23,922,835 own shares held by the Bank at the record date, amounting to 1,765,505.22 euro.

Isybank

On 15 June 2023, the Group officially presented Isybank[19], its new digital bank, a key project of the 2022-2025 Business Plan, aimed at combining the solidity and commercial offering of a bank with simple, fast services typical of a fintech company. The new company is aimed at the Group's customers who are mainly digital users of banking services and mobile banking-oriented, while maintaining the possibility of a direct relationship with the staff of the digital branch.

With Isybank, Intesa Sanpaolo enters the fintech world, marking its transition from incumbent to challenger, further improving customer service, while also creating innovative, flexible work opportunities. Isybank is based on cloud-native technology, adaptable to a multi-currency environment and multinational customers. Thought Machine – a core banking technology company based in the UK, with regional offices in New York, Singapore and Sydney – has been selected as the ideal partner to bring the new digital banking platform to life. The partnership was also strengthened by the GBP 40 million invested by Intesa Sanpaolo in the capital of the company.

On 19 July 2023, the agreement was signed with the Trade Unions concerning the transfer of two business lines by the 100% controlling company Intesa Sanpaolo to Isybank. The transfer, approved by the Parent Company on 30 March 2023, involves two separate business lines, each consisting of a set of assets and legal relations operationally organised for the management of private individual customers who primarily use digital channels.

On 11 October 2023, Isybank approved a share capital increase from 30 million to 31 million, to be carried out in two tranches and settled through the contributions in kind of the above-mentioned business lines, which were valued by Intesa Sanpaolo with the support of an independent third-party expert.

On the weekend of 14-15 October 2023, the transfer was completed of the first business line consisting of around 300,000 Intesa Sanpaolo customers with simpler operational characteristics, identified based on specific criteria. The transfer took legal effect on 16 October 2023. The second transfer, which involved customers with more complex characteristics than the previous transfer, took legal effect on 18 March 2024, alongside the enhancement of the product catalogue, services and features, as well as new marketing and communication initiatives (see more detail below in the section "*Intesa Sanpaolo in 2024 – Highlights – Other highlights"*).

Following the initial communications sent to the customers involved (communications of June 2023 for the first set and July/November 2023 for the second set), in January 2024 a letter was sent to repeat the information provided in the previous communications and highlight further aspects aimed at enabling customers to thoroughly evaluate the transfer to Isybank and give their consent to the operation, also in response to the requests from the Italian Antitrust Authority (the "**AGCM**"). The information campaign was further bolstered through the publication of these communications in several national newspapers. For the customers already transferred, the letter provided the opportunity to confirm their satisfaction or desire to open a new account with Intesa Sanpaolo. For the customers included within the scope of the transfer in March 2024, the letter invited them to give their explicit consent to the acceptance of the transfer.

Other highlights

In line with the strong push towards digitalisation that characterises the Intesa Sanpaolo Group's 2022-2025 Business Plan, at the beginning of July 2023 Fideuram - Intesa Sanpaolo Private Banking officially presented Direct Advisory, the first digital financial advisory service for investment management, which leverages a team of Direct Bankers, professionals enrolled in Italy's sole register of financial advisors, operating in fully remote form through digital solutions. This service enhances Fideuram Direct, the digital platform for those who want to operate independently on listed financial instruments and asset management products, offering itself in a complementary and synergistic way to traditional networks.

On 28 July 2023, the results of the 2023 EU-Wide Stress Test were announced. The test was conducted by the EBA, in cooperation with the SSM, the Bank of Italy, the ECB and the European Systemic Risk Board and also involved Intesa Sanpaolo for the scope of consolidation. The reference scenario covers a three-year horizon (2023-

[19] On 1 January 2023, the amendment of the Articles of Association of Banca 5 S.p.A. took effect, giving the company its new name Isybank S.p.A. The amendment, authorised by the ECB on 10 October 2022, was approved by the Extraordinary Shareholders' Meeting of Banca 5 on 28 October 2022.

2025). The stress test has been carried out applying a static balance sheet assumption as of December 2022 and therefore does not take into account future business strategies and management actions. It is not a forecast of the Intesa Sanpaolo Group's profits.

The Intesa Sanpaolo Group fully loaded CET 1 ratio resulting from the stress test for 2025, the final year considered in the exercise, stood at 14.85% under the baseline scenario and 10.85% under the adverse scenario, compared to the starting-point figure of 13.53% as of 31 December 2022. These results highlight that Intesa Sanpaolo is able to confirm its solidity even in complex scenarios, thanks to its well-diversified and resilient business model.

In line with the proactive management of its the capital base, on 31 August 2023 Intesa Sanpaolo announced a cash tender offer for any and all of its perpetual "€750,000,000 6.25% Additional Tier 1 Notes" outstanding for the full nominal amount (ISIN XS1614415542, first call on 16 May 2024), at a price of 100.25% – an offer subject to the terms and conditions, as well as the offer and distribution restrictions, set out in the tender offer memorandum dated 31 August 2023 – and the accompanying launch of a new issue of fixed-rate reset perpetual Additional Tier 1 notes in a nominal amount of no less than € 750,000,000 to be offered, subject to market conditions, to qualified investors, including holders of the notes subject of the offer.

At the Offer Expiration, on 7 September 2023, the amount of the notes validly tendered amounted to € 503,077,000, equivalent to 67.08% of the nominal amount outstanding, which Intesa Sanpaolo agreed to repurchase. Accordingly, on the settlement date of 11 September 2023, it paid the purchase price consideration and the accrued interest amount to the holders that tendered the notes. The notes are now outstanding for the remaining amount of € 246,923,000 and will be redeemed in full on the first call date (16 May 2024) as Intesa Sanpaolo has already received the necessary authorisation from the ECB.

On 7 September, the settlement took place of the new perpetual "€1,250,000,000 9.125% Additional Tier 1 Notes" (ISIN XS2678939427), listed on the Luxembourg Stock Exchange, with first interest rate reset date on 7 March 2030 and every five years thereafter.

During the period from 11 September to 13 September 2023 an ordinary share buyback programme was implemented to service plans for the assignment, free of charge, of Intesa Sanpaolo ordinary shares to the employees and the Financial Advisors of the Group, in relation to (i) mainly, the Intesa Sanpaolo Group share-based incentive plan for 2022; and (ii) to a lesser extent, the incentive plans of certain subsidiaries, also relating to 2022. These incentive plans are reserved for Risk Takers who accrue a bonus in excess of the so-called "materiality threshold"[20], for those who are paid a "particularly high" amount[21] and for those who, among Middle Management or Professionals that are not Risk Takers, accrue "relevant bonuses"[22]. In addition, the programme was implemented in order to grant, when certain conditions occur, severance payments upon early termination of employment.

In the three days during which the programme was executed, a total of 32,000,000 Intesa Sanpaolo ordinary shares were purchased, through the IMI Corporate & Investment Banking Division, tasked with the programme execution. These represent around 0.18% of the share capital of the Parent Company. The average price was € 2.4697 per share, for a total countervalue of € 79,031,462.67. The Parent Company purchased 20,200,547 shares at an average price of € 2.4683 per share, for a countervalue of € 49,861,766.11.

The transactions were executed in compliance with provisions included in Articles 2357 and 2359-bis of the Italian Civil Code and within the limits determined in the resolutions passed by the competent corporate bodies. Specifically, in the case of the Parent Company, the transactions were executed in accordance with the terms approved by the Shareholders' Meeting of 28 April 2023.

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[20] Equal to € 50 thousand or one third of the total remuneration (unless otherwise provided for by specific local regulations).

[21] Pursuant to the Group Remuneration and Incentive Policies, for the three-year period 2022-2024 a variable remuneration exceeding € 400 thousand constitutes a "particularly high" amount.

[22] Namely, an amount exceeding the "materiality threshold" (for Middle Management and Professionals generally equal to 80 thousand euro, unless otherwise provided for by specific local regulations, it being understood that, for those working in the business functions of Intesa Sanpaolo Wealth Management and those belonging to the Reyl Group, the threshold is equal to € 150 thousand) and 100% of fixed remuneration.

Pursuant to Article 132 of the Consolidated Law on Finance and Article 144-bis of the Issuers' Regulation and subsequent amendments, purchases were executed on the regulated market Euronext Milan managed by Borsa Italiana in accordance with trading methods laid down in the market rules for these transactions.

Moreover, purchases were arranged in compliance with the conditions and the restrictions under Article 5 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014, and Articles 2, 3, and 4 of Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016.

The number of shares purchased daily did not exceed 25% of the daily average volume of the Intesa Sanpaolo ordinary shares traded in August 2023, which was equal to 89.9 million shares, and 15% of the volume traded on the Euronext Milan market on each of the days when purchases were executed – in accordance with the constraint added in the programme to the above-mentioned regulatory conditions and restrictions.

On 12 September 2023, Intesa Sanpaolo, which offers real estate brokerage and advisory services through Intesa Sanpaolo Casa via a network of agencies in major Italian cities, together with Homepal a Better Place, a next-generation online real estate agency, which supports customers in the various stages of buying and selling real estate through a digital platform and real estate agents operating remotely, and BPER Banca, already a shareholder of Homepal, announced that they had reached an agreement for a strategic and commercial partnership to create a new player operating across the Italian market. The new entity will be able to draw on the complementary service models of Intesa Sanpaolo Casa and Homepal and leverage the Intesa Sanpaolo and BPER networks to meet customers' property buying and selling needs through technological services, physical presence and the experience of their agents.

The agreement was finalised on 23 October 2023 with Intesa Sanpaolo's transfer of its 100% shareholding in Intesa Sanpaolo Casa to Homepal. Following the transaction, Intesa Sanpaolo has a 49% shareholding in Homepal, with the remaining 34% held by Homepal's previous shareholders and 17% by BPER Banca. The value of the transfer of Intesa Sanpaolo Casa to Homepal was supported by a fairness opinion prepared by an independent expert in accordance with Article 2343 of the Italian Civil Code. Intesa Sanpaolo's rights as a non-controlling shareholder and the governance of the company were also defined within the transaction. Based on the provisions of the agreements made, Intesa Sanpaolo's shareholding in Homepal has been classified under interests subject to significant influence pursuant to IAS 28.

The extraordinary shareholders' meeting of Homepal held on 1 December 2023 approved (i) the plan for the merger by incorporation of the wholly-owned subsidiaries Intesa Sanpaolo Casa S.p.A. and Homepal Real Estate S.r.l. into Homepal a Better Place S.p.A., in accordance with Article 2505 of the Italian Civil Code, as well as (ii) the change in the name of the absorbing company from Homepal a Better Place S.p.A. to Rexer S.p.A.

With reference to the one-off tax calculated on the increase in banks' net interest income, pursuant to Article 26 of Decree Law no. 104 of 10 August 2023 converted with amendments by Law no. 136 of 9 October 2023, and considering in particular the provision in paragraph 5-bis of that article allowing for the allocation of an amount to a non-distributable reserve, in lieu of payment of the tax envisaged, of no less than two and a half times the amount of the tax, the Board of Directors, in its meeting held on 25 October 2023, decided to propose to the Shareholders' Meeting, when approving the 2023 financial statements, net income allocation and dividend distribution to shareholders, the allocation of € 1,991,446,276.10 from the net income for the full year 2023 to a specific reserve, thus taking up the option provided by the above-mentioned measure.

Should this reserve be distributed in the future, it shall be subject to payment of the tax calculated pursuant to paragraph 3 of Article 26, amounting to € 796,578,510.44, plus interest calculated based on the interest rate on deposits with the ECB. Due to the amount of the freely distributable reserves not classed as suspended tax available to Intesa Sanpaolo as at 31 December 2023 (€23,177 million) and the presence of additional freely distributable reserves classed as suspended tax (€4,750 million), it is deemed highly unlikely that the above-mentioned tax shall be paid in the future.

In accordance with the instruction of the Parent Company, similar commitments were also made by the Boards of Directors of the subsidiary banks impacted by the measure: Fideuram - Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Banking and Isybank. In lieu of the one-off tax, a proposal will therefore be made to the Shareholders' Meetings, called to approve the 2023 Financial Statements, for the allocation to a specific reserve, pursuant to Article 26 of Decree Law no. 104/2023 converted with amendments by Law no. 136/2023, of a total

amount at Group level of 2,068.8 million euro, corresponding to 2.5 times the total tax amount of 827.5 million euro.

In line with its strategy focused on significant value creation for all stakeholders, Intesa Sanpaolo reaffirmed its commitment to continue supporting initiatives addressing social needs, fighting inequalities, and fostering financial, social, educational and cultural inclusion. Specifically, on 25 October 2023 the Bank announced its intention to contribute with a total amount expected to be equal to around €1.5 billion costs in the five-year period 2023-2027. This amount comprises around € 1 billion allocated to the above-mentioned initiatives, identified on a case-by-case basis, and around € 500 million from structure costs for around 1,000 people devoted to supporting the initiatives and a new dedicated organisational unit called "Intesa Sanpaolo for Social Impact" based in Brescia, set up to strengthen Intesa Sanpaolo's social impact strategy for local communities. These costs have already been taken into account, on a pro-rata basis, in the guidance on the outlook for the 2024-2025 net income.

On 28 October 2023, Intesa Sanpaolo and the US-based private investment fund J.C. Flowers & Co. signed an agreement for the acquisition of 99.98% of the shares of the Romanian bank First Bank S.A. The transaction was completed on 31 May 2024, after the necessary authorisations were obtained from the various supervisory authorities.

First Bank is a commercial bank with 40 branches in Romania focused on serving SMEs and retail customers. In recent years the bank has prioritised investments in digital technology, developing one of the market's best-regarded mobile banking apps. The transaction will strengthen the Group's presence in Central and Eastern Europe, and in particular in Romania where it already operates through Intesa Sanpaolo Bank Romania, part of Intesa Sanpaolo's International Banks Division.

On 3 November 2023 Intesa Sanpaolo decided to distribute an interim dividend on the 2023 results equal to €14.40 cents per share, before tax, corresponding to € 2,633 million in aggregate. The decision was based on the absence of limitations to dividend distributions, including recommendations from the regulators regarding capital requirements applicable to Intesa Sanpaolo, as well as on the basis of Intesa Sanpaolo's capital ratios. No distribution was made to own shares held by the Bank at the record date. The interim dividend was paid on 22 November 2023.

Intesa Sanpaolo in 2024 – Highlights

On 11 December 2024 Intesa Sanpaolo announced that it had received notification of the ECB's final decision concerning the capital requirement that the Bank has to meet, on a consolidated basis, as of 1 January 2025, following the results of the SREP. At the time of notification, the overall capital requirement the Bank has to meet in terms of CET 1 ratio was 9.89%.

On the basis of the foregoing, capital ratios as at 31 December 2024 highlighted a Common Equity ratio of 13.3%, a Tier 1 ratio of 15.8% and a Total capital ratio of 19.0%. Capital ratios as at 31 March 2025, including the negative impact of Basel 4 were as follows: - Common Equity Tier 1 ratio at 13%, - Tier 1 ratio at 15.5%, - total capital ratio at 18.5%.

The overall requirement to be met in terms of Common Equity Tier 1 ratio is currently 9.84%, inclusive of the Capital Conservation Buffer, O-SII Buffer, Countercyclical Capital Buffer [23] and Systemic Risk Buffer [24] requirements.

[23]Countercyclical Capital Buffer calculated taking into account the exposure as at 31 March 2025 in the various countries where the Group has a presence, as well as the respective requirements set by the competent national authorities and relating to 2026, where available, or the most recent update of the reference period (requirement was set at zero per cent in Italy for the first half of 2025)

[24]Fully loaded, calculated taking into account the domestic exposure as at 31 March 2025. On 26 April 2024, the Bank of Italy announced the introduction of the new Systemic Risk Buffer (SyRB) amounting to 1% of the risk-weighted exposures to credit and counterparty risks for residents in Italy. The target rate must be reached gradually by establishing a reserve equal to 0.5% of the relevant exposures by 31 December 2024 and the remaining 0.5% by 30 June 2025.

The military conflict between Russia and Ukraine

The ISP subsidiaries in Russia and Ukraine

The Group is present in Russia and Ukraine through two subsidiaries:

– Joint-Stock Company Banca Intesa ("**Banca Intesa Russia**"), 47% owned by Intesa Sanpaolo and 53% by Intesa Sanpaolo Holding International (Luxembourg). This is a Moscow-based corporate bank, which operates with 22 branches and 797 staff. The Group's presence in Russia dates back almost 50 years (initially as a Representative Office, closed in August 2023). The bank has participated in the financing of large national and international Russian projects, also offering a full range of banking services for small and medium-sized enterprises, retail customers and companies. The regional branch network extends from Kaliningrad to Vladivostok;

– Pravex Bank Joint-Stock Company ("**Pravex**"), 100%-owned by Intesa Sanpaolo. This is a small commercial bank based in Kyiv, part of the International Banks Division, which operates with 39 branches mainly in the Kyiv region and employs 612 people. Intesa Sanpaolo acquired the bank in 2008 and has been operating in the country continuously since that date.

The observations made concerning Intesa Sanpaolo's continued control over the two entities, as reported in the 2024 Annual Report, Section 5 – Other Aspects of Part A of the Notes to the Consolidated Financial Statements, still apply.

Despite the objective constraints imposed by the current situation, particularly for Pravex, the two subsidiaries are continuing to operate with the support of the Parent Company structures while the overall exposure to the Russian Federation has decreased significantly over the past three years, as required by the European regulators and the ECB recommendations, the latest of which was issued in December 2024.

Risk management

In light of the continuing military conflict between Russia and Ukraine, in 2024 the Group maintained the internal controls already described in the previous financial reports. The situation continues to be monitored both at Parent Company level and in all the Group banks directly involved in the conflict or close to it, where direct and continuous contacts are being maintained. Appropriate information is also always prepared for the Board Committees and the Board of Directors.

The Risk Management and Control Task Force

With regard to the monitoring of credit risk, in 2024 there were no significant new developments to report. In continuity with the second half of 2022, there were no specific initiatives under the Credit Action Plan dedicated to the conflict between Russia and Ukraine. However, the specific diagnostic initiatives designed to prevent flows into non-performing status for exposures showing signs of difficulty, but without being past due, are still being implemented for companies in the energy and gas sectors that are particularly sensitive to fluctuations in the cost of energy, also linked to the continuation of the conflict.

In light of the further tightening of the sanctions imposed on Russia by Western countries, in order to ensure regulatory compliance, the close supervision continued through a specific dashboard at Group level, aimed at monitoring the changes in the lists of sanctioned persons and entities at European and international level, identifying sanctioned persons and entities for the purpose of blocking positions and payments, complying with the specific ban on accepting deposits above the threshold set by the European regulations, and identifying and blocking financial instruments subject to sanctions. As at 31 December 2024, the exposure to Russian counterparties included in the Office of Foreign Assets Control ("**OFAC SDN**") SDN and/or EU asset freeze lists amounted to 219.5 million euro, compared to € 237 million at the end of 2023.

Despite the inclusion of new sanctioned parties – as a result of the application of the thirteenth, fourteenth and fifteenth packages of sanctions, enacted on 23 February, 24 June and 16 December 2024 respectively – the Group's overall exposure has reduced as a result of a series of repayments of loans already in place with several EU/OFAC SDN sanctioned parties, authorised by the competent Authorities.

Since the beginning of the conflict, the Group has also continued to monitor the evolution of the fallout of the Russian-Ukrainian crisis on the real economy and the main financial variables, also by conducting specific

scenario analyses and stress tests to assess the potential impacts in terms of profitability and capital adequacy. Although the situation is constantly evolving, leaving aside extreme scenarios of conflict escalation that could lead to outcomes that are difficult to assess, these analyses confirm the Group's ability to ensure compliance – also through the implementation of specific actions – with the regulatory requirements and the stricter limits set internally.

The Operational Resilience Task Force

Regarding the initiatives implemented from the early stages of the conflict for Pravex employees, to support their expatriation and/or that of their families, where requested, as at 31 December 2024 there were no longer any employees or family members housed in the Group-owned apartments and residential facilities provided in Bergamo (64 residents at the end of December 2023 compared to 200 initially hosted during 2022). All those who received assistance from the Bank have become independent (some have returned to their home country, while others have settled independently in Italy) while continuing to maintain contact with the staff who assisted them.

With regard to business continuity in Ukraine, operations have been maintained throughout the three years of the conflict by adopting solutions to ensure normal functioning in the event of interruptions to essential services. Specifically, to address the electricity supply issues, generators were installed at all operational branches, and power banks were provided to central offices and personnel with critical and strategic roles. During the second half of the year, the branches were also equipped with inverter generators that were easier and quicker for the staff to use.

In terms of connectivity, satellite devices were installed from the beginning of 2023 to ensure data connectivity. The measures implemented are continuing to ensure the uninterrupted provision of services, and are still considered valid and sufficient to deal with the situation, even in light of increasing Russian attacks on Ukrainian power plants.

From the third quarter onwards, the number of branches opened daily stabilised consistently at the total number of available branches compared to over 90% in the first half of the year. The decision-making process regarding the operations of the individual branches continues to be based on a risk assessment methodology agreed with the Parent Company, which involves the use of specific indicators, always prioritising the safety of the staff. No branches were temporarily damaged by Russian attacks in 2024. However, a branch in Kharkiv, which had incurred heavy damage from the conflict, was permanently closed in the first half of the year following an assessment of the alteration of the risk scenario in the area.

At Banca Intesa Russia, the systems have always functioned without any operational problems since the beginning of the conflict.

In 2024 the monitoring also continued of the operations of Banca Comerciala Eximbank, the Group's Moldovan subsidiary, which still has no operational problems to report, despite the temporary worsening of the conflict in the area.

In terms of cybersecurity, the monitoring and threat intelligence activities continue, alongside the continued strengthening of the cybersecurity controls throughout the Intesa Sanpaolo Group. Within the threat intelligence activities aimed at monitoring possible cyber threats to Pravex, the containment measures have enabled the management of the attacks suffered, ensuring service delivery with minimal disruption. Specific educational initiatives on cyber risks, through training courses and in-depth studies on specific topics, are regularly implemented to continually raise awareness among all the Group's staff.

As usual, the additional costs incurred for business continuity and any losses resulting from physical damage to premises/branches located in the conflict zone form part of the monitoring of the exposure to operational risk, including that relating to the Risk Appetite Framework.

The main accounting aspects and the approach adopted by the Intesa Sanpaolo Group

The main accounting issues arising from the ongoing conflict between the Russian Federation and Ukraine and the Intesa Sanpaolo Group's approach to addressing them are summarised in the paragraphs below. The situation of the Russian/Ukrainian crisis has been the subject of close attention since the outbreak of hostilities at the end of February 2022. The Group had significant cross-border exposures to counterparties resident in the Russian

Federation, as well as, as already mentioned, two subsidiaries operating in the warring countries, which were therefore particularly exposed to the consequences of the conflict: Pravex and Banca Intesa Russia.

At the beginning of 2022, loans to Russian customers represented around 1% (almost € 5 billion) of the Intesa Sanpaolo Group's total loans to customers (net of the exposures backed by Export Credit Agency - ECA guarantees). The de-risking has therefore focused on reducing these exposures; the Group already started carrying it out in the second half of 2022 and continued during 2023 and 2024. Total gross exposures (customers, banks and securities) as at 31 December 2024 to counterparties resident in Russia and Ukraine amounted to just € 1,625 million gross (€1,421 million after adjustments), a decrease of € 264 million or -14% (- € 159 million in net values, -10%) from 31 December 2023, when the gross exposures amounted to €1,889 million (€1,580 million in net values). More specifically, as at 31 December 2024, the remaining exposures to customers amounted, in terms of gross values, to € 126 million (€ 71 million net) for Banca Intesa Russia and €421 million (€338 million net) for cross-border exposures to customers resident in Russia (net of ECA guarantees). The exposures to Russian counterparties were also accompanied by gross exposures to banks totalling € 759 million (€ 751 million net) and in securities totalling € 1 million (book value nil in net terms)[25]. Gross exposures to customers resident in Ukraine amounted to € 193 million (€ 138 million net), of which €54 million (book value nil in net terms) related to the subsidiary Pravex (figures as at 30 September 2024, as described below)[26], in addition to exposures to banks and in Ukrainian short-term government bonds totalling €125 million gross (€ 123 million net).

That said, the situation as at 31 December 2024 is essentially the same as that described in the Annual Report as at 31 December 2023. The Intesa Sanpaolo Group continued to exercise control over the two banks, which operated on the basis of the Parent Company's instructions in their respective environments.

Consequently, the main methodological choices – both in terms of consolidation of the two subsidiaries and valuation of the credit exposures – are essentially the same as those used in the 2023 Annual Report. Before outlining the valuation issues regarding the two subsidiaries and the aspects related to the valuation of the cross-border exposures, it is necessary to provide some preliminary information about how Pravex and Banca Intesa Russia contributed to the consolidated financial statements as at 31 December 2024. In particular, while it was possible to consolidate an accounting situation aligned to that of the Parent Company for Banca Intesa Russia (therefore, consolidated with reference to the results as at 31 December 2024), for Pravex, the specific situation in the city of Kyiv (where the bank is based), led to the conclusion that – in order to contain the "operational" risk – it was considered more appropriate to use the accounting situation as at 30 September 2024, at the exchange rate of 31 December 2024 for the consolidation. The results of Pravex are therefore incorporated by means of the line-by-line consolidation of a consolidation package prepared in accordance with the IAS/IFRS for the previous quarter, in keeping with the approach already adopted for the 2022 and 2023 Annual Reports. However, it is worth recalling here that the balance sheet balances of the Ukrainian subsidiary are substantially immaterial in the context of those of the Intesa Sanpaolo Group. The above method of consolidation is also supported by the fact that the balance sheet management data as at 31 December 2024 do not show any significant differences – in the total aggregates – compared to those at the end of September.

With regard to the valuation choices, the absolutely serious situation in all of Ukraine resulted in the definition, for the purpose of measuring Pravex's loan portfolio, of a specific approach, significantly based on prudent rationales, in light of the continuation of the conflict and the consequent repercussions on the Ukrainian economy. As at 31 December 2024, as in the 2023 Consolidated Financial Statements, it was considered appropriate to maintain the full write down of Pravex's on-balance sheet loans to customers, with consequent classification to Stage 3. As a result of that choice, for the purposes of the Group's consolidated financial statements, the equity of the subsidiary has essentially been reduced to zero. Also for Banca Intesa Russia, an approach to classifying and measuring performing loans continued to be adopted that strongly considers the geopolitical risk deriving from the ongoing crisis. Therefore, as was already the case in the 2023 Annual Report, the assessments carried out as

[25] There were also € 29 million (€ 25 million net) in gross off-balance sheet exposures to customers at Banca Intesa Russia and € 20 million cross-border (with no impact in terms of net values) with customers resident in Russia (net of ECA). Lastly, there were € 27 million (gross and net values) of cross-border positions with Russian resident banks

[26] The cross-border exposures to customers resident in Ukraine are, for the corporate part, backed by guarantees provided by European and US entities, while, for the household part, these mainly relate to exposures disbursed by the subsidiary VUB to Ukrainian families with permanent residence in Slovakia

at 31 December 2024 on the loans of the subsidiary included a centrally determined prudent factor that takes account of the worsening of the domestic economic situation in light of the continuation of the conflict and the increased isolation of the Russian economy.

As a result of the recomposition of the portfolio following repayments and reclassifications to non-performing loans, the total coverage of performing loans of the Russian subsidiary amounted to around 36% of their gross value, up slightly on 35% in December 2023. As in the past accounting closings, the provision aimed at reducing the equity of the investee to zero has also been maintained. The significant adjustments on the credit exposures of Banca Intesa Russia and Pravex, made on a prudential basis, to reflect the current war situation that generates the need for careful consideration of the above-mentioned country risk, with appropriate measurement of the risk that the capital invested abroad is exposed to, connected to the possibility that political or economic circumstances may result in non-repayment of the loan (irrespective of the specific credit risk of the individual counterparty).

For the cross-border positions, the Group continued to adopt the measurement approach guided by the emergence of the so-called "transfer" risk (an approach applied both for the determination of the SICR and the related classification to Stage 2, and for the calculation of the ECL through the application of managerial adjustments) in order to better incorporate provisions related to the risk associated with the current conflict that would otherwise not be properly captured by the risk measurement systems normally used. At the same time, the ratings for the highest risk class already assigned to the most significant counterparties exposed to conflict-related risk have been maintained.

In 2024, the Group recorded a negative profit and loss impact, before tax, of € 273 million related to the exposures to Russian or Ukrainian counterparties. This impact was essentially due to the provision of € 263 million made upon consolidation of Banca Intesa Russia to write off its equity contribution to the Group's consolidated financial statements, while the other effects relating to collections and valuations of other items related to Russian or Ukrainian counterparties were substantially offset, amounting to a total of -10 million euro. With regard to the year 2023, it is worth recalling that the flow of collections and the valuation processes established upon closure of the financial statements led to the recognition of recoveries on loans and securities, before tax, totalling € 205 million, partially offset by the provision made upon consolidation of Banca Intesa Russia to write off its equity contribution to the Group's consolidated financial statements, amounting to € 114 million, with an overall positive impact of € 91 million.

Other highlights

The transfer from Intesa Sanpaolo to Isybank of the second business line – consisting of the set of assets and legal relations operationally organised for the management of private individual customers holding transactional products (accounts and payment cards), loans and mortgages (with related CPI and fire protection insurance), meeting a number of requirements including being aged under 65, the prevalent use of digital channels, and express consent to the transfer – took legal effect on 18 March 2024. The deed of transfer, signed on 13 March 2024, was implemented upon subscription and release of the second tranche of the € 700,000 capital increase approved by the Extraordinary Shareholders' Meeting of 11 October 2023. As a result, Isybank's share capital increased to € 31,000,000. The related IT migration was completed over the weekend of 16 and 17 March 2024. The transfers from Intesa Sanpaolo to Isybank involved a total of around 350,000 customers.

As detailed in 2024 Annual Report, Part E – Risks and relative hedging policies, 1.5 Operational risks, of the Notes to the consolidated financial statements, on 12 June 2024 the Italian Antitrust Authority announced the closure of the proceedings brought against Intesa Sanpaolo and Isybank, accepting the commitments proposed by the two Banks, while on 14 June 2024 Intesa Sanpaolo, Isybank and the consumer association "*Associazione Movimento Consumatori*" announced the settlement agreement reached at the end of May to remedy the issues raised by the association in the representative injunction action to protect the collective interests of consumers brought in December 2023. On 3 January 2025, following an investigation during which Intesa Sanpaolo had duly responded to the information requests received, the Italian Personal Data Protection Authority notified the Bank of breaches to the General Data Protection Regulation and initiated the related sanctions procedure.

On 28 March 2024, the Board of Directors of Intesa Sanpaolo, upon proposal by the Managing Director and CEO Carlo Messina, adopted a new organisational structure that leverages the strengths that have established the Bank as a leader in Europe and which focuses on the Group's capacity to innovate. The renewed organisation readies

the Group to tackle the challenges facing the European banking sector, by harnessing the best new managerial talents and by valuing internal resources, all with a long-term perspective. These significant and wide-ranging changes were marked by a generational transition introducing new talents in key positions, guided and supported by highly-experienced individuals who have long held leadership roles within the Group. The average age of those taking on new top-level responsibilities is 49. The new organisational structure, effective from 2 April 2024, also represents a particularly important step in the longstanding initiative to nurture female talent.

Below is a summary of the most significant measures implemented:

– streamlining of the governance areas reporting directly to the CEO, through a new organisational tier of Chiefs;

– establishment of the new "Wealth Management Divisions" structure, which provides unified oversight of the strategically important wealth management businesses, with the aim of accelerating their growth and increasing the integration of the product factories;

– establishment of a new governance area focused on ESG (Chief Sustainability Officer) to steer the Group's sustainable development strategies, with a special commitment to social matters and the fight against inequalities. The new area has been tasked with strategic direction, activity planning, and monitoring;

– creation of a new governance area (Chief Transformation & Organisation Officer) containing a specific newly established structure dedicated to the Group's transformation strategies to respond to the new challenges of technological innovation and Artificial Intelligence, by developing innovative organisational and operational models;

– strengthening of the Chief Lending Officer area, which is responsible for a new credit decision-making model, consolidating the important milestones achieved and ensuring further sustainability of the results (Zero-NPL Bank).

Two new control rooms have also been set up: the first, called "Fees & Commissions" and chaired directly by the Managing Director and CEO, is focused on monitoring, overseeing and coordinating the strategies necessary to develop the Group's fee and commission income; the second, launched at the end of May, called "Acceleration of Synergies of International Banks", is aimed at promoting the transfer of the best practices adopted by the Banca dei Territori and the IMI Corporate & Investment Banking Division to the international banks.

The new organisational structure of Intesa Sanpaolo was subsequently completed with the establishment of the new "Chief Security Officer" Governance Area, as resolved by the Board of Directors on 17 October 2024, reporting directly to Managing Director and CEO Carlo Messina and assigned to General Antonio De Vita. The new Governance Area will oversee physical security, IT security (cybersecurity) and business continuity to ensure:

– a single point of control for security models and solutions;

– governance of the budget;

– identification of priorities;

– strengthening alignment with the best international security standards and models.

On 19 April 2024, Intesa Sanpaolo and COIMA – a company specialising in investing in, developing and managing Italian real estate assets on behalf of institutional investors – signed an agreement to evaluate the best opportunities to develop the Banking Group's properties in a changing real estate market environment. The agreement, approved by the Board of Directors of Intesa Sanpaolo on 28 March 2024, which reflects changing strategies in real estate in response to the increased emphasis on ESG objectives in the sector, includes the contribution of two real estate asset portfolios held by Intesa Sanpaolo to several funds established and managed by COIMA SGR, with a total value of over 0.5 billion euro, identified based on their type and the related strategy for optimising their value.

In 2024, the necessary preliminary activities were carried out for the completion of the transaction, expected in 2025 after the conditions precedent established by the parties have been fulfilled. Specifically, the contribution, which will result in a significant reduction in the real estate assets of the Parent Company, will involve (i) three prime assets located in Rome in Via dei Crociferi 44, and in Milan in Via Clerici 4-6 / Piazza Ferrari 10 and Via Verdi 9-11-13; and (ii) a portfolio of investment properties located in various towns, the scope of which was

initially identified upon signing of the agreement and confirmed in the third quarter of the year. Therefore, as at 31 December 2024, all the properties that will be contributed upon the closing were reclassified among assets held for sale.

The agreement is part of the Group's broader smart property management strategy, set out in the 2022-2025 Business Plan, which, for the owner-occupied properties, envisages a strong acceleration towards the new way of working and a significant modernisation of the working environments in department spaces, and, for the investment properties, the value optimisation of the assets through disposals and/or active management via leasing or the creation of new businesses.

On 24 April 2024, the Shareholders' Meeting of Intesa Sanpaolo was held, duly constituted, on single call, to pass resolutions as those in attendance through the designated representative (in accordance with Article 106, paragraph 4, of Decree Law No. 18 dated 17 March 2020, converted by Law No. 27 dated 24 April 2020, whose effects were extended by Law No. 18 dated 23 February 2024) counted 3,598 holders of voting rights attached to 11,256,788,156 ordinary shares without nominal value, representing 61.57038% of the share capital. The Shareholders' Meeting voted in favour of all the items on the agenda (for details on the majority of votes please see the press release published on the Group's official website). In the ordinary session, the resolutions concerned:

– *the approval of the 2023 financial statements of the Parent Company and the allocation of the net income for the year with the distribution to shareholders of a dividend and part of the share premium reserve*. The cash distribution to shareholders of a remaining amount of € 2,778,985,446.33 (corresponding to €15.20 cents for each of the 18,282,798,989 ordinary shares constituting the share capital) was approved, of which €2,373,107,308.77 as dividends from the net income for the year (corresponding to € 12.98 cents per share) and € 405,878,137.56 as an assignment of reserves drawn on the Share premium reserve (corresponding to € 2.22 cents on each share). Also taking into account the interim dividend paid in November 2023, amounting to € 2,628,985,341.02[27] (corresponding to € 14.40 cents per share), the total interim and remaining dividends distributed for the year 2023 amounted to € 5,405,295,975.10[28], corresponding to a 70% payout of the consolidated net income;

– *the remuneration policies and incentive plans.* The Shareholders' Meeting (i) approved the remuneration and incentive policies for 2024, together with the related adoption and implementation procedures, as described respectively in chapters 4 and 1 of Section I of the Report on remuneration policy and compensation paid; (ii) passed a resolution agreeing on the Disclosure on compensation paid in 2023 as described in Section II of the same Report; and (iii) approved the 2024 Annual Incentive System, which provides for the use of Intesa Sanpaolo ordinary shares to be purchased on the market;

– *authorisation to purchase own shares for annulment with no reduction of the share capital*. More specifically, the Shareholders' Meeting authorised: (i) the purchase, also in part or in fractions, of Intesa Sanpaolo shares for a maximum overall outlay of € 1.7 billion and not exceeding 1,000,000,000 shares, with execution by 25 October 2024; (ii) the Board of Directors to carry out the purchases at a price to be identified from time to time, subject to the condition that the price cannot be more than 10% below or above the reference price of the Intesa Sanpaolo shares on the regulated market Euronext Milan managed by Borsa Italiana S.p.A. the day before the execution of each individual purchase, through transactions to be carried out in accordance with the provisions of Article 132 of the Consolidated Law on Finance, Article 144-bis, paragraph 1, letter b) of the Issuers' Regulation and with any other legislative and regulatory provisions (including the regulations and other rules of the European Union) applicable and in force from time to time; and (iii) the Board of Directors, with the power to delegate to the Managing Director and CEO, to carry out the purchases using the Extraordinary Reserve;

– *the authorisation to purchase and dispose of own shares to serve the incentive plans and for trading purposes*.

In the extraordinary session, the Shareholders' Meeting approved the proposal to annul Intesa Sanpaolo's own shares purchased and held by the Bank by virtue of the authorisation from the Shareholders' Meeting in the ordinary session, delegating the Board of Directors – with the option of sub-delegating the Chair and the Managing

[27] Interim dividends are considered net of the portion not distributed to the 25,956,343 own shares held by the Bank at the record date, amounting to €3,737,713.40.

[28] The remaining dividend for the year 2023 paid on 22 May 2024 (with coupon presentation on 20 May and record date on 21 May) amounted to €2,776,310,634.08, net of €2,674,812.25, relating to the 17,597,449 own shares held by the Bank at the record date, which was allocated to the Extraordinary Reserve.

Director and CEO, jointly or severally – to execute the annulment, in one or more tranches, by 25 October 2024 and to update Article 5 of the Articles of Association accordingly. The required Supervisory Authority assessment had already been obtained for the statutory changes approved by the Shareholders' Meeting.

*With regard to the scope of consolidation, on 31 May 2024, after obtaining the necessary approvals from the various supervisory authorities, Intesa Sanpaolo S.p.A. completed the acquisition of 99.98% of the shares of the Romanian bank First Bank S.A. held by JCF IV Tiger Holdings S.à R.L. (Luxembourg). The related sale agreement had been signed on 28 October 2023 by Intesa Sanpaolo with the US private investment fund J.C. Flowers & Co and had already been announced in the 2023 Annual Report. First Bank is a medium-sized local bank primarily focused on the SME and Corporate sectors, with a notable presence in the Retail (consumer lending) segment. The acquisition strengthens Intesa Sanpaolo Group's presence in Central and Eastern Europe, particularly in Romania, where it has been operating since 1996 through Banca Comerciala Intesa Sanpaolo Romania S.A. (Intesa Sanpaolo Bank Romania), part of the International Banks Division, and now ranks among the top 10 banks in the country. Cost synergies are also expected, mainly related to the streamlining of the branch network, together with revenue synergies, through an expanded offering of high-quality financial services. From an accounting perspective, the Purchase Price Allocation (PPA) process required by IFRS 3 was completed during the second half of the year, with the determination of the fair value of First Bank's assets and liabilities and the identification of any specific intangibles not previously recognised in its financial statements. The comparison between the acquisition cost and the shareholders' equity at fair value identified a difference of around 10 million euro, which was recognised as negative goodwill within the positive items in the consolidated income statement.

After having received the ECB and FINMA authorisations (issued on 3 June and 12 July respectively), on 8 August 2024 the CHF 40 million capital increase was completed and registered in the Swiss Company Register for Alpian S.A., the digital wealth bank in the start-up phase set up in 2019 and based in Geneva, which as at 31 December 2023 was 41.626% owned by the Intesa Sanpaolo Group (of which 28.134% held by Fideuram - Intesa Sanpaolo Private Banking and 13.492% by Reyl & Cie) and recognised in the consolidated financial statements under companies subject to significant influence in accordance with IAS 28. The subscription to the recapitalisation of Alpian was approved by the Boards of Directors of Fideuram - Intesa Sanpaolo Private Banking on 26 February 2024 and of Intesa Sanpaolo, for the issuance of the necessary approval, on the following 27 February with the intention of fully subscribing any unsubscribed capital to ensure the success of the transaction, in view of the asset's strategic importance. In March, Fideuram - Intesa Sanpaolo Private Banking subscribed the capital increase for an amount of CHF 38,572,344.52, equal to its pro-rata share (including the share of Reyl & Cie) and the total of the unsubscribed capital. The conditions of the recapitalisation enabled the exercise, already authorised by the respective competent bodies, of the anti-dilution option in favour of Fideuram - Intesa Sanpaolo Private Banking and Reyl & Cie, which jointly subscribed a further capital increase at nominal value of CHF 2,431,349.67 on 10 September 2024. Upon completion of the overall transaction (capital increase and exercise of the anti-dilution option), the Intesa Sanpaolo Group's ownership percentage rose to 61.599% (with 51.141% held by Fideuram - Intesa Sanpaolo Private Banking and 10.458% by Reyl & Cie), resulting in the acquisition of control of the company in accordance with IFRS 10 and its inclusion in the scope of line-by-line consolidation. From an accounting perspective, the transaction was classified as a business combination achieved in stages. The Purchase Price Allocation process required by IFRS 3 was completed in the fourth quarter. The comparison between the acquisition cost (calculated by adding the subscribed capital increase and the fair value of the interest already held) and the pro-rata shareholders' equity at fair value of the company identified a residual difference of 28 million euro, which was allocated to goodwill.

On 19 November 2024, the merger deed was signed for the incorporation of Intesa Sanpaolo RBM Salute S.p.A., a company specialising in health insurance, into Intesa Sanpaolo Assicura S.p.A., a company specialising in damage insurance coverage for people, vehicles, and home, as well as loan protection. Both companies were 100% controlled by Intesa Sanpaolo Vita S.p.A., the Parent Company of the Intesa Sanpaolo Vita Insurance Group. The merger was approved by the Extraordinary Shareholders' Meetings of Intesa Sanpaolo Assicura and Intesa Sanpaolo RBM Salute on 11 September 2024, in accordance with the merger plan approved on 8 April 2024 by the Boards of Directors of the two companies and registered with the Company Registers of Turin and Venice Rovigo on 19 July 2024, following the receipt of authorisation no. 173294 from the Institute for the Supervision of Insurance (IVASS) on 17 July 2024. The merger took legal effect from 1 December 2024. On that date, the absorbing company adopted the new name "Intesa Sanpaolo Protezione S.p.A.". The civil and tax effects, on the

other hand, commenced from 1 January 2024. Given that it was a merger in which both the share capital of the incorporated company and that of the absorbing company were wholly owned by the same shareholder, it was completed through the simplified procedure provided for in Article 2505 of the Italian Civil Code.

From a strategic perspective, the corporate transaction – which had no impact on the policies subscribed by customers – is part of the process of streamlining the Intesa Sanpaolo Group's non-life insurance segment by creating a single hub for asset and personal protection, combining the expertise gained by the two companies to develop an integrated offering and facilitating simpler and more efficient relations with the networks (both within the ISP Group and external) by standardising and unifying processes, particularly at the after-sales stage. The expected benefits also include organisational, administrative, and operational simplification. From 1 December 2024, the name of the parent company Intesa Sanpaolo Vita was also changed to "Intesa Sanpaolo Assicurazioni S.p.A." with the related change in the name of the Intesa Sanpaolo Vita Insurance Group to "Intesa Sanpaolo Assicurazioni Group". This change was approved by the Extraordinary Shareholders' Meeting of the Company held on 11 April 2024 and authorised by IVASS by Order no. 0119676 of 6 May 2024[29].

The streamlining process also involved the Private Banking Division. Specifically, on 20 November 2024, the deed of merger was signed for the merger by incorporation of IW Private Investments Società di Intermediazione Mobiliare S.p.A. into its 100% parent company, Fideuram - Intesa Sanpaolo Private Banking S.p.A. The transaction, completed through the simplified procedure set out in Article 2505 of the Italian Civil Code, with legal effect from 2 December 2024 and accounting and tax effects from 1 January 2024, was approved by the Extraordinary Shareholders' Meetings of the two companies on 24 September 2024, based on the merger plan approved by the two Boards of Directors on 15 May 2024[30] and following the authorisation issued by the European Central Bank with a letter dated 17 July 2024. This completes the process of integration of the company into Fideuram - Intesa Sanpaolo Private Banking's operational model, which had already begun with the transformation of IW Bank (a company of the former UBI Banca Group) into a securities brokerage firm, while maintaining the customer relations and the network of Financial Advisors, brand value, and service excellence. Following the transaction, the product and service catalogue offered to customers was retained, together with the distribution model based on the network of Financial Advisors, which was transferred to Fideuram - Intesa Sanpaolo Private Banking and the "IW Private Investments" brand, to accompany the "Fideuram" brand.

The voluntary exits plan continued in accordance with the trade union agreements of 29 September 2020 and 16 November 2021. In 2024, there were 1,543 voluntary exits (32 in the fourth quarter, 405 in the third quarter, of which 377 with effect from 1 July; 295 in the second quarter, of which 265 with effect from 1 April; 811 in the first quarter, of which 774 with effect from 1 January) for a total since the beginning of 2021 of 8,661 exits, against the 9,200 exits expected to take place by the first quarter of 2025 under the terms of the two above-mentioned trade union agreements. During the year, there were approximately 1,550 hires (with slight differences in the four quarters) under those agreements, for a total of around 4,550 since the beginning of 2021 against the 4,600 planned by the end of 2025. In addition, there were further voluntary exits on 1 January 2025 involving a total of 1,314 Group employees, of which 966 linked to the new Agreement signed in the fourth quarter of 2024.

In this regard, it is noted that, on 23 October 2024, Intesa Sanpaolo signed an agreement with the Trade Unions, which aims at enabling generational change at no social cost, also owing to significant investment in technology. The agreement also aims at defining the steps of a path leading to enabling service and offering models oriented towards greater simplicity and effectiveness for customers, as well as freeing up time for professional development through a major upskilling/reskilling training programme to better address the need for new widespread digital skills and new professions. The agreement – addressed to all the people who meet pension requirements by 31 December 2030 of the Intesa Sanpaolo Group's Italian companies, including the managers – identifies ways and criteria to reach the target of 4,000 people voluntary leaving the Group by 2027, either by retiring or accessing

[29]With regard to (i) the merger by incorporation of Intesa Sanpaolo RBM Salute S.p.A. into Intesa Sanpaolo Assicura S.p.A., (ii) the amendments to the Articles of Association of the absorbing company Intesa Sanpaolo Assicura S.p.A. related to the merger and its re-branding, as well as (iii) the amendments to the Articles of Association resulting from the re-branding of Intesa Sanpaolo Vita and the Insurance Group, the Board of Directors of Intesa Sanpaolo had given its prior approval on 28 March 2024.

[30]The prior approval for the transaction was given by the Parent Company Intesa Sanpaolo to Fideuram - Intesa Sanpaolo Private Banking on 3 May 2024.

the Solidarity Fund. Furthermore, by June 2028, the Group will hire 3,500 young people on indefinite-term contracts, 1,500 of whom as Global Advisors for the Network commercial activities in order to ensure greater proximity to customers, specifically in Wealth Management & Protection. The new hires will sustain the Group's growth and its new activities and are in addition to the aforementioned 4,600 hires by December 2025 already envisaged under the 2022-2025 Business Plan against 9,200 people leaving the Group by the end of the first quarter 2025. Furthermore, by 2027, 3,000 exits are expected to take place in Italy and 2,000 net exits in the international subsidiaries, the latter entirely involving roles in central functions with no impact on the commercial roles, through actions on natural turnover. Overall, upon full implementation (from 2028), the Group is expected to achieve annual savings in personnel expenses, taking into account the above-mentioned hires, of around € 500 million compared to costs recognised in the fourth quarter of 2024 of € 439 million before tax, including the discounting effect (€ 295 million net of tax).

Under the Next Way of Working project – aimed at implementing a new working model based on strengthening individual responsibility and improving work-life balance – the preliminary real estate and technological interventions continued throughout 2024 and are still ongoing, aimed at constructing new workspaces designed to enhance the moments of presence in the office. At the end of 2024, the work had been completed at the sites in Treviso, Bologna, Padua, and Sarmeola di Rubano, Bari, Chieti, and Rome Via Lamaro. The work on the sites in Milan Via Bisceglie and Moncalieri was completed in the initial weeks of 2025. In Rome, some minor refinements still need to be made to complete the functional layout of the spaces in Via del Corso. In Cuneo, the work is scheduled to start in February 2025. The renovation of the spaces is continuing alongside the implementation of technological tools (release of the space booking function within the planning and reservation tool) and specific communication campaigns.

In parallel, the implementation continued of the plan aimed at expanding national coverage by progressively increasing the number of Flexible Work HUBs available to employees, providing them alternative spaces to their main offices to carry out their work. At the end of 2024, the number of available workstations had more than doubled (over 1,200 compared to around 600 at the beginning of the year). Currently, HUB spaces bookable by the Network staff and governance structures authorised for flexible work are available in all the Italian regions.

In addition, to promote increasing access to the flexibility tools by the Network staff who intend to use them on a voluntary basis, a significant expansion of the scope of application of these tools has been implemented in the Banca dei Territori and Private Banking Divisions starting from July.

Lastly, as part of the Energy Management strategies, and in particular as part of the initiatives aimed at improving ESG performance, the pilot phase initiated in December 2023 was continued in August 2024 and during the Christmas period (23 December 2024 - 3 January 2025) with the temporary closure of several head offices, making other company spaces in nearby areas available through booking to provide the possibility of working on-site, as an alternative to voluntary remote working.

Intesa Sanpaolo ordinary share buyback programme for free assignment to employees

On 11 September 2024 Intesa Sanpaolo concluded the ordinary share buyback programme launched on 9 September 2024 and announced to the market in the press release dated 4 September 2024. The programme is intended to service plans for the assignment, free of charge, of Intesa Sanpaolo ordinary shares to the employees and the Financial Advisors of the Group, in relation to: (i) mainly, the Intesa Sanpaolo Group share-based incentive system for 2023; and (ii) to a lesser extent, the incentive systems of certain subsidiaries (Intesa Sanpaolo Private Banking, for the network in Italy, and Fideuram - Intesa Sanpaolo Private Banking Group for the Relationship Managers of the international commercial networks and non-employee Financial Advisors)) also relating to 2023. These incentive systems are reserved for Risk Takers who accrue a bonus in excess of the so-called "materiality threshold", as well as for those who are paid a "particularly high" amount, and for those who, among Middle Managers or Professionals that are not Risk Takers, accrue a bonus exceeding both the so-called "materiality threshold" and 100% of the fixed remuneration. In addition, the programme was implemented in order to grant, when certain conditions occur, severance payments upon early termination of employment. Intesa Sanpaolo carried out the purchases according to the methods and within the terms authorised by the Shareholders' Meeting of 24 April 2024 also on behalf of the subsidiaries involved, which thereby concluded the programmes regarding the purchase of the Parent Company's shares, approved by their respective corporate bodies within their remits and analogous to the programme approved by the Parent Company's Shareholders' Meeting.

In the three days during which the programme was executed (from 9 to 11 September 2024), a total of 21,000,000 Intesa Sanpaolo ordinary shares were purchased through the IMI Corporate & Investment Banking Division, tasked with the programme execution, representing around 0.11% of the share capital of the Parent Company outstanding at the end of the programme. The average purchase price was € 3.7154 per share, for a total countervalue of € 78,023,430.57. The Parent Company purchased 10,301,330 shares at an average purchase price of € 3.7146 per share, for a countervalue of € 38,265,555.39.

Intesa Sanpaolo buyback for € 1.7 billion authorised by the ECB

The programme for the purchase of own shares for annulment (buyback) for a maximum total outlay of € 1.7 billion and a number of shares not exceeding 1,000,000,000 Intesa Sanpaolo ordinary shares was authorised by the ECB with decision notified on 11 March 2024 and was approved by the Intesa Sanpaolo Shareholders' Meeting of 24 April 2024.

On 18 October 2024, Intesa Sanpaolo concluded the programme which was disclosed to the market on 27 May 2024 and launched on 3 June 2024, having purchased a total of 479,128,488 shares since the launch of the programme, equal to around 2.62% of its share capital outstanding at the end of the programme, at an average purchase price of € 3.5481 per share, for a total countervalue of € 1,699,999,992.53.

The annulment of the shares took place on 23 October 2024. While the share capital remained unchanged at 10,368,870,930.08 euro, the number of ordinary shares without nominal value decreased from 18,282,798,989 to 17,803,670,501. The Articles of Association amended to reflect said annulment were filed with the Turin Company Register on 28 October 2024 and registered on 30 October 2024.

Recent Events

On 28 January 2025, Intesa Sanpaolo announced the signing of an industrial partnership in the operational leasing of capital goods with Grenke AG, leader in Italy in the sector through its subsidiary Grenke Locazione S.r.l. This type of lease strategically complements the traditional financial offering by allowing companies to renew their operational equipment without weighing on their financial structure and the tax deductibility of expenses. The partnership, following the necessary authorisations, will involve the contribution of the entire stake (equal to 100% of the share capital) held by Intesa Sanpaolo in Intesa Sanpaolo Rent Foryou S.p.A. to Grenke Locazione. Following the contribution, Intesa Sanpaolo will retain a stake of around 17% in the company controlled by the Grenke AG Group, which will retain the remaining 83% of the capital. This partnership will create a new market player thanks to the Intesa Sanpaolo's branch network and customer base and Grenke's strong competitive positioning.

On 27 February 2025, the Board of Directors of Intesa Sanpaolo approved the parent company draft financial statements, as well as the consolidated financial statements, as at 31 December 2024 which confirm the results as at 31 December 2024 approved by the Board and disclosed to the market on 4 February 2025. The approval of the parent company draft financial statements includes the approval of the proposal for net income allocation, which reflects the proposal made by the Board of Directors upon approval of the results as at 31 December 2024 and disclosed to the market on 4 February 2025.

On 29 April 2025, the Ordinary Meeting passed, *inter alia*, the following resolutions:

Authorisation to purchase own shares for annulment with no reduction of the share capital.

The Shareholders, with 10,784,021,445 votes in favour equivalent to 99.39385% of the ordinary shares represented at the Meeting, decided:

1. to authorise the Board of Directors, pursuant to Articles 2357 and following of the Italian Civil Code and 132 of the Consolidated Law on Finance, to carry out purchase transactions, even partially and/or in tranches, of the Company's ordinary shares; the authorisation is granted for a maximum number of ordinary Intesa Sanpaolo shares corresponding to a maximum overall outlay of 2 billion euro, plus transaction costs, and, in any case, not exceeding 1,000,000,000 Intesa Sanpaolo ordinary shares, with execution by 24 October 2025;
2. to authorise the Board of Directors to carry out purchases of Intesa Sanpaolo ordinary shares pursuant to the decision under point 1 above, in the following manner: (i) the purchases must be made at the price

that will be identified from time to time in compliance with any applicable national and EU regulatory requirements, without prejudice to the fact that the purchase price may not be more than 10% below or above the reference price of the Intesa Sanpaolo share registered on the regulated market Euronext Milan managed by Borsa Italiana S.p.A. the day before the execution of each individual purchase transaction; (ii) the purchase transactions will be carried out in line with the provisions of Article 132 Consolidated Law on Finance, Article 144-bis, paragraph 1, letter b) of the Issuers' Regulation and with any other legislative and regulatory provisions (including the regulations and other rules of the European Union) applicable and in force from time to time;

3. to authorise the Board of Directors, which may delegate this power to the Managing Director and CEO, to carry out the own shares purchase transactions and make any necessary accounting entries or postings, using the Extraordinary Reserve and/or the Share premium reserve, on the basis of the resolutions mentioned in points 1 and 2 above, in any case in full compliance with current legislation and the limits set out therein.

Therefore, on the same date the Extraordinary Meeting, with 10,740,728,755 votes in favour equivalent to 98.99558% of the ordinary shares represented at the Intesa Sanpaolo Shareholders' Meeting approved the proposal to annul Intesa Sanpaolo's own shares that may be purchased and held by Intesa Sanpaolo by virtue of the authorisation from the Shareholders' Meeting requested in item 4a) on the agenda of the ordinary part of the Shareholders' Meeting, up to a maximum of 1,000,000,000 shares, without reduction of the share capital, delegating the Board of Directors – with the option of sub-delegating the Chair and the Managing Director and CEO, jointly or severally – to execute the annulment, in one or more tranches, by 24 October 2025 and to update Article 5 of the Articles of Association following the changes in the number of shares indicated in paragraph 1 and the completion of the annulment transactions. With regard to the statutory changes approved by the Shareholders' Meeting, the required authorisation has already been issued on 5 March 2025 by the Supervisory Authority.

The above-mentioned buyback programme was launched on 2 June 2025.

Sovereign risk exposure

Based on management data, as of 31 December 2024 Intesa Sanpaolo Group's exposure in securities issued by Italian central and local governments – excluding the insurance business – amounted to € 21,1 billion, in addition to loans for € 8,3 billion. The securities exposure decreased compared to € 22,5 billion as at 31 December 2023.

Management

Board of Directors

The composition of Intesa Sanpaolo's Board of Directors as at the date hereof is as set out below.

Member of the Board of Directors	**Position**	**Principal activities performed outside Intesa Sanpaolo S.p.A., where significant with respect to the Issuer's activities**
Gian Maria Gros-Pietro	Chair	Director of ABI Servizi S.p.A.
Paola Tagliavini (#) (##)	Deputy Chair	Director of Rai Way S.p.A.
Carlo Messina (*)	Managing Director and CEO	None
Maria Angela Zappia(##)	Director	None
Franco Ceruti	Director	Chair of Intesa Sanpaolo Expo Institutional Contact S.r.l.
		Director of Intesa Sanpaolo Private Banking S.p.A.

Member of the Board of Directors	Position	Principal activities performed outside Intesa Sanpaolo S.p.A., where significant with respect to the Issuer's activities
		Chair of Società Benefit Cimarosa 1 S.p.A.
Paolo Maria Vittorio Grandi	Director	Director of Camfin S.p.A.
		Director of Centai Institute S.p.A.
		Director of Intesa Sanpaolo Innovation Center S.p.A.
		Director of Intesa Sanpaolo Wealth Management Lux
		Chair of Intesa Sanpaolo Holding International SA Lux
Luciano Nebbia	Director	Deputy Chair of Equiter S.p.A.
Liana Logiurato (##)	Director	None
Pietro Previtali(##)	Director	Director of Mondeox srl
Maria Alessandra Stefanelli(##)	Director	None
Bruno Maria Parigi(##)	Director	None
Anna Gatti(1) (##)	Director	Director of WiZink Bank S.A.
		Director of Wizz Air Holdings PLC
Guido Celona(1) (#) (##)	Director	Chair of Coalescent Labs S.p.A.
Mariarosaria Taddeo(1) (##)	Director	Director of United Ventures SGR
Fabrizio Mosca(#) (##)		
	Director and Member of the Management Control Committee	Chair of the Board of Statutory Auditors of Aste Bolaffi S.p.A.
		Chair of the Board of Statutory Auditors of Bolaffi S.p.A.
		Chair of the Board of Statutory Auditors of Bolaffi Metalli Preziosi S.p.A.
		Chair of the Board of Statutory Auditors of DiaSorin Italia S.p.A.
		Chair of the Board of Statutory Auditors of Mindicity S.r.l.
Mariella Tagliabue(#) (##)	Director and Member of the Management Control Committee	
Maura Campra(#) (##)	Director and Member of the Management Control Committee	Standing Statutory Auditors of Pirelli & C S.p.A.
		Standing Statutory Auditors of Enel S.p.A.
Roberto Franchini (1)(#) (##)	Chair of the Management	None

Member of the Board of Directors	Position	Principal activities performed outside Intesa Sanpaolo S.p.A., where significant with respect to the Issuer's activities
	Control Committee	
Riccardo Secondo Carlo Motta[(1) (#) (##)]	Director and Member of the Management Control Committee	None

(*) Appointed Managing Director and CEO by the Board of Directors on 29 April 2025. He is the only executive director on the Board.

(#) Currently enrolled on the Register of Statutory Auditors and has practiced as an auditor or been a member of the supervisory body of a limited company

(##) Meets the independence requirements pursuant to Article 13.4.3 of the Articles of Association, the Corporate Governance Code and Article 148, paragraph 3, of the Consolidated Law on Finance (TUF)

(1) Is a representative of the Minority Slate

The business address of each member of the Board of Directors is at the Issuer's registered office in Piazza San Carlo 156, 10121 Turin (Italy).

Conflicts of Interest

As at the date of this Base Prospectus and to Intesa Sanpaolo's knowledge, no member of the Board of Directors of Intesa Sanpaolo has potential conflicts of interest between their obligations arising out of their office or employment with the Bank or the Intesa Sanpaolo Group and any personal or other interests.

The Bank and its corporate bodies have adopted internal measures and procedures to guarantee compliance with the relevant regulation on board members conflicts of interest.

Principal Shareholders

As of 29 April 2025, and as of the date of this Prospectus, the shareholder structure of Intesa Sanpaolo was composed as follows (holders of shares exceeding 3% (*)):

Shareholder	Ordinary shares	% of ordinary shares
Fondazione Compagnia di San Paolo	1,153,947,304	6.482%
Fondazione Cariplo	961,333,900	5.400%

(*) Shareholders that are fund management companies may be exempted from disclosure up to the 5% threshold. BlackRock Inc. disclosed a 5.005% holding in the share capital of Intesa Sanpaolo, notified in Form 120 A dated 9 December 2020, as well as a 5.066% aggregate holding in the Bank's share capital, notified in Form 120 B dated 4 December 2020, and has not provided any update of these holdings following the subsequent changes in the number of shares into which the share capital of Intesa Sanpaolo is divided.

Figures updated based on the results from the register of shareholders and the latest communications received.

The Italian regulations (Article 120 of the Consolidated Law on Finance (the "**TUF**")) set forth that holdings exceeding 3% of the voting capital of a listed company should be communicated to both that company and CONSOB. Moreover, under Article 19 of the Consolidated Law on Banking "TUB", prior authorisation by the Bank of Italy is required for the acquisition of holdings of capital in banks that are either significant or make it possible to exercise significant influence, or confer a share of voting rights or capital equal to at least 10%.

The Italian regulations also set forth the obligation to disclose any agreements between shareholders.

Furthermore, Article 120, paragraph 4-bis, of the TUF sets forth the obligation for investors who acquire holdings in listed issuers with Italy as home Member State, equal to or above 10% of the relevant capital or a lower threshold as defined by CONSOB, to declare the objectives they are pursuing.

Legal Proceedings

Disputes relating to compound interest and other current account and credit facility conditions, as well as usury

This type of disputes has for years made up a significant portion of the civil litigation brought against the Italian banking system. In 2024, disputes with possible or likely risk numbered around 3,000 with a remedy sought of € 584 million and show a gradual reduction in claims compared to the previous year both in number and in total value.

The number of disputes, including mediations, with likely risk was down, at around 2,300. The remedy sought amounted to € 445 million, with provisions of € 154 million.

As is the case for the other civil disputes, the assessment of the risk related to this type of litigation is carried out individually, taking into account the claims made, the defences submitted, the progress of the proceedings and case-law decisions, for each dispute.

You are reminded that in 2014 and 2016, Article 120 of the Consolidated Law on Banking, which governs the compounding of interest in banking transactions, was amended with the establishment of the ban on compound interest and the delegation of the ICRC (Interdepartmental Committee for Credit and Savings) to regulate this matter.

In February 2017, the Italian Antitrust Authority initiated proceedings against Intesa Sanpaolo for alleged unfair business practices involving, among other things, the methods used to request the above-mentioned authorisation from customers for the charging of the interest to the account imposed by the new regulations introduced in 2016.

The Authority completed the proceedings in October 2017, ruling that the Intesa Sanpaolo had implemented an "aggressive" policy aimed at acquiring the above-mentioned authorisation. As a result, the Authority issued a fine of € 2 million against Intesa Sanpaolo. The Bank appealed to the Regional Administrative Court of Lazio and, following the rejection of the appeal, appealed the decision to the Council of State, which, in a ruling of March 2024, rejected the appeal, upholding the fine. The judgment of the Council of State became final and rendered the penalty final.

Disputes relating to investment services

There were a total of around 656 disputes with likely risk relating to investment services. The total remedy sought amounted to around €379 million with provisions of €150 million, and the most significant subgroup was disputes concerning derivatives. As the case for the other civil disputes, the assessment of the risk related to this type of litigation is carried out individually, taking into account the claims made, the defences submitted, the progress of the proceedings and the case-law guidance, for each dispute. We also note approximately 19 disputes with a remedy sought of €98 million initiated by "wiped out" shareholders and subordinated bondholders of the former "Old Banks" of Banca delle Marche, Banca Popolare dell'Etruria e del Lazio and Cassa di Risparmio della Provincia di Chieti (the "**Old Banks**"), deemed to be of possible risk. Those disputes are backed by the warranties and obligations to indemnify by the Seller (National Resolution Fund) for the benefit of the former UBI Banca, and now Intesa Sanpaolo, and therefore also cover any liabilities arising from the activities carried out by the Old Banks before they were subject to the resolution procedure, in relation to, *inter alia*, risks of a legal nature or generally related to ongoing or threatened disputes, or violations of the law and any potential liabilities.

Dispute regarding financial derivative instruments

With regard to derivative transactions, the legal risks linked to legal proceedings with local authorities, their subsidiaries and individuals continue to be subject to careful monitoring.

Specifically, 16 disputes are pending with local authorities, with possible or likely risk, for total claims of 135 million euro, and 5 disputes with subsidiaries of public entities, with total claims of 37 million euro. Disputes with individuals, assessed as having possible or likely risk, total 158, and of these, 42 positions also regard requests for refunds of amounts on other accounts held with the Bank. Net of those latter positions, the total value of the claims lodged in the proceedings regarding only derivatives amounts to around 87 million euro.

A summary of the most significant disputes with local authorities is provided below:

– Municipality of Venice: the dispute regards a derivative contract governed by the ISDA, with remedy sought of 71 million euro. By ruling filed on 13 December 2023, the Court of Appeal – in a total reversal of the first instance ruling of the High Court of Justice of London, which had held that the Municipality did not have the capacity to enter into speculative derivative contracts involving debt – declared that the derivative contracts were valid, effective and binding on the Local Authority, stating in particular that they:

  o were not speculative in nature (similarly to the previous transaction that the municipality had carried out with Bear Stearns and which Intesa Sanpaolo took over on a pro rata basis with Dexia);

  o could not be equated to debt transactions in breach of the limits set in Article 119 of the Constitution.

  As a result, the Local Authority was ordered to pay the outstanding differentials, to reimburse the amount paid for the legal expenses of the Municipality, and to cover the legal defence costs of the banks for both instances of proceedings.

  Against this last ruling, the Local Authority filed a Permission to Appeal which was rejected by the Supreme Court by final judgment.

  With regard to the second lawsuit with the Municipality before the Court of Venice, concerning alleged breaches of the mandate and investment service agreements, the examining magistrate ordered a technical expert's report.

  In the meantime, following extensive negotiations, a settlement agreement was reached with the Municipality of Venice on 23 January 2025 to settle the mutual claims.

– Municipality of Turin: in July 2024, the Municipality of Turin filed a civil action before the Court of Turin to challenge the derivative contract entered into in 2007 (2007 swap) governed by an ISDA agreement of 2004, subject to English jurisdiction and law. The contract was signed to renegotiate previous transactions carried out in 2003 and 2006, as part of the Entity's debt restructuring, an initiative in which other banks have also participated over the years.

  The Municipality has made two alternative claims:

  o as the main claim demand, for compensation for damages due to contractual breach related to an advisory agreement for the management of the Entity's debt of December 2003 and for pre-contractual liability concerning the preliminary phase leading to the signing of the derivatives agreements;

  o in the alternative, demand the nullity of the 2007 swap, on the one hand, due to the lack of indication in the MtM contracts of its calculation formula and the probability scenarios and, on the other, due to the failure to comply with the requirements established by the specific applicable regulations regarding the use of these financial instruments by Public Entities.

    The main claim is quantified at around 27 million euro.

The Bank entered an appearance on 6 December 2024 rejecting all the Municipality's claims. At the hearing of 18 December 2024, the judge ordered the conversion of the court proceedings from simplified to ordinary and scheduled a hearing for 11 June 2025 for continuation of the proceedings.

With regard to the disputes with companies controlled by Public Entities, the following changes occurred during the year:

– in the proceedings brought by EUR S.p.A. concerning ISDA derivatives entered into in connection with a syndicated loan granted by Intesa Sanpaolo and other intermediaries, on 21 April 2023, the Court of Rome filed its ruling declaring the lack of jurisdiction of the Italian Court in favour of the English Court, with each party paying its own legal fees. The other party appealed the judgment before the Rome Court of Appeal. A settlement agreement with EUR was finalised in January 2025, with full settlement of the dispute between the parties.

Reference for a preliminary ruling to the Court of Cassation on the legitimacy of the fixed instalment repayment plan

On 29 May 2024 the Joint Divisions of the Court of Cassation (by ruling no. 15130) ruled on an important issue for banking operations: specifically, whether the failure to indicate in a fixed-rate mortgage loan agreement the fixed instalment repayment method (called French amortization method) and the compound capitalisation regime makes the purpose of the contract vague or impossible to determine.

The Joint Divisions set out the following approach to interpretation, also applicable beyond the case submitted to their examination (as per the role as guarantor of the uniform interpretation of the law): "Regarding fixed-rate bank mortgages with repayment of the loan in instalments governed by a standardised, traditional repayment plan, the failure to indicate the repayment method and compound capitalization of debt interest regime cannot give rise to partial nullity of the contract, either due to vagueness of or the inability to determine the purpose of the contract, or due to breach of the regulations on transparency of contractual conditions and relations between credit institutions and their customers".

This ruling will make it possible to significantly limit the risk of proliferation of disputes regarding objections to fixed instalment repayment methods.

Dispute relating to loans in CHF to the Croatian subsidiary Privredna Banka Zagreb Dd

As highlighted in the previous financial statements, Potrošac – Croatian Union of the Consumer Protection Association had brought proceedings against the subsidiary Privredna Banka Zagreb ("PBZ") and other Croatian banks, which had engaged in an unfair practice by allegedly using unfair contractual provisions on variable interest rate, which could be changed unilaterally by the bank, and by denominating the loans granted in Swiss francs (or indexing them to Swiss francs) without allegedly appropriately informing consumers of the risks prior to entering into the respective loan agreements.

The relevant contractual provisions were declared invalid.

Numerous individual proceedings have been brought by customers against PBZ, despite the fact that most of them voluntarily accepted the offer to convert their CHF loans into EUR denominated loans retroactively, in accordance with the Act on the Amendments to the Consumer Credit Act (Croatian Official Gazette 102/2015 – the "Conversion Law").

In March 2020, the Croatian Supreme Court, within model case proceedings (Supreme Court proceedings with obligatory effect on lower instance courts with the aim of unifying/harmonising case law), ruled that the conversion agreements concluded between banks and borrowers under the Conversion Law of 2015 produce legal effects and are valid even in the case when the provisions of the underlying loan agreements on variable interest rate and CHF currency clause are null and void.

In May 2022, the EU Court of Justice, in proceedings regarding reference for a preliminary ruling involving another intermediary, established that the Court of Justice has jurisdiction over the conversion agreements concluded under the Conversion Law, as they occurred after Croatia joined the European Union, and that the EU Directive on unfair terms in consumer contracts does not apply to those conversion agreements, whose content reproduces provisions of national law.

On 20 December 2022, the Civil Law Department of the Croatian Supreme Court provided an interpretation of the legal effects of the agreements for the conversion of loan agreements from CHF to EUR and on consumers' rights, according to which consumers that entered into a conversion agreement pursuant to the aforementioned Conversion Law of 2015 have the right to receive legal interest on excess amounts paid that the Bank calculated on converting the loans, from the date of each single payment up to the date of conversion.

This interpretation has not yet been recorded by the Court Practice Records Department and is therefore not binding at present.

The limitation period for bringing individual proceedings on the invalidity of the currency clause expired in June 2023. In the following period, summonses filed before the above-mentioned deadline were served and the number of new cases progressively decreased significantly.

At the end of 2024, the total pending cases amounted to a few thousand.

The development of the case law is being constantly monitored.

Dispute with the foreign subsidiary Banca Intesa Beograd (Serbia)

The following areas of the mass disputes that have impacted the entire Serbian banking system are shown below.

1) Processing fees

Legal dispute regarding processing fees applied by banks at the time of disbursing loans. The claimants, individuals and legal persons, are requesting the repayment of those charges, as they are deemed as not owed. The first claims arose in 2017 and a significant increase in lawsuits was recorded in the following years, though for modest amounts on average. At the end of 2024, Banca Intesa Beograd had been summoned in around 11,000 lawsuits deemed as having possible or likely risk (at the end of 2023, these amounted to around 15,200); the related total amounts of principal requested to be repaid by the Bank came to around 0.7 million euro. In September 2021, the Supreme Court of Serbia recognised the legitimacy of the costs and fees applied to loans at the time of their disbursement, provided they are indicated in the contract proposal. In 2024, there was a further significant reduction in the flows of new disputes. Most of the lawsuits closed during the year were either won by the Bank or abandoned by the plaintiffs.

2) NKOSK

Legal dispute relating to real estate loans insured through the National Housing Loan Insurance Corporation (NKOSK), whose premium is paid by the borrowers. The borrowers deem that, as the Bank is the Beneficiary of the insurance, the premium should be paid by the Bank. At the end of 2024, Banca Intesa Beograd had been summoned in around 1,000 lawsuits deemed as having possible or likely risk (at the end of 2023, these amounted to around 1,155); the related total amounts of principal requested to be repaid by the Bank came to around 1 million euro. In September 2021, the Supreme Court of Serbia recognised the legitimacy of requiring the insurance premium to be paid by the borrowers, provided that the obligation is clearly described to the borrowers during precontractual procedures. Most of the disputes closed during the year were either won by the Bank or abandoned by the plaintiffs.

Transfer of business lines to Isybank - Italian Antitrust Authority proceedings, representative action of the consumer association "Associazione Movimento Consumatori" and Italian Personal Data Protection Authority proceedings

In November 2023, the Italian Antitrust Authority (AGCM) announced the initiation of proceedings against Intesa Sanpaolo and Isybank aimed at verifying the existence of an unfair commercial practice regarding the transfer of relationships of around 2.4 million "predominantly digital" customers from Intesa Sanpaolo to Isybank as part of a transfer of business lines, with the accompanying unilateral amendment of the transferred contracts. The transfer of the first business line had already been made on 16 October 2023, while the transfer of the second business line was scheduled for 18 March 2024.

Again in November 2023, the AGCM ordered the suspension, on a precautionary basis, of the commercial practice considered unfair.

In December 2023, Intesa Sanpaolo and Isybank filed a report containing the measures envisaged to comply with the precautionary measure and submitted a proposal of commitments to the AGCM, which detailed what they had already outlined in the report of compliance with the precautionary measure, for the purpose of reaching a positive conclusion of the proceedings.

This proposal of commitments was supplemented in March 2024 with further measures in favour of the customers concerned.

By way of order dated 11 June 2024, the Authority accepted the commitments proposed by the two Banks, rendering them binding. The proceedings concluded, thus, without imposing a fine. Also with regard to the transfer of business lines, the consumer association "*Associazione Movimento Consumatori*" brought a representative action against Intesa Sanpaolo and Isybank (with a petition served in January 2024) before the Court of Turin for alleged "violations of the collective interests of consumers".

The association asked the Court to prohibit the use of the new clauses in the transferred contracts, without the consent of the consumers, and the prohibition of the repetition of the unlawful conduct, as well as the adoption of appropriate measures to eliminate or reduce the effects of the violations if the unlawful conduct is confirmed.

The two banks filed their defence briefs, contesting the arguments of the *Associazione Movimento Consumatori* and requesting the rejection of the claims in consideration of the measures taken in the meantime in favour of the customers within the AGCM proceedings.

On 27 May 2024, the two Banks and the consumer association entered into a settlement agreement which settled the dispute. After the parties file with the Court the documents relating to the out-of-court settlement, at the hearing of 31 May 2024 the Court discontinued the proceedings.

By order of 3 January 2025, the Italian Personal Data Protection Authority - after having carried out a preliminary investigation in the context of which it had made a number of requests for information to the Bank, which were duly fulfilled - informed Intesa Sanpaolo that its conduct in the context of the transfer of the business lines to Isybank was in breach of certain provisions of the General Data Protection Regulation (GDPR), with regard to the identification of the legal basis for the processing of data aimed at identifying the "mainly digital" customers included in the branches being contributed and to the information provided to such customers.

With the same measure, the Authority announced the start of a procedure for the adoption of corrective measures and - if deemed applicable - the administrative penalties provided for by the GDPR.

ISP is currently analysing the measure and preparing defence briefs, which must be filed by 4 March 2025.

Unauthorised access to personal data - current judicial and administrative proceedings

In July 2024, the Bank notified the Italian Personal Data Protection Authority of certain accesses to customer data by an employee apparently not justified by service reasons and detected by the Bank's alert systems.

As a result of the investigations carried out, the employee was first suspended from duty and then dismissed for cause. The Bank also lodged a complaint with the Public Prosecutor's Office at the Court of Bari against the former employee for unauthorised access to a computer system. In the criminal proceedings against the former employee, the Bank, in addition to being the plaintiff and injured party, is under investigation as an entity pursuant to Legislative Decree no. 231/2001, even though, as things stand, the acts attributed to the former employee appear to have been committed to the detriment of the Bank and not to its benefit. The Bank received a number of requests for information and documents from the Public Prosecutor's Office, to which it responded providing full cooperation.

The Bank notified the customers whose data was accessed by the former employee of the data breach where such access could not be attributed with certainty to service needs, as required by the Italian Personal Data Protection Authority by measure of 2 November 2024.

In that measure, the Authority reserved "any other decision at the end of its investigation into the case". Once the Authority has communicated the outcome of its investigation, a clearer picture of possible developments of the proceedings will be available.

At the same time, as part of a process of continuous improvement of the systems in place to protect the confidentiality of personal data, also on the basis of a benchmarking test carried out with reference to the main market peers, a specific project has been launched, with the participation of the control and business structures in Italy, with the following aims:

– strengthen *ex-ante* and *ex-post* controls, including by introducing automated tools and specific protection systems for customers material to national security;

– strengthen the Risk Appetite Framework and the internal rules on data protection/reputational risk;

– carry out a comprehensive strategic review at Group level of the areas of visibility of customers' personal data, defined according to the corporate role and the reference customer segment, taking into account business logic processes and the analysis of service models and carrying out appropriate implementations where necessary.

Italian Antitrust Authority proceedings against Intesa Sanpaolo RBM Salute – now Intesa Sanpaolo Protezione.

In November 2020, the AGCM had initiated proceedings against ISP RBM for unfair business practices, which concluded in July 2021 with a fine of € 5 million and a warning to cease the unfair practice. ISP RBM appealed the AGCM's decision before the Lazio Regional Administrative Court, which, in November 2022, after having considered the complaint made regarding the lateness of the Authority's intervention to be valid, upheld the appeal and annulled the penalty measure in full. The AGCM appealed the judgement of the Regional Administrative Court before the Council of State, which suspended the judgement in January 2024, pending the ruling of the Court of Justice of the European Union on a number of preliminary questions relevant to the judgement. Following the Lazio Regional Administrative Court's judgement, the Italian Antitrust Authority issued an order of "no grounds for further action" in the non-compliance proceedings, which it had initiated on the grounds that ISP RBM was not complying with the warning contained in the penalty measure. However, the Authority has reserved the right to defer any decisions until the outcome of the proceedings before the Council of State.

In May 2023, the AGCM initiated new proceedings against ISP RBM for alleged unfair business practices, purported to have been adopted from January 2023, aimed at hindering the exercise of consumers' rights arising from the contractual relationship, leading them to give up financial and welfare benefits provided by the insurance coverage held by them. In its communication dated 15 February 2024, the Authority issued its conclusions on the preliminary findings, based on which it upheld the claims made in the decision to initiate proceedings and also considered that the unfair business practice was still ongoing.

ISP RBM submitted a defence brief, in which it highlighted, among other things, the strategic and operational measures it had already taken prior to the commencement of the proceedings and the further improvements these measures had brought to the service levels provided to the policyholders.

With order dated 20 May 2024, the AGCM ruled that ISP RBM's conduct constituted an ongoing unfair business practice, prohibiting its dissemination or continuation, and imposing an administrative fine of 2.5 million euro.

On 19 July 2024, ISP RBM submitted an appeal to the Lazio Regional Administrative Court, requesting the annulment of the administrative fine. The case is still pending.

On 2 August 2024, ISP RBM submitted the plan to the AGCM for complying with the ban on continuing the prohibited conduct. On 22 October 2024, the Authority informed ISP RBM that it had acknowledged the documentation submitted regarding the measures adopted as compliance.

Disputes linked to Group acquisitions/integrations - former UBI Good Banks

In execution of the Share Purchase Agreement ("SPA") on 18 January 2017 and the Closing on 10 May 2017, UBI Banca acquired from the National Resolution Fund managed by the Bank of Italy (NRF), "Nuova Banca Marche", "Nuova Banca Etruria" and "Nuova Carichieti" (the "Target Bridge Institutions" or "Bridge Institutions" or "Good Banks").

Subsequently, those Bridge Institutions were incorporated into UBI Banca.

Following the incorporation of UBI Banca, Intesa Sanpaolo took over the management of the "Good Banks dispute", namely all the disputes regarding events or acts that occurred prior to 10 May 2017 and referring to the

operations of the three banks impacted by the resolution orders (the "Old Banks") or "Good Banks", which were then acquired by UBI Banca.

Those disputes are backed by the warranties and obligations to indemnify by the Seller (NRF) for the benefit of UBI Banca in relation to the acquisition of the New Banks deriving from the resolution of Banca delle Marche, Banca Popolare dell'Etruria e del Lazio and Cassa di Risparmio della Provincia di Chieti and therefore also cover any liabilities arising from the activities carried out by the Banks (the "Old Banks") before they were subject to the resolution procedure, in relation to, *inter alia*, risks of a legal nature or generally related to ongoing or threatened disputes, or violations of the law and any potential liabilities.

On 27 May 2024, as part of wider negotiations, ISP and the Bank of Italy entered into an Agreement to simplify the management of the pending Good Banks dispute, in particular from an administrative point of view, also with regard to the management of disputes that have already been settled in court, but not yet indemnified, and to limit the guarantees (General Cap) with regard to a scope of pending disputes that has been accurately identified.

With regard to the development of the case law on the mis-selling of shares and subordinated bonds of the banks undergoing resolution, by favourable ruling no. 22115 of 5 August 2024 in the Fox Petroli case, the First Division of the Court of Cassation held that Intesa Sanpaolo lacked the capacity to be sued, confirming that the claims made relate to liabilities not transferred to the Bridge Institutions (the Good Banks), but remained with the banks under resolution (the Old Banks).

Isoldi Holding Bankruptcy

The Isoldi Holding Bankruptcy Receiver sued the former UBI Banca (which absorbed Nuova Banca Etruria and Centrobanca), Intesa Sanpaolo and five other banks in June 2020, before the Court of Bologna, claiming that they were liable, jointly and severally with the management body of Isoldi Holding, for a series of acts of diversion of assets that are claimed to have contributed to the company's artificial survival in the period June 2011 – June 2013, due to conduct claimed to have been implemented by preparing a turnaround plan pursuant to Article 67, para. 3, letter d), of the Bankruptcy Law based on unlawful acts and a connected agreement governing the disbursement of new finance, acts that are argued to have artificially deferred the company's crisis and concealed the irreversibility of its default.

The Isoldi Bankruptcy Receiver also formulated a joint claim against Intesa Sanpaolo (prior to the incorporation of UBI Banca) and MPS, claiming their liability, jointly with the Sole Director of Isoldi Holding, for allegedly unlawful conduct connected with the bail-in of Aedes, in which Isoldi Holding was interested in taking over the majority shareholding.

Intesa Sanpaolo and the former UBI Banca filed regular appearances and the assigned Court, with order dated 1 July 2021, declared that it lacked jurisdiction. The adverse party resumed the proceedings, submitting the same claims before the Court of Turin and the Bank duly filed an appearance.

In the meantime, a third company filed an application for a bankruptcy arrangement, which was then endorsed.

The case was adjourned to the beginning of 2024 for the performance of an expert assessment ordered by the court, which was made available in September 2024.

Having assessed the findings of the court-appointed expert's report, Intesa Sanpaolo settled the lawsuit by means of a settlement finalised in December 2024 and implemented in January 2025.

Società Italiana per le Condotte d'Acqua S.p.A. under Extraordinary Administration

By claim form and particulars of claim of 23 December 2022, Società Italiana per le Condotte d'Acqua S.p.A. (admitted to the "Marzano" procedure by way of Italian Ministerial Decree of 6 August 2018) asked the Court of Rome to order compensation for damages in the amount of € 389.3 million (or a different amount that will arise during the proceedings), in addition to monetary revaluation, legal interest and expenses.

The claim has been filed, jointly, against Intesa Sanpaolo (also as the merging company of Mediocredito Italiano, Banca IMI and UBI Banca, as well as "the purchaser of" Veneto Banca and Banca Popolare di Vicenza), the members of the Management Board and the Supervisory Board of Condotte and numerous other banks and factoring companies.

The claim is based on the alleged conduct engaged in for various reasons by the defendants, considered a source of harm to the company's assets and its creditors. Specifically, the banks and factoring companies are allegedly liable for having unlawfully granted to and/or maintained credit for Condotte, thereby contributing to the continuation of its business at a loss and the worsening of its default.

The court case, which was interrupted at the first hearing due to the death of the counsel for one of the defendants, was resumed by the Procedure, and at the last hearing in April 2024, the Court ordered an adjournment to 2025, authorising the summonses requested by the defendants.

As things stand, it is not possible to estimate the risk attributable to Intesa Sanpaolo, also taking account of the different conduct claimed against the numerous defendants.

The Company has also promoted against Intesa Sanpaolo three bankruptcy revocatory actions before the Court of Rome, with a request to reimburse amounts of around 16 million euro, two of which were settled through favourable settlement agreements. In relation to the remaining revocatory action still pending, concerning a claim of around 3 million euro, the Bank raised an objection of invalidity due to the vagueness of the adverse claim.

Nuova Casar

A legal action was brought before the Court of Naples in 2002 against the Bank to obtain payment of around € 7.2 million plus interest by Nuova Casar, in its capacity as the transferee of the credit from a mortgage loan of € 11.3 million from 1991 provided by Sanpaolo di Torino to Finedilturistica (which became insolvent in 1997), with the credit secured by a mortgage and an independent guarantee issued by Banco di Napoli (now Intesa Sanpaolo) and two other banks, each covering up to 25%. At first instance, the case ended in 2013 with the rejection of Nuova Casar's claim, on the grounds that the guarantee issued by Banco di Napoli was null and void due to the invalidity of the loan granted by Sanpaolo di Torino. The decision was appealed by the counterparty before the Naples Court of Appeal, which in 2023 referred the case back for a technical accounting appraisal, following which negotiations for a settlement commenced and were concluded in the first ten days of October 2024.

Fondazione Cassa di Risparmio di Pesaro

In 2018, the Fondazione Cassa di Risparmio di Pesaro brought a compensation claim before the Court of Milan against the former UBI Banca (as the alleged successor to the issuer Banca delle Marche S.p.A.[31]) and PwC (the independent auditors that certified the financial statements and the figures presented in the prospectus relating to the 2012 capital increase of Banca delle Marche S.p.A.), alleging that the defendants published data and information regarding the financial performance and the income outlooks of Banca delle Marche S.p.A. that later proved to be totally incorrect and misleading. This information, contained in the financial statements as at 31 December 2010 and 30 June 2011 and included in the above-mentioned prospectus, is claimed to have led the Foundation to subscribe for the Bank's shares issued as part of the capital increase in March 2012. The value of these shares then fell to zero, resulting in a loss quantified by the adverse party at around 52 million euro.

During the trial the Bank of Italy joined the suit, upholding the lack of capacity to be sued invoked by UBI Banca, by virtue of the provisions of Legislative Decree 180/2015 governing the resolution procedure for Banca delle Marche.

The Court of Milan, in a ruling published in May 2023, having ascertained and declared the lack of capacity to be sued of Intesa Sanpaolo, as the company that absorbed UBI Banca, rejected the Foundation's claim and ordered that each party pay its own legal fees.

The Foundation appealed the first instance ruling before the Court of Appeal of Milan and the first hearing has been set for October 2025.

[31]Note that this dispute is backed by the warranties and obligations to indemnify by the Seller (National Resolution Fund) for the benefit of the former UBI Banca in relation to the acquisition of the New Banks deriving from the resolution of Banca delle Marche, Banca Popolare dell'Etruria e del Lazio and Cassa di Risparmio della Provincia di Chieti and therefore also cover any liabilities arising from the activities carried out by the Banks (the "Old Banks") before they were subject to the resolution procedure, in relation to, *inter alia*, risks of a legal nature or generally related to ongoing or threatened disputes, or violations of the law and any potential liabilities.

Fondazione Cassa di Risparmio di Jesi

In January 2016, Fondazione Cassa di Risparmio di Jesi brought a compensation claim before the Court of Ancona against UBI Banca (as the alleged successor to the issuer Banca delle Marche S.p.A.[32]) and PwC (the independent auditors that certified the financial statements and the figures presented in the prospectus relating to the 2012 capital increase of Banca delle Marche S.p.A.) alleging that the defendants published data and information regarding the financial performance and the income outlooks of Banca delle Marche S.p.A. that later proved to be totally incorrect and misleading. This information, contained in the financial statements as at 31 December 2010 and 30 June 2011 and included in the above-mentioned prospectus, is claimed to have led the Foundation to subscribe for the Bank's shares issued as part of the capital increase in March 2012. The value of these shares then fell to zero, resulting in a loss quantified at around € 25 million by the adverse party.

During the trial the Bank of Italy joined the suit, upholding the lack of capacity to be sued invoked by UBI Banca, by virtue of the provisions of Legislative Decree 180/2015 governing the resolution procedure for Banca delle Marche.

By judgment rendered on 18 March 2020, the Court of Ancona granted the objection of lack of capacity to be sued raised by the Bank, rejecting the Foundation's claims lodged. In the appeal brought by the Foundation, the Court of Appeal of Ancona, by judgment filed on 17 July 2023, rejected the appeal and upheld the first instance judgment, ordering the appellant to pay the costs of the proceedings to Intesa Sanpaolo, as the absorbing company of UBI Banca. The Foundation challenged the second instance ruling before the Court of Cassation with an appeal submitted in February 2024. Intesa Sanpaolo and the Bank of Italy promptly filed a counter-appeal; the hearing in chambers is still to be scheduled.

Azzurro 2000 S.a.s. di Tilli Renzo & C.

In 2004, the company Azzurro 2000 brought a compensation claim before the Court of Santa Maria Capua Vetere (Caserta Divisional Section) against the former Sanpaolo Banco di Napoli for alleged unlawful reporting to the Central Credit Register, quantifying the claim at around 50 million euro.

The plaintiff's claim was rejected at both first and second instance.

Against the appeal ruling, the plaintiff filed (i) an appeal before the Court of Cassation and (ii) a revocation proceeding before the same Court of Appeal. The latter declared the request for revocation inadmissible and the plaintiff filed a further appeal before the Court of Cassation against this second ruling of the Court of Appeal.

The Supreme Court combined the two cases and upheld the first appeal, basing solely on one of the grounds of appeal, overturning the decision and referring the case back to the Naples Court of Appeal, and declared the request for revocation inadmissible.

The plaintiff then resumed the action and the Bank appeared before the Court. The hearing was scheduled in 2026 to refer the lawsuit to judgement.

Azienda Agricola Turelli S.S. Soc. Agricola

In 2017, as part of an objection to an order to pay obtained by Intesa Sanpaolo to recover its credit, Azienda Agricola Turelli S.S. and its members Attilio and Laura Turelli filed a counterclaim for compensation for damages quantified at a total of around 20 million euro, for alleged breach of the obligations of good faith and contractual fairness.

In August 2023, the Court of Brescia rejected the objection and the claim for compensation for damages, ordering the opponents to pay the legal fees to Intesa Sanpaolo. In the meantime, the credit covered by the order to pay was subject to two subsequent assignments.

In February 2024 the opponents lodged an appeal against the first instance ruling, with an initial hearing in September 2024. The Bank has lodged an appearance in the proceedings. The following parties also appeared:

– the second assignee, which also requested that Intesa Sanpaolo and/or the first assignee (its assignor) be ordered to return the price paid to purchase the credit, or to compensate for the (not specifically quantified)

[32]See the previous note.

damages, as well as to hold it harmless and/or indemnified from any claim for reimbursement/compensation that may be recognised against the appellant, though it had not concluded any contracts with the Bank;

– the first assignee of the credit, and

– the shareholder Chiara Turelli "*ad adiuvandum*".

The Court adjourned the case to January 2026 for the continuation of proceedings.

Auditors Italiana S.r.l. in compulsory administrative liquidation

In October 2023, the fiduciary and audit company Auditors Italiana S.r.l. in compulsory administrative liquidation brought a compensation claim against Intesa Sanpaolo (as the absorbing company of UBI Banca, which had previously acquired Nuova Banca dell'Etruria e del Lazio[33]) before the Court of Rome for alleged damages of over 32 million euro. According to the reconstruction by the plaintiff, those damages arose from wrongdoings committed by the former Banca Popolare dell'Etruria e del Lazio in relation to a current account in its name, which facilitated the diversion of sums to the detriment of the trustees and of the company, leading to its financial distress and consequent compulsory administrative liquidation.

The Bank filed an appearance in the proceedings, preliminarily asserting (i) its lack of capacity to be sued and (ii) the expiry of the limitation period, in addition to submitting a series of defence arguments on the merits. At the first hearing in March 2024, the judge appointed an expert to perform a technical assessment. The deadline for filing of the expert's report is July 2025 and the hearing for issue of the Court's decision is set for December 2025.

Armonia SPV S.r.l.

At the end of May 2024, Armonia SPV S.r.l. issued a formal notice claiming damages of around 98 million euro, plus arrears interest, additional damages and costs, alleging the non-existence of certain receivables purchased from UBI Factor (now Intesa Sanpaolo), which were subject to legal proceedings at the time of the 2019 sale.

The Bank responded to the notice by sending a communication rejecting the claims in full, and to date, no responses have been received.

SIM Bankruptcy

By claim form and particulars of claim served in October 2022, the receiver to SIM S.p.A. summoned Intesa Sanpaolo (along with other 7 banks) before the Court of Catania, with the first hearing scheduled for 31 March 2023.

This is a compensation claim brought for damages allegedly suffered by the company and its creditors due to conduct by the banks defined by the adverse party as "unlawful", which allegedly resulted in the unlawful granting of credit.

The claim for damages has been quantified at around 47 million euro, requesting that the defendant banks be jointly ruled against.

The Bank argued in Court lack of legal standing of the receiver and expiry of the limitation period, among other things, in addition to contesting the factual and legal grounds of the adverse party's claims, with a series of defence arguments on the merits. The President of the Court did not consider that the conditions had been met for the joinder of the action with another action brought by the receiver pursuant to Article 146 of the Bankruptcy Law against the directors of the bankrupt company SIM S.p.A.

The Judge therefore ordered the continuation of the proceedings.

Offering of diamonds

In October 2015, the Bank signed a partnership agreement with Diamond Private Investment (DPI) governing how diamond offerings were made by DPI to the customers of Intesa Sanpaolo. The aim of this initiative was to provide customers with a diversification solution with the characteristics of a "safe haven asset" in which to

[33]See the previous note.

allocate a marginal part of their assets over the long-term. Diamonds had already been sold for several years by other leading national banking networks.

This recommendation activity was carried out primarily in 2016, with a significant decline starting from the end of that year.

A total of around 8,000 customers purchased diamonds, for a total amount of over 130 million euro. The marketing process was based on criteria of transparency, with safeguards progressively enhanced over time, including quality controls on the diamonds and the fairness of the prices applied by DPI.

In 2017, the AGCM instituted proceedings for alleged conduct in breach of the provisions on unfair business practices against the companies that sold diamonds (DPI and another company) and the Banks that recommended the services of those companies.

At the end of those proceedings, the AGCM issued penalties as a result of verifying that the alleged conduct of DPI and the banks breached the Consumer Code. The Authority issued a fine of € 3 million against Intesa Sanpaolo, reduced from the initial fine of 3.5 million euro, after the Authority had recognised the value of the measures taken by the Bank since 2016 to strengthen the controls on the offering process. Intesa Sanpaolo appealed to the Regional Administrative Court of Lazio and, following the rejection of the appeal, appealed the decision before the Council of State, which, in a ruling of March 2024, rejected the appeal, upholding the fine. The judgment of the Council of State became final and rendered the penalty final.

From November 2017, the Bank:

- terminated the partnership agreement with Diamond Private Investment (DPI) and ceased the activity, which had already been suspended in October 2017;
- started a process that provides for the payment to customers of the original cost incurred for the purchase of the diamonds and the withdrawal of the stones, in order to satisfy the customers' resale needs which, due to the illiquidity that had arisen in the market, are not met by DPI;
- sent a communication in January 2018 to the diamond-holding customers reiterating the nature of the stones as durable goods, and also confirming the Bank's willingness to intervene directly in relation to any realisation needs expressed by the customers and not met by DPI.

Only a few dozen requests were received during 2024, showing that the phenomenon had essentially died out.

The preliminary investigations initiated by the Public Prosecutor's Office of Milan also concern four other banks (more involved) and two companies that sell diamonds.

In October 2019, the notice of conclusion of the investigation was served, which stated that two of the Bank's operators were being investigated for alleged aggravated fraud (in collusion with other parties to be identified) and other persons were being identified for allegations of self-laundering, while Intesa Sanpaolo was being charged with the administrative offence pursuant to Legislative Decree 231/2001 in relation to this latter predicate offence.

In January 2023, within the criminal proceedings pending before the Court of Milan, the filing was confirmed of the request to dismiss the case against the two relationship managers under investigation, on the grounds of "the act not constituting an offence". The request for dismissal was also made in respect of two other employees, on the grounds of "not having committed the act", as no evidence against them had emerged during the investigation.

With ruling dated 9 April 2024, the Preliminary Investigation Judge ordered the dismissal of the case against the two Intesa Sanpaolo relationship managers under investigation, on the grounds of "the act not constituting an offence", thus rendering the proceedings fully closed.

Private banker (Sanpaolo Invest SIM, incorporated into its parent company Fideuram - Intesa Sanpaolo Private Banking)

An inspection conducted by the Audit function identified serious irregularities by a private banker of the former Sanpaolo Invest SIM. The checks carried out revealed serious irregularities affecting several customers, including misappropriation of funds and reports with false incremental amounts.

On 28 June 2019, the Company terminated the agency agreement with the private banker and reported the findings to the Public Prosecutor's Office of Parma and the Supervisory Authority for financial advisors, which first suspended and then removed the private banker from the Register of Financial Advisors in December 2019.

Following the unlawful actions, the company received a total of 279 compensation claims (including complaints, mediation proceedings and lawsuits), for a total amount of approximately 62.9 million euro, mostly based on alleged embezzlement, losses due to disavowed transactions in financial instruments, false account statements and the debiting of fees relating to advisory service.

To date, 24 compensation claims are pending, including 18 in court and 6 out-of-court claims, with a current value of approximately €10 million.

The total amount of € 9.6 million was recovered from the improperly credited customers (and already returned to the customers harmed) and there are currently attachment orders, on those customers, for around 1 million euro.

The criminal proceedings against the former private banker for fraud, embezzlement and theft aggravated by fraudulent means and abuse of function ended with a plea bargaining judgment on 4 April 2024. The private banker was sentenced to 4 years' imprisonment and a fine of € 100,000. Due to the procedure chosen, the civil liability case against Fideuram-ISPB was dropped.

Three civil actions for recovery were brought against private bankers, which ended with:

– judgment of 2 May 2023, whereby the Court of Parma ordered the private banker to pay Fideuram-ISPB the total amount of € 175,000 plus legal expenses (recovery of receivables connected to the agency contract);

– judgment of 23 July 2024, whereby the Court of Parma ordered the private banker to pay to Fideuram-ISPB the total amount of € 1.5 million plus legal expenses (labour lawsuit for the recovery of further receivables connected to the agency contract);

– order to pay by which the Court of Parma ordered the private banker to pay Fideuram-ISPB € 604 thousand plus interest. The private banker filed an appeal against the order to pay, which is currently pending.

In response to the initiatives on the merits described above, Fideuram-ISPB took enforcement action through:

– precautionary attachment converted into foreclosure, as a result of which Fideuram-ISPB collected approximately € 85,000 from various foreclosed third parties;

– registration of a judicial mortgage on the property co-owned by the private banker;

– a further 4 foreclosures (of movable property, from third parties and company shares) that were unsuccessful.

Adequate provisions have been set aside for the risks associated with the unlawful conduct discussed above, mainly for the damages verified relating to compensation claims and pending lawsuits.

Litigation against Fideuram concerning investment transactions

In October 2022, Fideuram - Intesa Sanpaolo Private Banking S.p.A. was summoned before the Court of Naples with a request for: (i) a declaration of the alleged invalidity of the current account and investment services master agreement entered into by the plaintiff with Fideuram, the consequent invalidity of all the investment transactions carried out and the alleged contractual and non-contractual liability of the Bank, and, as a result, (ii) an order for the Bank to pay compensation for the alleged damages suffered totalling around 29 million euro.

The Bank duly filed an appearance, contesting the factual and legal validity and admissibility of the claims made and confirming the correctness and compliance of its actions with the applicable regulations, also in terms of profiling and customer information.

The case was adjourned for closing arguments to the end of 2025.

Unicredit against Fideuram on the transfer of private bankers

In July 2023, Unicredit S.p.A. initiated legal proceedings against Fideuram - Intesa Sanpaolo Private Banking S.p.A. before the Court of Turin, seeking compensation for alleged damage of approximately 23 million euro, plus interest and revaluation. This claim is based on alleged acts of unfair competition by Fideuram, related to the resignation of several private bankers from Unicredit during the period 2022-2023, who were subsequently employed by Fideuram, as well as alleged unlawful acts committed by those private bankers in the course of their transition to the defendant, for which Fideuram is allegedly also liable.

Fideuram filed an appearance, fully contesting the adverse party claims and requesting the dismissal of the petitions on the grounds that they were baseless in both fact and law, also pointing out that the situations cited in the proceedings were common in the industry, which is characterised by strong competition and mobility of financial advisors, and that Fideuram itself was not immune to this phenomenon.

With regard to the compensation claim, it was fully contested both in terms of its basis and its quantification because it had been calculated using inappropriate methods based on a distorted representation of the profitability of the assets managed by the parties in dispute.

In November 2024, Fideuram and Unicredit settled the case out of court.

Iter Capital Partners S.r.l.

In November 2024, Iter Capital Partners S.r.l. and its Professionals sued before the Court of Milan Eurizon Capital SGR (hereinafter, also SGR) and Eurizon Capital Real Asset SGR (hereinafter, ECRA) with regard to an advisory agreement pursuant to which the plaintiffs had undertaken to carry out activities relating to the management of two investment funds by SGR. The plaintiffs brought an action against the two companies having regard to the different roles played by each in the management of the investment funds, namely: (i) Eurizon Capital SGR S.p.A., as the company that had set up the funds and as Iter's contractual counterparty, and (ii) ECRA, as the entity delegated by Eurizon Capital SGR S.p.A. to manage the funds.

Specifically, the plaintiffs asked the court to (i) determine that the termination of the advisory agreement by SGR in July 2024 with effect from 31 October 2024 was unlawful, (ii) find and declare the agreement terminated due to serious breach of contract by SGR, and (iii) order SGR and ECRA jointly and severally to pay compensation for all the damages allegedly suffered by the plaintiffs for a total of 88.8 million euro, plus interest and costs.

SGR and ECRA, believing that there were valid reasons in fact and in law for terminating the agreement, promptly entered their appearance, rejecting all the plaintiffs' arguments, including their calculation of damages, and asking the court to reject all the plaintiffs' claims. SGR also filed a counterclaim asking the court to find and declare that it had acted lawfully in terminating the agreement and exercising the consequent rights under the agreement.

Reyl & Cie (Switzerland) – Proceedings pursuant to Legislative Decree 231/2001 of the Public Prosecutor's Office of the Court of Milan

The Public Prosecutor's Office of Milan initiated criminal proceedings pursuant to Legislative Decree 231/2001 against Reyl & Cie (a Swiss subsidiary of Fideuram – Intesa Sanpaolo Private Banking) for the predicate offence of money laundering, allegedly committed by one of its former employees (dismissed in 2020), and ordered the seizure of securities owned by Reyl for around 1.1 million euro. The proceedings also involve the Swiss bank Cramer & Cie. Neither Fideuram ISPB nor ISP are currently involved in the proceedings. The circumstances alleged relate to events that took place in 2018, before Reyl & Cie joined the Intesa Sanpaolo Group in May 2021. According to the prosecution, the former employee, together with his brother, an employee of the bank Cramer & Cie, and an external advisor, allegedly engaged in practices aimed at facilitating tax evasion by Italian customers through the transfer of accounts from Switzerland to branches located in the Bahamas, in order to allow those customers to withdraw money from those accounts without the possibility of being traced by the Italian authorities. Although it is possible for Reyl to submit an application to revoke or reduce the attachment order, also considering that it was the Swiss company that reported the suspicious transactions to the Authorities, the Milan Public Prosecutor's Office has rejected a similar petition made by Banca Cramer.

Any consequential damages (for possible fines and/or confiscations) could be covered by the various warranties provided by the seller, for which a reserve claim was made within the terms of the Reyl acquisition agreement.

Within the criminal proceedings pursuant to Legislative Decree 231/01 pending before the Court of Milan for alleged money laundering offences, in February 2024 Reyl & Cie was notified of the indictment of the former employee and his brother, as well as Cramer & Cie and Reyl & Cie. The preliminary hearing was consequently set by the GIP (preliminary hearing judge) for 3 July 2024. On conclusion of discussion between Reyl's defence counsel and the Public Prosecutor at the hearing of 3 July 2024, with the view to avoiding a drawn out dispute, and without recognising any liability for the circumstances alleged, the bank filed a petition to apply a financial penalty (plea bargain), which was accepted by the Public Prosecutor.

At the following hearing on 24 September 2024, the Judge postponed the hearing to 24 October 2024 to allow the other parties involved (Banca Cramer, the former employee and his brother) additional time to reach an agreement with the Prosecutor to settle the case. With the other parties having failed to reach an agreement with the Prosecutor, at the hearing on 24 October 2024 the Public Prosecutor requested the issuance of an indictment order against the former employee and his brother and Banca Cramer. The Judge then deferred the decision to the hearing on 13 March 2025 regarding both Reyl's plea bargain request and the position of the other parties involved.

Lawsuit against two Hungarian subsidiaries of Intesa Sanpaolo

The lawsuit is connected with a lease agreement terminated by one of the subsidiaries in 2010. During 2011, the tenant initiated proceedings in civil court, and during 2021, it supplemented its initial claim, formulating new claims and, as a result, increasing the total of the claims to around 31 million euro.

In July 2022, the Court rejected all the plaintiff company's claims, finding that it lacked standing. The plaintiff filed an appeal against that decision.

In December 2022, the Court of Appeal partially upheld the adverse party's appeal, ordering one of the two defendant companies to pay around 9.5 million euro. The subsidiary filed an appeal with the Supreme Court, which overturned the second-instance judgment. Subsequently, the plaintiff brought an action before the Constitutional Court, which however found it inadmissible.

The plaintiff also brought an action for review before the ordinary courts, but this too was rejected as inadmissible by both the Court of First Instance and the Court of Appeal.

No further appeals were lodged and thus the Supreme Court's decision became final.

IMI/SIR

With regard to the IMI/SIR dispute, you are reminded that following the final judgment in 2006 establishing the criminal liability of the corrupt judge Metta (and his accomplices Rovelli, Acampora, Pacifico, and Previti), the defendants were ordered to pay compensation for damages, with the determination of those damages referred to the civil courts. Intesa Sanpaolo then brought a case before the Court of Rome to obtain an order of compensation for damages from those responsible.

In its ruling of May 2015, the Court of Rome quantified the financial and non-financial damages for Intesa Sanpaolo and ordered Acampora and Metta – the latter also jointly liable with the Prime Minister's Office (pursuant to Law no. 117/1988 on the accountability of the judiciary) – to pay Intesa Sanpaolo € 173 million net of tax, plus legal interest accruing from 1 February 2015 to the date of final payment, plus legal expenses. The amount ordered took account of the amounts received in the meantime by the Bank as part of the settlements with the Rovelli family and with the adverse parties Previti and Pacifico.

In July 2016, the Rome Court of Appeal stayed the enforcement of the judgment of first instance with respect to the amount in excess of € 130 million, in addition to ancillary charges and expenses. As a result of this decision, in December 2016 the Office of the President of the Council of Ministers credited Intesa Sanpaolo with the sum of € 131,173,551.58 (corresponding to the € 130 million of the order, in addition to legal interest and reimbursement of expenses). To avoid dispute, only the exact amount of the order, without applying the gross-up, was demanded and collected. On 16 April 2020, the ruling of the Rome Court of Appeal was filed, which essentially upheld the Court's ruling, while reducing the sum of non-financial damages to € 8 million (compared to € 77 million that had been awarded by the court of first instance), and set the amount to be paid at € 108 million (instead of € 173 million), to be considered net of tax, plus legal interest and expenses.

In the second quarter of 2020, the Bank filed a petition for the correction of a material error contained in the finding regarding the calculation of the damages liquidated; the Court of Appeal rejected the petition by ruling filed on 7 December 2020, holding that the error claimed by the Bank could be remedied by means of an appeal before the Court of Cassation. In May 2021, the Bank filed an appeal with the Court of Cassation against the Rome Court of Appeal's ruling of 16 April 2020 on the following main grounds:

– the reduction to € 8 million of the non-financial damages made by the Court of Appeal, compared to the € 77 million recognised in the first instance ruling was arbitrary and devoid of any sound legal or logical reasoning;

– even accepting the reduction under point a), the Court made a miscalculation when redetermining the amount of total damages. That aspect was already the subject of an application for material correction filed in 2020, rejected by the Court as it was deemed to be an issue that could be remedied through appeal.

By ruling no. 5682/2023, the Court of Cassation partially upheld the grounds of appeal filed by Acampora and the Prime Minister's Office, overturning the second instance ruling, in relation to the claims upheld, and referring the case back to the Rome Court of Appeal for the application of the principles of law set forth in the ruling. The outcome differs both from the rulings made at the previous instances and from the conclusions, consistent with them, filed last December by the General Prosecutor at the Court of Cassation.

The Court applied a rule of pre-emption according to which the action for revocation, aimed at obtaining the return of the sums unduly paid, should precede the exercise of the action for damages, in clear conflict with the principles set out in the criminal proceedings in 2006 according to which the independence and dissimilarity of the two actions (the action for damages and the action for extraordinary revocation) "rule out any interference between them and place each in its own sector, with the only limitation of not allowing the duplication of coinciding outcomes and, therefore, undue enrichment".

In addition, it introduced a further and unprecedented rule of a procedural nature according to which, without prejudice to the right to obtain lost earnings and non-pecuniary damage, in order to claim compensation from the perpetrators of the offence (i.e. Acampora, Metta and the Government liable for the latter by law) for the damage arising, the injured party, Intesa Sanpaolo, must prove that it had unsuccessfully enforced its claim against the party benefiting from the corrupt ruling.

On 19 May 2023, the Bank notified the other parties involved (Metta, the Prime Minister's Office and Acampora) of the application for resumption of proceedings, requesting:

i) as the main claim, on the merits, the award, in addition to the other damages, of the damage arising, subject to correction of the miscalculation made at the time by the Rome Court of Appeal, in consideration of the fact that the "prejudicial conditions" set out by the Court of Cassation had been met because the Bank had pursued the recovery, both in and out of court, of the sums paid to the beneficiary as a result of the revoked ruling. In the event that the main claim is not upheld, the Bank requested at least the award of the lost earnings and non-pecuniary damage;

ii) subordinately to the merits, a reference for a preliminary ruling to the Court of Justice of the European Union (CJEU) pursuant to Article 267 of the Treaty on the Functioning of the European Union (TFEU) for breach of the Treaty on European Union (TEU), highlighting the arbitrary limitation of the right to compensation provided for by the Special Law on damages caused by judges in the performance of their duties (Law 117/88) resulting from the application of the principles set out by the Court of Cassation in its recent ruling.

The Prime Minister's Office and Giovanni Acampora filed an appearance in the review proceedings, responding to the arguments submitted by the Bank. Following the first hearing, which took place in writing in October 2023, the Court declared Vittorio Metta *in absentia* and adjourned the case for closing arguments to October 2024, without ruling on the petitions from the parties.

On 11 September 2024, Giovanni Acampora's defence counsel filed a certificate attesting to the death of his client; consequently, the Court closed the proceedings.

The Bank resumed the case collectively and impersonally against Giovanni Acampora's heirs. At the hearing of 4 February, the Court took note that some of the heirs had renounced their inheritance and adjourned the case to 18 March for continuation of proceedings.

At the end of 2023, the Bank brought proceedings before the Tax Court to demand the refund of 33.2 million euro of withholding, previously paid as tax for overdue interest on the compensation for damages recognised under the 1994 ruling to Mrs Battistella, as Nino Rovelli's heir. By measure of 24 April 2024, the First Instance Tax Court of Rome rejected the action brought by the Bank, which decided to appeal this judgment. Following the appeal by the Bank, the case is now pending before the Court of Appeal.

Labour litigation

In line with the situation as at 31 December 2023, as at 31 December 2024 there were no significant cases of labour litigation from either a qualitative or quantitative standpoint. In general, all labour litigation is covered by specific provisions adequate to meet any outlays.

Tax litigation

The Group's tax litigation risks are covered by adequate provisions to the allowances for risks and charges.

Tax Proceedings related to the Issuer

As at 31 December 2024, the Parent Company Intesa Sanpaolo had 429 proceedings pending (459 as at 31 December 2023) for a total amount claimed (taxes, penalties and interest) of € 108 million (€ 108 million as at 31 December 2023), considering both administrative and judicial proceedings in both the lower and higher courts.

In relation to these proceedings, the actual risks were quantified for Intesa Sanpaolo at €40.4 million as at 31 December 2024 (€41 million as at 31 December 2023). Compared to 31 December 2023, the main events that influenced the increase in the amount claimed (0.3 million euro) were:

- an increase (€7.1 million), due to: i) 0.5 million euro in respect of a long-standing claim by the Portuguese tax authorities on the discontinued Sanpaolo IMI Bank International S.A. (based in Madeira), which was charged with having failed to apply withholding taxes in 2002, 2003 and 2004 on interest paid to foreign bondholders. The increase in the claim is due to the increase, taking effect on 1 January 2024, of the interest rate for arrears accruing under Portuguese law on the principal tax claim (the alleged omitted withholdings); ii) 1.6 million euro for new municipal property tax (IMU) claims on real estate from both terminated and current lease contracts; iii) 4.1 million euro for new registration tax claims, mainly (3.9 million euro) related to registration on judicial documents; iv) 0.6 million euro for interest accrued on pending litigation; v) 0.3 million euro for additional cases (mainly related to a mortgage and land registry tax assessment on a leased property and to notices of TARI (waste tax) assessment for the years 2020-2023 in the Municipality of Rome);

- a decrease (€6.8 million), due to: i) 2.1 million euro for the closure of municipal property tax (IMU) claims on real estate from both terminated and current lease contracts; ii) 3.6 million euro for the closure of registration tax claims relating to registration on judicial documents (1.8 million euro) as well as registration on restructuring agreements (0.6 million euro), registration on acknowledgement of debt (0.6 million euro), registration on lease agreements (0.1 million euro), registration on the reclassification of business transfers into business disposals (0.1 million euro), debit reservation of registration tax with reference to a civil judgment (0.2 million euro), and registration on cases with a small unit amount (0.2 million euro); iii) 0.7 million euro for the settlement of claims concerning regional motor vehicle tax; iv) 0.2 million euro for the closure of two cases concerning VAT on nautical leasing; and v) 0.2 million euro for the closure of additional cases with a small unit amount.

In 2024, 196 disputes were closed at the level of the Issuer for a total of €6.8 million with a disbursement of approximately €1.7 million.

Regarding the **Issuer ("ISP") and many Italian subsidiaries**, from the end of 2023 to the start of 2024, ISP, as the incorporating and/or consolidating entity, was served "invitations" and "questionnaires" by several Regional and Provincial Directorates of the Italian Revenue Agency, relating to the tax period 2017. Those documents set out IRES (Corporate Income Tax) claims regarding the tax treatment that the Italian companies of the Group applied to the income recognised through profit and loss at the time, against the commitment that the Parent

Company unilaterally took on, to hold them harmless from the charges that would arise for those companies following the integration into the Group of Banca Popolare di Vicenza and Veneto Banca, the so called "Venetian Banks" (these were charges for IT integration, charges for exit incentives for employees, and charges for the closure/merger of branches, etc.).

In the case in question, the subsidiaries considered IRES inapplicable to that income, while the Directorates argued that it should have been taxed.

During numerous meetings initially held with the Collaborative Compliance Office and subsequently with each Directorate, we set out the reasons why the alleged disputes should be considered entirely unfounded.

Lastly, it has been agreed with the Italian Revenue Agency that the contributions due from ISP to the companies concerned a) are covered by Article 88, paragraph 3 of the Income Tax Code, and are therefore only taxable on a cash basis (in other words only if and to the extent they have been actually paid/received, excluding instances where contributions were not made due to the subsequent merger of the subsidiary into ISP); and b) are, in any event, only taxable outside the ISP tax consolidation scheme (because within the consolidation, the taxation on the subsidiary is matched by a deduction for the consolidating parent company).

Specifically, it was agreed that:

1. as ISP did not pay any income to the subsidiaries during 2017, no voluntary correction will be made for that year;

2. for subsidiaries merged before the contribution was received, the dispute should be permanently abandoned for both the subsidiaries and, correspondingly, for the absorbing company ISP;

3. regarding the subsidiaries that received the contribution during the tax periods from 2018 to 2022, they must include the contribution in the calculation of their taxable income for IRES (corporate income tax) purposes (and the related surcharge, if due) in the year it is received, and, in the same year, ISP will deduct the corresponding cost for IRES and the related surcharge. Operationally, that adjustment is defined through a voluntary correction of tax return pursuant to Article 13, Legislative Decree 18 December 1997, no. 472, filing supplementary tax returns "unfavourable" to the subsidiaries and "favourable" to ISP. The overall regularisation activity for the tax periods 2018 to 2022 was completed in December 2024.

The overall net impact at the Group level in terms of taxes, penalties and interest, to rectify the position of the companies involved for all the years concerned, was overall negligible, since the charges are offset by the benefit for ISP of deducting for tax purposes (i) the additional contributions paid to compensate the companies for the tax burden they had to pay to rectify their position and (ii) the contributions paid at the time in the period 2018-2022, against which no DTAs had been recognized.

Banco Sudameris Brasil - Direct taxes year 1995 (PDD1 dispute)

This is a dispute pending in Brazil in relation to the former subsidiary **Banco Sudameris Brasil** (now Banco Santander Brasil), sold in 2003 to ABN AMRO Brasil (now the Santander Group), whose economic charge falls on Intesa Sanpaolo due to the commitments entered into with the seller at the time, which was not established through the Settlement Agreement of 2019 with Banco Santander Brasil. The dispute is known as "**PDD1 Dispute**" and is based on the issue of taxes on income and social security contributions for 1995.

In 2021, an initial judgement was delivered by the ordinary civil judge in a dispute concerning Banco Sudameris Brasil, our former subsidiary. The judgement, despite acknowledging several of the bank's objections, generally favored the Brazilian tax authorities. This judgement was subsequently appealed and is now pending in the second instance court. Lastly, at the hearing of 18 December 2024 - for which the law firm assisting the Bank filed an explanatory brief - the hearing was adjourned to a date to be fixed in 2025 at the request of the Judge-Rapporteur in order to better examine certain documents of the case.

The financial risk related to this dispute amounts to €41.6 million and the provision for risks relating to this case is 8.1 million euro.

Disputes regarding registration tax on the reclassification of business contributions and subsequent sale of the participations as sales of business units and the consequent assessment of a higher business unit value

These are disputes concerning the recovery of registration tax on business contributions followed by sales of the equity investments, which were reclassified by the tax authorities as sales of business lines and also subject to assessment of a higher value for the business line (total claim of 21 million euro). These disputes were not settled through the "tax amnesty" because the Bank had already provisionally paid the full amount assessed and as a result of the settlement would not have been entitled to the repayment of the sums in excess of the amount due for the settlement, or because there were sound prospects of a favorable outcome to the proceedings pending before the Court of Cassation. The provision for risks for these positions is approximately 2 million euro.

Dispute regarding the municipal property tax ("IMU") on real estate not repossessed following the termination of the related lease contracts

The dispute regarded the identification of the taxpayer liable for the municipal property tax (IMU) in relation to real estate assets owned by the lease companies or banks and leased out to third parties, where the lease was terminated early due to default by the lessee, or as a result of insolvency proceedings involving the lessee, but without the lessee having returned the asset to the lessor. Over the years a tax dispute arose on this matter (also affecting the former Mediocredito Italiano and Provis) relating to whether the lessee is (still) liable for the municipal property tax rather than (already) the lease company/bank in the period between the date of termination (or dissolution) of the lease and the date of physical return of the asset to the lessor. In 2020, the Court of Cassation settled on the view that the lease company/bank was liable for municipal property tax (IMU) from the date of legal termination of the contract, regardless of repossession of the asset. In addition, the 2020 Budget Law provided for the abolition of the single municipal tax (IUC), with regard to its components relating to the municipal property tax (IMU) and tax levy on indivisible services (TASI), and the unification of the two taxes into the new IMU. On 18 March 2020, the Ministry of the Economy and Finance – Finance Department – Tax Legislation and Tax Federalism Unit, with circular no. 1/DF, commenting on the latter changes, provided precise indications regarding the liability for the new IMU with regard to the date of termination of the lease contract in accordance with the prevailing case law. Accordingly, starting from 2020, the bank decided to proceed with the payment of municipal property tax for all leased real estate assets with terminated contracts, regardless of repossession of the asset, seeking recovery from the former users, where possible. It was also decided to gradually withdraw from all pending disputes on assessments relating to years up to 2019, following an attempt at settlement with the interested municipalities to quash the penalties and offset trial fees.

The total claim is 5 million euro, allocated in full to the allowance for risks.

VAT litigation on the reclassification of nautical lease contracts to loans

By notices of assessment relating to tax years 2005 (claim 3.9 million euro) and 2006 (claim 2.9 million euro), the Lombardy Regional Directorate claimed that Sanpaolo Leasint S.p.A. (merged by Mediocredito Italiano then merged into ISP) had misapplied the VAT rules in relation to certain lease contracts concerning pleasure boats ("nautical leasing").

The dispute is currently pending before the Lombardy Tax Court of Second Instance following the filing on 23 July 2024 of the order by which the Court of Cassation had referred the case back to said Tax Court for a new judgment on the merits of the entire dispute.

In a nutshell, the dispute still pending refers to 29 lease contracts and concerns the alleged misapplication of the VAT regime of financial leases of pleasure craft, determined by identifying a flat-rate taxable base on the basis of a time of use outside the territorial waters of the European Union estimated by the tax authorities in Circulars no. 76/E of 2001 and No. 49/E of 2002. According to the Regional Directorate, the application of that regime was unlawful because those lease contracts involved the typical effects of a direct transfer of the asset from the bank

and the end user, the consideration for which, unlike the leasing fee, was fully and flat-rate VAT-taxable, as provided by the aforementioned circulars.

In the course of the proceedings, the Italian Revenue Agency's claim was reduced from an initial total of 7.8 million euro to 5.6 million euro, which the Bank has already paid in full by recognizing a receivable from the Revenue Agency for "provisional collection" in the financial statements, prudentially making a provision for risks even though there are well-founded arguments in law and in the case law of the Court of Cassation (Court of Cassation judgments nos. 5950 and 5951 of 5 April 2019) establishing the unlawfulness of the Italian Revenue Agency's claim.

Dispute concerning taxes due in Portugal on interest paid to foreign subscribers of bonds

In relation to the subsidiary Sanpaolo IMI Bank International S.A. Funchal, based in Madeira (Portugal) - dissolved in 2008 - a dispute is pending for the years 2002, 2003 and 2004 (claim 13.8 million euro). Originally, the disputed amounts to 28 million euro, which were reduced during the course of the proceedings to the current 13.8 million euro (of which 5.2 million euro of taxes and 8.6 million euro of interest).

On the merits, the local tax authorities disputed the non-taxation for local corporate income tax purposes of interest under the Euro Medium Term Note Programme (EMTN) bond issue programme, paid by the Portuguese subsidiary to beneficiary companies from which no evidence of non-tax resident status in Portugal had been provided.

No provisional payments have been made to the Portuguese tax authorities to date. On the basis of the local consultant's assessment of likely risk, this dispute is fully covered by a provision for risks.

Tax Proceedings related to Group Companies

Regarding Group companies, the following developments occurred during 2024 in the tax proceedings in which we are a party. In all cases, we have determined the amounts not to be material and therefore have not made any specific provisions, unless otherwise stated below.

For **Fideuram – Intesa Sanpaolo Private Banking** (hereinafter Banca Fideuram), as a result of the Bank's appeal, three lawsuits are pending before the Court of Cassation concerning the failure to withhold 27% of the interest accrued in 2009, 2010 and 2011 on foreign bank accounts held at Fideuram Bank (Luxembourg) by two "historic" Luxembourg mutual funds (Fonditalia and Interfund SICAV), for which Banca Fideuram was only the placement bank and correspondent bank in the years in question (claim of 3 million euro). Since the Bank had been unsuccessful in all second instance court cases, it was deemed appropriate to set aside a provision for risks to cover the risk, including penalties and interest, in agreement with the legal counsel handling the cases pending before the Court of Cassation.

For **Intesa Sanpaolo Private Banking** ("**ISPB**") on the dispute relating to the notice of IRES (corporate income tax) and IRAP (regional production tax) tax assessment (also notified to ISP as consolidating entity for IRES purposes only) for the year 2016 - which challenged the tax deduction of the amortisation of goodwill arising from contributions received by ISPB in the years 2009, 2010 and 2013 and released by ISPB using the option to realign tax values to balance sheet values pursuant to Article 15, paragraph 10, of Decree Law no. 185/2008 - the Lombardy Second Instance Tax Court, by judgment filed on 5 September 2024, rejected the appeal (by ISP and ISPB) against the unfavourable first instance ruling (higher taxes of 4 million euro, plus penalties of the same amount and interest). The judgment will be appealed before the Court of Cassation within the time limit established by law.

The same dispute is ongoing for the year 2012 (higher taxes of 3.9 million euro, plus penalties of the same amount and interest), and is currently pending before the Court of Cassation.

For the other years (2011, 2013, 2014, 2015 and 2017), disputes were settled with the procedure under Law no. 197 of 29 December 2022 ("2023 Budget Law"), known as "tax truce".

On 28 December 2023, Fideuram Asset Management SGR (hereinafter, **Fideuram SGR**) received from the Italian Revenue Agency – Lombardy Regional Directorate an order to file an appearance for 28 December regarding the year 2017 for IRES and IRAP, following the delivery of documentation in response to a questionnaire served on 4 August 2023, in order to establish adversarial proceedings on the alleged transfer pricing issues arising in relation to the consideration for fees and commissions received by Fideuram SGR in delegated manager activities for investment funds performed in favour of the Irish associate Fideuram Asset Management Ireland (principal). With specific regard to those management fees and commissions, the Agency has repeated the same adjustments made for the years 2011 to 2013 (which gave rise to tax settlement proposals for those years) as well as for the year 2016, which Fideuram accepted by signing the settlement proposal on 15 December 2022 and paying the amount due (220 thousand euro) on 20 December 2022. In this order, the Agency adjusted Fideuram SGR's 2017 taxable income upwards by 1.14 million euro, resulting in higher IRES and IRAP (plus interest) for a total of around 300 thousand euro.

As a result of that order, adversarial proceedings were initiated, which resulted in the finalisation of the tax settlement proposal on 12 April 2024, which settled the payment of IRES and IRAP of 190 thousand euro plus interest of 40 thousand euro and, thus, for a total of 230 thousand euro (nothing for penalties, given that the transfer pricing documentation had been correctly prepared).

Moreover, after the answers provided following the request from the Lombardy Regional Directorate of the Italian Revenue Agency, received by Fideuram SGR in March 2024, regarding documentation and information on calculation of the fees received in 2018 as investment funds delegated manager for the Irish subsidiary FAMI, on 11 November 2024, the company accepted the Department's proposal to correct the prices charged, increasing them by 907 thousand euro, with corresponding taxes of approximately 268 thousand euro, plus default interest of approximately 50 thousand euro, for a total of 319 thousand euro (in this case too, no penalties were applied, thanks to the correct preparation of transfer pricing documentation).

Cargeas Assicurazioni – now merged into Intesa Sanpaolo Protezione – underwent a tax audit by the Italian Revenue Agency, Lombardy Regional Directorate, Large Taxpayers Office, aimed at verifying the correct application, for the years from 2010 to 2018, of the tax rules on private insurance and life annuity contracts pursuant to Italian Law no. 1216 of 29 October 1961.

As a result of the audit, the authorities issued a claim against the company that redundancy insurance policies (which are mandatorily associated with salary-backed loans and optional with other mortgages, loans and consumer credit), should not be subject to tax on insurance premiums at a rate of 2.5%, but should, in the opinion of the Italian Revenue Agency, instead be classified as credit risk insurance policies, subject to a tax rate of 12.5%.

In particular, Cargeas has so far received notices of assessment for the following years:

– 2010 (claim 5.7 million euro redetermined after internal review to 5.1 million euro). The dispute is pending at second instance since the Italian Revenue Agency appealed against the first instance ruling in the company's favour;

– 2011 (total claim 4.6 million euro reduced following internal review to 4 million euro). This too is pending at second instance on appeal by the Italian Revenue Agency;

– 2012 (claim 0.9 million euro). The case is pending at first instance;

– 2013 (claim 0.6 million euro). The case is pending at first instance;

– 2014 (claim 22 thousand euro). The case is pending at first instance;

– 2015 (claim 18 thousand euro). The case is pending at first instance;

– 2016 (claim 12 thousand euro). The case is pending at first instance;

– 2017 (claim 9 thousand euro). The case is pending at first instance;

– 2018 (claim 12 thousand euro). The case is pending at first instance.

The company believes that the risk of a negative outcome is possible, but not likely. Accordingly, it has not made any provision for taxes, penalties and interest, except for the cost of legal fees.

On 29 November 2023, the former **Intesa Sanpaolo Life DAC** – an insurance company incorporated under Irish law – received a summons from Guardia di Finanza (Italian Tax Police) for clarifications regarding tax monitoring requirements.

Note that Intesa Sanpaolo Vita S.p.A. (as the incorporating entity of Intesa Sanpaolo Life DAC) replied, with communication dated May 2024, to the requests of the Guardia di Finanza (Italian Tax Police) of March 2024, requesting the addition to the statements submitted in 2022, solely for the years 2018-2020 (as the year 2017 had lapsed in the meantime), both for the premiums collected and the amounts paid (relating to the insurance benefits provided), with detailed evidence of: year of reference and insurance policy numbers; type of transaction, i.e., whether this was a premium initially paid (recurring and/or single premium) or an additional premium and, with regard to the insurance benefits, whether they were a partial or total surrender or other transactions (thus settlement due to expiry and/or due to claims); date and amount of each single transaction; identification of the party (person) "monitored"; and any reasons for objective exemption from the notification obligation. In addition, the same documentation provided for the years 2017 to 2020 was also requested for the years 2021 and 2022, accompanied by the same detailed schedules. The company responded to the requests by means of a communication in May 2024.

From 17 October to 6 December 2024, the Guardia di Finanza continued its audit activities, during which the company submitted an expert opinion drawn up by its consultant on 22 April 2024 on the lack of any obligation for ISL to provide the identification details of insured customers. Subsequently, the company also submitted a further defense brief by the legal counsel dated 7 November 2024, which further explained the reasons why the company believed (and still believes) to be exempt from the monitoring obligations. On 6 December 2024, the Guardia di Finanza served the company with a Tax Audit Report which claimed that in the tax periods from 2018 to 2022 ISL had failed to comply with its tax monitoring obligations, limited to transactions carried out on behalf or in favour of natural persons, non-business entities and partnerships and equivalent associations ("monitored entities") if the amount is equal to or greater than 15,000 euro or, from 2021, 5,000 euro.

The Guardia di Finanza forwarded the Tax Audit Report to the competent Provincial Directorate I of Milan of the Italian Revenue Agency which, on 13 December 2024, served on Intesa Sanpaolo Assicurazioni a tax assessment only for the year 2018 (whose assessment deadline expired on 31 December 2024), applying the administrative penalty of 0.6 million euro (10% on the highest single capital transfer).

Finally, it should be noted that an amount of 0.2 million euro was prudentially set aside in the 2024 budget. This amount is one third of the penalty imposed for 2018, which is payable in a reduced amount if the company accepts the assessment without initiating litigation.

The claims regarding Transfer Pricing on the benefits provided to Eurizon Capital Luxembourg by Eurizon Capital SGR S.p.A. ("**EC ITA**") for the years 2016, 2017 and 2018, which began with a questionnaire served to the latter company on 22 December 2022 relating to IRES and IRAP for 2016, were settled.

A similar claim raised for the years 2017 and 2018 against **Epsilon SGR S.p.A.**, which began on 4 April 2023 with a tax audit by the Italian Revenue Agency – Lombardy Regional Directorate – Large Taxpayers Office regarding the year 2017 (then extended also to 2018) concerning direct taxes, IRAP, VAT and obligations of tax collection agents, was settled. The claim related to the failure of the cross-border transaction regarding the service of UCI (Undertaking for Collective Investment) management provided by Epsilon to the Luxembourg associate company EC LUX to align with the conditions of free competition.

Action was taken with the Italian Revenue Agency so that the transactions between EC ITA, Epsilon SGR and EC LUX were examined in a consistent and coordinated manner. Following numerous meetings between the company and the Lombardy Regional Directorate, an agreement was reached on the use of the median for 2017 and the first quartile for 2018.

The proceedings concluded with the signing of the tax settlement agreements for IRES and IRAP on 24 April 2024 and the payment of the amounts due, which were in line with the provisions previously allocated by the subsidiaries in their financial statements as at 31 December 2023, namely:

− for EC ITA, total provisions of 9.6 million euro for the years 2017 and 2018 (outlay due of 9.7 million euro), comprising higher IRES and IRAP taxes of 8.1 million euro and interest of 1.5 million euro;

− for Epsilon, total provisions of 4.1 million euro for the years 2017 and 2018, comprising higher IRES and IRAP taxes of 3.4 million euro and interest of 700 thousand euro.

For the **international subsidiaries**, tax disputes as at 31 December 2024 had a low amount, and 70% of their risk is covered: they amount to a total of 8 million euro (substantially unchanged from 31 December 2023), with provisions of 5.9 million euro (5 million euro as at 31 December 2023).

The change in the provision with respect to 31 December 2023, with an overall increase of 0.9 million euro, refers to:

-0.4 million euro (also of claim) on Bank of Alexandria's outstanding dispute for stamp duty, due solely to the exchange rate difference (devaluation of the Egyptian pound against the euro);

+0.3 million euro (also of claim) on disputes arising in 2023 and 2024 of Intesa Sanpaolo Bank Albania concerning withholding taxes;

+1 million euro on litigation by Intesa Sanpaolo Banka D.D. Bosna I Hercegovina relating to VAT on certain services to which the VAT exemption regime was claimed not to apply as they are of a non-financial nature.

REGULATORY SECTION

Changes in regulatory framework

The Intesa Sanpaolo Group is subject to extensive regulation and supervision by the Bank of Italy, the CONSOB, the ECB and the European System of Central Banks and is also subject to the authority of the Single Resolution Board ("**SRB**"). Certain entities within the Intesa Sanpaolo Group are also subject to supervision by the Italian Institute for the Supervision of Insurance and Intesa Sanpaolo S.p.A is also subject to rules applicable to it as an issuer of shares listed on the Milan Stock Exchange. The banking laws to which the Intesa Sanpaolo Group is subject govern the activities in which banks may engage and are designed to maintain the safety and soundness of such institutions and limit their exposure to risk. In addition, the Intesa Sanpaolo Group must comply with financial services laws that govern its marketing and selling practices. New acts of legislation and regulations may be introduced in Italy and the European Union that may affect the Intesa Sanpaolo Group, including proposed regulatory initiatives that could significantly alter the Intesa Sanpaolo Group's capital requirements.

The rules applicable to banks and other entities in banking groups include implementation of measures consistent with the regulatory framework set out by the Basel Committee on Banking Supervision (the "**Basel Committee**").

In accordance with the regulatory frameworks described above and consistent with the regulatory framework being implemented at the European Union level, the Intesa Sanpaolo Group has in place specific procedures and internal policies to monitor, among other things, liquidity levels and capital adequacy, the prevention and detection of money laundering, privacy protection, ensuring transparency and fairness in customer relations and registration and reporting obligations. Despite the existence of these procedures and policies, there can be no assurance that violations of regulations will not occur, which could adversely affect the Intesa Sanpaolo Group's results of operations, business and financial condition. In addition, as at the date of this Base Prospectus, certain laws and regulations have only been recently approved and the relevant implementation procedures are still in the process of being developed.

The CRD IV Package

The Basel III framework began to be implemented in the EU from 1 January 2014 through Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "**CRD IV**") and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the "**CRR**" and together with the CRD IV, the "**CRD IV Package**"), Delegated Regulation (EU) 2015/61 and its supplements and the Implementing Regulation (EU) 2016/313. The CRD IV Package has been subsequently updated by Regulation (EU) No. 2019/876 ("**CRR II**") and Directive (EU) No. 2019/878 ("**CRD V**") and, recently, by CRD VI and CRR III (both as defined below). Unless otherwise stated in this Base Prospectus, any reference to CRD shall be read as referencing to CRD IV, as subsequently amended and reinstated, and any reference to CRR, shall be read as referencing to CRR as subsequently amended and reinstated from time to time.

Full implementation began on 1 January 2014, with particular elements being phased in over a period of time (the requirements were largely fully effective by 2019 and some minor transitional provisions provide for phase-in until 2024). Further details on the implementation of the EU Banking Reform Package (as defined below) are provided in the paragraph "*Revisions to the CRD IV Package*" below.

The provisions of the CRR are supplemented, in Luxembourg, by the CSSF Regulation N°18-03 on the implementation of certain discretions contained in the CRR and implementing Guideline (EU) 2017/697 of the ECB of 4 April 2017 on the exercise of options and discretions available in Union law by national competent authorities in relation to less significant institutions and by technical regulatory and execution rules relating to the CRD IV and the CRR published through delegated regulations of the European Commission and guidelines of the EBA. The CRD IV was implemented in Luxembourg by the Luxembourg act of 23 July 2015 amending, among others, the Luxembourg law of 5 April 1993 on the financial sector, as amended (the "**Banking Act 1993**"). The CSSF has supplemented the Banking Act 1993 by adopting certain regulations.

The provisions of the CRR are supplemented in Ireland by the European Union (Capital Requirements) (No. 2) Regulations 2014 of Ireland with respect to technical requirements and offences in order that the CRR can effectively operate in Irish law. The CRD IV was transposed into Irish law by the European Union (Capital Requirements) Regulations 2014 of Ireland. The CRR and CRD IV are also supplemented in Ireland by the document published by the Central Bank of Ireland in 2014 entitled "Implementation of Competent Authority Discretions and Options in CRD IV and CRR" (with respect to implementation in Ireland of certain discretions and options available to Member States under the CRD IV Package) and by technical rules relating to the CRD IV and the CRR published through delegated regulations of the European Commission and guidelines of the EBA.

Moreover, the Bank of Italy published supervisory regulations on banks in December 2013 (Circular of the Bank of Italy No. 285 of 17 December 2013 (the "**Circular No. 285**")) which came into force on 1 January 2014 and has been amended over time in order to implement, *inter alia*, the CRD IV Package, as amended by the EU Banking Reform Package, and set out additional local prudential rules concerning matters not harmonised at EU level. The CRD IV Package, as amended by the EU Banking Reform Package, has also been supplemented in Italy by technical standards and guidelines relating to the CRD IV and the CRR finalized by the European Supervisory Authorities (ESAs), mainly the EBA and ESMA, and delegated regulations of the European Commission and guidelines of the EBA which can be either of direct application under Italian law or built into the Bank of Italy's supervisory guidance as the case may be.

According to Article 92 of the CRR, institutions are required at all times to satisfy the following own funds requirements: (i) a Common Equity Tier 1 ("**CET1**") capital ratio of 4.5%; (ii) a Tier 1 Capital ratio of 6%; (iii) a Total Capital Ratio of 8% and; (iv) a leverage ratio of 3%. According to Articles from 129 to 134 of CRD IV, these minimum ratios are complemented by the following capital buffers to be met with CET1 capital, reported below:

- *Capital conservation buffer*: set at 2.5 per cent from 1 January 2019 (pursuant to Article 129 of the CRD IV and Part I, Title II, Chapter I, Section II of Circular No. 285);
- *Counter-cyclical capital buffer* ("**CCyB**"): set by the relevant competent authority between 0% - 2.5% of credit risk exposures towards counterparties each of the home Member State, other Member States and third countries (but may be set higher than 2.5 % where the competent authority considers that the conditions in the Member State justify this), with gradual introduction from 1 January 2016 and applying temporarily in the periods when the relevant national authorities judge the credit growth excessive (pursuant to Article 130 of the CRD IV and Part I, Title II, Chapter I, Section III of Circular No. 285). The Bank of Italy has set, and decided to maintain, the CCyB (relating to exposures towards Italian counterparties) at 0% for the first quarter of 2025;
- *Capital buffers for globally systemically important banks* ("**G-SIBs**"): set as an "additional loss absorbency" buffer varying depending on the sub-categories on which the globally systemically important institutions ("**G-SIIs**") are divided into. The lowest sub-category shall be assigned a G-SII buffer of 1 % of the total risk exposure amount calculated in accordance with Article 92(3) of the CRR and the buffer assigned to each sub-category shall increase in gradients of at least 0,5 % of the total risk exposure amount calculated in accordance with Article 92(3) of the CRR. G-SIBs is. determined according to specific indicators (size, interconnectedness, lack of substitutes for the services provided, global cross border activity and complexity); and being phased in from 1 January 2016 (pursuant to Article 131 of the CRD IV and Part I, Title II, Chapter I, Section IV of Circular No. 285), became fully effective on 1 January 2019. Based on the most recently updated list of G-SIIs published by the Financial Stability Board ("**FSB**"), neither the Issuer (nor any member of the Intesa Sanpaolo Group) is a G-SIB and therefore they do not need to comply with a G-SIB capital buffer requirement (or leverage ratio buffer); and
- *Capital buffers for other systemically important banks at a domestic level* ("**O-SIIs**"): (the category to which Intesa Sanpaolo currently belongs): up to 3.0% as set by the relevant competent authority (reviewed at least annually), to compensate for the higher risk that such banks represent to the financial system (pursuant to Article 131 of the CRD IV and Title II, Chapter 1, Section IV of Circular No. 285). On 22 November 2024, the Bank of Italy identified Intesa Sanpaolo Group as an O-SII authorised to

operate in Italy in 2025 and has confirmed the imposition on the Intesa Sanpaolo Group of a capital buffer for O-SII of 1.25% as of 1st January 2025.

In addition to the above listed capital buffers, under Article 133 of the CRD IV each Member State may introduce a systemic risk buffer in order to prevent and mitigate long term non-cyclical systemic or macro- prudential risks not covered by the CRD IV Package.

With update No. 38 of 22 February 2022, the Circular No. 285 of 17 December 2013 was amended in order to provide, *inter alia*, the introduction of:

(i) the possibility for the Bank of Italy to activate the systemic risk buffer ("**SyRB**") for banks and banking groups authorised in Italy. In particular, the requirement to maintain a systemic risk buffer of Common Equity Tier 1 is intended to prevent and mitigate macro-prudential or systemic risks not otherwise covered with the macro-prudential instruments provided for by the CRR, the anti-cyclical capital buffer and the capital buffers for G-SII and for O-SII. The buffer ratio for systemic risk can be applied to all exposures or to a subset of exposures and to all banks or to one or more subsets of banks with similar risk profiles; and

(ii) some macro-prudential instruments based on the characteristics of customers or loans (so-called "borrower-based measures"). Specifically, these are measures that are not harmonised at European level, which can be used to counter systemic risks deriving from developments in the real estate market and from high or rising levels of household and non-financial corporate debt.

The Bank of Italy exercised its authority to introduce a SyRB on 26 April 2024. The Bank of Italy has decided to apply to all licensed banks in Italy a SyRB equal to 1.0 per cent of credit and counterparty risk-weighted exposures to residents in Italy. The target rate of 1.0 per cent is to be achieved gradually, having built up a reserve equal to 0.5 per cent of material exposures by 31 December 2024, and then setting aside the remaining 0.5 per cent by 30 June 2025.

Furthermore, with update No. 39 of 13 July 2022, the Circular 285 was amended in order to align its provisions with Articles 104 to 104c of the CRD V Directive. In particular, the amendments introduced to Part I, Chapter 1, Title III of the Circular 285 provide, inter alia, the introduction of:

(i) a clear differentiation between components of P2R estimated from an ordinary perspective and the Pillar 2 Guidance determined from a stressed perspective which supervisory authorities may require banks to hold; and

(ii) the possibility for supervisory authorities to require additional capital in the presence of excessive leverage risk, under both ordinary and stressed conditions (P2R and Leverage Ratio and Pillar 2 Guidance Leverage Ratio).

Failure by an institution to comply with the buffer requirements described above (the "**Combined Buffer Requirement**") may trigger restrictions on distributions by reference to the so-called Maximum Distributable Amounts ("**MDA**") and the need for the bank to adopt a capital conservation plan and/or take remedial action (Articles 141 and 142 of the CRD IV).

A further rule introduced by the CRR II, applicable in respect of liabilities issued before 27 June 2019, allows for the "grandfathering" of instruments as, respectively, Additional Tier 1 instruments, Tier 2 instruments and eligible liabilities, even if they do not fully comply with certain requirements of the CRR II. This treatment is available until 28 June 2025 at the latest.

The CRD IV Package also introduced a Liquidity Coverage Ratio (the "**LCR**"). This is a stress liquidity measure based on modelled 30-day outflows. Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 supplementing the CRR with regard to liquidity coverage requirement for credit institutions (the "**LCR Delegated Act**") was adopted in October 2014 and published in the Official Journal of the European Union in January 2015. On 20 May 2022, amendments to the LCR Delegated Act were published in the Official Journal (Commission Delegated Regulation (EU) 2022/786 of 10 February 2022) and applied as of July 2022. Most of these amendments were introduced to better allow the credit institutions issuing covered bonds to comply, on one hand, with the general liquidity coverage requirement for a 30 calendar day stress period and, on the other hand, with the cover pool liquidity buffer requirement, as laid down by Directive (EU) 2019/2162 of the European Parliament

and of the Council. The Net Stable Funding Ratio ("**NSFR**") is part of the Basel III framework and aims to promote resilience over a longer time horizon (1 year) by creating incentives for banks to fund their activities with more stable sources of funding on an on-going basis. The NSFR were introduced as a requirement in the CRR II published in June 2019 and is applicable since June 2021.

Revisions to the CRD IV Package

On 23 November 2016, the European Commission presented a comprehensive package of reforms to further strengthen the resilience of EU banks and investment firms (the "**EU Banking Reform Package**"). The EU Banking Reform Package amends many existing provisions set out in the CRD IV Package, the BRRD and the SRM Regulation (as such terms are defined below). These proposals were agreed by the European Parliament, the Council of the EU and the European Commission and were published in the Official Journal of the EU on 7 June 2019 entering into force 20 days after, even though most of the provisions are applied since of 28 June 2021, allowing for a smooth implementation of the new provisions.

The EU Banking Reform Package includes:

(i) revisions to the standardised approach for counterparty credit risk;

(ii) changes to the market risk rules which include the introduction first of a reporting requirement pending the implementation in the EU of the latest changes to the FRTB (as defined below) published in January 2019 by the BCBS and then the application of own funds requirements as of 1 January 2023;

(iii) a binding leverage ratio (and related improved disclosure requirements) introduced as a backstop to risk-weighted capital requirements and set at 3% of an institution's Tier 1 capital;

(iv) a binding NSFR (which will require credit institutions and systemic investment firms to finance their long-term activities (assets and off-balance sheet items) with stable sources of funding (liabilities) in order to increase banks' resilience to funding constraints). This means that the amount of available stable funding will be calculated by multiplying an institution's liabilities and regulatory capital by appropriate factors that reflect their degree of reliability over a year. The NSFR will be expressed as a percentage and set at a minimum level of 100%, indicating that an institution holds sufficient stable funding to meet its funding needs during a one-year period under both normal and stressed conditions. The NSFR applies at a level of 100% at individual and a consolidated level since 28 June 2021, unless competent authorities waive the application of the NSFR on an individual basis as of two years after the date of entry into force of the EU Banking Reform Package;

(v) Changes to the large exposures limits, now calculated as the 25% of Tier 1; and

(vi) Improved own funds calculation adjustments for exposures to SMEs and infrastructure projects.

In particular, on 7 June 2019, the legal acts of the "EU Banking Reform Package" regarding the banking sector have been published on the EU Official Journal. Such measures include, together with the amendments to the BRRD and to SRMR, (i) CRR II amending the CRR as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and (ii) CRD V amending the CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures. The amendments proposed better align the current regulatory framework to international developments in order to promote consistency and comparability among jurisdictions.

Such measures entered into force on 27 June 2019, while a) the CRR II is applicable from 28 June 2021, excluding some provisions with a different date of application (early or subsequent), b) the CRD V and BRRD II were to be implemented into national law by 28 December 2020 excluding some provisions entered into force subsequently. On 30 November 2021, Legislative Decree no. 193 of 8 November 2021, implementing the BRRD II, was published in the *Gazzetta Ufficiale* and entered into force on 1 December 2021.

Moreover, it is worth mentioning that the Basel Committee on Banking Supervision ("**BCBS**") concluded the review process of the models (for credit risk, counterparty risk, operational risk and market risk) for the calculation of minimum capital requirements, including constraints on the use of internal models and introducing the so-

called "output floor" (setting a minimum level of capital requirements calculated on the basis of internal models equal, when fully implemented, to 72.5 per cent of those calculated on the basis of the standardised methods). The main purpose is to enhance consistency and comparability among banks. The new framework was finalised for market risk in 2016 and finally revised in January 2019. The new framework for credit risk and operational risk was completed in December 2017. Basel III and Basel IV (as defined below) should be fully implemented with the reform package proposed by the European Commission in October 2021.

On 27 October 2021, the European Commission published a legislative proposal to amend CRD IV and CRR II (the "**2021 Banking Reform Package**"). In particular, the 2021 Banking Reform Package aims at implementing in the EU the 2017 Basel Accord and further elements not included in such international framework contributing to financial stability and to the steady financing of the economy in the context of the post-COVID 19 crisis recovery. On 19 June 2024, Directive (EU) 1619/2024 of the European Parliament and Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks ("**CRD VI**") and Regulation (EU) 1623/2024 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risks, credit valuation adjustment risk, operational risk and the output floor ("**CRR III**") were published in the Official Journal of the European Union and entered into force on 9 July 2024. The provisions set forth in CRR III apply since 1st January 2025, while the domestic acts and regulations enacted by the Member States to implement the changes brought by CRD VI shall become effective on 11 January 2026. The date of the application of the Fundamental Review of the Trading Book ("**FRTB**") framework has been postponed to 1st January 2026, in accordance with Commission delegated regulation 2024/2795.

The main changes CRD VI and CRR III are about to introduce or have introduced relate to:

(i) The introduction of the output floor to reduce the excessive variability of banks' capital requirements calculated with internal models. Notably, the output floor works as a lower limit ("floor") on the capital requirements ("output") that banks calculate when using their internal models. The output floor aims at enhancing the confidence in risk-based capital requirements and to improve the solidity of banks that make use of internal models, making capital requirements more comparable cross banks.

(ii) Implementation of the Basel III agreement to strengthen Union banks' resilience face at the main risk areas (credit risk; market risk; and operational risk).

(iii) Environmental, Social and Governance risks (ESG). Under the newly introduced banking package, banks would need to draw up transition plans under the prudential framework that will need to be consistent with the sustainability commitments banks undertake under other pieces of Union laws, such as the Corporate Sustainability Reporting Directive. Competent authorities will oversee how banks handle ESG risks and include ESG considerations in the context of the annual supervisory examination review (i.e. SREP); and

(iv) Strengthened supervision. The supervisory powers and tools have been increased and further harmonized. Notably, supervisors will be given more powers to check if certain transactions (e.g. large acquisitions) undertaken by banks are sound and do not entail excessive risks for banks;

(v) Clear rules for third country banks operating in the European Union. The CRD VI will introduce minimum harmonizing conditions for on the establishment of third-country banks in the EU.

Once CRD VI and CRR III are fully implemented and transposed in the European Union, the regulatory changes brought by these pieces of legislation will impact the entire banking system and consequently could determine changes in the capital calculation and increase capital requirements, which as at the date of this Base Prospectus cannot be entirely foreseen.

Regular monitoring exercise includes also a monitoring exercise to assess the impact of the Basel III framework on a sample of EU banks that the EBA conducts in coordination and in parallel with the BCBS (the "**Basel III Monitoring Exercise**"). This exercise assesses the impact of the latest regulatory developments at BCBS level in the following area: (a) global regulatory framework for more resilient banks and banking systems; (b) the Liquidity Coverage Ratio and liquidity risk monitoring tools; (c) the leverage ratio framework and disclosure requirements; (d) the Net Stable Funding Ratio; and (e) the post-crisis reforms.

The impact of the Basel III is assessed using mostly the following measures:

(i) percentage impact on minimum required Tier 1 capital (MRC);

(ii) impact, in basis point, on the current actual Tier 1 capital ratio; and

(iii) Tier 1 capital shortfall resulting from the full implementation of Basel III, namely the capital amount that banks need to fulfil the Basel III MCR.

According to the EBA Decision no. EBA/DC/2021/373, concerning information required for the monitoring of Basel supervisory standards published on 18 February 2021, as subsequently amended, ("**EBA Decision**"), the Basel III Monitoring Exercise is mandatory, on an annual basis, for a representative set of EU and EEA credit institutions identified by the relevant competent authorities.

On 4 October 2024, the EBA published its third mandatory Basel III Monitoring Report which assesses the impact that Basel III full implementation will have on EU banks in 2033. According to this assessment, the full Basel III implementation would result in an average increase of 7.8% at the full implementation date in 2033 of the current Tier 1 minimum required capital. The main contributing factors are the output floor and the operational risk. Thus, to comply with the new framework, banks would need EUR 0.9 billion of additional Tier 1 capital.

On 4 May 2020, the EBA published its final draft technical standards on specific reporting requirements for market risk, in accordance with the mandate set out in the provisions of the CRR II.

In particular, the implementing technical standards ("**ITS**") introduced uniform reporting templates, the template related instructions, the frequency and the dates of the reporting, the definitions and the IT solutions for the specific reporting for market risk. These ITS introduce the first elements of the FRTB into the EU prudential framework by means of a reporting requirement. Based on the ITS submitted by the EBA, the European Commission adopted the Implementing Regulation no. 2021/453/EU of 15 March 2021 which applied from 5 October 2021.

On July 24, 2024, the European Commission adopted the delegated act designed to postpone the application of the new FRTB (Fundamental Review of the Trading Book) framework for the capital requirement to January 1, 2026. Subsequently, on August 12, 2024, the EBA published a No-Action Letter and included in the document "EBA considerations on the postponement of the application of the FRTB in the EU" some considerations on technical and implementation issues arising from the delay, which are considered essential for achieving a harmonized implementation of the market risk framework. The Commission delegated regulation 2024/2795 was published in the EU Official Journal on October 31 and it is applicable since January 1, 2025, with the entry into force of CRR3, and it postponed the new FRTB framework to 2026.

As a final note, on 18 January 2024, the EBA launched a public consultation on draft Guidelines on the management of Environmental, Social and Governance (ESG) risks. The draft Guidelines set out requirements for institutions for the identification, measurement, management and monitoring of ESG risks, including through plans aimed at addressing the risks arising from the transition towards an EU climate-neutral economy. The Final Report has been published on 8 January 2025.

Additional reforms to the banking and financial services sector

In addition to the substantial changes in capital and liquidity requirements introduced by Basel IV and the EU Banking Reform Package there are several other initiatives, in various stages of finalisation, which represent additional regulatory pressure over the medium term and have the potential to impact the Intesa Sanpaolo Group's business and operations. These initiatives include, amongst others, a revised EU securitisation framework. On 12 December 2017, the European Parliament adopted the Regulation (EU) 2017/2402 (the "**Securitisation Regulation**") which entered into force in January 2019, while a number of underlying regulatory and implementing technical standards delivered by the EBA and ESMA are being adopted. The Securitisation Regulation introduced changes to the existing securitisation framework in relation to the nature of the risk retention obligation and due diligence requirements, the introduction of an adverse selection test for certain assets and a new framework for so-called "simple transparent and standardised securitisations" which will receive preferential capital treatment subject to a number of conditions.

On 9 November 2015, the Financial Stability Board ("**FSB**") published its final Total Loss-Absorbing Capacity ("**TLAC**") Principles and Term Sheet, proposing that G-SIBs maintain significant minimum amounts of liabilities that are subordinated (by law, contract or structurally) to liabilities excluded from TLAC, such as guaranteed insured deposits, derivatives, etc. and which forms a new standard for G-SIBs. The TLAC Principles and Term Sheet contains a set of principles on loss absorbing and recapitalisation capacity of G-SIBs in resolution and a term sheet for the implementation of these principles in the form of an internationally agreed standard. The TLAC Principles and Term Sheet require a minimum TLAC requirement for each G-SIB at the greater of (a) 16% of RWA (as of 1 January 2019) and 18% of RWA (as of 1 January 2022), and (b) 6% of the Basel III Tier 1 leverage ratio requirement (as of 1 January 2019), and 6.75 % (as of 1 January 2022). Liabilities that are eligible for TLAC include capital instruments and instruments that are contractually, statutorily or structurally subordinated to certain "excluded liabilities" (including insured deposits and liabilities that cannot be effectively written down or converted into equity by relevant authorities) in a manner that does not give rise to a material risk of compensation claims or successful legal challenges.

With a view to ensuring full implementation of the TLAC standard in the EU, the EU Banking Reform Package and the BRRD II introduce minimum requirements for own funds and eligible liabilities ("**MREL**"), which apply to EU credit institutions, including G-SIIs (global systematically important institutions). Consistent with the TLAC standard, MREL requirements allow resolution authorities, on the basis of bank-specific assessments, to require that G-SIIs comply with a supplementary MREL requirement strictly linked to the resolvability analysis of a given G-SII. Based on the most recently updated list of G-SIIs published by the FSB on 27 November 2023, neither the relevant Issuer nor any member of the Intesa Sanpaolo Group has been identified as a G-SIB in the 2023.

The BRRD II includes important changes as it introduces a new category of banks, the so-called top-tier banks, being banks which are resolution entities that are not G-SIIs but are part of a resolution group whose total assets exceed €100 billion. ISP is a top-tier bank for this purpose. At the same time, the BRRD II introduces a minimum harmonised MREL requirement (also referred to as a "**Pillar 1 MREL requirement**") which applies to G-SIIs and top-tier banks. In addition, resolution authorities will be able, on the basis of bank-specific assessments, to require that G-SIIs and top- tier banks comply with a supplementary MREL requirement (a "**Pillar 2 MREL requirement**"). A subordination requirement is also generally required for MREL eligible liabilities under BRRD II, but exceptions apply.

In order to ensure compliance with MREL requirements, and in line with the FSB standard on TLAC, the BRRD II provides that in case a bank does not have sufficient eligible liabilities to comply with its MREL requirements, the resultant shortfall is automatically filled up with CET1 Capital that would otherwise be counted towards meeting the combined capital buffer requirement. However, under certain circumstances, BRRD II envisages a nine-month grace period before restrictions to discretionary payments to the holders of regulatory capital instruments senior management of the bank and employees take effect due to a breach of the combined capital buffer requirement. Delegated regulation 2021/763 (EU), applicable since 28 June 2021, lays down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council and Directive 2014/59/EU of the European Parliament and of the Council with regard to the supervisory reporting and public disclosure of the minimum requirement for own funds and eligible liabilities.

ECB Single Supervisory Mechanism

On 15 October 2013, the Council of the European Union adopted Council Regulation (EU) No. 1024/2013 conferring specific tasks on the ECB concerning policies relating to the prudential supervision of credit institutions (the "**SSM Regulation**") for the establishment of a single supervisory mechanism (the "**Single Supervisory Mechanism**" or "**SSM**"). The SSM Regulation provides the ECB, in conjunction with the national competent authorities of the Eurozone and participating Member States, with direct supervisory responsibility over "banks of significant importance" in those Member States. "Banks of significant importance" include any Eurozone bank in relation to which (i) the total value of its assets exceeds €30 billion or – unless the total value of its assets is below €5 billion – the ratio of its total assets over the national gross domestic product exceeds 20%; (ii) is one of the three most significant credit institutions established in a Member State; (iii) has requested, or is a recipient of, direct assistance from the European Financial Stability Facility or the European Stability Mechanism and/or (iv) is considered by the ECB to be of significant relevance where it has established banking subsidiaries in more than

one participating Member State and its cross-border assets/liabilities represent a significant part of its total assets/liabilities. Intesa Sanpaolo S.p.A. and the Intesa Sanpaolo Group have been classified, respectively, as a significant supervised entity and a significant supervised group pursuant to the SSM Regulation and Regulation (EU) No. 468/2014 of the ECB of 16 April 2014 (the "**SSM Framework Regulation**") and, as such, are subject to direct prudential supervision by the ECB.

The relevant national competent authorities continue to be responsible, in respect of Intesa Sanpaolo and its subsidiaries, for supervisory functions not conferred on the ECB, such as consumer protection, money laundering, payment services, and supervision over branches of third country banks. The ECB is exclusively responsible for the prudential supervision of Intesa Sanpaolo Group, which includes, *inter alia*, the power to: (i) authorise and withdraw authorisation; (ii) assess acquisition and disposal of holdings; (iii) ensure compliance with all prudential requirements laid down in general EU banking rules; (iv) set, where necessary, higher prudential requirements to protect financial stability under the conditions provided by EU law; (v) ensure compliance with robust corporate governance practices and internal capital adequacy assessment controls and (vi) intervene at the early stages when risks to the viability of a bank exist, in coordination with the relevant resolution authorities. The ECB may exercise options and discretions under the SSM and SSM Framework Regulation in relation to the Intesa Sanpaolo Group.

The Intesa Sanpaolo Group is subject to the provisions of the EU Bank Recovery and Resolution Directive

On 2 July 2014, the directive providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (Directive 2014/59/EU) (the "**BRRD**") entered into force. The BRRD is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an institution that is failing or likely to fail so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system. The BRRD contains four resolution tools and powers which may be used alone (except for the asset separation tool) or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest: (i) sale of business - which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms; (ii) bridge institution - which enables resolution authorities to transfer all or part of the business of the firm to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation - which enables resolution authorities to transfer assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only) and (iv) bail-in - which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims into shares or other instruments of ownership (i.e. other instruments that confer ownership, instruments that are convertible into or give the right to acquire shares or other instruments of ownership, and instruments representing interests in shares or other instruments of ownership) (the "**general bail-in tool**"). Such shares or other instruments of ownership could also be subject to any exercise of such powers by a resolution authority under the BRRD.

In addition to the general bail-in tool, the BRRD provides for resolution authorities to have the further power to permanently write-down/convert into shares or other instruments of ownership at the point of non-viability and before any other resolution action is taken ("**non- viability loss absorption**"). The point of non-viability under the BRRD is the point at which the relevant authority determines that the institution meets the conditions for resolution (but no resolution action has yet been taken) or that the institution or its group will no longer be viable unless the relevant capital instruments are written-down/converted or extraordinary public support is to be provided.

Resolution authorities have the power to amend or alter the maturity of certain debt instruments issued by an institution under resolution, amend the amount of interest payable under such instruments, the date on which the interest becomes payable (including by suspending payment for a temporary period) and to restrict the termination rights of holders of such instruments. The BRRD also provides for a Member State, after having assessed and exhausted the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. Resolution authorities may provide public equity support to an institution and/or take the institution into public ownership.

Such measures must be taken in accordance with the EU state aid framework and will require a contribution to loss absorption from shareholders and creditors via write-down, conversion or otherwise, in an amount equal to at least 8 % of total liabilities (including own funds).

As an exemption from these principles, the BRRD allows for three kinds of extraordinary public support to be provided to a solvent institution without triggering resolution: 1) a State guarantee to back liquidity facilities provided by central banks according to the central banks' conditions; 2) a State guarantee of newly issued liabilities; or 3) an injection of own funds in the form of precautionary recapitalisation. In the case of precautionary recapitalization EU state aid rules require that shareholders and junior bond holders contribute to the costs of restructuring.

The SRM provides for the setting up of a Single Resolution Fund in the relevant Member State (the "**SRF**" or the "**Fund**"), established under the control of the SRB, as of 1 January 2016 in which the national resolution funds had been pooled together. The SRF is intended to ensure the availability of funding support while a bank is resolved and will contribute to resolution if, and only after, at least 8 % of the total liabilities (including own funds) of the bank have been subject to bail-in. The SRF is expected to reach a target of around €80 billion (the basis being 1 per cent of the covered deposits in the financial institutions of the Eurozone). Once this target level is reached, in principle, institutions will have to contribute only if the resources of the SRF are used up in order to deal with resolution action taken by the relevant authorities. In February 2024, the SRB announced that the financial means available in the SRF at 31 December 2023 represented Euro 78 billion and therefore reached the target level of at least 1% of covered deposits held in the Member States participating in the SRM. As such, no regular annual contributions are being collected in 2024 from the institutions in scope of the SRF, including the Issuer.

The BRRD has been implemented in Italy through the adoption of two Legislative Decrees by the Italian Government, namely, Legislative Decrees No. 180/2015 and 181/2015 (together, the "**BRRD Decrees**"), both of which were published in the Italian Official Gazette (*Gazzetta Ufficiale*) on 16 November 2015. Legislative Decree No. 180/2015 is a stand-alone law which implements the provisions of BRRD relating to resolution actions, while Legislative Decree No. 181/2015 amends the existing Banking Law (Legislative Decree No. 385 of 1 September 1993, as amended) and deals principally with recovery plans, early intervention and changes to the creditor hierarchy. The BRRD Decrees entered into force on 16 November, 2015, save that: (i) the bail-in tool applied from 1 January 2016; and (ii) a "depositor preference" granted for deposits other than those protected by the deposit guarantee scheme and excess deposits of individuals and SME's applied from 1 January 2019.

It is important to note that, pursuant to Article 49 of Legislative Decree No. 180/2015, resolution authorities may not exercise the bail-in powers in relation to secured liabilities, including covered bonds or their related hedging instruments, save to the extent that these powers may be exercised in relation to any part of a secured liability (including covered bonds and their related hedging instruments) that exceeds the value of the assets, pledge, lien or collateral against which it is secured. The BRRD specifically contemplates that *pari passu* ranking liabilities may be treated unequally. Accordingly, holders of Notes of a particular Series may be subject to write-down/conversion upon an application of the general bail-in tool while other Series of Notes (or, in each case, other *pari passu* ranking liabilities) are partially or fully excluded from such application of the general bail-in tool. Further, although the BRRD provides a safeguard in respect of shareholders and creditors upon application of resolution tools, Article 75 of the BRRD sets out that such protection is limited to the incurrence by shareholders or, as appropriate, creditors, of greater losses as a result of the application of the relevant tool than they would have incurred in a winding up under normal insolvency proceedings. It is therefore possible not only that the claims of other holders of junior or *pari passu* liabilities may have been excluded from the application of the general bail-in tool and therefore the holders of such claims receive a treatment which is more favourable than that received by holders of Notes, but also that the safeguard referred to above does not apply to ensure equal (or better) treatment compared to the holders of such fully or partially excluded claims. This is due to the fact that the safeguard is not intended to address such possible unequal treatment but rather to ensure that shareholders or creditors do not incur greater losses in a bail-in (or other application of a resolution tool) than they would have received in a winding up under normal insolvency proceedings.

Certain categories of liability are subject to the mandatory exclusions from bail-in foreseen in Article 44(2)(g) of the BRRD. For instance, most forms of liability for taxes, social security contributions or to employees benefit

from privilege under Italian law and as such are preferred to ordinary senior unsecured creditors in the context of liquidation proceedings. Article 108 of the BRRD requires that Member States modify their national insolvency regimes such that deposits of natural persons and micro, small and medium sized enterprises in excess of the coverage level contemplated by deposit guarantee schemes created pursuant to the BRRD have a ranking in normal insolvency proceedings which is higher than the ranking which applies to claims of ordinary, unsecured, non-preferred creditors. In addition, the BRRD does not prevent Member States, including Italy, from amending national insolvency regimes to provide other types of creditors, with rankings in insolvency higher than ordinary, unsecured, non-preferred creditors. Legislative Decree No. 181/2015 has amended the creditor hierarchy in the case of admission of Italian banks and investment firms to resolution as well as compulsory liquidation procedures by providing that, as from 1 January 2019, all deposits other than those protected by the deposit guarantee scheme and excess deposits of individuals and SMEs will benefit from a preference in respect of senior unsecured liabilities, though with a ranking which is lower than that provided for individual/SME deposits exceeding the coverage limit of the deposit guarantee scheme. On 25 October 2017 the European Parliament, the Council and the European Commission agreed on elements of the review of the BRRD. As part of this process Article 108 of the was amended by Directive (EU) 2017/2399. Member States were required to adopt and publish relevant laws, regulations and administrative provisions necessary to comply with the amendment to the creditor hierarchy by 29 December 2018. The recognition of the new class of so-called "Senior Non-Preferred Debt" has been implemented in the EU through the Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 amending BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy. In Italy, the Directive has been implemented with the law No. 205/2017, modifying article 12*bis* of the Consolidated Banking Act.

Legislative Decree No. 181/2015 has also introduced strict limitations on the exercise of the statutory rights of set-off normally available under Italian insolvency laws, in effect prohibiting set-off by any creditor in the absence of an express agreement to the contrary. Since each holder of Notes will have expressly waived any rights of set-off, counterclaim, abatement or other similar remedy which they might otherwise have, under the laws of any jurisdiction, in respect of such Notes, it is clear that the statutory right of set-off available under Italian insolvency laws will likewise not apply.

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. As indicated above, holders of Notes may be subject to write-down/conversion into shares or other instruments of ownership on any application of the general bail-in tool.

The BRRD also established that institutions shall meet, at all times, their MREL requirement. Under Article 45 of the BRRD, MREL is to be calculated as the amount of own funds and eligible liabilities expressed as a percentage of total liabilities and own funds of the institution or based on the leverage ratio exposure measure, according to Article 429 and 429a of the CRR II.

Revisions to the BRRD framework

The EU Banking Reform Package included Directive (EU) 2019/879, which provides for a number of significant revisions to the BRRD (known as "**BRRD II**"). BRRD II provides that Member States are required to ensure implementation into local law by 28 December 2020 with certain requirements relating to the implementation of the TLAC standard applying from January 2022 while the transitional period for full compliance with MREL requirements is foreseen until 1 January 2024, with interim targets for a linear build-up of MREL set at 1 January 2022. The EU Banking Reform Package includes, amongst other things:

(i) full implementation of the FSB's TLAC standard in the EU and revisions to the existing MREL regime. Additional changes to the MREL framework include changes to the calculation methodology for MREL, criteria for the eligible liabilities which can be considered as MREL, the introduction of internal MREL and additional reporting and disclosure requirements on institutions;

(ii) introduction of a new category of "top-tier" banks, being banks which are resolution entities that are not G-SIIs but are part of a resolution group whose total assets exceed €100 billion;

(iii) the introduction of a new moratorium power for resolution authorities and requirements on the contractual stays in resolution; and

(iv) amendments to the article 55 regime in respect of the contractual recognition of bail-in.

Changes to the BRRD under BRRD II will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors.

On 1 December 2021, Legislative Decree no. 193 of 8 November 2021 ("**Decree No. 193**"), implementing the BRRD II into the Italian jurisdiction, entered into force, amending Legislative Decree no. 180/2015 ("**Decree no. 180**") and the Banking Law.

The provisions set forth in the Decree No. 193 includes, among other things:

(i) Changes to the MREL regulatory framework

The amendments introduced to Legislative Decree no. 180/2015 aligned the Italian regulatory framework regulating MREL, and the criteria according to which it is determined, to the provisions set forth in BRRD II.

In particular, the amended version of Decree No. 180 clearly envisages that MREL shall be determined by the Bank of Italy on the basis of the following criteria:

a) the need to ensure that the application of the resolution tools to the resolution entity is adequate to meet the resolution's objectives;

b) the need to ensure that the resolution entity and its subsidiaries belonging to the same corporate group subject to resolution have sufficient own funds and eligible assets to ensure that, if the bail-in tool or write-down or conversion powers, respectively, were to be applied to them, losses could be absorbed and that it is possible to restore the total capital ratio and, as applicable, the leverage ratio to a level necessary to enable them to continue to comply with the conditions for authorisation, according to the regulatory framework currently in force, even if the resolution plan envisages the possibility for certain classes of eligible liabilities to be excluded from bail-in or to be transferred in full to a recipient under a partial transfer;

c) the size, the business model, the funding model and the risk profile of the entity; and

d) the extent to which the failure of the entity would have an adverse effect on financial stability, due to the interconnectedness of the entity with other institutions or entities or with the rest of the financial system.

(ii) New ranking for subordinated instruments of banks which do not qualify as own fund

Article 91 of the Banking Law has been modified by Decree No. 193 to transpose into the Italian legislative framework the provisions envisaged by Article 48(7) of the BRRD II.

In particular, according to the amended version of Article 91, subordinated instruments which do not qualify (and no part thereof is recognised) as own funds items shall rank senior to own funds items (including any instruments only partly recognised as own funds items) and junior to senior non-preferred instruments. Moreover, if own funds items cease, in their entirety, to be classified as such, they will rank senior to own funds items but junior to senior non-preferred instruments.

The abovementioned provisions also apply to instruments issued before the entrance into force of Decree No. 193, such as 1 December 2021.

(iii) New minimum denomination requirement

Article 12-*ter* of the Banking Law, introduced by Decree No. 193, provides for the determination of a minimum unit value for bonds and debt securities issued by banks or investment firms equal to Euro 200,000 for subordinated bonds and other subordinated securities or Euro 150,000 for Senior Non Preferred debt instruments (*"strumenti di debito chirografario di secondo livello"*).

Any contracts entered into with non-professional investors and relating to investment services having as their object the instruments referred to in Article 12-*ter* of the Banking Law issued after 1 December 2021, that do not respect the minimum unit value, shall be declared as null and void (Article 25-*quarter* of the Financial Services Act, as amended by Decree No. 193).

Without prejudice to the restrictions outlined above on the sale to retail investors, the ban previously in force on the placement of Senior Non Preferred debt instruments with non qualified investors has been repealed by Article 5 of Decree No. 193.

Directive (EU) 2024/1174 of the European Parliament and of the Council of 11 April 2024, amending Directive 2014/59/EU and Regulation (EU) 2014/806 as regards certain aspects of the minimum requirements for own funds and eligible liabilities was published in the European Official Journal (the "**Daisy Chain Act**").

Among the others, the new rules of the Daisy Chain Act aim to give the resolution authorities the power of setting internal MREL on a consolidated basis subject to certain conditions. Where the resolution authority allows a banking group to apply such consolidated treatment, the intermediate subsidiaries will not be obliged to deduct their individual holdings of internal MREL.

Moreover, the Daisy Chain Act would introduce a specific MREL treatment for "liquidation entities". Those are defined as entities within a banking group earmarked for winding-up in accordance with insolvency laws, which would, therefore, not be subject to resolution action (conversion or write-down of MREL instruments). On this basis and as a rule, liquidation entities will not be obliged to comply with an MREL requirement, unless the resolution authority decides otherwise on a case-by-case basis for financial stability protection reasons. The own funds of these liquidation entities issued to the intermediate entities will not need to be deducted except when they represent a material share of the own funds and eligible liabilities of the intermediate entity.

In addition to the above, it is worth mentioning that on 19 June 2024, the Council announced the beginning of the negotiations with the European Parliament to define the final shape of the legislative proposal on the Crisis Management and Deposits Insurance (the "**CMDI Reform**") framework. The package consists of four legislative proposals that would amend existing EU legislation: the BRRD, the Deposit Guarantee Scheme Directive ("**DGSD**") and the SRMR. New aspects of the framework could include: i) expanding the scope of resolution through a revision of the public interest assessment to include a regional impact so more eurozone banks could be brought into the resolution framework, ii) the use of deposit guarantee schemes to help banks, especially the small ones, to meet a key threshold for bearing losses of 8% of their own funds and liabilities, which then allows them to have access to the Single Resolution Fund, also funded by bank contributions, and help sell the problem banks' assets and fund their exit from the market, iii) amending the hierarchy of claims in insolvency and scrapping the "super-preference" of the DGSD to put all deposits on equal pegging in an insolvency, but still above ordinary unsecured creditors with the aim of enabling the use of DGSD funds in measures other than pay out of covered deposits without violating the least cost test.

On 21 October 2024, the Committee decided to open interinstitutional negotiations after the first reading in Parliament of the proposals related the CMDI Reform and the Council's first reading position is expected in the coming months.

Intesa Sanpaolo Group is subject to the provisions of the Regulation establishing the Single Resolution Mechanism

On 19 August 2014, the Regulation (EU) No. 806/2014 establishing a Single Resolution Mechanism (the "**SRM Regulation**") entered into force. The SRM Regulation became operational on 1 January 2016. There are, however, certain provisions including those concerning the preparation of resolution plans and provisions relating to the cooperation of the SRB with national resolution authorities, which entered into force on 1 January 2015. The SRM Regulation was subsequently updated with the EU Banking Reform Package in June 2019. The SRM Regulation, which complements the SSM (as defined above), applies to all banks supervised by the SSM. It will mainly consist of the SRB and the SRF.

Regulation (EU) No. 2019/877 of the European Parliament and of the Council of 20 May 2019 ("**SRM II Regulation**") amends the SRM Regulation as regards the loss-absorbing and recapitalization of credit institutions and investment firms.

Lastly, the SRM Regulation was amended by the Daisy Chain Act. As better detailed in the SRB Communication on the Daisy Chain Act, published on 30 September 2024, according to Article 12d(2a) of the SRM Regulation, as amended by Article 2 of the Daisy Chain Act:

(i) the SRB shall not determine the MREL for liquidation entities unless it considers justified to determine said requirement in an amount exceeding the amount sufficient to absorb losses. As per the definition laid down by the SRM Regulation, "liquidation entity" shall be read as referencing to an entity in respect of which the group resolution plan or, for entity that is not part of a group, the resolution plan, provides that the entity is to be wound up under the normal insolvency proceedings, or an entity, within the resolution group other than a resolution entity, in respect of which the group resolution does not provide for the exercise of write-down and conversion powers; and

(ii) Article 77(2) and Article 78(a) of the CRR, setting forth the prior authorisation regime to reduce eligible liabilities instruments, shall not apply to liquidation entities for which the board of the SRB has not determined the MREL.

The above changes apply from 14 November 2024. The SRB announced that – in line with the principles of good administration and legal certainty – in the course of 2024 resolution planning cycle, the previously adopted decisions setting the MREL at the level equal to the loss absorption amount will be repealed with effect as of 14 November 2024.

The Single Resolution Mechanism framework ensures that, instead of national resolution authorities, there will be a single authority – i.e. the SRB – which takes all relevant decisions for the resolution of banks being supervised by the SSM and part of the Eurozone. In line with the changes to BRRD II described above, revisions to the provisions of the SRM Regulation (in relation to MREL) are due to change in due course. In this context, as mentioned above, it is also worth mentioning that, as part of the CMDI Reform, amendments to the SRM, have been recently proposed by the European co-legislator. The main purpose of this legislative reform is to build on the objectives of the crisis management framework and to ensure a more consistent approach to resolution so that any bank in crisis can exit the market in an orderly manner, while preserving the financial stability, taxpayer money and ensuring deposit confidence.

Regulatory and supervisory framework on non-performing exposures

Among the measures adopted at European level in order to reduce the amount of non-performing exposures in banks balance sheets within adequate levels, the following are worth mentioning:

Guidance to banks on non-performing loans published by ECB on 20 March 2017 and Addendum to the Guidance to banks on non-performing loans published by ECB on 15 March 2018: the NPL guidance contains recommendations and lays out the bank's approach, processes and objectives regarding the effective management of the exposures. The guidance addresses all non-performing exposures ("**NPEs**"), as well as foreclosed assets, and touches on performing exposures with an elevated risk of turning non-performing, such as "watch-list" exposures and performing forborne exposures. According to the guidance, the banks need to establish a strategy to optimize their management of NPLs based on a self assessment of the internal capabilities to effectively manage; the external conditions and operating environment; and the impaired portfolios specifications.

On 15 March 2018, the ECB published the Addendum to the Guidance on NPL which sets out supervisory expectations for the provisioning of exposures reclassified from performing to nonperforming exposures (NPEs) after 1 April 2018 (the "**ECB Addendum**"). In addition, the ECB's bank-specific supervisory expectations for the provisioning of the stock of NPLs (before 31 March 2018), was set out in its 2018 SREP letters and the ECB will discuss any divergences from these prudential provisioning expectations with institutions as part of future SREP exercises.

On 22 August 2019, the ECB decided to revise its supervisory expectations for prudential provisioning of new non-performing exposures. The decision was made after taking into account the adoption of Regulation (EU) 2019/630 amending the CRR (Regulation (EU) No 575/2013) as regards minimum loss coverage for non-performing exposures published in the Official Journal of the EU on 25 April 2019, also known as the "Pillar 1 Backstop Regulation", which introduces Pillar 1 provisioning requirements, following principles similar to those already guiding the finalisation of the ECB Addendum.

The initiatives that originate from the ECB are strictly supervisory (Pillar II) in nature. In contrast, the European Commission's requirement is legally binding (Pillar I). Therefore the above mentioned guidelines result in three "buckets" of NPEs based on the date of the exposure's origination and the date of NPE's classification:

- Loans classified as NPEs before 31 March 2018 (Pillar II - Stock): 2/7 years vintage buckets for unsecured/secured NPEs, subject to supervisory coverage recommendations and phase-in paths as communicated in SREP letters;
- Loans originated before 26 April 2019 (Pillar II – ECB Flows) and classified as NPEs after 31 March 2018: 3/7/9 years vintage buckets for unsecured/secured other than by immovable property/secured by immovable property, progressive path to 100%. NPEs guaranteed or insured by an official export credit agency are subject to a special treatment, i.e. coverage expectation of 100% is applicable to export credit exposures after more than 7 years of NPE status;
- Loans originated on or after 26 April 2019 (Pillar I – CRR Flows) and then classified as NPEs: 3/7/9 years vintage buckets for unsecured/secured other than by immovable property/secured by immovable property, progressive path to 100%. NPEs guaranteed or insured by an official export credit agency are subject to a special treatment, i.e. coverage expectation of 100% is applicable to export credit exposures after more than 7 years of NPE status.

Action plan to address the problem of non-performing loans in the European banking sector published by the European Council on 11 July 2017: the action plan outlines an approach based on a mix of four policy actions: the bank supervision; the reform of insolvency and debt recovery frameworks; the development of secondary markets for NPLs; promotion of the banking industry restructuring. An updated Action Plan was published in December 2020.

Guidelines on management of non-performing and forborne exposures published by the EBA on 31 October 2018: the Guidelines aim to ensure that credit institutions have adequate tools and frameworks in place to manage effectively their NPEs and to substantially reduce the presence of NPEs on the balance sheet. Only for credit institutions with a gross NPL ratio above 5 per cent, the EBA asked to introduce specific strategies, in order to achieve a reduction of NPEs, and governance and operational requirements to support them.

Guidelines on disclosure of non-performing and forborne exposures published by the EBA on 17 December 2018 (as amended on 12 October 2022): in force since 31 December 2019, the Guidelines set enhanced disclosure requirements and uniform disclosure formats applicable to credit institutions' public disclosure of information regarding nonperforming exposures, forborne exposures and foreclosed assets. The amending Guidelines published on 12 October 2022 applies since 31 December 2022.

Regulation (EU) 2019/630 amending CRR as regards minimum loss coverage for non-performing exposures: the Regulation establishes, in the context of Pillar I, the prudential treatment of the non-performing exposures for loans originated prior to 26 April 2019, requiring a deduction from own funds where NPEs are not sufficiently covered by provisions or other adjustments. The Regulation's purpose is to encourage a timely and proactive management of the NPEs. Loans are divided in vintage buckets of 3/7/9 years and a progressive coverage path is applied for each bucket. A 100% coverage is applicable to: (i) unsecured exposures from the third year after the classification as NPE, (ii) exposures secured by immovable collateral and residential loans guaranteed by an eligible protection provider as defined in CRR, from the ninth year after the classification as NPE; and (iii) secured exposures, from the seventh year after the classification as NPE.

Directive (EU) 2021/2167 on credit servicers, credit purchasers and the recovery of collateral (COM/2018/0135): the proposal is aimed to achieve (i) a better management of NPLs by increasing the efficiency of debt recovery procedures through the availability of a distinct common accelerated extrajudicial collateral enforcement (the "**AECE**") procedure; (ii) the development of secondary markets for NPLs in the EU's markets by harmonizing the regulatory regime for credit servicers and credit purchasers. The European Commission finalized and published on 8 December 2021, in the Official Journal of the European Union, the Directive no. 2021/2167 on credit services and credit purchasers (the "**NPLs Directive**"). The NPLs Directive entered into force on the twentieth day following that of its publication in the Official Journal (i.e. 28 December 2021) and it had to be implemented by the Member States by 29 December 2023.

The part of the Directive related to the AECE mechanism remains not adopted.

Opinion on the regulatory treatment of non-performing exposure securitisations published by the EBA on 23 October 2019: the Opinion recommends to adapt the CRR and the Regulation (EU) 2017/2401 (the "**Securitisation Regulation**") to the particular characteristics of NPEs by removing certain constraints imposed by the regulatory framework on credit institutions using securitisation technology to dispose of NPE holdings. In preparing its proposal to the European Commission, the EBA outlined the fact that the securitisations can be used to enhance the overall market capacity to absorb NPEs at a faster pace and larger rate than otherwise possible through bilateral sales only, as a consequence of securitisations' structure in tranches of notes with various risk profiles and returns, which may attract a more diverse investor pool with a different Risk Appetite.

On 24 July 2020, as part of the Capital Markets Recovery Package, the European Commission presented amendments to review, *inter alia*, some regulatory constraints in order to facilitate the securitisation of non-performing loans (i.e. increasing the risk sensitivity for NPE securitisations by assigning different risk weights to senior tranche). After the approval by the European Parliament at the end of March, on 6 April 2021, Regulation (EU) 2021/557 which introduces amendments to the Securitisation Regulation and Regulation (EU) 2021/558 amending Regulation (EU) 2013/575 as regards adjustments to the securitisation framework to support the economic recovery in response to the COVID-19 crisis were published on the Official Journal of the European Union. Both Regulations entered into force on 9 April 2021.

In order to prevent a renewed build-up of NPLs on banks' balance sheets as a result of the COVID-19 pandemic, the European Commission proposed a series of actions with four main goals: (i) further develop secondary markets for distressed assets (in particular by finalizing the Directive on credit servicers, credit purchasers and the recovery of collateral; establishing a data hub at European level and reviewing the EBA templates to be used during the disposal of NPLs); (ii) reform the EU's corporate insolvency and debt recovery legislation; (iii) support the establishment and cooperation of national asset management companies at EU level; (iv) introduce precautionary public support measures, where needed, to ensure the continued funding of the real economy under the EU's Bank Recovery and Resolution Directive and State aid frameworks. As a result, the European Commission published on 18 October 2022 the Communication on the guidelines for a best-execution process for sales of non-performing loans on secondary markets. The main objectives of such communication are to (i) encourage good sell and buy-side processes for NPL transactions in EU secondary markets and, in particular, (ii) to help sellers and buyers that may have less experience with secondary market transactions throughout the sale process.

To further improve the transparency and efficiency of secondary market for NPLs, on 16 June 2021 the European Commission released a public consultation aimed at identifying and gathering information on remaining obstacles to the proper functioning of secondary markets for NPLs as well as possible enabling actions that could be taken to foster these markets by improving the quantity, quality and comparability of NPL data. The public consultation ended on 8 September 2021.

Publication of Key EU Financial Regulations and Directives

On 14 November 2024, Regulation (EU) 2024/2809 of European Parliament and Council of 23 October 2024 amending Regulations (EU) 2017/1129 ("**Prospectus Regulation**"), (EU) No 596/2014 ("**Market Abuse Regulation**", MAR) and (EU) No 600/2014 ("**Markets in Financial Instruments Regulation**", MiFIR) to make public capital markets in the Union more attractive for companies and to facilitate access to capital for small and medium-sized enterprises was published in the Official Journal of the EU.

On 14 November 2024, Directive (EU) 2024/2811 of European Parliament and Council of 23 October 2024 amending Directive 2014/65/EU ("**Markets in Financial Instruments Directive**", MiFID II) to make public capital markets in the Union more attractive for companies and to facilitate access to capital for small and medium-sized enterprises and repealing Directive 2001/34/EC was published in the Official Journal of the EU.

On 14 November 2024, Directive (EU) 2024/2810 of the European Parliament and of the Council of 23 October 2024 on multiple-vote share structures in companies that seek admission to trading of their shares on a multilateral trading facility was published in the Official Journal of the EU.

Sustainable Finance Regulation

The banking system needs to be able to collect high quality data on companies' sustainable activities and projects to contribute to the radical transformation towards climate neutrality and sustainability, which are the basis for green finance decision-making and necessary to ensure that the banks shall comply with the regulations on the disclosure of financial and non-financial information.

Starting from May 2018, the European Commission published several legislative measures in order to promote a sustainable finance in line with the objectives of its action plan of March 2018 (and the successive reviewed sustainable finance strategy, published in July 2021), as better outlined below.

On 21 April 2021, the Commission published a proposal for the review of the Non-Financial Reporting Directive (Directive (EU) 2014/95) (the "**NFRD**"). The new Corporate Sustainability Reporting Directive (the "**CSRD**") proposes to extend the scope to listed SMEs (excluding listed microundertakings) and to not listed large companies; introduces the requirement to report according to common EU sustainability reporting standards envisaging specific standards for listed SMEs while non-listed SMEs may decide to use those standard on a voluntary basis, and a transition period of three years since the application of the Directive; requires mandatory assurance of the reported information that should be published as part of the company's management report and in machine readable format. On November 2022 the CSRD text has been adopted by both the co-legislators and entered into force on 5 January 2023. On the 31st of July 2023, the European Commission adopted the final Delegated Act (DA) (Annex I including standards and Annex II including glossary) on the European Sustainability Reporting Standards (ESRS) mandated under the CSRD. The CSRD's sustainability reporting obligations apply to financial years starting with 1 January 2024 (reporting in 2025), according to a three stages-timeline.

On 9 December 2019, Regulation (EU) 2019/2088 on sustainability - related disclosures in the financial services sector (SFDR - Sustainable Finance Disclosure Regulation) (the "**SFDR**") was published, which lays down harmonised rules for financial market participants and financial advisers on transparency. The SFDR entered into force from March 2021, but the EC was mandated to adopt regulatory technical standards regarding the ESG disclosure requirements. The three ESAs (EBA, EIOPA and ESMA) published their report in February 2021 which was finally adopted by the EC in April 2022 and are applicable from January 2023. On 14 September 2023 the Commission published a targeted consultation to seek feedback on the SFDR from industry and other stakeholders, running until 15 December 2023. The consultation was aimed to assess the current requirement and also to explore potential changes to disclosures and the possible creation of a product categorization system.

On 9 March 2020, the European Commission Technical Expert Group on Sustainable Finance ("**TEG**") published its final report on the taxonomy, following the public consultation launched after the publication of the June 2019 report. The EU Taxonomy Regulation, which is part of the Action 1 of the Action Plan on financing sustainable growth published on 8 March 2018 by the Commission, aims to establish a unique classification system for the economic activities which can be classified as sustainable. The EU Taxonomy Regulation was published in the Official Journal of the European Union on 22 June 2020 and entered into force on 12 July 2020. So far certain delegated acts under the EU Taxonomy Regulation have been adopted by the European Commission, including a first delegated act on technical screening criteria on climate change mitigation and adaptation objectives has been adopted in April 2021; a second delegated act, supplementing Article 8 of the EU Taxonomy Regulation, on taxonomy-related disclosures has been adopted in July 2021 (specifying the content, methodology and presentation of information to be disclosed by financial and non-financial undertakings concerning the proportion of environmentally sustainable economic activities in their business, investments or lending activities); a third delegated act, complementary to the first, including technical screening criteria on nuclear and gas energy activities has been adopted in February 2022; a fourth delegated act establishing the technical screening criteria on the four environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems); a fifth delegated act amending the first delegated act on climate change mitigation and adaptation.

In July 2021, the European Commission adopted a legislative proposal for the EU's Green Bond Standard (the "**EU GBS**"), a voluntary standard for bonds aligned to the EU Taxonomy. On 30 November 2023, the regulation on the "European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds" was published in the EU Official Journal and entered into force on the 20

December 2023; the regulation is applicable from 21 December 2024 with a transition period for certain requirements until 21 June 2026.

On 20 January 2021, the European Commission opened a targeted consultation on the establishment of a European single access point ("**ESAP**") for financial and non-financial information publicly disclosed by companies. The establishment of ESAP is the first point of the new action plan on the Capital Markets Union 2020 aiming to create a register of ESG data at EU level to provide easily accessible, comparable and machine readable information through standardization of formats to remove the difficulties encountered by the various stakeholders in accessing, comparing and using companies' financial and sustainability related information. The consultation closed on 12 March 2021. On 27 November 2023, the Council of the European Union adopted the final texts of the ESAP legislative package. Regulation (EU) 2023/2859 of 13 December 2023 was published in the Official Journal of the EU on 20 December 2023, establishing a European single access point providing centralised access to publicly available information of relevance to financial services, capital markets and sustainability. Regulation (EU) 2023/2859 entered into force on 9 January 2024. By 10 July 2027, ESMA shall establish and operate the ESAP, providing centralised electronic access to the relevant information.

On 21 April 2021, the European Commission published a package of measures on Sustainable Finance, which included proposals for inclusion of ESG into the existing MiFID II. Starting from August 2022, the financial advisors are required to gather information about ESG preferences of clients and take them into consideration when providing advice or propose financial products. Additionally, the financial institutions are requested to integrate sustainability factors, risks and preferences into organizational and operational processes. The delegated acts, namely Commission Delegated Regulation (EU) 2021/1253 and Commission Delegated Regulation 2021/1269, were published in the Official Journal of the European Union on 2 August 2021 and applied from 22 November 2022.

On 12 October 2023, the EBA published a report on the role of environmental and social risks in the prudential framework of credit institutions and investment firms. Taking a risk-based approach, the report recommends targeted enhancements to accelerate the integration of environmental and social risks across the Pillar I. In particular, the EBA proposed to: (i) including environmental risk as part of stress testing programmes under both the internal ratings-based (IRB) and the internal model approaches (IMA) under the FRTB; (ii) encourage inclusion of environmental and social factors as part of external assessment by the credit rating agencies; (iii) encourage the inclusion of environmental and social factors as part of the due diligence requirements and evaluation of immovable property collateral; (iv) require institutions to identify whether environmental and social factors constitute triggers of operational risk losses; and (v) progressively develop environment-related concentration risk metrics as part of supervisory reporting.

OVERVIEW OF THE FINANCIAL INFORMATION OF THE INTESA SANPAOLO GROUP

Audited Consolidated Annual Financial Statements

The annual financial information below as at and for the years ended 31 December 2024 and 31 December 2023 has been derived respectively from the audited consolidated annual financial statements of the Intesa Sanpaolo Group as at and for the year ended 31 December 2024 (the "**2024 Audited Financial Statements**") and from the audited consolidated annual financial statements of the Intesa Sanpaolo Group as at and for the year ended 31 December 2023 (the "**2023 Audited Financial Statements**").

Incorporation by Reference

The audited consolidated annual financial statements as at and for the years ended 31 December 2024 and 31 December 2023 are incorporated by reference in this Base Prospectus (see "*Information Incorporated by Reference*"). The financial information set out below forms only part of, should be read in conjunction with and is qualified in its entirety by reference to the above mentioned audited consolidated annual financial statements, together with the accompanying notes and auditors' reports.

Accounting Principles

The audited consolidated annual financial statements referred to above have been prepared in accordance with the accounting principles issued by the International Accounting Standards Board and the relative interpretations of the International Financial Reporting Interpretations Committee, otherwise known as International Accounting Standards and International Financial Reporting Standards ("**IAS/IFRS**"), as adopted by the European Union under Regulation (EC) 1606/2002..

In addition, the indications provided by the authorities and the IASB, together with the application decisions made by Intesa Sanpaolo, as described in the chapter "*Intesa Sanpaolo in 2024 – Highlights*", should be consulted on the impact for the Group of the military conflict between Russia and Ukraine, together with the update reported in the Intesa Sanpaolo Annual Report as at 31 December 2024.

With regard to the changes in the accounting regulations, considering the significance for the Intesa Sanpaolo Group and, in particular, for the insurance companies, it is primarily noted that IFRS 17 Insurance Contracts, published by the IASB in May 2017 and subject to subsequent amendments, endorsed with Regulation (EU) no. 2036/2021 of 19 November 2021, is applicable from 1 January 2023 and has been applied for the purposes of preparing the 2023 Audited Financial Statements. Further, the consolidated annual financial statements of the Intesa Sanpaolo Group as at and for the year ended 31 December 2022, presented for comparison in 2023, have been adjusted due to the application of the new rules required by IFRS 17 and IFRS 9.

For further details on the first adoption of the new principle IFRS 17 and IFRS 9 for the Group's insurance companies, please refer to the specific section "*Effects of first time adoption of IFRS 17 and IFRS 9 for the Group's insurance companies*" included in the 2023 Audited Financial Statements.

A summary of the endorsing Regulations in force since 2023 is provided below (for more details please refer to "*Notes to the consolidated financial statements – Part A – Accounting policies*" of the 2023 Annual Report and the 2024 Annual Report Regulation endorsement in force since 1st January 2023:

- **Regulation 357/2022** of 2 March 2022: this Regulation adopts several narrow-scope amendments and clarifications to support entities in applying materiality judgements in illustrating accounting policies (amendments to IAS 1) and distinguishing between accounting policies and estimates (amendments to IAS 8). Therefore, it does not have significant impacts on the Group, even though it could be a useful reference for analyses and for improving financial statement disclosure.

- **Regulation no. 1392/2022** of 11 August 2022: the European Commission adopted the amendment to IAS 12 Income Taxes "Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction", published by the IASB on 7 May 2021. The amendments clarify how companies have to account for deferred taxes on transactions such as leases and decommissioning obligations and aim to reduce

diversity in the reporting of deferred tax assets and liabilities on those transactions. These amendments don't have significant impacts on the Group.

- **Regulation no. 2468/2023** of 8 November 2023: this Regulation amends IAS 12 Income Taxes with respect to the international tax reform. The amendments introduced a mandatory temporary exception from accounting for deferred taxes arising from the implementation of the OECD's Pillar Two model rules, as well as targeted disclosures for affected entities to be provided in interim and annual financial statements.

Regulation endorsement in force since 1st January 2024:

- **Regulation no. 2579/2023** of 20 November 2023: this Regulation amends IFRS 16 Leases with respect to lease liabilities in a sale and leaseback transaction, published by the IASB on 22 September 2022. The limited amendments introduced relate to the recognition of sale and leaseback transactions by the seller-lessee in the event of variable lease payments and when the transfer of the asset is a sale pursuant to IFRS 15. The amendments are mandatory for annual reporting periods beginning on or after 1 January 2024. These amendments are not particularly significant for the Intesa Sanpaolo Group given the characteristics of its existing sale and leaseback agreements, which have no variable or insignificant variable payments.

- **Regulation no. 2822/2023** of 19 December 2023: this Regulation introduces some limited amendments to IAS 1 Presentation of Financial Statements. The clarifications aim to promote consistency in applying IAS 1 across companies to determine whether, in the statement of financial position, payables and other liabilities with an uncertain settlement date are to be classified as current (due or potentially to be paid within one year) or non-current. Given the content of the amendment and the obligation to apply the formats set forth in Bank of Italy Circular no. 262/05, the proposed limited amendments to IAS 1 are not significant for banks.

- **Regulation no. 1317/2024** of 15 May 2024: this Regulation amends IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments. The proposed amendments concern entities that enter into finance agreements in the role of purchasers, and not the financing entities. Therefore, the case has no direct effect for the Intesa Sanpaolo Group, which acts solely as a financier in supply finance arrangements.

The 2024 Audited Financial Statements, drawn up in euro as the functional currency, contain the consolidated Balance sheet as at 31 December 2024, the consolidated Income statement, the Statement of consolidated comprehensive income, the Changes in consolidated shareholders' equity, the consolidated Statement of cash flows for the year then ended and the notes to the consolidated financial statements. They are also complemented by a Report on operations prepared by the Directors on the economic results achieved and on the Intesa Sanpaolo Group's balance sheet and financial position.. The amounts indicated in the financial statements and explanatory notes are expressed in millions of euro, unless otherwise specified. In addition to the amounts for the reporting period, the financial statements also indicate the corresponding comparison figures as at 31 December 2023.

As reported in the 2024 Audited Financial Statements , since the conditions pursuant to IFRS 5 have been met, the assets held for sale as at 31 December 2024 mainly include: (i) the 22,5% investment in Cronos Vita Assicurazioni, acquired by Intesa Sanpaolo Assicurazioni (formerly Intesa Sanpaolo Vita) as part of the system-wide transaction aimed at protecting the policyholders of Eurovita which involved five leading Italian insurance companies, for which there was a clear intention from the outset on the part of the shareholder companies to hold the investment for a limited period of time (already held for sale at the end of December 2023 and confirmed at the end of 2024); (ii) properties, including those subject to transfer under the agreement between Intesa Sanpaolo and COIMA, entered into on 19 April 2024, with a total value of around €0.5 billion, due to be completed in 2025 and (iii) non-performing loans of 0.3 billion euro gross, due to be sold under a de-risking transaction approved in December 2024.

With respect to the non-performing loans included under assets held for sale as at 31 December 2023, comprising unlikely-to-pay loans and high-risk performing loans for a total of approximately 0.2 billion euro, almost the entire portfolio was sold on 15 April 2024, with marginal exposures remaining that will be sold in 2025.

The audited consolidated annual financial statements as at 31 December 2024 are complemented by certification of the Managing Director – CEO and the Manager responsible for preparing the Intesa Sanpaolo Group's financial reports pursuant to Article 154-bis of Legislative Decree 58/1998 (Consolidated Law on Finance) and have been reviewed by the Independent Auditors EY S.p.A..

INTESA SANPAOLO GROUP
CONSOLIDATED ANNUAL BALANCE SHEET
AS AT 31 DECEMBER 2024

The annual financial information below includes figures as at 31 December 2024 and 31 December 2023.

Assets	**31.12.2024** **Audited**	**31.12.2023** **Audited**
	(in millions of €)	
Cash and cash equivalents	40,533	89,270
Financial assets measured at fair value through profit or loss	150,943	144,594
a) financial assets held for trading	41,439	38,163
b) financial assets designated at fair value	6	1
c) other financial assets mandatorily measured at fair value	109,498	106,430
Financial assets measured at fair value through other comprehensive income	150,269	140,753
Financial assets measured at amortised cost	518,702	518,950
a) due from banks	38,460	32,899
b) loans to customers	480,242	486,051
Hedging derivatives	6,505	7,006
Fair value change of financial assets in hedged portfolios (+/-)	-3,602	-5,695
Investments in associates and companies subject to joint control	3,036	2,501
Insurance assets	693	813
a) insurance contracts issued that are assets	444	412
b) reinsurance contracts held that are assets	249	401
Property and equipment	9,024	9,825
Intangible assets	9,860	9,524
of which:		
- goodwill	3,697	3,672
Tax assets	12,916	14,533
a) current	1,650	1,932
b) deferred	11,266	12,601
Non-current assets held for sale and discontinued operations	667	264
Other assets	33,739	31,232
Total Assets	**933,285**	**963,570**

INTESA SANPAOLO GROUP
CONSOLIDATED ANNUAL BALANCE SHEET
AS AT 31 DECEMBER 2024

The annual financial information below includes figures as at 31 December 2024 and 31 December 2023.

Liabilities and Shareholders' Equity	**31.12.2024 Audited**	**31.12.2023 Audited**
	(in millions of €)	
Financial liabilities measured at amortised cost	599,620	642,119
a) due to banks	45,794	93,242
b) due to customers	443,457	440,449
c) securities issued	110,369	108,428
Financial liabilities held for trading	42,882	43,493
Financial liabilities designated at fair value	74,083	72,782
Hedging derivatives	4,410	5,188
Fair value change of financial liabilities in hedged portfolios (+/-)	-1,819	-3,967
Tax liabilities	2,097	1,946
a) current	383	458
b) deferred	1,714	1,488
Liabilities associated with non-current assets held for sale and discontinued operations	5	2
Other liabilities	15,014	12,741
Employee termination indemnities	706	767
Allowances for risks and charges	4,885	4,523
a) commitments and guarantees given	601	524
b) post-employment benefits	98	98
c) other allowances for risks and charges	4,186	3,901
Insurance liabilities	126,081	119,849
a) insurance contracts issued that are liabilities	126,013	119,674
b) reinsurance contracts held that are liabilities	68	175
Valuation reserves	-2,332	-2,009
Redeemable shares	-	-
Equity instruments	8,706	7,948
Reserves	15,367	14,697
Interim dividend (-)	-3,022	-2,629
Share premium reserve	27,601	28,003
Share capital	10,369	10,369
Treasury shares (-)	-179	-140
Minority interests (+/-)	145	164
Net income (loss) (+/-)	8,666	7,724
Total Liabilities and Shareholders' Equity	**933,285**	**963,570**

INTESA SANPAOLO GROUP
CONSOLIDATED ANNUAL STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

The annual financial information below includes figures for the year ended 31 December 2024 and 31 December 2023.

	31.12.2024	31.12.2023
	Audited	**Audited**
	(in millions of €)	
Interest and similar income	34,602	32,525
of which: interest income calculated using the effective interest rate method	29,438	28,482
Interest and similar expense	-16,512	-15,589
Interest margin	**18,090**	**16,936**
Fee and commission income	11,392	10,528
Fee and commission expense	-2,781	-2,727
Net fee and commission income	**8,611**	**7,801**
Dividend and similar income	800	660
Profits (Losses) on trading	493	513
Fair value adjustments in hedge accounting	7	-59
Profits (Losses) on disposal or repurchase of:	57	-467
a) financial assets measured at amortised cost	50	-58
b) financial assets measured at fair value through other comprehensive income	10	-445
c) financial liabilities	-3	36
Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss	2,635	2,367
a) financial assets and liabilities designated at fair value	-5,342	-3,619
b) other financial assets mandatorily measured at fair value	7,977	5,986
Net interest and other banking income	**30,693**	**27,751**
Net losses/recoveries for credit risk associated with:	-1,139	-1,416
a) financial assets measured at amortised cost	-1,131	-1,359
b) financial assets measured at fair value through other comprehensive income	-8	-57
Profits (Losses) on changes in contracts without derecognition	-28	-29
Net income from banking activities	**29,526**	**26,306**
Insurance service result	1,653	2,038
a) insurance revenue arising from insurance contracts issued	3,169	3,118
b) insurance service expenses arising from insurance contracts issued	-1,446	-1,090
c) insurance revenue arising from reinsurance contracts held-	99	177
d) insurance service expenses arising from reinsurance contracts held	-169	-167
Balance of financial income and expenses related to insurance operations	-5,804	-5,318
a) net financial expenses/revenue related to insurance contracts issued	-5,805	-5,319
b) net financial expenses/revenue related to reinsurance contracts held	1	1
Net income from banking and insurance activities	**25,375**	**23,026**
Administrative expenses:	-11,997	-11,505
a) personnel expenses	-7,422	-6,781
b) other administrative expenses	-4,575	-4,724
Net provisions for risks and charges	-667	-326
a) commitments and guarantees given	-80	50
b) other net provisions	-587	-376
Net adjustments to / recoveries on property and equipment	-647	-684
Net adjustments to / recoveries on intangible assets	-1,111	-973
Other operating expenses (income)	1,161	910
Operating expenses	**-13,261**	**-12,578**
Profits (Losses) on investments in associates and companies subject to joint control	-32	163
Valuation differences on property, equipment and intangible assets measured at fair value	-23	-33
Goodwill impairment	-	-
Profits (Losses) on disposal of investments	-1	168
Income (Loss) before tax from continuing operations	**12,058**	**10,746**
Taxes on income from continuing operations	-3,399	-2,994
Income (Loss) after tax from continuing operations	**8,659**	**7,752**
Income (Loss) after tax from discontinued operations	-	-
Net income (loss)	**8,659**	**7,752**
Minority interests	7	-28

	31.12.2024	31.12.2023
	Audited	Audited
	(in millions of €)	
Parent Company's net income (loss)	**8,666**	**7,724**
Basic EPS – Euro	**0.48**	**0.42**
Diluted EPS – Euro	**0.48**	**0.42**

CLEARING AND SETTLEMENT

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear, Clearstream, Luxembourg, Monte Titoli and/or CREST currently in effect. Investors wishing to use the facilities of any of the clearing systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant clearing system. None of the Issuer nor the Agent nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Notes in Physical Form

The Issuer may make applications to Euroclear and/or Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of any Series of Notes. Global Notes will be deposited with a common depositary or common safekeeper, as the case may be, for Euroclear and/or Clearstream, Luxembourg or an alternative clearing system as agreed between the Issuer and the relevant Manager. Transfers of interests in such Global Notes will be made in accordance with the normal operating procedures of Euroclear and Clearstream, Luxembourg or, if appropriate, the alternative clearing system. Each Global Note deposited with a common depositary or common safekeeper, as the case may be, on behalf of Euroclear and Clearstream, Luxembourg will have an ISIN and a Common Code. Transfers of any interests in Notes represented by a Global Registered Note within Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system.

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Dematerialised Notes

Dematerialised Notes will be held in dematerialised form on behalf of the beneficial owners thereof, from their date of issue until their redemption or cancellation thereof, by Monte Titoli, for the account of the relevant Monte Titoli Account Holders. The expression "Monte Titoli account holder" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli and include any financial intermediary appointed by Euroclear and/or Clearstream, Luxembourg for the account of participants in Euroclear and/ or Clearstream, Luxembourg.

The Notes will at all times be held in book entry form and title to the Notes will be evidenced by book entries pursuant to the relevant provisions of the Financial Services Act and in accordance with the CONSOB and Bank of Italy Regulation. No physical document of title will be issued in respect of the Dematerialised Notes. However, the Noteholders may ask the relevant intermediaries for certification pursuant to Article 83-*quinquies* and 83-*sexies* of the Financial Services Act.

Payment of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent for the Dematerialised Notes to the accounts of the Monte Titoli Account Holders whose accounts with Monte Titoli are credited with those Notes and thereafter credited by such Monte Titoli Account Holders to the accounts of the beneficial owners of those Notes or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream, Luxembourg, as the case may be.

CREST Depository Interests

Following their delivery into Euroclear and/or Clearstream, Luxembourg, interests in Notes may be delivered, held and settled in CREST by means of the creation of CDIs representing the interests in the relevant Underlying Notes. The CDIs will be issued by the CREST Depository to CDI Holders and will be governed by English law.

The CDIs will represent indirect interests in the interest of CREST International Nominees Limited (the "**CREST Nominee**") in the Underlying Notes. Pursuant to the CREST Manual (as defined below), Notes held in global form by the common depositary or common safekeeper may be settled through CREST, and the CREST Depository will issue CDIs. The CDIs will be independent securities distinct from the Notes, constituted under English law and may be held and transferred through CREST.

Interests in the Underlying Notes will be credited to the CREST Nominee's account with Euroclear and the CREST Nominee will hold such interests as nominee for the CREST Depository which will issue CDIs to the relevant CREST participants.

Each CDI will be treated by the CREST Depository as if it were one Underlying Note, for the purposes of determining all rights and obligations and all amounts payable in respect thereof. The CREST Depository will pass on to CDI Holders any interest or other amounts received by it as holder of the Underlying Notes on trust for such CDI Holder. CDI Holders will also be able to receive from the CREST Depository notices of meetings of holders of Underlying Notes and other relevant notices issued by the Issuer.

Transfers of interests in Underlying Notes by a CREST participant to a participant of Euroclear or Clearstream, Luxembourg will be effected by cancellation of the corresponding CDIs and transfer of an interest in such Underlying Notes to the account of the relevant participant with Euroclear or Clearstream, Luxembourg.

The CDIs will have the same ISIN as the ISIN of the Underlying Notes and will not require a separate listing on the Official List.

Prospective subscribers for Notes represented by CDIs are referred to Section 3 (Crest International Manual) of the CREST Manual which contains the form of the CREST Deed Poll to be entered into by the CREST Depository. The rights of the CDI Holders will be governed by the arrangements between CREST, Euroclear, Clearstream, Luxembourg and the Issuer including the CREST Deed Poll in the form contained in Section 3 of the CREST Manual executed by the CREST Depository. These rights may be different from those of holders of Notes which are not represented by CDIs.

If issued, CDIs will be delivered, held and settled in CREST, by means of the CREST International Settlement Links Service. The settlement of the CDIs by means of the CREST International Settlement Links Service has the following consequences for CDI Holders:

(i) CDI Holders will not be the legal owners of the Underlying Notes or have a direct beneficial interest in the Underlying Notes. The CDIs are separate legal instruments from the Underlying Notes to which they relate and represent an indirect interest in such Underlying Notes.

(ii) The Underlying Notes themselves (as distinct from the CDIs representing indirect interests in such Underlying Notes) will be held in an account with a custodian. The custodian will hold the Underlying Notes through a clearing system. Rights in the Underlying Notes will be held through custodial and depositary links through the appropriate clearing systems. The legal title to the Underlying Notes or to interests in the Underlying Notes will depend on the rules of the clearing system in or through which the Underlying Notes are held.

(iii) Rights under the Underlying Notes cannot be enforced by CDI Holders except indirectly through the intermediary depositaries and custodians described above. The enforcement of rights under the Underlying Notes will therefore be subject to the local law of the relevant intermediary. The rights of CDI Holders to the Underlying Notes are represented by the entitlements against the CREST Depository which (through the CREST Nominee) holds interests in the Underlying Notes. This could result in an elimination or reduction in the payments that otherwise would have been made in respect of the Underlying Notes in the event of any insolvency or liquidation of the relevant intermediary, in particular where the Underlying Notes held in clearing systems are not held in special purpose accounts and are fungible with other securities held in the same accounts on behalf of other customers of the relevant intermediaries.

(iv) The CDIs issued to CDI Holders will be constituted and issued pursuant to the CREST Deed Poll. CDI Holders will be bound by all provisions of the CREST Deed Poll and by all provisions of or prescribed pursuant to the CREST manual issued by Euroclear UK & Ireland (including the CREST International Manual dated 14 April 2008) as amended, modified, varied or supplemented from time to time (the "**CREST Manual**") and the CREST Rules (the "**CREST Rules**") (contained in the CREST Manual) applicable to the CREST International Settlement Links Service and CDI Holders must comply in full with all obligations imposed on them by such provisions.

(v) Potential investors should note that the provisions of the CREST Deed Poll, the CREST Manual and the CREST Rules contain indemnities, warranties, representations and undertakings to be given by CDI Holders and limitations on the liability of the CREST Depository as issuer of the CDIs.

(vi) CDI Holders may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the money invested by them. The attention of potential investors is drawn to the terms of the CREST Deed Poll, the CREST Manual and the CREST Rules, copies of which are available from the CREST website from time to time (at the date of this Base Prospectus, being at Euroclear website in the section site/public/EUI).

(vii) Potential investors should note CDI Holders may be required to pay fees, charges, costs and expenses to the CREST Depository in connection with the use of the CREST International Settlement Links Service. These will include the fees and expenses charged by the CREST Depository in respect of the provision of services by it under the CREST Deed Poll and any taxes, duties, charges, costs or expenses which may be or become payable in connection with the holding of the CDIs through the CREST International Settlement Links Service.

(viii) Potential investors should note that none of the Issuer, the relevant Manager nor the Agent will have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

(ix) Potential investors should note that Notes represented upon issue by a Temporary Global Note exchangeable for a Permanent Global Note will not be immediately eligible for CREST settlement as CDIs. In such case, investors investing in the Underlying Notes through CDIs will only receive the CDIs after such Temporary Global Note is exchanged for a Permanent Global Note, which could take up to 40 days after the issue of the Notes. It is anticipated that Notes eligible for CREST settlement as CDIs will be issued in registered form or, if issued in bearer form, will be represented upon issue by a Permanent Global Note.

TAXATION

General Taxation Information

The tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the Notes.

Transactions involving Notes (including purchases, transfer or redemption), the accrual or receipt of any interest payable on the Notes and the death of a holder of any Note may have tax consequences for potential purchasers which may depend, amongst other things, upon the tax status of the potential purchaser and may relate to stamp duty, stamp duty reserve tax, income tax, corporation tax, capital gains tax and inheritance tax.

The following information provided below does not purport to be a complete summary of the tax law and practice currently available. Potential purchasers of Notes are advised to consult their own tax advisers as to the tax consequences of transactions involving Notes.

Purchasers and/or sellers of Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of transfer in addition to the issue price or purchase price (if different) of the Notes.

1. LUXEMBOURG

The statements herein regarding tax considerations in Luxembourg are based on the laws in force in Luxembourg as of the date of this Base Prospectus and are subject to any changes in law.

The following information is of a general nature, is not intended to be, nor should it be construed to be, legal or tax advice, and does not purport to be a comprehensive description of all the Luxembourg tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject as a result of the purchase, ownership and disposition of the Notes.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of similar nature refers to Luxembourg tax law and/or concepts only.

Withholding tax

Non-Resident holders of Notes

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon settlement, repurchase or exchange of the Notes held by non-resident holders of debt securities, securities *provided that* the interest on the Notes does not depend on the profit of the Issuer.

Resident holders of debt securities

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the "**Relibi Law**") and mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes, *provided that* the interest on the Notes does not depend on the profit of the Issuer.

However, under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 20%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Relibi Law would be subject to a withholding tax of 20%.

Further, Luxembourg resident individuals acting in the course of the management of their private wealth, who are the beneficial owners of interest or similar income made or ascribed by a paying agent established outside Luxembourg in a Member State of the European Union or the European Economic Area may also opt for a final 20% levy, providing full discharge of Luxembourg income tax. In such case, the 20% levy is calculated on the same amounts as the 20% withholding tax for payments made by Luxembourg resident paying agents. The option for the 20% final levy must cover all interest payments made by the paying agents to the Luxembourg resident beneficial owner during the entire civil year. Responsibility for the declaration and the payment of the 20% final levy is assumed by the individual resident beneficial owner of the interest or similar income.

Income Taxation

Non-resident holders of Notes

A non-resident holder of Notes, who has neither a permanent establishment, a permanent representative nor a fixed place of business in Luxembourg to which/whom such Notes are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes. A gain realized by such non-resident holder of Notes on the sale or disposal, in any form whatsoever, of the Notes is further not subject to Luxembourg income tax.

A non-resident corporate holder of Notes or an individual holder of Notes acting in the course of the management of a professional or business undertaking, who has a permanent establishment, a permanent representative or fixed place of business in Luxembourg to which/whom such Notes are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes and on any gains realized upon the sale or disposal, in any form whatsoever, of the Notes.

Resident corporate holders of Notes

A corporate holder of Notes must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of the Notes, in its taxable income for Luxembourg income tax assessment purposes.

A corporate holder of Notes that is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment as amended, or by the law of 13 February 2007 on specialized investment funds, as amended, or by the law of 23 July 2016 on reserved alternative funds, as amended, is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realized on the sale or disposal, in any form whatsoever, of the Notes.

Resident individual holders of Notes

An individual holder of Notes, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest received, redemption premiums or issue discounts, under the Notes, except if (i) withholding tax has been levied on such payments in accordance with the Relibi Law, or (ii) the individual holder of the Notes has opted for the application of a 20% tax in full discharge of income tax in accordance with the Relibi Law.

A gain realized by an individual holder of Notes, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Notes is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Notes were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income or assimilated thereto (*e.g.*, issue discount, redemption premium, *etc.*) is subject to Luxembourg income tax, except if tax has been levied on such interest in accordance with the Relibi Law.

An individual holder of Notes acting in the course of the management of a professional or business undertaking must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of the Notes in its taxable basis for income tax purposes.

Net Wealth taxation

A corporate holder of Notes, whether it is resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment, a permanent representative or a fixed place of business in Luxembourg to which such Notes are attributable, is subject to Luxembourg wealth tax on such Notes (levied annually at a rate of 0.5% on a net wealth tax base up to €500 million - for a net wealth tax base exceeding €500 million, the tax is €2.5 million

plus 0.05% of the portion above €500 million),, except if the holder of Notes is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialized investment funds, as amended, or by the law of 23 July 2016 on reserved alternative funds, as amended, or is a securitization company governed by the law of 22 March 2004 on securitization, as amended, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended.

However, please note that securitisation companies governed by the law of 22 March 2004 on securitization, as amended, or capital companies governed by the law of 15 June 2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the law of 23 July 2016 and which fall under the special tax regime set out under article 48 thereof remain subject to minimum net wealth tax.

This minimum net wealth tax amounts to €4,815 provided that the holder of Notes' total balance sheet exceeds €2 million at year-end.

An individual holder of Notes, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Notes.

Inheritance and Gift Tax

Under present Luxembourg tax law, in the case where a holder of Notes is a resident for tax purposes of Luxembourg at the time of his death, the Notes are included in his taxable estate, for inheritance tax purposes. In addition, gift tax may be due on a gift or donation of Notes, if the gift is recorded in a Luxembourg deed.

Registration Tax

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by the holders of Notes as a consequence of the issuance of the Notes, nor will any of these taxes be payable as a consequence of a subsequent transfer or redemption or repurchase of the Notes, except if the Notes are either (i) attached as an annex to an act (*annexés à un acte*) that itself is subject to mandatory registration or (ii) deposited in the minutes of a notary (*déposés au rang des minutes d'un notaire*). In such cases, as well as in case of a voluntary registration, the Notes will be subject to a fixed €12 duty payable by the party registering, or being ordered to register, the Notes.

Residence

A holder of Notes will not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of such Note or the execution, performance, delivery and/or enforcement of that or any other Note.

2. REPUBLIC OF ITALY

The statements herein regarding taxation are based on the laws in force in Italy as of the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following general discussion does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.

Italian Taxation

Legislative Decree No. 239 of 1 April 1996 (**Decree 239**), as subsequently amended, provides for the applicable regime with respect to the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) (hereinafter collectively referred to as "**Interest**") from Notes issued, *inter alia*, by Italian banks, falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, *inter alia*, by Italian banks. For this purpose, debentures similar to bonds are securities that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value (with or without periodic interest) and that do not give any right to directly or indirectly participate in the management of the issuer or to the business in relation to which the securities are issued nor any type of

control on the management.

The tax regime set forth by Decree 239 also applies to interest, premium and other income from regulatory capital financial instruments complying with EU and Italian regulatory principle, issued by, *inter alia*, Italian banks, other than shares and assimilated instruments, as set out by Article 2, paragraph 22, of Law Decree No. 138 of 13 August 2011 ("**Decree No. 138**"), as subsequently amended from time to time.

In any case, it cannot be excluded that Italian Tax Authorities consider the Notes issued as Atypical Notes, which have the specific tax regime hereinafter described.

Italian resident Noteholders

Pursuant to Decree 239 and Decree No. 138, where an Italian resident Noteholder is (i) an individual not engaged in an entrepreneurial activity to which the Notes are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution (other than companies and undertakings for collective investment), trusts not carrying out mainly or exclusively commercial activities, the Italian State or public and territorial entities, or (iv) an investor exempt from Italian corporate income taxation, interest, premium and other income relating to the Notes are subject to a substitute tax, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent (either when Interest is paid or when payment thereof is obtained by the holder on a sale of the Notes). All the above categories are qualified as "net recipients" (unless they have entrusted the management of his financial assets, including the Notes, to an authorised intermediary and have opted for the so-called "*regime del risparmio gestito*" – see "*Capital Gains Tax*" below). If the Noteholders described under (i) or (iii) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from taxation, including the *imposta sostitutiva*, if the Notes that qualify as *obbligazioni* or *titoli similari alle obbligazioni* are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Where an Italian resident Noteholder is a company or similar commercial entity or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected and the Notes are deposited with an authorised intermediary, interest, premium and other income from the Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant Noteholder's annual income tax return and are therefore subject to general Italian corporate taxation (and in certain circumstances, depending on the "*status*" of the Noteholder (i.e. banks or insurance companies) also to the regional tax on productive activities (**IRAP**)).

Under the current regime provided by Law Decree No. 351 of 25 September 2001 converted into law with amendments by Law No. 410 of 23 November 2001 (**Decree 351**), as clarified by the Italian Revenue Agency (*Agenzia delle Entrate*) through Circular No. 47/E of 8 August 2003 and Circular No. 11/E of 28 March 2012, payments of interest, premiums or other proceeds in respect of the Notes made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, or pursuant to Article 14-*bis* of Law No. 86 of 25 January 1994 or a SICAF, to which the provisions of Decree 351, as subsequently amended, apply ("**Real Estate SICAF**") are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of a real estate investment fund or the Real Estate SICAF.

If the investor is resident in Italy and is an open-ended or closed-ended investment fund, or open-ended investment company (*società di investimento a capitale variabile* – SICAV) or an close-ended investment company, other than a real estate investment company (*società di investimento a capital fisso* – SICAF) established in Italy or either (i) the fund, SICAF/SICAV or (ii) their manager is subject to the supervision of a regulatory authority (the **Fund**), and the relevant Notes are held by an authorised intermediary, interest, premium and other income accrued during the holding period on such Notes will not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund. The Fund will not be subject to taxation on such results but a withholding tax of 26 per cent will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary, interest, premium and other income relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent substitute tax ("**Pension Fund Tax**"). Subject to certain limitations and

conditions (including a minimum holding period requirement), Interest in respect to the Notes may be excluded from the taxable base of the Pension Fund Tax if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Pursuant to Decree 239, *imposta sostitutiva* is applied by banks, SIMs, fiduciary companies, SGRs, stockbrokers and other entities identified by a decree of the Ministry of Economy and Finance (each an **Intermediary**).

An Intermediary must (i) be resident in Italy, a permanent establishment in Italy of a non-Italian resident financial intermediary or entities or companies not resident in Italy, acting through a system of centralised administration of notes and directly connected with the Department of Revenue of the Ministry of Finance (which includes Euroclear and Clearstream) having appointed an Italian representative for the purposes of Decree 239 and (ii) intervene, in any way, in the collection of interest or in the transfer of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying interest to a Noteholder.

Non-Italian resident Noteholders

According to Decree 239, where the Noteholder is a non-Italian resident without a permanent establishment in Italy to which the Notes that qualify as *obbligazioni* or *titoli similari alle obbligazioni* are connected, the *imposta sostitutiva* is not applied provided that the non-Italian resident beneficial owner (certain types of institutional investors are deemed to be beneficial owners by operation of law) is either (i) resident, for tax purposes, in a country which allows a satisfactory exchange of information with Italy as listed in Ministerial Decree of 4 September 1996, as amended by Ministerial Decree of 23 March 2017 and possibly further amended according to Article 11, par. 4, let. c) of Decree no. 239 (as amended by Legislative Decree No. 147 of 14 September 2015) (the **White List**); or (ii) an international body or entity set up in accordance with international agreements which have entered into force in Italy; or (iii) a central bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or (iv) an institutional investor which is incorporated in a country which allows for a satisfactory exchange of information with Italy, even if it does not possess the status of a taxpayer in its own country of residence and all the requirements and procedures set forth in Decree No. 239 and in the relevant implementation rules, as subsequently amended, in order to benefit from the exemption from *imposta sostitutiva* are timely met and complied with.

The *imposta sostitutiva* will be applicable at the rate of 26 per cent, or at the reduced rate provided for by the applicable double tax treaty, to interest, premium and other income paid to Noteholders who are resident, for tax purposes, in countries which do not allow a satisfactory exchange of information with Italy.

In order to ensure gross payment, non-Italian resident Noteholders must be the beneficial owners of the payments of interest, premium or other income and (i) deposit, directly or indirectly, the Notes with a resident bank or SIM or a permanent establishment in Italy of a non-Italian resident bank or SIM or with a non-Italian resident entity or company participating in a centralised securities management system which is in contact, via computer, with the Ministry of Economy and Finance (Euroclear and Clearstream qualify as such latter kind of depositary); and (ii) file with the relevant depository, prior to or concurrently with the deposit of the Notes, a statement of the relevant Noteholder, which remains valid until withdrawn or revoked, in which the Noteholder declares to be eligible to benefit from the applicable exemption from *imposta sostitutiva*. Such statement, which is not requested for international bodies or entities set up in accordance with international agreements which have entered into force in Italy or in the case of foreign central banks or entities which manage, *inter alia*, the official reserves of a foreign State, must comply with the requirements set forth by Ministerial Decree of 12 December 2001, as subsequently amended.

Failure of a non-Italian resident Noteholders to comply in due time with the procedures set forth in Decree No. 239 and in the relevant implementation rules will result in the application of *imposta sostitutiva* on Interest payments. Noteholders who are subject to the substitute tax might, nevertheless, be eligible for a total or partial relief under an applicable tax treaty between the Republic of Italy and the country of residence of the relevant Noteholder.

Fungible issues

Pursuant to Article 11, paragraph 2 of Decree 239, where the Issuer issues a new Tranche forming part of a single series with a previous Tranche, for the purposes of calculating the amount of Interest subject to *imposta sostitutiva* (if any), the issue price of the new Tranche will be deemed to be the same as the issue price of the original Tranche. This rule applies where (a) the new Tranche is issued within 12 months from the issue date of the previous Tranche and (b) the difference between the issue price of the new Tranche and that of the original Tranche does not exceed 1 per cent. of the nominal value of the Notes multiplied by the number of years of the duration of the Notes.

Atypical Securities

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*), shares (*azioni)* or securities similar to shares (*titoli similari alle azioni*) pursuant to Article 44 of Presidential Decree No. 917 of 22 December 1986, but qualify as atypical securities (*titoli atipici*), may be subject to a withholding tax, levied at the rate of 26 per cent. For this purpose, debentures similar to bonds are securities that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value with of without the payment of periodic interest, and do not give any right to directly or indirectly participate in the management of the issuer or the business in connection to which the securities were issued, nor to control the same.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity to which the Notes are connected or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the withholding tax on interest, premium and other income relating to the Notes not falling within the category of bons (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*), qualifying as atypical securities (*titoli atipici*) pursuant to Article 5 of Law Decree No. 512 of 30 September 1983, if such Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Where the Noteholder is (a) an Italian individual engaged in an entrepreneurial activity to which the Notes are connected, (b) an Italian company or a similar Italian commercial entity, (c) a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected, (d) an Italian commercial partnership or (e) an Italian commercial private or public institution and trusts, such withholding tax applies as a provisional withholding tax. In all other cases the withholding tax is levied as a final withholding tax.

Double taxation treaties entered into by Italy may apply allowing for a lower (or, in certain cases, nil) rate of withholding tax in case of payments to non-Italian resident Noteholders, subject to proper compliance with relevant subjective and procedural requirements.

Capital gains tax

Any gain obtained from the sale or redemption of the Notes would be treated as part of taxable income (and, in certain circumstances, depending on the "*status*" of the Noteholder, also as part of the net value of production for IRAP purposes), if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Where an Italian resident Noteholder is an individual not engaged in an entrepreneurial activity to which the Notes are connected and certain other persons, any capital gain realised by such Noteholder from the sale or redemption of the Notes would be subject to an *imposta sostitutiva*, levied at the current rate of 26 per cent. Noteholders may set off losses with gains.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity to which the Notes are connected or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Notes, if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

In respect of the application of the *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

Under the "tax declaration" regime (*regime della dichiarazione*), which is the default regime for Italian resident

individuals not engaged in an entrepreneurial activity to which the Notes are connected, the 26 per cent *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by the Italian resident individual Noteholder, holding Notes not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. Italian resident individuals holding Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay the 26 per cent *imposta sostitutiva* on such gains together with any balance of income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident individual Noteholders holding the Notes not in connection with an entrepreneurial activity, resident partnerships not carrying out commercial activities and Italian private or public institutions not carrying out mainly or exclusively commercial activities may elect to pay the imposta sostitutiva separately on capital gains realised on each sale or redemption of the Notes (the "*risparmio amministrato*" regime). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and (ii) an express election for the *risparmio amministrato* regime being timely made in writing by the relevant Noteholder. The depository is responsible for accounting for *imposta sostitutiva* (26 per cent) in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Noteholder is not required to declare the capital gains in the annual tax return.

Any capital gains realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity, resident partnerships not carrying out commercial activities and Italian private or public institutions not carrying out mainly or exclusively commercial activities who have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the so-called "*risparmio gestito*" regime will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent substitute tax, to be paid by the managing authorised intermediary. Under the *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the Noteholder is not required to declare the capital gains realised in the annual tax return.

Any capital gains realised by a Noteholder which is a Fund will not be subject to *imposta sostitutiva*, but will be included in the result of the relevant portfolio. Such result will not be taxed with the Fund, but subsequent distributions in favour of unitholders or shareholders may be subject to the a withholding tax of 26 per cent in the hands of the unit/shareholders.

Under the current regime provided by Decree 351, as clarified by the Italian Revenue Agency (*Agenzia delle Entrate*) through Circular No. 47/E of 8 August 2003 and Circular No. 11/E of 28 March 2012, payments of interest, premiums or other proceeds in respect of the Notes made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, or pursuant to Article 14-*bis* of Law No. 86 of 25 January 1994 or to a Real Estate SICAF are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of a real estate investment fund or of a Real Estate SICAF.

Any capital gains realised by a Noteholder who is an Italian pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20 per cent. substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, capital gains relating to the Notes may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth by Italian law.

Capital gains realised by non-Italian resident Noteholders, not having a permanent establishment in Italy to which the Note is connected, from the sale or redemption of Notes traded on regulated markets are not subject to *imposta*

sostitutiva. The exemption applies provided that the non-Italian resident Noteholders file in due course with the authorised financial intermediary an appropriate affidavit (*autocertificazione*) stating that the Noteholder is not resident in Italy for tax purposes.

Capital gains realised by non-Italian-resident Noteholders, not having a permanent establishment in Italy to which the Notes are connected, from the sale or redemption of Notes and not traded on regulated markets are not subject to the *imposta sostitutiva*, provided that the effective beneficiary (certain types of institutional investors are deemed to be beneficial owners by operation of law) is: (i) resident for income tax purposes in a State incuded in the White List; or (ii) an international entity or body set up in accordance with international agreements which have entered into force in Italy; or (iii) a central bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or (iv) an institutional investor which is resident in a country which allows for a satisfactory exchange of information with Italy, even if it does not possess the status of a taxpayer in its own country of residence, in any case, to the extent all the requirements and procedures set forth in Decree 239 and in the relevant implementation rules, as subsequently amended, in order to benefit from the exemption from *imposta sostitutiva* are met or complied with in due time, if applicable.

If none of the conditions above are met, capital gains realised by non-Italian resident Noteholders from the sale or redemption of Notes issued by an Italian resident Issuer, not listed in regulated markets, held in Italy, are subject to the *imposta sostitutiva* at the current rate of 26 per cent.

In any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are connected, that may benefit from a double taxation treaty with Italy providing that capital gains realised upon the sale or redemption of Notes are to be taxed only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in Italy on any capital gains realised upon the sale or redemption of Notes, provided all the conditions for its application are met. In this case, if the non-Italian resident Noteholders have opted for the *risparmio amministrato* regime or the *risparmio gestito* regime, exemption from Italian capital gains tax will apply upon the condition that they file in due course with the authorised financial intermediary appropriate documents which include, inter alia, a statement certifying the tax residence of the relevant non-Italian resident Noteholders issued by the competent tax authorities of their country of residence.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, converted into Law No. 286 of 24 November 2006, as subsequently amended, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

(i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding, for each beneficiary, €1,000,000;

(ii) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding, for each beneficiary, €100,000; and (iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

If the heir/heiress and/or the donee is a person with a severe disability pursuant to Law n. 104 of February 5, 1992, inheritance tax or gift tax is applied to the extent that the value of the inheritance or gift exceeds €1,500.000.

The transfer of financial instruments (including the Notes) as a result of death is exempt from inheritance tax when such financial instruments are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth under Italian tax law, as amended and supplemented from time to time.

Transfer tax

Contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarized deeds are subject to fixed registration tax at rate of €200; (ii) private deeds are subject to registration tax only in case of voluntary registration, explicit reference (*enunciazione*) or case of use (*caso d'uso*).

Stamp duty

Pursuant to Article 13 par. 2/ter of the tariff Part I attached to Presidential Decree No. 642 of 26 October 1972, as amended by Article 1 par. 581 of Law No. 147 of 27 December 2013 ("**Decree 642**"), a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients in respect of any financial product and instrument, which may be deposited with such financial intermediary in Italy. The stamp duty applies at the rate of 0.20 per cent. and it cannot exceed € 14,000 for taxpayers which are not individuals. This stamp duty is determined on the market value or – in the absence of a market value – on the nominal value or the redemption amount of any financial product or financial instruments. Based on the interpretation of the law, it may be understood that the stamp duty applies both to Italian resident and non-Italian resident Noteholders, to the extent that the Notes are held with an Italian-based financial intermediary.

The statement is considered to be sent at least once a year, even for instruments for which is not mandatory nor the deposit nor the release or the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable *pro-rata*.

Based on the wording of the law and the implementing decree issued by the Italian Ministry of Economy on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the relevant regulations issued by the Bank of Italy) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

Tax monitoring

Pursuant to Law Decree No. 167 of 28 June 1990, converted by Law No. 227 of 4 August, 1990, as amended, individuals, non-commercial institutions and non-commercial partnerships and assimilated entities pursuant to Article 5 of Presidential Decree no. 917 of 22 December 1986 resident in Italy who hold investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return).

The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the actual owner of the instrument.

No disclosure requirements exist, *inter alia*, for investments and financial activities (including the Notes) under management or administration entrusted to Italian resident intermediaries and for contracts concluded through their intervention, provided that the cash flows and the income derived from such activities and contracts have been subject to Italian withholding or substitute tax by the intermediaries themselves.

Wealth Tax on securities deposited abroad

Pursuant to Article 19(18) and (18-*bis*) of Decree No. 201 of 6 December 2011, Italian resident individuals, Italian non commercial entities, Italian non-commercial partnerships and assimilated entities pursuant to Article 5 of Presidential Decree no. 917 of 22 December 1986 holding the Notes outside the Italian territory are required to pay an additional tax at a rate of 0.20 per cent. (**IVAFE**). Starting from January 1, 2024, IVAFE applies at a rate of 0.4 per cent. in case of financial assets held in States or territories with privileged tax regime identified by the Ministerial Decree of the Ministry of Economy and Finance of May 4, 1999, pursuant to the provisions of Law No. 213/2023. For taxpayers other than individuals, IVAFE cannot exceed Euro 14,000 per year. This tax is calculated on the market value of the Notes at the end of the relevant year or – if no market value figure is available – the nominal value or the redemption value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due). The financial assets held abroad are excluded from the scope of IVAFE, if such financial assets are administered by Italian financial intermediaries pursuant to an administration agreement and the items of income derived from the Notes have been subject to tax by the same intermediaries. In this case, the above mentioned stamp duty provided for by Article 13 of the tariff attached to Decree 642 does apply.

3. EUROPEAN FINANCIAL TRANSACTIONS TAX

On 14 February 2013, the European Commission published a proposal (the **Commission Proposal**), for a Directive for a common financial transaction tax (**FTT**) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). However, Estonia has since

stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

4. INTERNATIONAL EXCHANGE OF INFORMATION

The Common Reporting Standard

The common reporting standard ("**CRS**") framework was first released by the OECD in February 2014 as a result of the G20 members endorsing a global model of automatic exchange of information in order to increase international tax transparency.

On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters was published by the OECD and this includes the CRS. The goal of the CRS is to provide for the annual automatic exchange between governments of financial account information reported to them by local reporting financial institutions (as defined) ("**FIs**") relating to account holders who are tax resident in other participating jurisdictions.

Council Directive 2011/16/EU on Administrative Co-operation in the Field of Taxation (as amended by Council Directive 2014/107/EU) ("**DAC II**") implements the CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial information in respect of residents in other EU Member States on an annual basis which commenced in 2017 in respect of the 2016 calendar year (or from 2018 in the case of Austria).

At present, over 100 jurisdictions have publicly committed to implement the CRS, with 49 committed to exchange from September 2017, a further 52 taking up exchanges in September 2018, and a further 7 taking up exchanges by 2019/2020.

The Issuer (or any nominated service provider) will agree that information (including the identity any Noteholder) supplied for the purposes of CRS and DAC II compliance is intended for the purposes of satisfying CRS and DAC II requirements and the Issuer (or any nominated service provider) will agree, to the extent permitted by applicable law, that it will take reasonable steps to treat such information in a confidential manner, except that the Issuer may disclose such information (i) to its officers, directors, agents and advisors, (ii) to the extent reasonably necessary or advisable in connection with tax matters, including achieving CRS and DAC II compliance, (iii) to any person with the consent of the applicable Noteholder or (iv) as otherwise required by law or court order or on the advice of its advisors.

5. U.S. FOREIGN ACCOUNT TAX COMPLIANCE WITHHOLDING

The Issuer and other financial institutions through which payments on the Notes are made may be required to withhold U.S. tax at a rate of 30 per cent. on all, or a portion of, "foreign passthru payments" (a term not yet defined) made two years after the date of publication of final U.S. Treasury Regulations defining the term "foreign passthru payment", or later. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued after the "grandfathering date," which is the date that is six months after the date on which final U.S. Treasury Regulations defining the term foreign passthru payment are filed with the Federal Register, or are issued on or before the grandfathering date and are materially modified thereafter, and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued on or before the grandfathering date, and additional Notes of the same series are issued after

that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

While the Notes are in global form and held within the clearing systems, it is not expected that FATCA will affect the amount of any payment received by the clearing systems. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. FATCA also may affect payment to any ultimate investor that is a financial institution not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose their custodians and intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. The Issuer's obligations under the Notes are discharged once it has paid the common safekeeper or common depositary, for the clearing systems (as bearer or registered holder of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through the hands of the clearing systems and custodians or intermediaries. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the clearing systems. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA withholding.

If an amount in respect of U.S. withholding tax were to be deducted or withheld from payments on the Notes, none of the Issuer, any paying agent or any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding of such tax. As a result, investors may receive a lesser amount than expected. Holders of Notes should consult their own tax advisers for a more detailed explanation of FATCA and how FATCA may apply to payments they receive under the Notes.

FATCA is particularly complex and its application to the Issuer, the Notes, and investors in the Notes is uncertain at this time. The application of FATCA to "foreign passthough payments" on the Notes or to Notes issued or materially modified after the grandfathering date may be addressed in the relevant Final Terms or a supplement to the Base Prospectus, as applicable.

On 10 January 2014, representatives of the Governments of Italy and the United States signed an intergovernmental agreement to implement FATCA in Italy (the "**IGA**"), which entered into force on 1st July 2014. The IGA ratification law entered into force on 8 July 2015. Under these rules, the Issuer, as a reporting financial institution, will be required to collect and report certain information in repect of its account holders and investors to the Italian tax authorities, which would automatically exchange such information periodically with the U.S. Internal Revenue Service.

6. U.S. DIVIDEND EQUIVALENT PAYMENTS

U.S. Treasury Regulations under Section 871(m) of the Code imposing a withholding tax on certain "dividend equivalents" under certain "equity linked instruments" exclude from their scope instruments issued before calendar year 2021 that do not have a "delta of one" with respect to underlying securities that could pay U.S.-source dividends for U.S. federal income tax purposes (each an "Underlying Security"). Subject to this pre-2021 exemption, Section 871(m) of the Code will apply to a financial instrument (a "Specified Security") if it meets either (i) a "delta" test, if it is a "simple" contract, or (ii) a "substantial equivalence" test, if it is a "complex" contract. Section 871(m) of the Code provides certain exceptions to this withholding regime, in particular for instruments linked to certain broad-based indices that meet requirements set forth in the applicable Treasury regulations, as well as instruments that track such indices. If the terms of a financial instrument issued before calendar year 2021 (that is exempt from withholding under Section 871(m) of the Code) are "significantly modified" sometime after calendar year 2020 such that the financial instrument is treated as retired and reissued for U.S. federal income tax purposes, it will lose this exemption. Section 871(m) of the Code is complex and its application may depend on your particular circumstances, including whether you enter into other transactions with respect to an Underlying Security. You should consult your tax advisor regarding the potential application of Section 871(m) of the Code to the Notes.

SUBSCRIPTION AND SALE

In respect of a Tranche of Notes issued under the Programme, a Manager or Managers (if so specified in the applicable Final Terms) or any other person or persons may enter into an agreement with the Issuer setting out the basis on which such Notes are to be purchased or subscribed. It is expected that any such Manager(s) or person(s) will agree to comply with the restrictions and agreements set out below (provided that references to "Manager" in the text below shall be read to refer to "person" as appropriate).

Public Offer Selling Restriction under the Prospectus Regulation

If the Final Terms in respect of any Notes specifies "Prohibition of Sales to Retail Investors" as "Not applicable", in relation to each Member State of the European Economic Area ("**EEA**") (each, a Relevant Member State), each Manager has represented and agreed that, and each further Manager appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may make an offer of such Notes to the public in that Relevant Member State:

(a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(c) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Manager or Managers nominated by the Issuer for any such offer; or

(d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation. provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, and the expression Prospectus Regulation means Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), as amended.

United States

The Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act. There will be no public offer of the Notes in the United States.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the Code and U.S. Treasury Regulations promulgated thereunder.

The Manager or, as the case may be, each Manager of an issue of Notes will be required to represent and agree, that it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by such Manager or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part,

within the United States or to, or for the account or benefit of, U.S. persons. The Manager or, as the case may be, each Manager will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

In addition, each issuance of Notes may be subject to such additional U.S. selling restrictions as the Issuer and the relevant Manager may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms.

Prohibition of Sales to Retail Investors

Unless the Final Terms in respect of any Notes specifies the "Prohibition of Sales to Retail Investors" as "Not applicable", each Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA or in the specified jurisdictions only. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

  (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 2016/97/EU (as amended, 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 (as amended, the "**Prospectus Regulation**"); or

  (iv) a retail client within the meaning of any equivalent definition under the applicable legislation of the specified jurisdiction outside the EEA; and

(b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**"). The Manager or, as the case may be, each Manager has represented and agreed that it has not offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

General

The Manager or, as the case may be, each Manager will be required to represent and agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers,

sales or deliveries and neither the Issuer nor any Manager shall have any responsibility therefor.

Neither the Issuer nor any Manager represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the Manager or, as the case may be, each Manager will be required to comply with such other restrictions as the Issuer and the Manager(s) shall agree and as shall be set out in the applicable Final Terms.

IMPORTANT INFORMATION RELATING TO OFFERS OF NOTES

Public Offers: Issue Price and Offer Price

Notes to be offered pursuant to a Public Offer will be issued by the Issuer at the Issue Price specified in the applicable Final Terms. The Issue Price will be determined by the Issuer in consultation with the relevant Manager at the time of the relevant Public Offer and will depend, amongst other things, on the interest rate applicable to the Notes and prevailing market conditions at that time. The Offer Price of such Notes will be the Issue Price or such other price as may be agreed between an Investor and the Authorised Offeror making the offer of the Notes to such Investor. Neither the Issuer nor the relevant Manager(s) will be party to arrangements between an Investor and an Authorised Offeror, and the Investor will need to look to the relevant Authorised Offeror to confirm the price at which such Authorised Offeror is offering the Notes to such Investor.

Restrictions on Public Offers of Notes in Relevant Member States where there is no exemption from the obligation under the Prospectus Regulation to publish a prospectus.

Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Regulation to publish a prospectus. Any such offer is referred to as a "**Public Offer**". This Base Prospectus has been prepared on a basis that permits Public Offers of Notes in each Member State in relation to which the Issuer has given its consent, as specified in the applicable Final Terms (each specified Member State a "**Public Offer Jurisdiction**" and together the "**Public Offer Jurisdictions**").

Any person making or intending to make a Public Offer of Notes on the basis of this Base Prospectus must do so only with the Issuer's consent to use this Base Prospectus as provided under "*Consent given in accordance with Article 5(2) of the Prospectus Regulation (Retail Cascades)*" and provided such person complies with the conditions attached to that consent.

Save as provided above, neither the Issuer nor any Manager have authorised, nor do they authorise, the making of any Public Offer of Notes in circumstances in which an obligation arises for the Issuer or any Manager to publish or supplement a prospectus for such offer.

Consent given in accordance with Article 5(2) of the Prospectus Regulation (Retail Cascades)

In the context of a Public Offer of such Notes, the Issuer accepts responsibility, in each of the Public Offer Jurisdictions, for the content of this Base Prospectus in relation to any person (an "**Investor**") who acquires any Notes in a Public Offer made by any Manager or an Authorised Offeror (as defined below), where that offer is made during the Offer Period specified in the applicable Final Terms and provided that the conditions attached to the giving of consent for the use of this Base Prospectus are complied with. The consent and conditions attached to it are set out under "*Consent*" and "*Common Conditions to Consent*" below.

None of the Issuer or any Manager makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Public Offer and none of the Issuer or any Manager has any responsibility or liability for the actions of that Authorised Offeror.

Except in the circumstances set out in the following paragraph, the Issuer has not authorised the making of any Public Offer by any offeror and the Issuer has not consented to the use of this Base Prospectus by any other person in connection with any Public Offer of Notes. Any Public Offer made without the consent of the Issuer is unauthorised and neither the Issuer nor, for the avoidance of doubt, any Manager accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.

If, in the context of a Public Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Base Prospectus for the purposes of the relevant Public Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

Consent

In connection with each Tranche of Notes and subject to the conditions set out below under "*Common Conditions*

to Consent":

Specific consent

(1) the Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Public Offer of such Notes by:

(a) the relevant Manager specified in the applicable Final Terms;

(b) any financial intermediary specified in the applicable Final Terms; and

(c) any other financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the Issuer's website intesasanpaolo.com and identified as an Authorised Offeror in respect of the relevant Public Offer,

in each case subject to such conditions as may be agreed from time to time between the Issuer and the relevant Manager or relevant financial intermediary; and

General consent

(2) if (and only if) Part B of the applicable Final Terms specifies "General Consent" as "Applicable", the Issuer hereby offers to grant its consent to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Public Offer of Notes by any other financial intermediary which satisfies the "*Specific Conditions to General Consent*" set out below.

Common Conditions to Consent

The conditions to the Issuer's consent to the use of this Base Prospectus in the context of the relevant Public Offer are (in addition to the conditions described under "*Specific Conditions to General Consent*" below if Part B of the applicable Final Terms specifies "General Consent" as "Applicable") that such consent:

(i) is only valid during the Offer Period specified in the applicable Final Terms;

(ii) only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Notes in one or more of the following jurisdictions: Grand Duchy of Luxembourg and Republic of Italy (the "**Public Offer Jurisdictions**"), as specified in the applicable Final Terms;

(iii) is subject to any other conditions set out in Part B of the applicable Final Terms.

Each Tranche of Notes may only be offered to Investors as part of a Public Offer in the Relevant Member State(s) specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for the Issuer or any Manager to publish or supplement a prospectus for such offer.

The consent referred to above relates to Offer Periods (if any) occurring within 12 months from the date of this Base Prospectus.

The only Relevant Member States which may, in respect of any Tranche of Notes, be specified in the applicable Final Terms (if any Relevant Member States are so specified) as indicated in (ii) above, will be the Republic of Italy and the Grand Duchy of Luxembourg, and accordingly each Tranche of Notes may only be offered to Investors as part of a Public Offer in the Republic of Italy and the Grand Duchy of Luxembourg, as specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for the Issuer or any Manager to publish or supplement a prospectus for such offer.

Specific Conditions to General Consent

The conditions to the Issuer's consent are that:

(i) the financial intermediary must be authorised to make such offers under applicable legislation implementing the MiFID II in the relevant Member State;

(ii) the financial intermediary accepts the Issuer's offer to grant consent to the use of this Base Prospectus by

publishing on its website the following statement (with the information in square brackets completed with the relevant information) (the "**Acceptance Statement**"):

"*We, [insert legal name of financial intermediary], refer to the offer of [insert title of relevant Notes] (the Notes) described in the Final Terms dated [insert date] (the Final Terms) published by Intesa Sanpaolo S.p.A. (the Issuer). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [specify Member State(s)] during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and confirm that we are using the Base Prospectus accordingly*".

The "**Authorised Offeror Terms**", being the terms to which the relevant financial intermediary agrees in connection with using the Base Prospectus, are that the relevant financial intermediary:

(1) will, and it agrees, represents, warrants and undertakes for the benefit of the Issuer and the relevant Manager that it will, at all times in connection with the relevant Public Offer:

(a) act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**"), from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential Investor, and will immediately inform the Issuer and the relevant Manager if at any time such financial intermediary becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;

(b) comply with the restrictions set out under "Subscription and Sale" in this Base Prospectus which would apply as if it were a Manager;

(c) ensure that any fee (and any other commissions or benefits of any kind) or rebate received or paid by that financial intermediary in relation to the offer or sale of the Notes does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to Investors or potential Investors;

(d) hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules;

(e) comply with applicable anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential Investor prior to initial investment in any Notes by the Investor), and will not permit any application for Notes in circumstances where the financial intermediary has any suspicions as to the source of the application monies;

(f) retain Investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested, make such records available to the Issuer and the relevant Manager or directly to the appropriate authority with jurisdiction over any Manager in order to enable the Issuer or any Manager to comply with anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules applying to the Issuer or any Manager;

(g) ensure that no holder of Notes or potential Investor in the Notes shall become an indirect or direct client of the Issuer or the relevant Manager for the purposes of any applicable Rules from time to time, and to the extent that any client obligations are created by the relevant financial intermediary under any applicable Rules, then such financial intermediary shall perform any such obligations so arising;

(h) co-operate with the Issuer and the relevant Manager in providing such information (including, without limitation, documents and records maintained pursuant to paragraph (f) above) upon written request from the Issuer or the relevant Manager as is available to such financial intermediary or which is within its power and control from time to time, together with such further assistance as is reasonably requested by the Issuer or the relevant Manager:

(i) in connection with any request or investigation by any regulator in relation to the Notes, the Issuer or the relevant Manager; and/or

(ii) in connection with any complaints received by the Issuer and/or the relevant Manager relating to the Issuer and/or the relevant Manager or another Authorised Offeror including, without limitation, complaints as defined in rules published by any regulator of competent jurisdiction from time to time; and/or

(iii) which the Issuer or the relevant Manager may reasonably require from time to time in relation to the Notes and/or as to allow the Issuer or the relevant Manager fully to comply within its own legal, tax and regulatory requirements,

in each case, as soon as is reasonably practicable and, in any event, within any time frame set by any such regulator or regulatory process;

(i) during the period of the initial offering of the Notes: (i) not sell the Notes at any price other than the Issue Price specified in the applicable Final Terms (unless otherwise agreed with the relevant Manager); (ii) not sell the Notes otherwise than for settlement on the Issue Date specified in the relevant Final Terms; (iii) not appoint any sub-distributors (unless otherwise agreed with the relevant Manager); (iv) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Notes (unless otherwise agreed with the relevant Manager); and (v) comply with such other rules of conduct as may be reasonably required and specified by the relevant Manager;

(j) either (i) obtain from each potential Investor an executed application for the Notes, or (ii) keep a record of all requests such financial intermediary (x) makes for its discretionary management clients, (y) receives from its advisory clients and (z) receives from its execution-only clients, in each case prior to making any order for the Notes on their behalf, and in each case maintain the same on its files for so long as is required by any applicable Rules;

(k) ensure that it does not, directly or indirectly, cause the Issuer or the relevant Manager to breach any Rule or subject the Issuer or the relevant Manager to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;

(l) immediately inform the Issuer and the relevant Manager if at any time it becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;

(m) comply with the conditions to the consent referred to under "*Common conditions to consent*" above and any further requirements or other Authorised Offeror Terms relevant to the Public Offer as specified in the applicable Final Terms;

(n) make available to each potential Investor in the Notes the Base Prospectus (as supplemented as at the relevant time, if applicable), the applicable Final Terms and any applicable information booklet provided by the Issuer for such purpose and not convey or publish any information that is not contained in or entirely consistent with the Base Prospectus and the applicable Final Terms; and

(o) if it conveys or publishes any communication (other than the Base Prospectus or any other materials provided to such financial intermediary by or on behalf of the Issuer for the purposes of the relevant Public Offer) in connection with the relevant Public Offer, it will ensure that such communication (A) is fair, clear and not misleading and complies with the Rules, (B) states that such financial intermediary has provided such communication independently of the Issuer, that such financial intermediary is solely responsible for such communication and that none of the Issuer and the relevant Manager accept any responsibility for such communication and (C) does not, without the prior written consent of the Issuer or the relevant Manager (as applicable), use the legal or publicity names of the Issuer or the relevant Manager or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest, except to describe the Issuer as issuer of the relevant Notes on the basis set out in the Base Prospectus;

(2) agrees and undertakes to indemnify each of the Issuer and the relevant Manager (in each case on behalf of such entity and its respective directors, officers, employees, agents, affiliates and controlling persons) against any losses, liabilities, costs, claims, charges, expenses, actions or demands (including reasonable costs of investigation and any defence raised thereto and counsel's fees and disbursements associated with any such investigation or defence) which any of them may incur or which may be made against any of them arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations, warranties or undertakings by such financial intermediary, including (without limitation) any unauthorised action by such financial intermediary or failure by such financial intermediary to observe any of the above restrictions or requirements or the making by such financial intermediary of any unauthorised representation or the giving or use by it of any information which has not been authorised for such purposes by the Issuer or the relevant Manager; and

(3) agrees and accepts that:

(a) the contract between the Issuer and the financial intermediary formed upon acceptance by the financial intermediary of the Issuer's offer to use the Base Prospectus with its consent in connection with the relevant Public Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, English law;

(b) subject to (d) below, the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Authorised Offeror Contract (including a dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) (a "**Dispute**") and the Issuer and financial intermediary submit to the exclusive jurisdiction of the English courts;

(c) for the purposes of (b) above and (d) below, the financial intermediary waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum to settle any dispute;

(d) to the extent permitted by law, the Issuer and the Manager may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions; and

(e) each relevant Manager will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for its benefit, including the agreements, representations, warranties, undertakings and indemnity given by the financial intermediary pursuant to the Authorised Offeror Terms.

The financial intermediaries referred to in paragraphs (1)(b) and 1(c) under "*Consent – Specific Consent*" and paragraph (2) under "*Consent – General Consent*" are together the "**Authorised Offerors**" and each an "**Authorised Offeror**".

Any Authorised Offeror who meets all of the conditions set out in "*Specific Conditions to General Consent*" and "*Common Conditions to Consent*" above who wishes to use this Base Prospectus in connection with a Public Offer is required, for the duration of the relevant Offer Period, to publish on its website the Acceptance Statement.

ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NONE

OF THE ISSUER OR, FOR THE AVOIDANCE OF DOUBT, ANY MANAGER (EXCEPT WHERE SUCH MANAGER IS THE RELEVANT AUTHORISED OFFEROR) HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.

GENERAL INFORMATION

Authorisation

The set up of the Programme has been duly authorised by a resolution of the Board of Directors of the Issuer dated 5 May 2020.

Listing, Approval and admission to trading

Application has been made to the CSSF, in its capacity as competent authority under the Prospectus Law 2019, which implements the Prospectus Regulation, to approve this document as a base prospectus. The CSSF assumes no responsibility for the economic and financial opportuneness of the transactions set out under this Programme or the quality or solvency of the Issuer in compliance with the provisions of article 6(4) of the Prospectus Law 2019. Application has also been made to the Luxemburg Stock Exchange for Notes issued under the Programme (i) to be listed on the Official List of the Luxembourg Stock Exchange; and (ii) to be admitted to trading on the Luxembourg Stock Exchange Regulated Market and the EuroMTF. The Luxembourg Stock Exchange Regulated Market is a regulated market for the purposes of MiFID II. The EuroMTF is not a regulated market for the purposes of MiFID II, but it is subject to the supervision of the CSSF.

Notes may be issued under the Programme which are not listed or admitted to trading, as the case may be, on Luxembourg Stock Exchange or any other stock exchange or market or trading venues or Notes may be issued which are listed or admitted to trading, as the case may be, on such other stock exchange or markets or trading venues as the Issuer may specify in the applicable Final Terms. After the Issue Date, application may be made to list the Notes on other stock exchanges or regulated markets or to admit to trading on other trading venues as the Issuer may decide.

Documents available for inspection

In addition to the availability of the Base Prospectus and documents incorporated by reference therein in electronic form as set out below, for so long as the Programme remains valid with the Luxembourg Stock Exchange or any Notes shall be outstanding, copies and, where appropriate, the following documents (translated into English, where applicable) may be obtained by the public during normal business hours at the specified office of the Luxembourg Listing Agent and at the registered offices of the Issuer, namely:

(a) this Base Prospectus and any supplements to this Base Prospectus (together with any prospectuses published in connection with any future updates in respect of the Base Prospectus) and any other information incorporated herein or therein by reference;

(b) a certified copy of the Articles of association of Intesa Sanpaolo;

(c) the Agency Agreement;

(d) the operating and procedure memorandum relating to the Programme setting out the operating procedures in respect of the issuance of the Notes (the "**Operating and Procedure Memorandum**");

(e) any Final Terms (save that Final Terms relating to Notes which are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by the relevant Noteholders and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Notes and identity);

(f) any supplemental agreement prepared and published in connection with the Programme; and

(g) the Green, Social and Sustainability Bond Framework together with any opinion on each such framework issued by a second party consultant as well as any public reporting by or on behalf of Intesa Sanpaolo in respect of the application of the proceeds of any issue of Green Bonds, Social Bonds and Sustainability Bonds, from time to time published by Intesa Sanpaolo, will be available in the investor relations section on the website of Intesa Sanpaolo. For the avoidance of doubt, neither the Green, Social and Sustainability Bond Framework nor any second party opinion or public reporting are incorporated in and/or form part of this Base Prospectus.

In addition, copies of this Base Prospectus, any supplements to this Base Prospectus, each Final Terms relating to the Notes which are admitted to trading on the Luxembourg Stock Exchange's regulated market and each document incorporated by reference are available on the Luxembourg Stock Exchange's website (https://www.luxse.com), and at the following website: www.prodottiequotazioni.intesasanpaolo.com.

This Base Prospectus, any supplements to this Base Prospectus, each Final Terms relating to the Notes will remain published on the Issuer's website (www.prodottiequotazioni.intesasanpaolo.com) for at least 10 years after their publication.

Copy of the Articles of Association of Intesa Sanpaolo are available on the following Issuer's website: https://group.intesasanpaolo.com/en/governance/company-documents.

Any Second-party Opinion in relation to Green Certificates or Climate Certificates or Social Certificates or Sustainability Certificates are available on the following Issuer's website: https://group.intesasanpaolo.com/en/sustainability/environment/green-products/Green-bonds.

The information on the websites with the exception of links to the electronic addresses where information incorporated by reference is available does not form part of the Base Prospectus and has not been scrutinised or approved by the CSSF.

Financial statements available

In addition to the availability of the documents incorporated by reference in this Base Prospectus in electronic form as set out below, for so long as the Programme remains in effect or any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents may be obtained during normal business hours at the specified office of the Luxembourg Listing Agent and at the registered offices of the Issuer:

(a) the English translation of the audited consolidated annual financial statements of Intesa Sanpaolo as at and for the years ended 31 December 2023 and 2024, together with the accompanying notes and the auditors' report;

(b) the most recent audit annual, or unaudited interim, consolidated financial information of Intesa Sanpaolo published from time to time (whether audited or unaudited), commencing with (following publication) its unaudited consolidated quarterly financial statements as at and for the three months ended 31 March 2025, in each case, together with the accompanying notes and any auditors' report.

Clearing Systems

The Notes in Physical Form have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes in Physical Form are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

Interests in the Notes may also be held through CREST through the issuance of CDIs representing Underlying Notes. The current address of CREST is Euroclear UK & Ireland Limited, 33 Cannon Street, London EC4M 5SB.

The Dematerialised Notes have been accepted for clearance by Monte Titoli. The Dematerialised Notes will be held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli S.p.A. (with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy), for the account of the relevant Monte Titoli Account Holders (including Euroclear and Clearstream Banking). The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Dematerialised Notes for clearance together with any further appropriate information.

Conditions for Determining Price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer at the time of the issue in accordance with prevailing market conditions.

Yield

In relation to any Tranche bearing Fixed Rate Interest, an indication of the yield in respect of the Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

Trend information / No Material Change

Since 31 December 2024, there has been no material adverse change in the prospects of the Issuer.

Since 31 March 2025, there has been no significant change in the financial performance of the Intesa Sanpaolo Group and no significant change in the financial position of the Issuer and of the Intesa Sanpaolo Group.

Material contracts

None of Intesa Sanpaolo S.p.A. and Intesa Sanpaolo's other subsidiaries has entered into any contracts in the last two years outside the ordinary course of business that have been or may reasonably be expected to be material to the Issuer' ability to meet its obligations to Noteholders.

Post-issuance information

The Issuer does not intend to provide any post-issuance information in relation to any assets underlying issues of Notes constituting derivative securities except to the extent required by any applicable laws and regulations.

Litigation

Save as disclosed in this Base Prospectus under "*Description of the Issuer – Legal Proceedings*", none of the Issuer or any member of the Intesa Sanpaolo Group is or has been involved in any governmental, legal or arbitration or administrative proceedings in the 12 months preceding the date of this document relating to claims or amounts which may have, or have had in the recent past, a significant effect on the Intesa Sanpaolo Group's financial position or profitability and, so far as the Issuer is aware, no such governmental, litigation, arbitration or administrative proceedings are pending or threatened.

Independent Auditors

On 30 April 2019, the ordinary shareholders' meeting of Intesa Sanpaolo appointed EY S.p.A. as independent auditors for the financial years 2021-2029. EY S.p.A. is an independent public accounting firm registered under no. 70945 in the Register of Accountancy Auditors (*Registro Revisori Legali*) held by the Italian Ministry for Economy and Finance pursuant to Legislative Decree No. 39 of 27 January 2010 and the Ministerial Decree No. 145 of 20 June 2012. EY S.p.A. is also a member of the ASSIREVI – Associazione Italiana delle Società di Revisione Legale, being the Italian Auditors Association. The business address of EY S.p.A. is Via Meravigli 12, 20123 Milan, Italy. EY S.p.A. audited, in accordance with International Standards on Auditing (ISA Italia), the consolidated financial statements of the Intesa Sanpaolo Group, as at and for the years ended 31 December 2024 and 2023, as stated in the English translation of their audit reports incorporated by reference into this Base Prospectus.

LEI Code

The Legal Entity Identifier ("**LEI**") Code of Intesa Sanpaolo is **2W8N8UU78PMDQKZENC08**.

Declaration of the officer responsible for preparing Intesa Sanpaolo's financial reports

The officer responsible for preparing the company's financial reports, Elisabetta Stegher, declares, pursuant to paragraph 2 of Article 154-*bis* of the Consolidated Law on Finance (Legislative Decree No. 58 of 24 February 1998, as amended and supplemented from time to time) that the accounting information contained in this Base Prospectus corresponds to Intesa Sanpaolo's documentary results, books and accounting records.

THE ISSUER AND PAYING AGENT FOR THE DEMATERIALISED NOTES

Intesa Sanpaolo S.p.A.
Piazza San Carlo, 156
10121 Turin
Italy

ISSUING AND PRINCIPAL PAYING AGENT FOR THE NOTES IN PHYSICAL FORM AND LUXEMBOURG LISTING AGENT

BNP Paribas, Luxembourg Branch
60 avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

LEGAL ADVISERS TO THE ISSUER
as to English law and Italian law

Clifford Chance Società tra Avvocati S.r.l.
Via Broletto, 16
20121 Milan
Italy