BASE PROSPECTUS

INTESA SANPAOLO S.p.A.

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

WARRANTS AND CERTIFICATES PROGRAMME
IMI CORPORATE & INVESTMENT BANKING

Under the terms of its Warrants and Certificates Programme IMI Corporate & Investment Banking (the "**Programme**"), Intesa Sanpaolo S.p.A. ("**Intesa Sanpaolo**" or the "**Issuer**" or the "**Bank**" or the "**Parent Company**") may from time to time issue warrants or covered warrants (respectively, "**Warrants**" and "**Covered Warrants**", and together, save as otherwise specified in this Programme, "**Warrants**") or certificates ("**Certificates**" and, together with the Warrants, "**Securities**"). Depending on the type of financial asset used as Underlying(s), the Securities may be Index Securities, Proprietary Index Securities, Share Securities, Exchange Rate Securities, Futures Contract Securities, Fund Securities, ETI Securities, Govies Securities, Interest Rate Securities, Commodity Securities or Combined Securities (each as defined below).

Each issue of Securities will be made on the terms set out herein which are relevant to such Securities under "*Terms and Conditions of the Securities*" (the "**Conditions**") and in the form of the relevant final terms document (the "**Final Terms**"). Securities may be issued in bearer form ("**Bearer Securities**") or registered form ("**Registered Securities**"). Securities may also be issued in bearer, uncertificated and dematerialised book-entry form in accordance with the applicable provisions of the Italian law, regulations and operating procedures applicable to and/or issued by the relevant Italian central securities depository ("**Italian Dematerialised Securities**").

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority 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**") 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 or the quality of the securities that are the subject of this Base Prospectus; investors should make their own assessment as to the suitability of investing in the Securities. 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.

Application has also been made to the Luxemburg Stock Exchange for Securities 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 facilities, EuroMTF, of the Luxembourg Stock Exchange (the "**EuroMTF**") (including the professional segment of the Euro MTF). The Luxembourg Stock Exchange Regulated Market is a regulated market for the purposes of the Directive 2014/65/EU, as amended (the "**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 Securities admitted to trading on the EuroMTF. The CSSF assumes therefore no responsibility in relation to the issues of Securities admitted to trading on the EuroMTF.

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

Prospective purchasers of Securities should ensure that they understand the nature of the relevant Securities and the extent of their exposure to risks and that they consider the suitability of the relevant Securities as an investment in the light of their own circumstances and financial condition. Securities involve a high degree of risk, including the risk of their expiring worthless. Potential investors should be prepared to sustain a loss of all or part of the purchase price of their Securities. 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 Securities 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 Securities includes a legend entitled "Prohibition of Sales to Retail Investors", the Securities 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 ("**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 Securities 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 Securities 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 Securities may be calculated or otherwise determined by reference to one or more underlyings 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 from time to time (the "**Benchmark Regulation**" or "**BMR**"). If any such underlying 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 the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of the BMR. Not every underlying will fall within the scope of the Benchmark Regulation. 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.

The Securities and, in case of Physical Delivery Securities, the Deliverable Asset (as defined herein) to be delivered upon the exercise of such Securities, have not been, and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or with any securities authority of any State or other jurisdiction of the U.S., and trading in the Securities has not been approved by the Commodity Futures Trading Commission (the "**CFTC**") under the United States Commodity Exchange Act of 1936, as amended (the "**Commodity Exchange Act**"). The Securities and the Deliverable Asset may not be offered, sold, pledged or otherwise transferred, directly or indirectly, within the United States or to a U.S. person unless such offer or sale has been registered under the Securities Act or pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act.

The Securities and the Deliverable Asset are being offered and sold outside the U.S. to persons that are not U.S. persons (as defined in Regulation S ("**Regulation S**") under the Securities Act) in reliance on Regulation S. No Securities of any series, or interests therein, or Deliverable Asset may at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in or into the United States or to, or for the account or benefit of, any U.S. person and any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. The Securities and the Deliverable Asset may not be legally or beneficially owned at any time by any U.S. person. For a description of certain further restrictions on offers and sales of the Securities and on the distribution of this Base Prospectus, see "*Offering and Sale*" below.

The Securities have not been approved or disapproved by the U.S. Securities and Exchange Commission, any State securities commission in the United States or any other U.S. regulatory authority, nor has any of the foregoing authorities passed upon or endorsed the merits of the offering of Securities or the accuracy or the adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

This Base Prospectus is valid for a period of twelve months from the date of its approval (*i.e.* 9 June 2027). 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 when this Base Prospectus is no longer valid.

The date of this Base Prospectus is 9 June 2026.

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.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Base Prospectus in connection with an offer of Securities are the Issuer, the persons named in the applicable Final Terms as the relevant Manager(s) and the persons named in or identifiable following the applicable Final Terms as the Authorised Offerors, as the case may be.

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 Securities, 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.

A description of the Final Terms is set out herein at Section "*Form of Final Terms*" and will specify with respect to the issue of Securities to which it relates, *inter alia,* the specific designation of the Securities, the aggregate number and type of the Securities, the date of issue of the Securities, the issue price, the credit event of the specified entity or entities to which the Certificates relate, certain other terms relating to the offering and sale of the Securities including whether they bear remuneration and the exercise date.

The applicable Final Terms will (if applicable) contain information relating to the underlying asset, index or other item(s) (each an Underlying) to which the Securities relate and which is contained in such Final Terms. However, unless otherwise expressly stated in the applicable Final Terms, any information contained therein relating to an Underlying will only consist of extracts from, or summaries of, information contained in financial and other information released publicly by the issuer, owner or sponsor, as the case may be, of such Underlying. The Issuer will, unless otherwise expressly stated in the applicable Final Terms, confirm that such extracts or summaries have been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the issuer, owner or sponsor, as the case may be, of such Underlying, no facts have been omitted that would render the reproduced inaccurate or misleading, but the Issuer does not accept any further or other responsibility in respect of such information.

As specified in the applicable Final Terms, each issue of Securities will entitle the holder thereof to receive from the Issuer the Cash Settlement Amount (if positive), or in the case of Physical Delivery Securities, the Entitlement to be delivered upon the exercise of such Securities, calculated in accordance with the Conditions on such terms as are set out in the Conditions, all as set forth in the Conditions.

To purchase any Security or, upon exercise of Physical Delivery Securities, in order to receive the relevant Entitlement, each Securityholder will be required to certify (in accordance with the provisions outlined in "Offering and Sale" below) that it is not a U.S. person or a person who has purchased such Security or received such Entitlement for resale to, or for the account or benefit of, U.S. persons and that it is not receiving such Security or exercising a Physical Delivery Security on behalf, or for the account or benefit, of a U.S. person.

Copies of Final Terms will be available from the registered office of the Issuer and, in respect of Securities which are not Italian Dematerialised Securities, also from the specified offices set out below of the Security Agents (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 Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any other manager of an issue of Securities (each a Manager).

No Manager has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility 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 the Securities (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 Securities should purchase any Securities. Each investor contemplating purchasing any Securities 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 Securities constitutes an offer or an invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Securities.

Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Securities 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 Securities.

Warrants create options which are exercisable by the relevant holder and/or will be automatically exercised as provided herein. There is no obligation on the Issuer to pay any amount to any holder of a Warrant or to deliver any asset to any holder of a Warrant unless the relevant holder duly exercises such Warrant or such Securities are automatically exercised and, in certain circumstances, an Exercise Notice is duly delivered. Securities will be exercised or exercisable in the manner set forth herein and in the applicable Final Terms.

Bearer Securities 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 United States 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 SECURITIES GENERALLY

This Base Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Securities 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 Securities may be restricted by law in certain jurisdictions. The Issuer does not represent that this Base Prospectus may be lawfully distributed, or that any Securities 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 Securities or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Securities or Deliverable Asset 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 Securities may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Securities. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of the Securities or the Deliverable Asset in the United States or its possession and the European Economic Area (including Luxembourg, Austria, Belgium, Croatia, France, Greece, Hungary, Ireland, Italy, Poland, Portugal, Slovakia, Slovenia and Spain) (see "*Offering and Sale*").

The Securities of each issue may be sold by the Issuer and/or any Manager at such time and at such prices as the Issuer and/or the Manager(s) may select. There is no obligation upon the Issuer or any Manager to sell all of the Securities of any issue. The Securities of any issue may be offered or sold from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer.

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Securities in any Member State of the European Economic Area (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 Securities. Accordingly any person making or intending to make an offer in that Relevant Member State of Securities 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 Securities 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 have authorised, nor do they authorise, the making of any offer of Securities 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 Securities, 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 Securities or effect transactions with a view to supporting the market price of the Securities 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 Securities 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 Securities and 60 days after the date of the allotment of the relevant Securities. 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.

PROSPECTIVE INVESTORS ARE HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION CONTAINED OR REFERRED TO IN THIS BASE PROSPECTUS IS NOT INTENDED TO BE RELIED UPON BY PROSPECTIVE INVESTORS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE INTERNAL REVENUE CODE; AND (B) PROSPECTIVE INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

All references to "USD", "U.S.$", "$", "US Dollars", "US dollars" and "U.S. dollars" are to United States dollars and references to "euro", "EUR" and "€" are 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.

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.

TABLE OF CONTENTS

Page

GENERAL DESCRIPTION OF THE PROGRAMME

The following general description of the programme 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 Securities, the applicable Final Terms. The Issuer may determine that Securities shall be issued in a form other than that contemplated in the Terms and Conditions, in which case, in relation to listed Securities only and if appropriate, a supplement to this Base Prospectus will be published.

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

Words and expressions defined in the Terms and Conditions of the Securities and in the remainder of this Base Prospectus shall have the same meanings in this general description.

Issuer:	Intesa Sanpaolo S.p.A.
Description:	Warrants and Certificates Programme IMI Corporate & Investment Banking
Certain Restrictions:	Each issue of Securities 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 "*Offering and Sale*").
Principal Security Agent, Registrar and Luxembourg Listing Agent:	BNP Paribas, Luxembourg Branch.
Calculation Agent:	The Issuer or such other calculation agent specified in the applicable Final Terms.
Settlement Currencies:	Euro, U.S. dollars or any other currency or currencies selected by the Issuer or any Manager, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. The Issuer may issue Securities in respect of which the Cash Settlement Amount and/or Early Redemption Amounts and/or Remuneration Amounts may be payable, as specified in the applicable Final Terms, in one or more currencies (**Settlement Currency** as specified in the applicable Final Terms) which may be different from the currency in which the Issue Price was denominated (**Issue Currency** as specified in the applicable Final Terms) (**Dual Currency Securities**).
Issue Price:	Certificates may be issued at such price as shall be determined by the Issuer or any Manager appointed in respect of the issue subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. The Issue Price will be specified in the applicable Final Terms. If the applicable Final Terms provide for the Reduced Initial Listing Price, the Issue Price will be considered in order to calculate the Multiplier.

Offer Price: Certificates may be offered in the context of an offer other than pursuant to Article 1(4) of the Prospectus Regulation (a "**Non-exempt Offer**") or in circumstances where there is an exemption from the obligation under the Prospectus Regulation to publish a prospectus (an "**Exempt Offer**" and, together with the Non-Exempt Offer, the "**Offers**"), at such price (the "**Offer Price**") that may be equal to the Issue Price, or such other price as specified in the applicable Final Terms, in case of Offers in the primary market, or that will be equal to the market price of the Securities applicable from time to time, in case of Offers in the secondary market.

Reduced Initial Listing Price: If specified in the applicable Final Terms, the initial price at which the Securities will be traded on the market will be determined on the basis of the Reduced Initial Listing Price. The Reduced Initial Listing Price may be different from the initial trading price of the Securities and will be lower than the Issue Price. The Reduced Initial Listing Price will be applicable only in relation to Securities to be admitted to listing and/or trading without prior offer.

Purchase Price: The Digital Certificates may be subscribed by the investor in an Exempt Offer at the Purchase Price, if so specified in the applicable Final Terms. The Purchase Price will be lower than the Issue Price.

Premium: Warrants may be issued at such price (premium) as shall be determined by the Issuer or any Manager appointed in respect of the issue subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. The Premium will be specified in the applicable Final Terms.

Form of Securities: *Bearer Securities*

Each issue of Bearer Securities will, on issue, be represented by either a Temporary Global Security or a Permanent Global Security as indicated in the applicable Final Terms. The Temporary Global Security will be exchangeable either, in accordance with its terms, for a Permanent Global Security or for Definitive Securities. The Permanent Global Security will be exchangeable in limited circumstances for Definitive Securities. Each Temporary Global Security and each Permanent Global Security will be held by a common depository on behalf of Euroclear and Clearstream, Luxembourg.

Registered Securities

Registered Securities will be represented by definitive registered certificates registered in the name of the beneficial owner thereof ("**Registered Securities**") and/or a registered certificate in global form (a "**Global Registered Security**") which will be registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg or in any clearing system specified in the applicable Constituting Instrument. Definitive Exchangeable Bearer Securities will be exchangeable for definitive

Registered Securities only if and to the extent so specified in the relevant Final terms. Registered Securities will not be exchangeable for Bearer Securities or an interest therein.

Italian Dematerialised Securities

Italian Dematerialised Securities will be issued in bearer (*al portatore*), uncertificated and dematerialised book-entry form into Monte Titoli S.p.A. (with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy, or any successor clearing system thereto) ("**Monte Titoli**") pursuant to Italian legislative decree no. 58/1998, as amended and implemented and subsequent implementing provisions ("**Italian Dematerialised Securities**"). Italian Dematerialised Securities will not be issued in definitive form. However, the holder still has the right to obtain the release of the certificate pursuant to articles 83-*quinquies* and 83-*novies*, paragraph 1, letter b), of the Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions.

Type of Securities:

The Issuer may issue Warrants or Certificates (together, **Securities**) including Index Securities, Proprietary Index Securities, Share Securities, Exchange Rate Securities, Futures Contract Securities, Fund Securities, ETI Securities, Interest Rate Securities, Commodity Securities, Govies Securities and Combined Securities, as specified below.

Remuneration Amount(s) may be payable in respect of Securities, if so specified in the applicable Final Terms.

Warrants may be European Style Warrants or American Style Warrants.

Settlement:

Settlement will be by cash payment (**Cash Settled Securities**) or physical delivery (**Physical Delivery Securities**). The method of settlement will be specified in the applicable Final Terms.

In relation to Certificates only, the applicable Final Terms may also specify that such Certificates are either cash settled of physically settled depending upon the occurrence or not of a specific event (e.g. the Barrier Event).

Settlement of Italian Dematerialised Securities shall be by way of cash payment only.

How the value of the investment in the Securities is affected by the value of the underlying assets:

The Cash Settlement Amount, the Entitlement, the Early Redemption Amount (if any) and any Remuneration Amount (if any) due under the Securities may be affected by the value of the Underlying or the Underlyings specified in the applicable Final Terms and will depend on the type of Securities issued, as specified in Condition 23 "*Pay-out provisions*".

Index Securities:

The amounts or the occurrence of any event in respect of Index Securities will be calculated by reference to one or more indexes or basket of indices or one or more baskets of baskets of indices, not composed by the Issuer or by any legal entity belonging to the same group.

Proprietary Index Securities: The amounts or the occurrence of any event in respect of Proprietary Index Securities will be calculated by reference to one or more Proprietary Indices or Basket of Proprietary Indices, composed by the Issuer or by any legal entity belonging to the same group. Specific provisions in relation to Proprietary Index Securities are included in the "Annex 1 to the Terms and Conditions of the Securities – Description of the Proprietary Indices".

Share Securities (including GDRs/ADRs Securities): The amounts or the occurrence of any event in respect of Share Securities will be calculated by reference to one or more shares or basket of shares or one or more baskets of baskets of shares or to one or more GDRs/ADRs or baskets of GDRs/ADRs or one or more baskets of baskets of GDRs/ADRs.

In case of Physical Delivery Securities, the Deliverable Asset will be a specified amount of shares of one or more companies or an amount of GDRs/ADRs of one or more issuers of GDRs/ADRs, as applicable, subject to payment of the Expenses and any other sums payable.

The Share used as Underlying will not be:

- issued by the Issuer nor by an entity belonging to the group of the Issuer, and / or
- converted or exchanged into shares or other transferable securities equivalent to shares issued by the Issuer or by an entity belonging to the group of that Issuer.

Exchange Rate Securities: The amounts or the occurrence of any event in respect of Exchange Rate Securities will be calculated by reference to one or more exchange rates or basket of exchange rates or one or more baskets of baskets of exchange rates.

Futures Contract Securities: The amounts or the occurrence of any event in respect of Futures Contract Securities will be calculated by reference to one or more future contracts or a basket of future contracts or one or more baskets of baskets of future contracts.

Interest Rate Securities: The amounts or the occurrence of any event in respect of Interest Rate Securities will be calculated by reference to one or more interest rates or a basket of interest rates or one or more baskets of baskets of interest rates.

Commodity Securities: The amounts or the occurrence of any event in respect of Commodity Securities will be calculated by reference to one or more commodities or a basket of commodities or one or more baskets of baskets of commodities.

Govies Securities: The amounts or the occurrence of any event in respect of

Govies Securities will be calculated by reference to:

(i) one or more government or supranational bonds or a basket of government or supranational bonds or one or more baskets of baskets of government or supranational bonds; or
(ii) the yield of one or more government or supranational bonds or the yield of a basket of government or supranational bonds or one or more baskets of baskets of government or supranational bonds.

Govies Securities, only in case (i) above, may also be issued as Physical Delivery Securities. In such case, the Deliverable Asset will be a specified amount of Govies, subject to payment of the Expenses and any other sums payable.

Fund Securities: The amounts or the occurrence of any event in respect of Fund Securities will be calculated by reference to units or shares or other instruments in one or more funds or a basket of funds or one or more baskets of baskets of funds.

In case of Physical Delivery Securities, the Deliverable Asset will be a specified amount of fund shares or units or other instruments, subject to payment of the Expenses and any other sums payable. In any case, no fund units, exclusively reserved for qualified investors and prohibited to retail investors in any Relevant Member States, can be physically settled to retail investors in such Relevant Member State.

ETI Securities: The amounts or the occurrence of any event in respect of ETI Securities will be calculated by reference to a specified interest in one or more exchange traded notes or any other exchange traded products or one or more baskets of interests in exchange traded notes or in any other exchange traded products.

In case of Physical Delivery Securities, the Deliverable Asset will be a specified amount of exchange traded notes or any other exchange traded products, subject to payment of the Expenses and any other sums payable.

Combined Securities: The amounts or the occurrence of any event in respect of Combined Securities will be calculated by reference to two or more Underlyings belonging to different asset class.

Combine Securities may also be issued as Physical Delivery Securities, in relation to the Underlying(s) that can be physically settled.

Exercise of Certificates: Each Certificate shall be automatically exercised on the Settlement Date, unless an Early Redemption Event occurred (if applicable), or a Call Option is exercised by the Issuer (if applicable), or a Put Option is exercised by the Securityholder (if applicable), or an Open End Feature is applicable (in case of Benchmark Certificates, Constant Leverage Certificates and Turbo Certificates), as specified in the relevant Final Terms, or unless a Termination Event or an

Adjustment Event or a Market Disruption Event has occurred and unless it has previously been redeemed or purchased and cancelled, subject as provided in the Terms and Conditions.

In relation to Certificates eligible to be counted towards the Issuer's MREL capacity, the early exercise of such Certificates shall be subject, to the extent such Certificates qualify at such time as liabilities to be counted towards the Issuer's MREL capacity or, in case of a redemption pursuant to Condition 22(C)(ii) (*Exercise due to a MREL Disqualification Event*) qualify as Certificates eligible to be counted towards the Issuer's MREL capacity before the occurrence of the MREL Disqualification Event, to the limits set out in this Base Prospectus as well as to compliance with the applicable MREL Requirements, including, *inter alia*, the condition that the Issuer has obtained the prior permission of the Relevant Authority in accordance with Article 78a of the CRR.

In the case of Certificates listed on the regulated market of jurisdictions other than Luxembourg, Securityholders may be entitled to waive the automatic exercise in accordance with the specific requirements of such regulated market, as specified in the applicable Final Terms.

Exercise of Warrants:

European Style Warrants are only exercisable on the Exercise Date or, if such day is not an Exercise Business Day, the immediately succeeding Exercise Business Day (the **Actual Exercise Date** and the **Expiration Date**), unless a Termination Event, or an Adjustment Event, or a Market Disruption Event has occurred. Only in case of Warrants to be admitted to listing and/or trading without prior offer, the relevant Final Terms may specify an Early Redemption Event.

American Style Warrants are exercisable on any Exercise Business Day during the Exercise Period (with the last Exercise Business Day of the Exercise Period being (the **Expiration Date**), unless a Termination Event, or an Adjustment Event, or a Market Disruption Event has occurred. Only in case of Warrants to be admitted to listing and/or trading without prior offer, the relevant Final Terms may specify an Early Redemption Event.

If Automatic Exercise is not specified in the applicable Final Terms, any Warrant which has not been duly exercised by the relevant Securityholder, at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Expiration Date shall become void.

If Automatic Exercise is specified in the applicable Final Terms, any Warrant which has not been duly exercised by the relevant Securityholder, at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Expiration Date and which is, in the determination of the Calculation Agent, "In-The-Money" shall be automatically exercised on the Expiration Date. If specified as applicable in the relevant

	Final Terms, automatic exercise can be waived by serving a Renouncement Notice, which shall be substantially in the form set out in the Agency Agreement, copies of which may be obtained from the specified office of the Principal Security Agent and the registered office of the Issuer.
MREL Disqualification Event:	Certificates eligible to be counted towards the Issuer's MREL capacity 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 "Exercise of Certificates" above.
Modification or Substitution of Certificates:	The Issuer may, without the consent of the holders of Certificates that qualify as eligible liabilities, substitute new securities for such Certificates whereby such new securities shall replace such Certificates, or vary the terms of such Certificates, as fully specified in Condition 8(D)(ii) of the Terms and Conditions.
Return on the Securities:	Cash Settled Securities entitle the holder to payment on the Settlement Date of the Cash Settlement Amount, if positive. Physical Delivery Securities entitle the holder to payment on the Settlement Date of the Entitlement, consisting of the Deliverable Asset and, if any, the Residual Amount. If so specified in the relevant Final Terms the Certificates entitle the holder to payment of one or more Remuneration Amounts. The payment of one or more Remuneration Amounts may depend on the value of one or more Underlyings which may be different from the Underlying(s) whose value is calculated for the purpose of other Remuneration Amounts, or whose value is calculated for the purpose of the same Remuneration Amount but in relation to a different valuation period, or whose value is calculated for the purpose of the occurrence of the relevant event(s), or of the Cash Settlement Amount. Only in the case of Warrants to be admitted to listing and/or trading without prior offer, upon the occurrence of an Early Redemption Event, the Securities are deemed to be early redeemed and the Securityholders are not entitled to receive any amount and the Early Redemption Amount will be equal to 0 (zero).
Status of the Securities:	The Securities constitute direct, unsubordinated, unconditional and unsecured obligations of the Issuer and rank, unless provided otherwise by law, *pari passu* among themselves and, (save for certain obligations required to be performed by law), equally with all other unsecured obligations other than subordinated obligations, if any, of the Issuer from time to time outstanding.
Substitution of the Issuer:	Unless otherwise indicated in the relevant Final Terms, the Issuer is entitled, subject to the Conditions of the Securities, to substitute any other company as principal debtor in respect

of all obligations arising from or in connection with any Securities or to change the branch through which it is acting for the purpose of any Securities. Upon any such substitution of the Issuer or branch, the Conditions of the Securities will be amended in all consequential respects.

Listing and Admission to Trading:

If so specified in the applicable Final Terms, application will be made to the Luxembourg Stock Exchange for Securities issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange and/or to be admitted to trading on the Luxembourg Stock Exchange's Regulated Market.

The Securities may also be unlisted or admitted to listing and/or 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 Securities on other stock exchanges or regulated markets or to admit to trading on other trading venues as the Issuer may decide.

Governing Law:

The Securities and any non-contractual obligations arising out of or in connection with the Securities will be governed by, and shall be construed in accordance with, English Law. Notwithstanding this, (i) in respect of Italian Dematerialised Securities, the registration and transfer of the Italian Dematerialised Securities 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 17 (*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 Securities issued under the Programme and are material and specific to the Issuer and the Securities issued under the Programme.

The Issuer believes that the factors described below, represent the principal risks inherent in investing in Securities issued under the Programme, but the inability of the Issuer to pay the Cash Settlement Amounts in respect of the Cash Settled Securities or deliver the Entitlement in respect of Physical Delivery Securities 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 Securities.

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. An investment in relatively complex securities such as the Securities involves a greater degree of risk than investing in less complex securities. In some cases, investors may stand to lose the value of their entire investment or part of it, as the case may be.

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

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 Securities 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 Securities.

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 2025, based on management data, the exposure to securities issued by the Republic of Italy - excluding the insurance business - amounted to €32.3 billion. It compared to €21.1 billion as at 31 December 2024.

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 2025, based on management data, the exposure to securities issued by the Republic of Italy amounted to €32.3 billion (3.4% of the total assets of the Group) excluding the insurance business, to which should be added around €9 billion represented by loans. On the same date, the investments in sovereign debt securities issued by EU countries, Republic of Italy included, corresponded to €94.6 billion 9.9% of the total assets of the Group) excluding the insurance business, to which should be added €11.6 billion represented by loans. On the whole, the securities issued by governments, central banks and other public entities represented over 16% 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 2024, based on management data, the exposure to securities issued by the Republic of Italy amounted to €21.1 billion (2.3% of the total assets of the 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 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 over 14% 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 2025, there were a total of around 10,300 non-tax related disputes, excluding those involving Risanamento S.p.A., which is not subject to management and coordination by Intesa Sanpaolo pending at Group level (in addition to around 11,500 "mass" disputes at the international subsidiary banks, with a limited aggregate claim amount) with a claim amount[1] of around €2,600 million. 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 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 6,200 (in addition to around 11,500 cases relating to the above-mentioned "mass" disputes) with a total claim of €1,572 million and provisions of €550 million. Compared to the last year, there was a decrease in the number of disputes, which mainly concerned disputes relating to mass credit positions relating to the subsidiary Banca Intesa Beograd. The component referring to the Parent Company totals around 3,800 disputes[2], with a claim of €1,214 million

[1] The figures for the claim amount do not include claims of indeterminate value, i.e. those that do not contain a specific financial claim when the dispute is initiated; the value of these disputes is determined during the course of the proceedings when sufficient information emerges for the valuation.

[2] These include disputes arising from the acquisition of certain assets, liabilities and legal relationships of Banca Popolare

and provisions of €375 million. These include around 1,900 positions relating to disputes concerning compound interest. There were around 600 disputes relating to other Italian subsidiaries, with a claim amount of €234 million and provisions of €73 million. Those relating to the international subsidiaries numbered around 1,800, in addition to around 11,500 cases relating to the above-mentioned "mass" disputes, with a total claim amount of €124 million and provisions of €102 million. The breakdown according to the main categories of disputes with likely risk shows the prevalence of cases related to the Group's ordinary banking and credit activities, involving claims relating to banking and investment products and services or on credit positions and clawback actions, which account for around 70% of the claim amount and the related provisions. The remaining disputes mainly consist of other civil and administrative proceedings and labour disputes or criminal proceedings or proceedings related to operational violations.

The most common legal disputes are related to invalidity, cancellation, inefficacy actions or compensation for damages as a consequence of transactions related to the ordinary banking and financial activity carried out by the Bank.

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 Group.

Any negative variations of the factors described hereafter, in particular during periods of economic-financial crisis, could lead the Bank and/or the 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 Group and its financial soundness.

The trends of the Bank and the 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 Group operates.

In particular, the profitability capacity and solvency of the Bank and/or the 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, on the financial markets; and (d) the risk that, in the future, holders of Italian government debt lose confidence in the credit standing of the

di Vicenza S.p.A. in compulsory administrative liquidation and Veneto Banca S.p.A. in compulsory administrative liquidation, so-called Excluded Disputes covered by public guarantee ("Indemnification Guarantee").

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.

The precise impact on the business of the Issuers and the 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 2025, Intesa Sanpaolo recorded a gross NPL ratio (based on European Banking Authority ("**EBA**") metrics) of 1.5%. On 31 December 2024, the same data corresponded to 2%, 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 2025 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 consistently managed its risk portfolio in a proactive and prudent manner, successfully navigating the various crises of recent years without material impacts. The Group ranks among the best-performing European banks in terms of NPL ratio and NPL stock — positioning itself as a "Zero-NPL Bank" — while delivering a significant reduction in the cost of risk.

The targets set in the 2022-25 Business Plan have been achieved, and in some cases exceeded, confirming the Intesa Sanpaolo Group's ability to generate sustainable profitability even in complex environments.

As of 31 December 2025, Group gross non-performing loans amounted to 7.6 billion euro, down (-22.3%, or -2.2 billion euro) compared to December 2024. This trend was due to bad loans (-31.1%, or -1.1 billion euro), unlikely-to-pay loans (-17.8%, or -1 billion euro) and, to a lesser extent, past-due loans (-12.4%, or -64 million euro).

That result was marked by the de-risking initiatives finalised during the year and new inflows from performing loans at historical lows, due to the performance recorded by prevention activities. As a result of the de-risking initiatives, in 2025 a number of extraordinary disposals were carried out on portfolios amounting to 1.1 billion euro (gross), of which 0.3 billion euro had already been reclassified to IFRS 5 in December 2024. Added to these is around 0.3 billion euro (gross) from sales of single name loans.

Moreover, in the last quarter of 2025, portfolios of loans were accounted under non-current assets held for sale and discontinued operations, having met the conditions for applicability based on IFRS 5.

The NPL ratio amounted to 1.8% gross of adjustments and 0.9% net (1.5% and 0.8%, respectively, gross and net according to the EBA methodology). In 2025, gross inflows amounted to 3.2 billion euro (1.5 billion euro in the first half and 1.7 billion euro in the second half year), lower than the figure recorded in 2024 (3.5 billion euro). In net terms, that is, net of outflows to performing loans, inflows came to 2.6 billion euro (1.3 billion euro in the first six months and 1.3 billion euro in the second half), compared with a figure of 2.9 billion euro recorded in 2024.

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 Part E "*Credit Risk*" of the Notes to the consolidated financial statements as at and for the year ended 31 December 2025, included by reference in this Base Prospectus.

Market risk

*As of 31 December 2025, with regard to the overall limit relating to trading and the hold to collect and sell (HTCS) business model, the Group's average managerial Value at Risk ("**VaR**") was equal to € 161 million, increasing compared to the same period of 2024, which was equal to €142 million.*

Regarding the held for trading portfolio only, managerial VaR has recorded in 2025 an average value of € 28.0 million (€ 28.6 million was the average value of 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 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, "*Market risks*" of the Notes to the consolidated financial statements as at and for the year ended 31 December 2025, incorporated by reference in this Base Prospectus.

Liquidity risk of Intesa Sanpaolo

*As at 31 December 2025, the ratio between the loans to customers and the direct deposits from banking business(**"Loan to deposit ratio"**) was at 70.8%, compared to 72.1% on 31 December 2024.*

Both regulatory indicators, LCR and NSFR, were above the minimum regulatory requirements (100%). The Liquidity Coverage Ratio (LCR) of the Intesa Sanpaolo Group, measured according to Delegated Regulation (EU) 2015/61, amounted to an average of 139.6% (154.8% in 2024) The NSFR measured in accordance with regulatory instructions, was 122.0% (121.4% at the end of 2024).

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 Group.

In particular, 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 cumulative effect of the maturity of all the wholesale funding and 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 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 the Part E, "Liquidity risk", of the Notes to the consolidated financial statements as at and for the year ended 31 December 2025, 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 Group used the internal AMA model (in partial use together with the standardised and basic approaches) for determining the capital requirement up to 31 December 2025. From January 2025 – as set out in detail in the section "Basel regulation and the internal project" of the Half-yearly Report – the new CRR3/Basel 4 regulatory framework has fundamentally altered the methodology for calculating the prudential capital requirement, eliminating the possibility of using internal models and introducing a new, single standardised calculation method, referred to as the Standardised Approach (SA). Under the new rules, inspired by more prudent criteria and aimed at ensuring greater uniformity among European financial institutions, the capital requirement is determined in line with the size of business activities (Business Indicator – BI), primarily using FINREP items (averaged over the previous three years), weighted with regulatory coefficients by band. The methodology also requires the inclusion of the duly reconciled accounting impact of the operational losses over the three-year period. The new regulatory framework therefore confirms the regulatory importance of high-quality operational loss data collection and related accounting reconciliation, in addition to the requirement for an effective, properly structured overall operational risk governance framework, supported by suitable infrastructure and verified by an independent function. For the first Supervisory reporting under the new rules, the average of the FINREP items for the period 2022-2024 was used. Thereafter, the reporting will be done quarterly, and capital requirement calculation will be updated annually, with reference to 31 December of each year, subject to any significant changes in the scope of consolidation that may have occurred during the quarter. The change in methodology led to a significant increase in capital absorption for operational risks on a consolidated basis, quantified at €4,292 million for the year 2025, around 72% higher than the figure as at 31 December 2024, calculated using the AMA, TSA and BIA, amounting to €2,488 million.

From January 2025, following the entry into force of Basel 4, the AMA internal model is being used exclusively for management purposes to monitor "Pillar 2" risks, and therefore contributes to the determination of capital adequacy in the ICAAP. It is designed to combine historical elements (internal and external operational losses) and forward-looking estimates (scenario analysis). Capital-at-risk is therefore identified as the minimum amount at Group level required to bear the maximum potential loss (worst case). It is estimated using a Loss Distribution Approach model (actuarial statistical model to calculate the Value-at-risk of operational losses), applied to historical data and the results of the scenario analysis assuming a one-year estimation period, with a confidence level of 99.9%. The insurance mitigation component of the internal model is applied as originally authorised by the competent authority.

Operational risk is defined as the risk of incurring losses resulting from inadequate or failed internal processes, people and systems or from external events. The risk taxonomy adopted by the Group, as agreed upon by the Corporate Control Functions, for the component of economic losses, includes the following risks within operational risk: legal, conduct, compliance, financial crime, tax, technological, cyber security, physical security, third-party, data quality, fraud, process, and employer risk. Strategic and reputational risk are not included.

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 Group 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;

- 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 Group, as well as on its reputation.

For further information please see the Part E, "Operational risks", of the Notes to the consolidated financial statements as at and for the year ended 31 December 2025, 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 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 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 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; and 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. As at 31 December 2025, the overall capital requirement for 2025 the Bank was required to meet in terms of CET 1 ratio was 9.88%.

This is the result of: a) a SREP requirement in terms of Total Capital ratio equal to 9.50%, which includes a Pillar 1 minimum requirement of 8%, of which 4.50% in terms of CET 1, and an additional Pillar 2 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 2.50%; the O-SII Buffer (Other

Systemically Important Institutions Buffer) of 1.25%; the Countercyclical Capital Buffer of 0.36%[3] and the Systemic Risk Buffer of 0.43%[4].

As at 31 December 2025, including the negative impact of Basel 4, the CET 1 ratio stood at 13.2%, the Tier 1 ratio at 15.6% and the Total Capital ratio at 18.7%.

On 31 October 2025, Intesa Sanpaolo has 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 2026, following the results of the SREP.

The overall capital requirement the Bank has to meet in terms of Common Equity Tier 1 ratio is currently 9.96%.

This is the result of: a) a SREP requirement in terms of Total Capital ratio of 9.65% comprising a minimum Pillar 1 capital requirement of 8%, of which 4.50% is Common Equity Tier 1 ratio, and an additional Pillar 2 capital requirement of 1.65%, of which 0.93% is Common Equity Tier 1 ratio; b) additional requirements, entirely in terms of CET 1, relating to: a Capital Conservation Buffer of 2.50%; an O-SII Buffer (Other Systemically Important Institutions Buffer) of 1.25%; a Countercyclical Capital Buffer of 0.35%[5] and a Systemic Risk Buffer of 0.43%[6].

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 Group are above the minimum limits provided by the European rules.

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.

---

[3] Computed taking into account the exposure as at 31 December 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 2027, where available, or the most recent update of the reference period (requirement was set at zero in Italy for 2025 and the first quarter of 2026).

[4] Systemic Risk Buffer is calculated taking into account the exposure as at 31 December 2025 to residents in Italy.

[5] Computed taking into account the exposure as at 31 March 2026 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 2027, where available, or the most recent update of the reference period (requirement was set at zero in Italy for the first half of 2026).

[6] Systemic Risk Buffer is calculated taking into account the exposure as at 31 March 2026 to residents in Italy.

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, 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; 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.

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, 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, on 25 June 2025, the Council and the Parliament reached an agreement on the Commission proposal to review the CMDI package (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.

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.

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 2024 Annual Report and the 2025 Annual Report.

2. MATERIAL RISKS THAT ARE SPECIFIC TO THE SECURITIES BEING OFFERED AND/OR ADMITTED TO TRADING

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 Securities 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 Securities;*

2) *Risks related to the Underlying;*

3) *Specific risks related to Certificates;*

4) *Specific risks related to Warrants;*

5) *Risks related to Securities generally; and*

6) *Risks related to the offer to the public and/or admission of the Securities to trading on a regulated market.*

2.1. Risks related to the nature of the Securities

The Certificates may not be a suitable investment for all investors

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

(i) have sufficient knowledge and experience to evaluate the Certificates, the merits and risks of investing in the Certificates and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement to the Base Prospectus and all 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 Certificates and the impact that the Certificates 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 Certificates, including Certificates with amounts payable in one or more currencies, or where the Settlement Currency is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Certificates and be familiar with 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.

In addition, an investment in Index Securities, Proprietary Index Securities, Share Securities, Futures Contract Securities, Interest Rate Securities, Exchange Rate Securities, Fund Securities, ETI Securities, Commodity Securities, Govies Securities or Combined Securities may entail significant risks not associated with investments in conventional securities such as debt or equity securities, including, but not limited to, the risks set out in "*Risks related to the structure of a particular issue of Securities*" set out below.

Certificates are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Certificates which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Certificates will perform under changing conditions, the resulting effects on the value of the Certificates and the impact this investment will have on the potential investor's overall investment portfolio.

Resolution Powers and contractual recognition of the BRRD

Under the BRRD framework the Relevant Authorities have the power to apply "resolution" tools if the relevant Issuer is failing or likely to fail, as an alternative to compulsory liquidation proceedings. Specifically, these tools are: (1) the sale of business assets or shares of the relevant Issuer; (2) the establishment of a bridging institution; (3) the separation of the unimpaired assets of the relevant Issuer from those which are deteriorated or impaired; and (4) a bail-in, through write-down/conversion into equity of regulatory capital instruments as well as other liabilities of the Issuer if the relevant conditions are satisfied and in accordance with the creditors' hierarchy provided under the relevant provisions of Italian law.

Furthermore, Article 33a of BRRD II introduces a new pre-resolution moratorium tool as a temporary measure in an early stage and new suspension powers, which the resolution authority can use within the resolution period. Any suspension of activities can, as stated above, result in the partial or complete suspension of the performance of agreements (including any payment or delivery obligation) entered into by the respective credit institution. The exercise of any such power or any suggestion of such exercise could materially adversely affect the rights of the holders of securities issued by the Issuer, the price or value of their investment in any such security and/or the ability of the credit institution to satisfy its obligations under any such security.

In particular, by its acquisition of a Security (whether on issuance or in the secondary market), each holder of the Securities acknowledges, accepts, agrees to be bound by and consents to the exercise of any resolution power by a Relevant Authority that may result in the cancellation of all, or a portion, of the principal amount of, or any amount due on, the Securities and/or the conversion of all, or a portion, of the principal amount of, or any amount due on, the Securities into equity or other securities or other obligations of the Issuer or another person, including by means of a variation to the terms of the Securities, to give effect to the exercise by a Relevant Authority of such resolution power. Each holder of the Securities acknowledges, accepts and agrees that its rights as a holder of the Securities are subject to, and will be varied, if necessary, so as to give effect to, the exercise of any such power by any Relevant Authority. The exercise of the resolution power by the Relevant Authority will not constitute an event of default under the Securities.

The exercise of any resolution power, which could result in the Securities being written down or converted into equity pursuant to such statutory measures, or any suggestion of such exercise could, therefore, materially adversely affect the rights of the Securityholders, the price or value of their investment in the Securities, the ability of the Issuer to satisfy its obligations under the Securities, and may have a negative impact on the market value of the Securities.

Regulatory restrictions with regard to certain types of Certificates

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 and Article 12c par. 2 of the SRMR, certain types of Certificates may be considered as eligible liabilities available to meet the MREL Requirements (as defined below).

As a consequence, in relation to Certificates that may be considered as eligible liabilities according to such Articles, all the provisions concerning the eligible liabilities set out in the BRRD, in the SRMR and in the CRR, should be deemed applicable.

Certificates eligible to be counted towards the Issuer's MREL capacity are subject to certain restrictions. In particular, the respective Securityholders are not entitled to set off claims arising from such Certificates 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 Certificates. Furthermore, the early redemption and the repurchase of Certificates eligible to be counted towards the Issuer's MREL capacity are subject to specific restrictions such as the prior consent of the competent authority. Further, termination rights, if any, are excluded for the respective Securityholders, 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 Securityholders and might expose them to the risk that their investment will have a lower potential return than expected.

Option risk

The Certificates are derivative financial instruments which may include an option right and which, therefore, have many characteristics in common with options. Transactions in options involve a high level of risk. An investor who intends to trade in options must first of all understand the functioning of the types of contracts which he intends to trade in (for example, call options and put options). An investment in options constitutes a highly volatile investment and there is a high likelihood that the option may have no value whatsoever at expiration. In such case, the investor would lose the entire amount used to purchase the option (known as the "*premium*").

An investor who is considering the purchase of a call option over an Underlying, the market price of which is much lower than the price at which the exercise of the option would be opportune (known as "*deep out of the money*"), must consider that the possibility that the exercise of the option will become profitable is remote. Likewise, an investor who is considering the purchase of a put option over an Underlying, the market price of which is much higher than the price at which the exercise of the option would be opportune, must consider that the possibility that the exercise of the option will become profitable is remote.

The Certificates include some options on the Underlying(s). The amount potentially paid or deliverable on exercise will depend on the value of such options. Prior to the expiration of a Certificate, a variation in the value of the relevant options may involve a reduction in the value of such Certificate.

Exchange rate risks and exchange controls

The Issuer will pay any cash amount in respect of the Securities in the Settlement Currency specified in the applicable Final Terms. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Settlement Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Settlement 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 Settlement Currency would decrease (i) the Investor's Currency-equivalent yield on the Securities, (ii) the Investor's Currency equivalent value of the cash amount in respect of the Securities and (iii) the Investor's Currency equivalent market value of the Securities.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, the cash amount that investors may receive may be less than expected or zero.

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

2.2. Risks related to the Underlying

General risks and risks relating to the Underlying

The Securities involve a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Purchasers should be prepared to sustain a partial or total loss of the purchase price of their Securities. This risk reflects the nature of a Security as an asset which, other factors held constant, tends to decline in value over time and which may become worthless on expiration. See "*Certain Factors Affecting the Value and Trading Price of Securities*" below. Prospective purchasers of Securities should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Securities and should reach an investment decision only after careful consideration with their advisers of the suitability of such Securities in light of their particular financial circumstances, the information set forth herein, the information regarding the relevant Securities and the particular Underlying. Payments in relation to the Securities (or the Deliverable Asset and Residual Amount in case of Physical Delivery Securities) may occur in a different currency than expected and/or entail the application of exchange rate which could expose to fluctuations in the value of the Underlying Reference Currency in respect of the Settlement Currency and therefore could negatively affect the value of the Securities.

The risk of the loss of some or all of the purchase price of a Security upon expiration means that, in order to recover and realise a return upon his or her investment, a purchaser of a Security must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the relevant Underlying. Assuming all other factors are held constant, the lower the value of a Security and the shorter its remaining term to expiration, the greater the risk that purchasers of such Security will lose all or part of their investment. The only means through which a holder can realise value from such Security prior to the Exercise Date in relation to such Security is to sell it at its then market price in an available secondary market. See "*Possible illiquidity of the Securities in the secondary market*" below.

Fluctuations in the value of the relevant Underlying will affect the value of the Securities. Purchasers of Securities risk losing their entire investment if the value of the relevant underlying basis of reference does not move in the anticipated direction.

The Issuer may issue several issues of Securities relating to various reference indices, exchange rates, shares, funds, interest rates, commodities, or future contracts, as may be specified in the applicable Final Terms. At any given time, the number of Securities outstanding may be substantial. Securities provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the underlying investment. In general, certain of the risks associated with the Securities are similar to those generally applicable to other options of private corporate issuers. Options or Securities on equities or debt securities are priced primarily on the basis of the value of underlying securities. The trading value of Commodity Securities is likely to reflect primarily present and expected values of the commodity (or basket of commodities).

The Securities do not represent a claim against any Underlying (or any issuer, sponsor, manager or other connected person in respect of an Underlying) and Securityholders will not have any right of recourse under the Securities to any such Underlying (or any issuer, sponsor, manager or other connected person in respect of an Underlying). The Securities are in no way sponsored, endorsed or promoted by any issuer, sponsor, manager or other connected person in respect of an Underlying and such entities have no obligation to take into account the consequences of their actions on any Securityholders.

Risk arising from the Benchmark Regulation

The Underlying or a Basket Constituent may qualify as a benchmark (the "**Benchmark**") within the meaning of Regulation (EU) 2016/1011 of the European Parliament and of the Council dated 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmark Regulation**" or "**BMR**").

On May 2025, Regulation (EU) 2025/914 of 7 May 2025 amending the Benchmark Regulation was published in the Official Journal of the European and started applying from 1 January 2026. According to the new provisions, the Benchmark Regulation applies only to benchmarks that are classified as "critical" or "significant", to EU Paris-aligned Benchmarks, EU Climate Transition Benchmarks and to certain commodity benchmarks. Other benchmarks, including those that are categorized as "non-significant" benchmarks under the Benchmark Regulation, are no longer be in scope of the Benchmark Regulation.

For Benchmarks that remain in scope of the BMR, a Benchmark could not be used as such if its administrator does not obtain authorisation or is based in a non-EU jurisdiction (the "**Third-Country Administrators**") which does not satisfy the "equivalence" conditions (according to Article 30 of the BMR), is not "recognised" pending such a decision (according to Article 32 of the BMR) and is not "endorsed" for such purpose (according to Article 33 of the BMR). Therefore, from 1 January 2026, benchmarks provided by Third-Country Administrators may only be used if they are endorsed, recognised or deemed equivalent by ESMA. Provided that the Third-Country Administrators concerned have submitted an application pursuant to Article 51(5) of the Benchmark Regulation by 31 December 2025, the use of the relevant benchmarks shall remain permitted unless such application is refused by ESMA.

Consequently, it might be not possible to further utilise a Benchmark as Underlying or Basket Constituent of the Securities. In such event, depending on the particular Benchmark and the applicable terms of the Securities, the Securities could be de-listed, adjusted, redeemed prior to maturity or otherwise impacted.

Any changes to a Benchmark as a result of the Benchmark Regulation could have a material adverse effect on the costs of refinancing a Benchmark or the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with the Benchmark Regulation. Such factors may have the following effects on certain Benchmarks: (i) discourage market participants from continuing to administer or contribute to such Benchmark; (ii) trigger changes in the rules or methodologies used in the Benchmarks; or (iii) lead to the disappearance of the Benchmark. Any of the above changes or any other consequential changes as a result of international, national or other proposal for reform or other initiatives or investigations, could have a material adverse effect on the value of and the amount payable under the Securities.

The potential elimination of a Benchmark, or changes in the manner of administration of such Benchmark, as a result of the Benchmark Regulation or otherwise, could require an adjustment to the terms and conditions, or result in other consequences. These reforms and changes may cause a Benchmark to perform differently than it has done in the past or be discontinued. The application of the fallback methods may expose investors to certain risks including, but not limited to (i) conflicts of interest of the Calculation Agent when making the required adjustments to the Securities, or (ii) the replacement of the Underlying or Basket Constituent with a different Underlying or Basket Constituent which could perform differently than the original Underlying or Basket Constituent and therefore affect amounts payable in respect of the Securities, or (iii) the early redemption of the Securities.

Investors should be aware that they face the risk that any changes to the relevant Benchmark may have a material adverse effect on the value of and the amount payable under the Securities.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation reforms, investigations and licensing issues in making any investment decision with respect to the Securities linked to a Benchmark.

Certain factors affecting the value and trading price of the Securities

The Cash Settlement Amount (in the case of Cash Settled Securities) or the value of the Deliverable Asset and, if any, of the Residual Amount (the quantities of which are determined by reference to the Entitlement) (in the case of Physical Delivery Securities) at any time prior to expiration is typically expected to be less than the trading price of such Securities at that time. The difference between the trading price and the Cash Settlement Amount or the Deliverable Asset and, if any, of the Residual Amount, as the case may be, will reflect, among other things, a "time value" for the Securities. The "time value" of the Securities will depend partly upon the length of the period remaining to expiration and expectations concerning the value of the Underlying. Securities offer hedging and investment diversification opportunities but also pose some additional risks with regard to interim value. The interim value of the Securities varies with the price of the Underlying, as well as by a number of other interrelated factors, including those specified herein.

Before exercising (in the case of Warrants) or selling Securities, Securityholders should carefully consider, among other things, (i) the trading price of the Securities, (ii) the value and volatility of the Underlying, (iii) the time remaining to expiration, (iv) in the case of Cash Settled Securities, the probable range of Cash Settlement Amounts, (v) any change(s) in interim interest rates and dividend yields if applicable, (vi) any change(s) in currency exchange rates, (vii) the depth of the market or liquidity of the Underlying and (viii) any related transaction costs.

Certain considerations regarding hedging

Prospective purchasers intending to purchase Securities to hedge against the market risk associated with investing in an underlying asset, should recognise the complexities of utilising Securities in this manner. For example, the value of the Securities may not exactly correlate with the value of the underlying asset which may be specified in the applicable Final Terms. Due to fluctuating supply and demand for the Securities, there is no assurance that their value will correlate with movements of the underlying asset which may be specified in the applicable Final Terms. For these reasons, among others, it may not be possible to purchase or liquidate securities in a portfolio at the prices used to calculate the value of any relevant index or basket.

The Issuer and/or any of its respective Affiliates or agents may from time to time hedge the Issuer's obligations under such Securities (and under other instruments and OTC contracts issued by or entered into from time to time by the Issuer and/or any of its respective Affiliates or agents relating to such securities) by taking positions, directly or indirectly, in the underlying asset. Although the Issuer has no reason to believe that such hedging activities will have a material impact on the price of any underlying, there can be no assurance that such hedging activities will not adversely affect the value of the Securities.

Certain considerations associated with Share Securities

An investment in Share Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Share Securities, Holders will receive an amount (if any) determined by reference to the value of the share(s), GDRs and/or ADRs and/or the physical delivery of a given number of share(s), GDRs and/or ADR/s. Accordingly, an investment in Share Securities may bear similar market risks to a direct equity investment and investors should take advice accordingly. Share Securities pay amounts calculated by reference to the value of the underlying share(s), GDRs and/or ADRs.

In the case of Share Securities, no issuer of the underlying shares will have participated in the preparation of the relevant Final Terms or in establishing the terms of the Securities and neither the Issuer nor any Manager will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer of shares contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in this paragraph or in any relevant Final Terms) that would affect the trading price of the share, GDRs and/or ADRs will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer of shares could affect the trading price of the share, GDRs and/or ADRs and therefore the trading price of the Securities.

Except as provided in the Conditions in relation to Physical Delivery Securities, Securityholders will not have voting rights or rights to receive dividends or distributions or any other rights with respect to the relevant shares to which such Securities relate.

Certain considerations associated with Exchange Rate Securities

An Investment in Exchange Rate Securities will entail significant risks not associated with an investment in a conventional debt security. Fluctuations in exchange rates will affect the value of Exchange Rate Securities. Currency values related to the exchange rates may be affected by complex political and economic factors, including governmental action to fix or support the value of an exchange rate, regardless of other market forces (see "*Exchange rate risks and exchange controls*" below). Purchasers of Securities risk losing their entire investment if the relevant exchange rates do not move in the anticipated direction.

Certain considerations associated with Fund Securities

An investment in Fund Securities will entail significant risks not associated with an investment in a conventional debt security. An investment in Fund Securities may bear similar market risks to a direct investment in the relevant fund(s) and investors should take advice accordingly.

The Issuer or any of its Affiliates may have agreements in place with the Management Company and/or with the Fund Manager of a Fund pursuant to which they undertake to provide, on a continuous basis, to the Issuer or any of its Affiliates the information of the Fund which allows the Issuer to apply the look through of the Fund, pursuant to the Fundamental Review of the Trading Book (FRTB), as amended from time to time. In case of any breach by the Management Company and/or by the Fund Manager of such obligations, a negative change in the accounting treatment of the Fund (and, therefore, a higher capital absorption requirement for the Issuer) may occur. In such case, investors should consider that the Issuer may early redeem the Securities in accordance with Paragraph 15(2)(F) ("*Adjustment Events in relation to Fund Securities*").

In case of Fund Securities whose Underlying is a Fund investing in cryptocurrencies or other digital assets, investors should also consider that these investment products entail unique and substantial risks, may be more volatile than other types of investments and that the value of the Fund could decline significantly and without warning. In addition, compared to other financial assets, digital assets are more exposed to other risks, such as technology risk, legal and regulatory risk and liquidity risk.

Certain considerations associated with ETI Securities

An investment in ETI Securities carries similar risks to an investment in Share Securities or Fund Securities. An ETI may invest using sophisticated techniques, such as leverage or short selling or in complex financial instruments such as derivatives (swaps, options, futures), securities lending transactions, repurchase or reverse repurchase agreements or foreign exchange instruments. If the investment strategy of the ETI is not successful, it will have a negative impact upon the performance of the ETI, and consequently, could have a negative impact on the value of the ETI Securities and the return investors may receive. Neither the Issuer nor the Calculation Agent have any control over investments made by the relevant ETI. Securityholders of ETI Securities have no right to participate in the ETI, whether by voting or in any distributions. Accordingly, the return the Securityholders receives could be less (and could be significantly less) than a direct investment in an ETI.

In case of ETI Securities whose Underlying is composed by cryptocurrencies or other digital assets, investors should also consider that these investment products entail unique and substantial risks, may be more volatile than other types of investments and that the value of the ETI Securities could decline significantly and without warning. In addition, compared to other financial assets, digital assets are more exposed to other risks, such as technology risk, legal and regulatory risk and liquidity risk.

Certain considerations associated with Futures Contract Securities

An investment in Futures Contract Securities will entail significant risks not associated with an investment in a conventional debt security. The yield on Securities which are linked to futures contracts may not be perfectly correlated to the trend in the price of the underlying asset of the future contract, as the use of futures contracts generally involves a rolling mechanism. This means that any futures contracts which expire prior to the relevant payment date under the applicable underlying securities 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 underlying asset of the future contract.

In addition, the trend of futures contracts may differ significantly from that of the underlying asset's spot markets. In relation to commodity futures contracts, the trend in the price of a futures contracts compared to the underlying commodity is closely linked to the present and future level of production of the underlying commodity, or to the level of estimated natural reserves, particularly in the case of energy linked products. In addition, the price of the relevant commodity futures contract may not be considered an accurate prediction of a market price, since it also includes so-called "carrying costs" (for example, warehouse or insurance costs). These factors substantially explain the imperfect correlation between commodity spot markets and commodity futures contracts.

If the Futures Contract N-th Near-by Feature is specified as applicable, it will be specified in the relevant Final Terms if the Issuer will be entitled to determine, on the basis of a Futures Contract N-th Near-by, the Initial Reference Value and/or the Reference Value and/or the Final Reference Value, if the feature Rolling is also specified as applicable. 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:

1) the ordinal number of the Futures Contract N-th Near-by to be used for the determination of the Initial Reference Value and/or only the Reference Value and the Final Reference Value; and

2) if the Initial Reference Value 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 Determination Date; and/or

3) if the feature Rolling is also applicable. In such case, the Reference Value and/or the Final Reference Value 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 valuation period/date during the lifetime of the Certificates and/or to the Valuation Date.

Since the Issuer will not make any adjustment to the price of the Securities following such rollover, investors should consider that the price of the futures contract used before the rollover may be different from the price of the futures contract used after the rollover.

Certain considerations associated with Commodity Securities

An investment in Commodity Securities may bear similar market risks to a direct commodity investment and potential investors should take advice accordingly. The movements in the price of the Commodity may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices.

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 the relevant Commodities may be traded.

Certain considerations associated with Index Securities

Securities that are linked to an Index as Underlying or Basket Component are associated with risks for the Securityholders comparable to those of a direct investment in a comparable portfolio of asset classes underlying the respective Index. The development of the price of the Index depends on the individual index components of which the relevant Index is comprised. The development of the price of the individual index components depends on macroeconomic factors, such as interest rates and price levels on the capital markets, currency developments, political factors as well as, in the case of shares as index components, company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. In the case of an adverse development of such macroeconomic factors this may adversely affect the price development of the index components and the Index as a whole and accordingly, the value of the Securities and/or any other payments to be made under the Securities.

In case of Index Securities whose Underlying is an Index composed by cryptocurrencies or other digital assets, investors should also consider that these investment products entail unique and substantial risks, may be more volatile than other types of investments and that the value of the Index could decline significantly and without warning. In addition, compared to other financial assets, digital assets are more exposed to other risks, such as technology risk, legal and regulatory risk and liquidity risk.

In case of Index Securities whose Underlying is a Strategy Index, the decisions of the Strategy Manager with regard to the Investment Strategy may have an adverse effect on the value of the Index for the Securityholder. The Investment Strategy may be a strategy which is not established in the market or it may even be an unknown or new investment strategy and it may potentially only be partially disclosed to the Securityholders or not at all. The Investment Strategy may turn out to be unsuccessful or may not work due to the prevailing market conditions. Therefore, Securityholders rely mainly on the ability and reliability of the Strategy Manager with regard to the determination of the Investment Strategy and, if applicable, of the Strategy Manager or the Index Sponsor with regard to the management of the portfolio of underlying financial assets composing the Strategy Index. The description of the individual Strategy Index defines the framework, within which the Strategy Manager has a significant degree of discretion. Thus, decisions of the Strategy Manager may have a material adverse effect on the Securities. Changes in the composition of the Strategy Index and the weighting of its components by the Strategy Manager may result in losses in value of the Strategy Index, which can be caused by discounts for the dissolution of existing components, premiums for the inclusion of new components or costs and fees. In addition, it cannot be excluded that the Securities referencing a Strategy Index and/or the Issuer and/or the Investment Strategy and/or the Strategy Manager may be subject to regulation for investment funds or other forms of collective investments in some way. This can significantly restrict the possibility to issue or to offer the Securities and can have a material adverse effect for the Securityholders with respect to the purchase, the holding and the sale of the Securities as well as the tax treatment of the proceeds from the Securities.

Certain considerations associated with Proprietary Index Securities

In case of Proprietary Index Securities, investors should consider the following risks:

a) Factors affecting the Proprietary Index

Factors affecting the performance of the Proprietary Index may adversely affect the value of the Securities. The Proprietary Index is comprised by one or more Reference Underlyings and as such, the performance of the Proprietary Index is dependent upon the performance of each Reference Underlying, which may depend on interest rates, currency developments, political factors, market factors such as the general trends in capital markets. If the Proprietary Index does not perform as expected, this may adversely affect the market value of the Securities and their return.

The frequency and magnitude of changes in the market prices of the Fund (known as volatility) may affect the market value of the Securities. Volatility is affected by a number of factors such as macro economic factors, speculative trading and supply and demand in the options, futures and other derivatives markets. The volatility of the Risky Component (and accordingly, the Proprietary Index) will move up and down over time (and sometimes more sharply than other securities and indices).

The Proprietary Index Sponsor has the authority to make determinations, calculations, adjustments, rebalancings, substitutions and interpretations in accordance with the provisions of the Proprietary Index set out within "Annex 1 to the Terms and Conditions of the Securities – Description of the Proprietary Indices". The exercise of such discretion, including in relation to the methodology or composition of the Proprietary Index, may affect the value of the Proprietary Index and could adversely affect the market value of the Securities and the Cash Settlement Amount or any Remuneration Amount payable under the Securities.

In case of Proprietary Index Securities where one or more Reference Underlyings are financial assets investing in cryptocurrencies or other digital assets, investors should also consider that these investment products entail unique and substantial risks, may be more volatile than other types of investments and that the value of the Proprietary Index could decline significantly and without warning. In addition, compared to other financial assets, digital assets are more exposed to other risks, such as technology risk, legal and regulatory risk and liquidity risk.

b) Conflict of interest

The Issuer, or any legal entity belonging to the same group, acts as Proprietary Index Sponsor of the Proprietary Index. In such capacity, the Issuer may face a conflict of interest between its obligations as Issuer of the Securities and its role in relation to the Proprietary Index, since the determination of the composition, methodology or calculation of the Proprietary Index may have an impact on the value of the Proprietary Index and therefore on the market value of the Securities and the amounts payable under the Securities.

In making such determinations, the Proprietary Index Sponsor will not be required to take the interests of the Securityholders into account.

c) Returns on the Securities do not reflect a direct investment in the Fund composing a Proprietary Index

The return payable on the Securities may not reflect the return a potential investor would realize if it owned the Reference Underlying or the Risky Component. Accordingly, Securityholders may receive a lower Cash Settlement Amount or Remuneration Amount than such Securityholders would have received if they had invested in the Reference Underlying or in the Fund directly. The units of the Fund included in the Risky Component distribute no dividend.

d) Provision of information

Investors should consider that the Issuer, or any legal entity belonging to the same group, acting as Proprietary Index Sponsor in relation to the Proprietary Index has no obligation to provide Securityholders with any information which is in the public domain or any information additional to that published on the Fund relevant sources.

Certain considerations associated with Interest Rate Securities

An investment in Interest Rate Securities will entail significant risks not associated with an investment in a conventional debt security. On exercise of Interest Rate Securities, Securityholders will receive an amount (if any) determined by reference to the value of the underlying interest rate(s). Accordingly, an investment in Interest Rate Securities may bear similar market risks to a direct investment in the underlying interest rate and investors should take advice accordingly.

Certain considerations associated with Govies Securities

An investment in Govies Securities may bear similar market risks to a direct investment in the relevant government/supranational bond. The movements in the value of such bond or in its yield may be affected by economic, financial and political events in the relevant country or regional area. The credit ratings of the relevant country may change and any ratings downgrade could adversely affect the value of the underlying bond and, therefore, the value of the Securities.

Certain considerations associated with Combined Securities

An investment in Combined Securities will entail significant risks depending on the specific underlying assets. The risk associated with the aforementioned types should be considered in accordance with the specific financial assets of each issue and investors should take advice accordingly.

2.3. Specific risks related to Certificates

Loss risk in relation to the investment

Securityholders shall consider that, in relation to their investment, there is a risk of loss of the capital invested depending on the features of the Securities and, unless the relevant Values are set as predetermined values in the applicable Final Terms, on the performance of the Underlying. In particular, if the relevant Final Terms provides a Barrier Level, the investor shall consider that, in the event of a negative performance (or positive performance in case of Short Strategy) of the Underlying at the Valuation Date or a negative Spread or a negative Cumulated Performance (in the case of Multiperformance Certificates), in the event a Barrier Event or a Barrier Gap Event (in the case of Gap Certificates) has occurred, a loss will occur in respect of the capital invested. If the Final Reference Value of the Underlying is equal to zero, the investor might suffer a total loss of the capital. Moreover, if prior to the exercise the investor decides to terminate the investment in the Certificates, the investor might be subject to the loss of the value of the certificate and, therefore, might be subject to the total or partial loss of the investment.

Furthermore, if the relevant Final Terms do not specify a Capital Protection Percentage, an early termination of the Securities following the occurrence of a Market Disruption Event or an Adjustment Event under Condition 15 (*Market Disruption Events and Adjustment Events*) will entitle Securityholders to receive an amount not lower than the fair market value of the Securities. If such amount is lower than the purchase price paid by the Securityholder, the Securityholder will incur a partial loss of the initial investment.

Risk related to the determination of the Multiplier or the Initial Reference Value

The Securities may have a determination of the Multiplier that may increase or decrease the percentage of the Underlying(s) used to determine the amount(s) payable or deliverable to investors. In such case, investors should consider that, due to the determination of the Multiplier, the amount(s) payable or deliverable may be decreased.

In addition, the Securities may have a determination of the Initial Reference Value whereby the percentage of the Value of the Underlying(s) to be considered is higher than, equal to or lower than 100% of the Value of the Underlying on the Determination Date(s). In such case, investors should consider that, due to the determination of the Initial Reference Value, the amount(s) payable or deliverable may be decreased if (i) in relation to Securities with Long Strategy, the Initial Reference Value is calculated as a percentage of the Value of the Underlying higher than 100% or (ii) in relation to Securities with Short Strategy, the Initial Reference Value is calculated as a percentage of the Value of the Underlying lower than 100%.

Certain considerations associated with Securities providing for the application of a cap

The Securities may provide for the application of a maximum return payable to investors or of a maximum value or level to the relevant Underlying(s).

In such case, the amounts payable to Securityholders will be subject to the predetermined maximum. If the relevant Underlying(s) outperforms the predetermined maximum, this will not be taken into consideration when calculating the amount payable or deliverable in respect of the Securities.

The Cash Settlement Amount or the Entitlement may be less than the value of an investment in the Securities

Securityholders may receive the Cash Settlement Amount and/or physical delivery of the Deliverable Asset and, if any, the payment of the Residual Amount (the quantities of which are determined by reference to the Entitlement), the aggregate value of which may be less than the value of the Securityholder's investment in the relevant Securities. In certain circumstances Securityholders may lose the entire value of their investment.

Risk related to a protection level lower than 100% or a protection amount lower than the Issue Price

The Certificates may provide a protection level or a protection amount. The protection level represents the protection percentage of the Initial Reference Value of the Certificate and that the Cash Settlement Amount will not fall below such protection level. The protection amount represents the minimum amount of Cash Settlement Amount that the Securityholders will receive. The lower the protection level or the protection amount, the higher the loss (if any) that the Securityholders might suffer given that the Issue Price of the Certificate will not be entirely protected and the Cash Settlement Amount at the Exercise Date might be lower than the Issue Price.

Exchange Rate risk related to the absence of a Quanto Option

The investment in Securities which do not provide a Quanto Option and, therefore, the Underlying Reference Currency differs from the Settlement Currency ("**Non Quanto Securities**"), may entail risks related to the exchange rate.

In such case, the Settlement Amount or Early Redemption Amounts or Remuneration Amounts or Corridor Early Amounts or Early Partial Capital Payment or any other amount payable under the Securities or the Deliverable Asset, and the relevant events will be determined by exchanging the Underlying Reference Currency in the Settlement Currency at the applicable Exchange Rate. Therefore, without a Quanto Option, any adverse variation of the Exchange Rate might frustrate either the performance of the underlying asset at maturity and the returns linked to a remuneration amount and might determine a loss of the capital invested. Securityholders shall consider that they may be exposed not only to the performance of the Underlying but also to the variation of the Exchange Rate between the Underlying Reference Currency and the Settlement Currency.

In the case of Non Quanto Securities, any adverse variation of the exchange rate might also reduce the effect of total or partial protection on the capital invested (depending on the structure of the product) represented by such protection. In fact, the Settlement Amount at the maturity (and, therefore, the protection level that is part of the calculation of such amount, subject to certain conditions) shall be determined by exchanging the Underlying Reference Currency into the Settlement Currency at the applicable Exchange Rate with the consequence of suffering the decrease in value of the Underlying Reference Currency of the underlying asset in respect of the Settlement Currency.

Risk related to the application of a Quanto Option

In case of Quanto Securities, the conversion of the Settlement Amount and/or any other amount payable into the Settlement Currency is required, at an exchange rate of one unit of the Underlying Reference Currency to one unit of the Settlement Currency. Therefore, the Underlying Reference Currency is in any case conventionally denominated in the Settlement Currency, no exchange rate is applicable and the effects of variation of such exchange rates on the amount paid in relation to the Securities are neutralised. However, it cannot be excluded that the variations on the exchange rates might have negative effects on the performance of the underlying asset and therefore, indirectly, also on the Securities with the Quanto Option. Under such Quanto Option, if on the one hand, the investment return of the Securities depends only on the performance of the Underlying (in the relevant Underlying Reference Currency) and any movement in the exchange rate between the Underlying Reference Currency and the Settlement Currency is disregarded, on the other hand, the application of the Quanto Option means that Securityholders will not have the benefit of any movements in the exchange rate between the Underlying Reference Currency and the Settlement Currency that would otherwise increase the price of the Securities or the Settlement Amount and/or any other amount payable in the absence of such Quanto Option.

In case of Physical Delivery Securities , if the Quanto Option is specified as "Applicable" in the relevant Final Terms, the Calculation Agent will apply the exchange rate between the Underlying Reference Currency and the Settlement Currency to determine the Entitlement and the Residual Amount. Therefore, the Securityholders will be exposed to fluctuations of the relevant currencies and such fluctuations may affect the value of the Securities from the Valuation Date (or a different date indicated in the relevant Final Terms) when the relevant exchange rate will be applied.

Risk relating to the application of an exchange rate in case of Physical Delivery Securities

In relation to Securities where the Underlying Reference Currency differs from the Settlement Currency and the Quanto Option is specified as "Not Applicable", the relevant Final Terms may provide for the application of the relevant exchange rate for the determination of the Entitlement and of the Residual Amount. Therefore, the Securityholders will be exposed to fluctuations in the value of the Underlying Reference Currency in respect of the Settlement Currency and such fluctuations may affect the value of Securities and may determine a loss of the capital invested.

Risk relating to Dual Currency Securities

An investment in Dual Currency Securities will entail significant risks not associated with an investment in a conventional debt security. In particular, the Cash Settlement Amount and the Remuneration Amount(s) are payable in a currency specified in the applicable Final Terms (the Settlement Currency) which is different from the currency in which the Certificates are denominated (the Issue Currency).

Currency exchange rates may be subject to significant fluctuations that may not correlate with changes in the Cash Settlement Amount and/or Remuneration Amount(s) and the timing of changes in the exchange rates may affect the actual return to investors.

Therefore, fluctuations in exchange rates of the relevant currencies (i.e. the Issue Currency and the Settlement Currency) will affect the value of Dual Currency Securities, and may determine a loss of the capital invested.

Risk relating to Dual Currency FX Certificates

An investment in Dual Currency FX Certificates will entail significant risks not associated with an investment in a conventional debt security. In particular, upon occurrence of a Barrier Event, the Cash Settlement Amount may be payable in a currency specified in the applicable Final Terms (the Dual Currency) which is different from the currency in which the Certificates are denominated (the Issue Currency).

Currency exchange rates may be subject to significant fluctuations that may not correlate with changes in the Cash Settlement Amount and the timing of changes in the exchange rates may affect the actual return to investors.

Therefore, fluctuations in exchange rates of the relevant currencies (i.e. the Issue Currency and the Dual Currency) will affect the value of Dual Currency FX Certificates, and may determine a loss of the capital invested.

Price risk and components that determine the value of the Certificates

The Certificates are composed of a combination of several options and the Securityholder shall take into account that the value of the Certificates will depend on the value of each option composing the Certificate. The fluctuation over time of the value of each optional components (and therefore of the Certificates) mostly depends on the current value of the Underlying to which the Certificates relate and its volatility (unless the relevant Values are set as predetermined values in the applicable Final Terms), the residual life of the options composing the Certificates, the levels of the interest rates of the monetary markets, the expected dividends (in the case of Share Securities), the correlation (in the event that the underlying asset is a Basket or a Basket of Baskets) as well as the business of the Issuer of the underlying asset, speculative contractions and other factors.

An increase in the value of the Underlying might determine an increase in the price of the Certificates. Moreover, such determinations are uncertain as the effect on the price of the Certificates is given by the implicit optional structure that takes into account the possibility that an event linked to the payment of a Remuneration Amount as well as a Barrier Event (or a Barrier Gap Event) may occur during the life of the certificate. Prior to the maturity of the Certificate, the value of the options might decrease and therefore it will affect the value of the Certificate or some of them might expire.

The value of the Underlying may vary during the course of time and may increase or decrease as the consequence of several factors including corporate transactions, distribution of dividends, microeconomic factors and speculative negotiations. Changes in the value of the Underlying may affect the trading price of the Certificates but it not possible to foresee if the value of the Underlying will suffer from decreasing or increasing variations. Furthermore, the price of the Certificates might be influenced (in case of listing after offering) by the underwriting and/or placement commissions that will be paid to the Managers and/or the Lead Manager and/or the or distribution commissions that will be paid to the Distributor. The price of the Certificates might be negatively influenced by the worsening of the asset stability of the Issuer.

Risk related to the Participation Factor, the Up Participation Factor and Down Participation Factor

If the Participation Factor, which is a value predetermined by the Issuer in the relevant Final Terms that may be lower than, equal to or higher than 100%, is specified in the relevant Final Terms, such Participation Factor determines the potential return of the Certificates. If it is lower than 100%, the Securityholders will partially benefit from the positive performance (or from the negative performance in case of Short Strategy) of the Underlying.

If the Up Participation Factor and Down Participation Factor are specified in the relevant Final Terms, the return deriving from the positive performance of the Underlying (respectively, positive performance in case of Long Strategy and negative performance in case of Short Strategy) will depend on the Up Participation Factor, which may be lower than 100%. If it is lower than 100%, the Securityholders will partially benefit from the positive performance of the Underlying. Conversely, the return deriving from the negative performance of the Underlying (respectively, negative performance in case of Long Outperformance Certificates and positive performance in case of Short Outperformance Certificates) will depend on the Down Participation Factor, which may be higher than 100%. If it is higher than 100%, the negative impact of the negative performance of the Underlying will be amplified.

Risk related to a Remuneration Amount linked to the performance of an Underlying

The Certificates may provide for the payment of one or more Remuneration Amounts, as specified in the applicable Final Terms. The amount of any of such Remuneration Amount may be conditional upon the performance of one or more Underlyings. Securityholders should consider that if such Underlying/s does/do not perform in a way that benefits the value of the Certificates, they may not receive any remuneration during the life of the Certificates.

Risk related to the Digital Level

In relation to the Certificates, the Issuer may set, at its own discretion, one or more Digital Levels. If the Digital Level is set

(i) as a percentage of the Initial Reference Value or of the Reference Value, or

(ii) a value expressed as a percentage, or

(iii) as a predetermined value

Securityholders should consider that the higher (or the lower (a) in case of Short Strategy or (b) if the value of the Underlying has to be lower than the Digital Level for the event to occur) the Digital Level is set (in respect of the Initial Reference Value or of the Reference Value in case of (i) above), the greater the possibility that a Digital Event will not occur and therefore that the relevant Digital Amount will not be paid.

In relation to the Cliquet Feature, the investor should also consider that the Digital Level might change in relation to one or more Digital Valuation Periods and, in relation to each Digital Level, a different Digital Amount may be provided.

If an Up Range Digital Level and a Down Range Digital Level are specified in the relevant Final Terms, the possibility that a Digital Event will not occur and therefore that the relevant Digital Amount will not be paid will depend on how the Up Range Digital Level and the Down Range Digital Level will be set by the Issuer in the relevant Final Terms. For example, if the value of the Underlying has to fall within a range, the higher the Down Range Digital Level and the smaller the range are set by the Issuer, the greater the possibility that a Digital Event will not occur. On the contrary, if the value of the Underlying has to fall outside the range, the lower the Down Range Digital Level and the larger the range are set by the Issuer, the greater the possibility that a Digital Event will not occur.

Risk related to the Participation Remuneration Level

In relation to the Certificates to be issued, the Issuer may set, at its own discretion, one or more Participation Remuneration Levels. If the Participation Remuneration Level is set

(i) as a percentage of the Initial Reference Value or of the Reference Value, or

(ii) a value expressed as a percentage, or

(iii) as a predetermined value,

Securityholders should consider that the higher (or the lower (a) in case of Short Strategy or (b) if the value of the Underlying has to be lower than the Participation Remuneration Level for the event to occur) the Participation Remuneration Level is set (in respect of the Initial Reference Value or of the Reference Value in case of (i) above), the greater the possibility that a Participation Remuneration Event will not occur and therefore that the relevant Participation Remuneration Amount will not be paid.

In relation to the Cliquet Feature, the investors should also consider that the Participation Remuneration Level might change in relation to one or more Participation Remuneration Event Valuation Periods.

If an Up Range Participation Remuneration Level and a Down Range Participation Remuneration Level are specified in the relevant Final Terms, the possibility that a Participation Remuneration Event will not occur and therefore that the relevant Participation Remuneration Amount will not be paid will depend on how the Up Range Participation Remuneration Level and the Down Range Participation Remuneration Level will be set by the Issuer in the relevant Final Terms. For example, if the value of the Underlying has to fall within a range, the higher the Down Range Participation Remuneration Level and the smaller the range are set by the Issuer, the greater the possibility that a Participation Remuneration Event will not occur. On the contrary, if the value of the Underlying has to fall outside the range, the lower the Down Range Participation Remuneration Level and the larger the range are set by the Issuer, the greater the possibility that a Participation Remuneration Event will not occur.

Risk related to the Knock-out Feature

In relation to any Remuneration Amount, a Knock-out Feature may be specified as applicable in the relevant Final Terms. In this case, if the Knock-out Event occurs, the Remuneration Amount provided in relation to either such Knock-out Valuation Period and/or the valuation period(s) following such Knock-out Valuation Period will be deactivated and will not be paid. In relation to the Knock-out Feature, the Issuer may set, at its own discretion, one or more Knock-out Levels.

If the Knock-out Level is set

(i) as a percentage of the Initial Reference Value or of the Reference Value, or

(ii) a value expressed as a percentage, or

(iii) as a predetermined value,

Securityholders should consider that the lower (or the higher (a) in case of Short Strategy or (b) if the value of the Underlying has to be higher than the Knock-out Level for the event to occur) the Knock-out Level is set (in respect of the Initial Reference Value or of the Reference Value in case of (i) above), the greater the possibility that a Knock-out Event will occur and therefore that the relevant Remuneration Amount will not be paid.

Risk related to the Knock-in Feature

In relation to any Remuneration Amount, a Knock-in Feature may be specified as applicable in the relevant Final Terms. In this case, if the Knock-in Event does not occur, the Remuneration Amount provided will not be activated and therefore will not be paid. In relation to the Knock-in Feature, the Issuer may set at its own discretion, one or more Knock-in Levels.

If the Knock-in Level is set

(i) as a percentage of the Initial Reference Value or of the Reference Value, or

(ii) a value expressed as a percentage, or

(iii) as a predetermined value,

Securityholders should consider that the higher (or the lower (a) in case of Short Strategy or (b) if the value of the Underlying has to be lower than the Knock-in Level for the event to occur) the Knock-in Level is set (in respect of the Initial Reference Value or of the Reference Value in case of (i) above), the greater the possibility that a Knock-in Event will not occur and therefore that the relevant Remuneration Amount will not be paid.

Risk related to the occurrence of an Early Redemption Event

If an Early Redemption Event occurs, the Certificates will be redeemed earlier than the Exercise Date (and therefore terminated). In such case, the Securityholders will receive the relevant Early Redemption Amount on the relevant Early Payment Date and no other amounts will be paid. Investors should consider that the Early Redemption Amount to be paid to the Securityholder may be either an amount predetermined by the Issuer in the relevant Final Terms or an amount that will depend on the value of the relevant underlying asset.

If the Early Redemption Amount is an amount predetermined by the Issuer in the relevant Final Terms, such amount will not depend on the value of the relevant underlying asset and, therefore, the potential positive performance (or the negative performance, in case of Short Strategy) of such underlying asset will not be considered. If the Early Redemption Amount is an amount that depends on the value of the relevant underlying asset, the investor shall consider that there is a risk of loss of the capital invested depending on the performance of the underlying asset. In addition, in the event that the relevant underlying asset is registering a positive performance when and Early Redemption Event occurs, investors should consider that it may not be possible to reinvest in such underlying asset at the same conditions applied to the initial investment made in the Certificates.

In relation to Turbo Certificates, investors should also consider that there is a risk of total loss of the capital invested depending on the performance of the underlying asset. In particular, if an Early Redemption Event occurs, the Certificates will be exercised automatically and will expire worthless immediately. The Securityholder will not receive any amount and the Early Redemption Amount will be always equal to 0 (zero).

Furthermore, if the value of the Underlying is calculated as Intraday Value, the Underlying will be observed on a continuous basis and the probability that an Early Redemption Event occurs may be magnified.

Risk related to the Coupon Event

The Securities may provide for the Coupon Event. In relation to the Coupon Event, the Issuer may set, at its own discretion, one or more Coupon Levels. The Coupon Level may be set as

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

The Securityholder should consider that the higher (or the lower (a) in case of Short Strategy or (b) if the value of the Underlying has to be lower than the Coupon Level for the event to occur) the Coupon Level is set (in respect of the Initial Reference Value or of the Reference Value in case of (i) above), the greater the possibility that a Coupon Event will not occur and therefore that Securityholders may receive the lowest Coupon Premium Amount.

Risk related to the Early Partial Capital Payment

The Securities may provide for the application of an Early Partial Capital Payment. In such case, the Securityholder will receive part of the Issue Price on the Early Partial Capital Payment Date specified in the Final Terms.

The investors should therefore consider that, in relation to their investment, the Cash Settlement Amount will be adjusted relative to the Outstanding Amount after the relevant Early Partial Capital Payment Date. Therefore, Early Partial Capital Payment might frustrate investment strategies pursued by the investors, by reducing their exposure (proportionately to the Early Partial Capital Payment Amount paid from time to time) to any potential gain arising out of the positive performance of the Underlying.

Risk related to the Barrier Event and the Barrier Gap Event

If a Barrier Event or a Barrier Gap Event (in the case of Gap Certificates) occurs, the Cash Settlement Amount will be determined in accordance with a calculation method other than the calculation method applicable if the Barrier Event or the Barrier Gap Event does not occur and such circumstance may have a negative influence on the price. For example, if the relevant Final Terms do not provide a Protection Level or an Air Bag Factor or other similar features, upon occurrence of the Barrier Event, the Cash Settlement Amount will be linked only to the performance of the underlying asset. This may entail the risk of partial or total loss of the investment.

The Securityholder shall consider that the occurrence of a Barrier Event or the Barrier Gap Event will also depend on the volatility of the underlying asset i.e. the more frequent and intense the fluctuations in the value of the underlying asset during the life of the Certificates are, the higher the volatility will be and the greater the chance that the value of the underlying asset will reach the Barrier Level or the Barrier Gap Level and therefore a Barrier Event or a Barrier Gap Event will occur. The Barrier Level or the Barrier Gap Level will be set at the Issuer's own discretion.

Furthermore, if the value of the Underlying is calculated as Intraday Value, the underlying asset(s) will be observed on a continuous basis and the probability that a Barrier Event or a Barrier Gap Event occurs may be magnified.

Finally, if the applicable Final Terms provide for the payment of one or more Premium Gap Amount payable to the Securityholders during the life of the Gap Certificates, the investor should consider that after the occurrence of the Barrier Gap Event the Premium Gap Amount will be determined on the basis of the actual number of days within the relevant Premium Gap Observation Period and not on the basis of all the days of the relevant Premium Determination Period and after the payment of the Premium Gap Amount that will be paid on the first Premium Payment Date following the Barrier Gap Event Date on which a Barrier Gap Event has occurred, no further Premium Gap Amount will be paid to the Securityholders.

Risk related to the Predetermined Loss Percentage

In relation to the Certificates, the Predetermined Loss Percentage option may be also included together with the Barrier Level. If a Barrier Event has occurred, the Cash Settlement Amount will depend on the Predetermined Loss Percentage. Consequently, the lower the Predetermined Loss Percentage the smaller the Cash Settlement Amount that the Securityholders will receive on the Settlement Date.

Risk related to Digital Certificates

The investor shall consider that, in relation to the Digital Certificates, there is a risk of total loss of the capital invested depending on the performance of the underlying asset. In particular, if the Settlement Event does not occur, the Securityholders will not receive any Settlement Amount and will lose the entire capital invested.

Furthermore, if a Settlement Event occurs, the Cash Settlement Amount to be paid to the Securityholder will not depend on the value of the Underlying, but it will be a predetermined amount dependent on a percentage of the Issue Price specified as "Digital Percentage" in the applicable Final Terms.

Risk related to the Best Of Feature and Worst Of Feature

In relation to the Best Of Feature, for the purposes of the calculation of the Settlement Amount and/or a Remuneration Amount and/or the determination of the Early Redemption Event, the Issuer will indicate in the relevant Final Terms whether it will be considered the underlying financial asset with the first best Performance, second best Performance, third best Performance, or n-th best Performance.

In the case of Best Of Feature, the lower the Issuer selects the performance among the financial activities (First Best Of, Second Best Of, etc.), the lower will be the amount that the Securityholders will receive.

In relation to the Worst Of Feature, for the purposes of the calculation of the Settlement Amount and/or a Remuneration Amount and/or the determination of the Early Redemption Event, the Issuer will indicate in the relevant Final Terms whether it will be considered the underlying financial asset with the first worst Performance, second worst Performance, third worst Performance, or n-th worst Performance.

In the case of Worst Of Feature, the higher the Issuer selects the performance among the financial activities (First Worst Of, Second Worst Of, etc.), the lower will be the amount that the Securityholders will receive.

Risk related to Baskets – Risk related to the Rainbow Feature – Correlation risk

The investor shall take into account that in the case of a Basket, the value and the return of the Certificates depends on the value of each Basket Constituents, the weighting allocated to each Basket Constituents and the correlation between the Basket Constituent. The investor shall consider that in the case of a Basket, a different weighting allocated to the Basket Constituents entails a higher or lower value of the Basket. In the case of a Rainbow Feature, unlike the financial instruments that normally are linked to one or more Basket(s), the Issuer will indicate in the relevant Final Terms (i) the financial assets that represent the Basket Constituents, (ii) the relative weighting within the Basket without a preliminary indication of the relevant allocation to a specific financial asset and (iii) the predetermined criteria pursuant to which the allocation among the weights will be made by the Calculation Agent (providing, for instance, in a Basket composed of three financial assets, the Basket would be weighted as follows: 50% for the Basket Constituent with the best performance; 30% for the Basket Constituent with the worst performance; and 20% for a Basket Constituent with the second best performance). For each determination period (during the life of the Certificates and at the exercise date) the Calculation Agent will allocate the weights to the relevant Basket Constituents on the basis of the performance recorded in that relevant determination period and in accordance with the objective criteria provided in the relevant Final Terms. The allocation of the weights might result differently on each determination date pursuant to the performance of each Basket Constituents. Once the Calculation Agent has determined the weighting of the Basket on the relevant determination date, the Calculation Agent will determine the total value of the Basket in accordance with the methods applied for the financial instruments normally linked to the Baskets. Therefore the Rainbow Feature entails that the Basket will have a variable weighting for all the life of the Certificates depending on the performance of the Basket Constituents and, consequently, it will affect the total value of the Basket. The investor shall consider that in the case of Rainbow Feature, upon variation of even only one Basket Constituent, the Reference Value of Basket recorded on a determination date might be completely different from a Reference Value recorded on a prior date.

Furthermore, the higher the correlation between the Basket Constituents the higher the volatility of the value of the Basket and therefore the price of the Certificates. In particular, it will broaden on account of the bullish and bearish effects of the Basket Constituents on the value of such Basket.

Risk related to management fees applied by the Issuer

The Issuer may apply to Benchmark Certificates an Annual Management Fee1 ("**AMF1**") or an Annual Management Fee2 ("**AMF2**") that will be determined on the basis, respectively, of the AMF1 Percentage or of the AMF2 Percentage specified in the applicable Final Terms. Such fees will accrue gradually and proportionally to the tenor of the Certificates and will not be affected in any way by the performance of the Underlying. The AMF1 or the AMF2 will be deducted from the Cash Settlement Amount and, in case of listing of the Certificates on an exchange, the price of the Certificates for trading purposes will include the AMF1 or the AMF2 gradually accrued on each Exchange Business Day.

Moreover, the Issuer may also apply to Benchmark Certificates or to Constant Leverage Certificates a Variable Management Fee ("**VMF**"), whose VMF Percentage$_x$ (specified as a range in the relevant Final Terms) may vary during the life of the Certificates. Any variation of the VMF Percentage$_x$ will be published by the Issuer on its website and by appropriate communication to the relevant exchange where the Certificates are listed/traded. The VMF will be deducted from the Cash Settlement Amount and, in case of listing of the Certificates on an exchange, the price of the Certificates will include such VMF, as accrued progressively.

Prospective investors should consider that, if the AMF1 or the AMF2 are applicable (in case of Benchmark Certificates) or the VMF is applicable (in case of Benchmark Certificates or Constant Leverage Certificates), pursuant to the relevant Final Terms, the daily value of the Certificates will be affected by such fees and, consequently, at maturity, the positive (or negative) performance of the Underlying during the life of the Certificates shall be considered net of the AMF1 or of the AMF2 or net of the VMF.

Risks related to Discretionary Payment Certificates

In relation to Discretionary Payment Certificates, Securityholders will be exposed to the risk that the Issuer may, at its sole and unrestricted discretion, determine whether or not to exercise the Discretionary Payment Option. Therefore, Securityholders will be exposed to the risk that, depending on the Issuer's decision to exercise or not to exercise such option, a different Cash Settlement Amount will be paid or may not receive the payments of the Discretionary Payment Amount(s).

Risks related to Turbo Certificates

In relation to Turbo Certificates, the return on the Securities depends on the performance of the Underlying(s) and whether early redemption features apply. Additionally, the return may depend on other market factors such as interest rates, the implied volatility of the Underlying(s) and the time remaining until redemption. Turbo Certificates include a leverage feature that magnifies gains and losses. If the Underlying moves against expectations, Securityholders risk losing a greater proportion of their investment than if they had invested in a Security that is not leveraged. As a consequence, investors may be exposed to a partial or total loss of their investment.

Risks related to Reverse Split

In relation to Turbo Certificates, Benchmark Certificates and Constant Leverage Certificates, if Reverse Split is specified as applicable in the relevant Final Terms, investors should also be aware that the Issuer may, at its discretion, perform the Reverse Split. In such case the number of Certificates will be aggregated and these Certificates will be converted into a smaller number of Certificates calculated by dividing the number of Pre-Conversion Certificates by the Reverse Split Ratio. Although Reverse Splits are intended to provide additional liquidity to holders and to prevent the forced liquidation (and therefore complete exit) of a Certificate, Securityholders of such Certificates should be aware that if such conversion entitles the Securityholder to a fraction of a Certificate, such fraction will be settled in cash.

Risks related to Constant Leverage Certificates

Constant Leverage Certificates are financial instruments without capital protection and the return on the Certificates depends, in case of Type A Constant Leverage Certificates, on the performance of a reference asset (i.e. the Reference Underlying) to which the index sponsor of the Index used as Underlying applies the Index Leverage Factor (with an upward or downward strategy) in order to calculate the Value of such Underlying and, in case of Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, on the performance of the Underlying to which a Constant Leverage Factor applies (with an upward or downward strategy).

In case of Type A Constant Leverage Certificates, in the event of significant and adverse changes in the performance of the Reference Underlying, an intra-day recalculation mechanism (intra-day reset) is provided by the index sponsor to prevent that the value of the Index used as Underlying will become negative due to the Index Leverage Factor. Specifically, when the performance of the Reference Underlying is lower (in case of Underlying with long leverage) or higher (in case of Underlying with short leverage) than a certain threshold (i.e. the Trigger Value), the index sponsor of the Index used as Underlying sets a new base value for the calculation of the daily performance of the Reference Underlying and, consequently, will result in an adjustment of the value of the of the Index used as Underlying. Therefore, in such case the performance of the of the Index used as Underlying could differ significantly from the performance of the Reference Underlying multiplied by the Index Leverage Factor. Investors should be aware that following the intra-day reset made by the index sponsor, the Certificates may price at a lower level than the last price recorded by the Certificate and, therefore, any subsequent recovery of potential losses may be difficult.

In case of Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, in the event of significant and adverse changes in the performance of the Underlying, an Intraday Reset Event is provided to prevent that the Payout Value Long or the Payout Value Short will become negative due to the Constant Leverage Factor. Specifically, when the performance of the Underlying is lower (in case of Long Constant Leverage Certificates) or higher (in case of Short Constant Leverage Certificates) than the Trigger Value, the Calculation Agent sets a new base value for the calculation of the daily performance of the Underlying and, consequently, will result in an adjustment of the value of the Certificates. Therefore, in such case the performance of the Certificates could differ significantly from the performance of the Underlying multiplied by the Constant Leverage Factor. Investors should be aware that following the Intraday Reset Event, the Certificates may price at a level lower than the last price recorded by the Certificate and, therefore, any subsequent recovery of potential losses may be difficult.

The calculation of the value of the Underlying by the relevant index sponsor of the Index used as Underlying is based on the daily performance of the Reference Underlying (in case of Type A Constant

Leverage Certificates) or the calculation of the Payout Value Long or the Payout Value Short by the Calculation Agent (in case of Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates), takes also into consideration certain figurative financial costs (in case of Type A Constant Leverage Certificates) or Cost Component (in case of Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates). Therefore, investors should be also aware that the performance of the Underlying/Certificates will be different from the performance of the Reference Underlying multiplied by the Index Leverage Factor (in case of Type A Constant Leverage Certificates) or of the Underlying multiplied by the Constant Leverage Factor (in case of Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates).

The performance of Constant Leverage Certificates over a period longer than one day may be derived from the compounded daily performance of the relevant Reference Underlying as calculated by the relevant index sponsor (in case of Type A Constant Leverage Certificates) or of the relevant Underlying as calculated by the Calculation Agent (in case of Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates). Therefore, their performance could differ significantly from the performance of the Reference Underlying multiplied by the Index Leverage Factor (in case of Type A Constant Leverage Certificates) or of the relevant Underlying multiplied by the Constant Leverage Factor (in case of Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates) during that period. The investors shall take into account that they are exposed to the risk that an investment in Constant Leverage Certificates may perform worse than a direct investment in the relevant Reference Underlying/Underlying and such risk increases the longer the period that Securityholders hold Constant Leverage Certificates and the more volatility the Reference Underlying/Underlying experiences during the holding period.

Constant Leverage Certificates are generally suited to short term investments intraday or over a few days. Investments held for a longer period of time may be affected by volatile market conditions which may have a negative impact on the performance of the Underlying. As a consequence, investors may be exposed to a partial or total loss of their investment.

Moreover, investors should also consider that the Constant Leverage Certificates provide for a fee charged to the Securityholders called Variable Management Fee or VMF_t which is calculated by applying a predetermined formula that takes into account the AMF Percentage and the VMF Percentage. Being calculated progressively and daily, it affects the market value of the Certificate throughout its entire life. Therefore, the Securityholders will receive a Settlement Amount linked to the performance of the Underlying (in case of Type A Constant Leverage Certificates) or linked to the Payout Value Long or the Payout Value Short (in case of Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates) that, however, will be reduced by the application of such Variable Management Fee.

Risk related to the Restrike Feature

In relation to the Restrike Feature, upon the occurrence of a Restrike Event, one or more values relevant for the determination of the amounts payable to Securityholders may be amended.

Where the Restrike Event results in the amendment of the Initial Reference Value, such value shall be automatically set on the basis of the Restrike Percentage specified in the relevant Final Terms upon occurrence of the Restrike Event. As a consequence, all values and levels depending on the Initial Reference Value will be adjusted in accordance with the applicable Final Terms;

Where the Restrike Event results in the amendment of any other level (including, without limitation, any Digital Level, Barrier Level, Switch Level or any other level specified in the relevant Final Terms), such level(s) or parameter shall be set as specified in the applicable Final Terms.

Accordingly, where the Restrike Feature applies, the amounts payable to the Securityholders will depend on the occurrence of the Restrike Event.

Risk related to the Call Option

Prospective investors should consider that, if specified as "Applicable" in the relevant Final Terms, the Certificates may be exercised early upon the discretionary exercise of the Call Option by the Issuer. Therefore, the exercise of the Call Option might frustrate long term investment strategies pursued by the investors.

Moreover, in relation to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity, the exercise of the Call Option by the Issuer 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 Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity may be restricted"* below.

Risk related to the early exercise of Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity following a MREL Disqualification Event

In relation to the Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity at the time of the issuance, 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, the Issuer in its discretion may redeem all, but not some only, of the Certificates of such Series.

If the Issuer should redeem such Certificates, the Securityholders will receive an amount which shall be equal to the Early Termination Amount. If such amount is lower than the purchase price of the Certificates, the Securityholder will incur a loss of part of the initial investment.

Moreover, such Certificates 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 Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity 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 the Certificates initially counted towards the MREL capacity of the Issuer, all or part of the aggregate outstanding nominal amount of such Certificates are or will be excluded fully or partially from the liabilities that are eligible to meet the MREL Requirements.

In such case the Securityholders 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 Certificates.

Risks related to the amounts payable following the occurrence of a Market Disruption Event or an Adjustment Event

Upon the occurrence of a Market Disruption Event or an Adjustment Event, the Issuer may, at its sole discretion: (i) where practicable, make any appropriate modification or adjustment to the Certificates; or (ii) maintain the Certificates outstanding and determine any future Remuneration Amount, any Early Redemption Amount, the Settlement Amount or any other amount payable under the Securities and the relevant events that trigger all these payments by reference to the last available Value of the Underlying prior to the occurrence of the Market Disruption Event or the Adjustment Event; or (iii) redeem the Certificates early by paying the Early Termination Amount.

In case the Issuer elects to maintain the Certificates outstanding, Securityholders should consider that any future Remuneration Amount, any Early Redemption Amount, the Cash Settlement Amount and the relevant events that trigger all these payments will be determined by the Calculation Agent by reference to the last available Value of the Underlying before the occurrence of the Market Disruption Event or of the Adjustment Event. Accordingly, Securityholders should consider that the Certificates will not benefit from any subsequent favourable movements in the value of the Underlying following such determination.

In case the Issuer elects to redeem the Certificates early by paying the Early Termination Amount, Securityholders should consider that, if the Early Termination Amount is lower than the purchase price of the relevant Certificates, they will incur a partial loss of the initial investment. Moreover, in such circumstances the Securityholder may be exposed to the risk that any expectations of an increase in the market value of the Certificates will not be realized.

Early redemption and repurchase of Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity may be restricted

Any early redemption or repurchase of Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity 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 counting of such Securities at such time towards the MREL capacity of the Issuer.

The 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 eligible to be counted towards the Issuer's MREL capacity (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.

Risks related to Series of Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity which may be subject to modification without the Securityholders' consent

If (i) at any time a MREL Disqualification Event occurs and is continuing in relation to any Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity and/or (ii) in order to ensure the effectiveness and enforceability of Condition 17 (*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 Securities of that Series), at any time vary the terms of such Securities so that they remain or, as appropriate, become, Qualifying Certificates (as defined below), provided that such variation does not itself give rise to any right of the Issuer to redeem the varied securities.

Qualifying Certificates are securities issued by the Issuer that, other than in respect of the effectiveness and enforceability of Condition 17 (*Acknowledgement of the Italian Bail-in Power*), have terms not materially less favourable to the Securityholders (as reasonably determined by the Issuer) than the terms of the Securities eligible to be counted towards the Issuer's MREL capacity. However, no assurance can be given as to whether any of these changes will negatively affect any particular Securityholders. In addition, the tax and stamp duty consequences of holding such varied securities could be different for some categories of Securityholders from the tax and stamp duty consequences for them of holding the securities prior to such variation.

Risk related to the Accumulated Amount's payment contingent upon occurrence of an Early Redemption Event

If an Early Redemption Level is applicable under the relevant Final Terms, and if so specified in such Final Terms, the Accumulated Amount will be paid only upon occurrence of an Early Redemption Event. As a result, even if one or more Accumulating Events have occurred, the Securityholders will not receive any Accumulated Amount unless an Early Redemption Event has occurred.

Risks associated with Certificates with Open End Feature

Certificates with Open End Feature do not have a pre-determined Exercise Date and may be redeemed upon exercise of the Call Option by the Issuer or the exercise of the Put Option by the Securityholders, as specified in the applicable Final Terms. Investment in Certificates with Open End Feature will entail additional risks compared with other Certificates, due to the fact that they do not have a prescribed tenor and Securityholders may receive a lower return than expected and depending on when the Certificates with Open End Feature are redeemed.

Risk related to the Strike Percentage

If the Cash Settlement Amount is calculated also on the basis of the Strike Percentage, which is a value predetermined by the Issuer in the relevant Final Terms that may be lower than, equal to or higher than 100%, such Strike Percentage contributes to the determination of the potential return of the Certificates. If it is higher than 100%, the positive performance of the Underlying will be considered partially in order to calculate the Cash Settlement Amount. Furthermore, in case of negative performance of the Underlying, if the Strike Percentage is equal to or higher than 100% the Cash Settlement Amount will be equal to zero.

Impact of running structuring fees on the value of the Securities

Investors should also note that running structuring fees may be applied by the Issuer in respect of the value of the Securities.

Such running structuring fees will not be affected in any way by the performance of the relevant Underlying.

The Issuer will specify in the relevant Final Terms the running structuring fee (and, in the case, how such structuring fee will be charged). Prospective investors should consider that, if the running structuring fees are applicable, the value of the Securities will be affected by such fees also on the secondary markets.

Impact of running commissions and costs on the value of the Securities

Investors should be aware that, if so provided in the applicable Final Terms, there may be running commissions/costs, fixed or variable. In this case, the applicable Final Terms will specify any applicable details of such commissions/costs and to whom they will be due, if applicable.

Prospective investors should consider that, if the running commissions/costs are applicable, the value of the Securities will be affected by such commissions/costs also on the secondary markets.

2.4. Specific risks related to Warrants

Loss risk in relation to the Covered Warrants

An investment in Covered Warrants entails the risk of loss of the capital invested.

In relation to Call Covered Warrants, in case of negative performance of the Underlying, if the Final Reference Value is lower than the Exercise Price, Securityholders will bear a total loss of the capital invested. Furthermore, if the Final Reference Value is higher than the Exercise Price, but not enough to offset the price paid for the purchase of the Covered Warrants, Securityholders will bear a partial loss of the capital invested.

In relation to Put Covered Warrants, in case of positive performance of the Underlying, if the Final Reference Value is higher than the Exercise Price, Securityholders will bear a total loss of the capital invested. Furthermore, if the Final Reference Value is lower than the Exercise Price, but not enough to offset the price paid for the purchase of the Covered Warrants, Securityholders will bear a partial loss of the capital invested.

Risk related to the Exercise Price

The Cash Settlement Amount of the Covered Warrants will be calculated also on the basis of the Exercise Price, which is a value either predetermined by the Issuer in the relevant Final Terms or communicated to Securityholders on the date(s) specified in the relevant Final Terms through the relevant notice. Such Exercise Price contributes to the determination of the potential return of the Covered Warrants.

Risk related to the Barrier Event

If a Barrier Event occurs, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount predetermined by the Issuer and specified in the applicable Final Terms, that could also be equal to zero and such circumstance may have a negative influence on the price. This will entail the risk of partial or total loss of the investment.

The Securityholder shall consider that the occurrence of a Barrier Event will also depend on the volatility of the underlying asset i.e. the more frequent and intense the fluctuations in the value of the underlying asset during the life of the Warrants are, the higher the volatility will be and the greater the chance that the value of the underlying asset will reach the Barrier Level and therefore a Barrier Event will occur. The Barrier Level will be set at the Issuer's own discretion.

Risk related to the Strike Percentage

The Cash Settlement Amount will be calculated on the basis of the Strike Percentage, which is a value predetermined by the Issuer in the relevant Final Terms that may be lower than, equal to or higher than 100%. Such Strike Percentage contributes to the determination of the potential return of the Warrants.

In particular, in relation to Call Warrants, if it is higher than 100%, the positive performance of the Underlying will be considered partially in order to calculate the Cash Settlement Amount. Furthermore, in case of negative performance of the Underlying, if the Strike Percentage is equal to or higher than 100% the Cash Settlement Amount will be equal to zero.

In relation to Put Warrants, if it is lower than 100%, the negative performance of the Underlying will be considered partially in order to calculate the Cash Settlement Amount. Furthermore, in case of positive performance of the Underlying, if the Strike Percentage is lower than 100% the Cash Settlement Amount will be equal to zero.

Risk related to the Interest Rate Warrants

Prospective investors should consider that the payment of the Floating Amount and the Cash Settlement Amount will depend, among other things, on the Interest Cap. In particular, such rate will be detracted from the Reference Rate, reducing therefore the potential amount of the Floating Amount and/or the Cash Settlement Amount, as the case may be.

The Floating Amount will also depend on the Notional Amount specified for the relevant Floating Amount Determination Period. In particular, the Notional Amount may vary on each Floating Amount Determination Period and the Floating Amount received at a later Floating Amount Payment Date may differ considerably from the Floating Amount received on the First Floating Amount Payment Date. Furthermore, for the purposes of the calculation of the Cash Settlement Amount, also the Final Notional Amount is different from the Notional Amount considered for the purposes of the calculation of the Floating Amounts.

Risk related to the Barrier Event (in case of Corridor Warrants)

The Barrier Event indicates the achievement by one or more underlying assets of a value below the Lower Barrier Level or higher than the Upper Barrier Level, on the Barrier Event Determination Period. If a Barrier Event occurs, the term of the Securities will end immediately and the Securityholders will only receive the Corridor Early Amount which can be equal to zero. This may entail the risk of partial or total loss of the investment.

The Securityholder shall consider that the occurrence of a Barrier Event will also depend on the volatility of the underlying asset i.e. the more frequent and intense the fluctuations in the value of the underlying asset during the life of the Warrants are, the higher the volatility will be and the greater the chance that the value of the underlying asset will be below the Lower Barrier Level or higher than the Upper Barrier Level and therefore a Barrier Event will occur. In relation to the Warrants to be issued, the Issuer might set, at its own discretion, the Lower Barrier Level and the Upper Barrier Level.

The Barrier Event could occur on any day within the Barrier Event Determination Period. Furthermore, if the value of the Underlying is calculated as Intraday Value, the underlying asset(s) will be observed on a continuous basis and the probability that a Barrier Event occurs may be magnified.

Time lag after exercise

In the case of any exercise of Warrants, there will be a time lag between the time a Warrant holder gives instructions to exercise, or the time the Warrant is automatically exercised, and the time the applicable Cash Settlement Amount (in the case of Warrants that are Cash Settled Securities) relating to such exercise is determined. Any such delay between the time of exercise and the determination of the Cash Settlement Amount will be specified in the Terms and Conditions of the Securities. However, such delay could be significantly longer, particularly in the case of a delay in exercise of Warrants arising from any daily maximum exercise limitation (in the case of American Style Warrants), the occurrence of a market disruption event or failure to open of an exchange or related exchange (if applicable) or following the imposition of any exchange controls or other similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies) in the case of Currency Warrants. The applicable Cash Settlement Amount may change significantly during any such period, and such movement or movements could decrease the Cash Settlement Amount of the Warrants being exercised and may result in such Cash Settlement Amount being zero.

Minimum Exercise Amount

If so indicated in the applicable Final Terms, a Warrantholder must tender or hold a specified number of Warrants at any one time in order to exercise. Thus, Warrantholders with fewer than the specified minimum number of Warrants will either have to sell their Warrants or purchase additional Warrants, incurring transaction costs in each case, in order to realise their investment. Furthermore, holders of such Warrants incur the risk that there may be differences between the trading price of such Warrants and the Cash Settlement Amount (in the case of Warrants that are Cash Settled Securities) or the Deliverable Asset constituting part or all of the Entitlement (in the case of Warrants that are Physical Delivery Securities) of such Warrants.

Limitations on exercise

In the case of American Style Warrants, if so indicated in the applicable Final Terms, the Issuer will have the option to limit the number of American Style Warrants exercisable on any date (other than the final exercise date) to the maximum number specified in the applicable Final Terms and, in conjunction with such limitation, to limit the number of American Style Warrants exercisable by any person or group of persons (whether or not acting in concert) on such date. In the event that the total number of American Style Warrants being exercised on any date (other than the final exercise date) exceeds such maximum number and the Issuer elects to limit the number of American Style Warrants exercisable on such date, a Warrant holder may not be able to exercise on such date all American Style Warrants that such holder desires to exercise. In any such case, the number of American Style Warrants to be exercised on such date will be reduced until the total number of American Style Warrants exercised on such date no longer exceeds such maximum, such American Style Warrants being selected at the discretion of the Issuer or in any other manner specified in the applicable Final Terms. Unless otherwise specified in the applicable Final Terms, the American Style Warrants tendered for exercise but not exercised on such date will be automatically exercised on the next date on which American Style Warrants may be exercised, subject to the same daily maximum limitation and delayed exercise provisions.

2.5. Risks related to Securities generally

Option to vary Settlement

The Issuer may have an option to vary settlement in respect of the Securities, at its sole and unfettered discretion and may elect (1) not to pay the relevant Securityholders the Cash Settlement Amount, but to deliver or procure delivery of the Entitlement or (2) not to deliver or procure delivery of the Entitlement, but to make payment of the Cash Settlement Amount on the Settlement Date to the relevant Securityholders.

Modification

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

The Conditions also provide that the Principal Security Agent and the Issuer may, without the consent of Securityholders, agree to (i) any modification (subject to certain specific exceptions) of the Securities or the Agency Agreement which is not prejudicial to the interests of the Securityholders or (ii) any modification of the Securities 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.

Expenses and taxation

A holder of Securities must pay all Expenses relating to such Securities. As used in the Conditions, Expenses means all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the exercise and settlement of such Securities pursuant to the terms of such Securities as more fully set out in Condition 10.

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, exercise or enforcement of any Security by any person 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.

U.S. Foreign Account Tax Compliance Withholding

The Issuer and other financial institutions through which payments on the Securities 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 Securities 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 (A) with respect to Securities that give rise solely to foreign passthru payments, 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, and (B) with respect to Securities that give rise to a dividend equivalent pursuant to Section 871(m) of the Code as discussed below (and therefore do not give rise to foreign passthru payments), is the date that is six months after the date on which obligations of their type are first treated as giving rise to dividend equivalents, or in either case are issued on or before the grandfathering date and are materially modified thereafter, and (ii) any Securities characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Securities are issued on or before the grandfathering date, and additional Securities of the same series are issued after that date, the additional Securities may not be treated as grandfathered, which may have negative consequences for the existing Securities, including a negative impact on market price.

While the Securities 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 Securities are discharged once it has paid the common depositary for the clearing systems (as bearer or registered holder of the Securities) 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 Securities 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 Securities, none of the Issuer, any paying agent or any other person would, pursuant to the conditions of the Securities, 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 Securities should consult their own tax advisers for a more detailed explanation of FATCA and how FATCA may apply to payments they receive under the Securities.

FATCA is particularly complex and its application to the Issuer, the Securities, and investors in the Securities is uncertain at this time. The application of FATCA to "foreign passthru payments" on the Securities or to Securities 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 respect 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.

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. Withholding in respect of dividend equivalents will generally be required when cash payments are made on a Specified Security or upon the date of maturity, lapse or other disposition by the non-U.S. holder of the Specified Security. If U.S. Underlying Equities are expected to pay dividends during the term of the Specified Security, withholding generally will still be required even if the Specified Security does not provide for payments explicitly linked to dividends. If the Issuer or any other relevant withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

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 Securities.

Other taxation considerations

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

In particular, Law No. 111 of 9 August 2023 published on the Official Gazette No. 189 of 14 August 2023, as lastly amended by Law No. 120 of 8 August 2025 ("**Law 111**"), delegated the Italian Government to enact, within thirty-six months from its publication, one or more legislative decrees implementing the reform of the Italian tax system. According to Law 111, the tax reform may 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. The information provided in this Base Prospectus may not reflect the future tax landscape accurately. Investors should be aware that the amendments that may be introduced to the tax regime of financial incomes and capital gains could increase the taxation on interest, similar income and/or capital gains accrued or realised under the Securities and could result in a lower return of their investment. Prospective investors should consult their own tax advisors regarding the tax consequences described above.

Investors should be aware that the amendments that may be introduced to the tax regime of financial incomes and capital gains could increase the taxation on interest, similar income and/or capital gains accrued or realised under the Securities and could result in a lower return of their investment.

Prospective investors should consult their own tax advisors regarding the tax consequences described above.

Illegality and cancellation

If the Issuer determines that its performance under any Securities has, or that any arrangements made to hedge the Issuer's obligations under any Securities have, become (i) illegal in whole or in part for any reason, or (ii) by reason of a force majeure event (such as an act of God, fire, flood, severe weather conditions, or a labour dispute or shortage) or an act of state, impossible or impracticable, the Issuer may cancel such Securities. The Issuer may also cancel the Securities upon the occurrence of certain events as set out in Condition 15 (*Market Disruption Events and Adjustment Events*). If the Issuer cancels the Securities, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Securityholder in respect of each Security held by such holder, equal to the fair market value the Securities (the bid-value in case of Italian Traded Securities), notwithstanding such illegality, force majeure event or act of state, less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the Calculation Agent in its sole and absolute discretion (such cost shall not be applicable in case of Italian Traded Securities).

In any case, the early cancellation of Certificates eligible to be counted towards the Issuer's MREL capacity 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 Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*).

Payment will be made in such manner as shall be notified to the Securityholders in accordance with Condition 9 (*Notices*).

Hedging disruption

In respect of the Securities linked to one or more Underlying(s), the Issuer or one of its affiliates may be unable, after using commercially reasonable efforts, to either (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the currency risk) of entering into and performing its obligations with respect to the Securities; or (b) freely realize, recover, receive, repatriate, remit or transfer the proceeds of hedge positions as the case may be between accounts within the jurisdiction of the hedge position (the "**Affected Jurisdiction**") or from accounts within the Affected Jurisdiction to accounts outside of the Affected Jurisdiction.

In connection with such hedging activities, the Issuer and/or its affiliates may enter into transactions which may affect the liquidity or value of the Securities and which could be deemed to be adverse to the interests of the relevant Securityholders.

If a Hedging Disruption occurs, the Calculation Agent may consider such event as a Termination Event and the Issuer shall pay or cause to be paid an amount on the basis of the fair market value of the Securities (the bid-value in case of Italian Traded Securities). If such amount, so calculated, is lower than the purchase price of the Certificates, the Securityholder will incur a loss of part of the initial investment.

Moreover, in relation to Certificates eligible to be counted towards the Issuer's MREL capacity, the exercise of such redemption option by the Issuer 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 Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity may be restricted*" above.

Change of law

The Conditions 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.

Potential conflicts of interest

The Issuer and/or any of its Affiliates may also engage in trading activities (including hedging activities) related to the asset or other basis of reference underlying any Securities and other instruments or derivative products based on or related to the asset or other basis of reference underlying any Security for their proprietary accounts or for other accounts under their management. The Issuer and/or any of its Affiliates may also issue other derivative instruments in respect of the asset or other basis of reference underlying Securities. The Issuer and/or any of its Affiliates may act as paying agent for the Italian Dematerialised Securities. In case of Fund Securities or Index Securities or Proprietary Index Securities when the Underlying is one or more fund indices, the Issuer or any of its Affiliates may have agreements in place with the Management Company or the Fund Manager (or the Index Sponsor) pursuant to which such entities have the obligation to provide the Issuer or any of its Affiliates, on a continuous basis, with the information of the Fund(s) (or of the funds composing the Index) that the Issuer is required to receive in order to apply the lookthrough approach pursuant to the Fundamental Review of the Trading Book (FRTB). In such case, the Management Company or the Fund Manager (or the Index Sponsor) may be an Affiliate of the Issuer. The Issuer and/or any of its Affiliates may also act as underwriter in connection with future offerings of shares or other securities related to an issue of Securities or may act as financial adviser to certain companies or companies whose shares are included in a basket of shares or in a commercial banking capacity for such companies. Such activities could present certain conflicts of interest, could influence the prices of such shares or other securities and could adversely affect the value of such Securities.

Under the Conditions of the Securities, the Calculation Agent may make certain determinations in respect of the Securities which could affect the amount payable by the Issuer on the Securities. In exercising its right to make such determinations the Calculation Agent is entitled to act in its sole and absolute discretion. Where the Issuer acts as Calculation Agent, potential conflicts of interest may exist between the Calculation Agent and the Securityholders, including with respect to those determinations that the Calculation Agent may make pursuant to the Securities that may influence the amount payable in relation to such Securities.

Any further conflict of interest, including conflicts between the Issuer and any Managers or Distributors will be indicated in the relevant Final Terms.

Risk related to Physical Delivery Securities

If the Securities are Physical Delivery Securities, the Securityholder may receive the Deliverable Asset constituting part or all of the Entitlement, as specified in the relevant Final Terms. In such case, the Securityholders will be exposed to the risk that the market value of the Deliverable Asset is less than the market value of the Securities.

There is a risk of price losses of the Deliverable Asset constituting part or all of the Entitlement in the event that the Securityholders sell such Deliverable Asset. In particular, should the value of the Deliverable Asset constituting the Entitlement continues to fall between the time of its delivery and the sale by the Securityholder, the loss of the Securityholder increases accordingly, and Securityholders may not subsequently be able to realise any cash value from the assets comprising the Entitlement.

Investors should also take into consideration that, the holding or sale of the Deliverable Asset may result in fees (for example, custody fees) or other costs which reduce the potential return or increase the loss of the Securityholder.

Physical Delivery requirements and settlement risk

In relation to Physical Delivery Securities, in order to receive the Entitlement, Securityholders shall follow the exercise procedures specified under Condition 19 (*Exercise rights and procedures (only applicable to Warrants)*) or Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*) and detailed in the applicable Final Terms. Failure to do so will result (i) in the case of a Warrant where Automatic Exercise is not specified in the applicable Final Terms, the relevant Warrant's becoming void or (ii) in the case of a Warrant where Automatic Exercise is specified in the applicable Final Terms, or (iii) in the case of a Certificate, the Securityholder receiving the Assessed Value Payment Amount instead of the Entitlement. The Assessed Value Payment Amount will be determined by the Calculation Agent by reference to the fair market value of the Deliverable Asset constituting part or all of the Entitlement.

In connection with the exercise of Physical Delivery Securities, unless otherwise indicated in the Final Terms, the Calculation Agent may determine that a Settlement Disruption Event or, if applicable, a Failure to Deliver due to Illiquidity has occurred. Any such determination may affect the value of the Securities and/or may delay settlement and/or lead to cash settlement rather than physical settlement in respect of the Securities.

In particular, if a Settlement Disruption Event occurs or exists on the Settlement Date, settlement will be postponed until the next Settlement Business Day on which no Settlement Disruption Event occurs. The Issuer in these circumstances has also the right to pay the Settlement Disruption Amount (as defined in the Conditions) in lieu of delivering the Entitlement. Such a determination may have an adverse effect on the value of the relevant Securities since the Settlement Disruption Amount may be less than the fair market value of the Entitlement and could be less than the return that the investor had anticipated.

If so indicated in the applicable Final Terms, the Issuer has an option to vary settlement in respect of the Securities. If exercised by the Issuer, this option will lead to Physical Delivery Securities being cash settled or Cash Settled Securities being physically settled. Exercise of such option may affect the value of the Securities.

Exercise risk

Exercise of the Securities is subject to all applicable laws, regulations and practices in force on the Exercise Date and none of the Issuer, any of its Affiliates, the Security Agents and the Calculation Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. None of the Issuer, any of its Affiliates, the Security Agents, the Registrar and the Calculation Agent shall under any circumstances be liable for any acts or defaults of Euroclear or Clearstream, Luxembourg in relation to the performance of their duties in relation to the Certificates.

European financial transactions tax

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the **Commission Proposal**), for a financial transaction tax (**FTT**) to be adopted in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**)[7]. However, Estonia has since stated that it will not participate. If the Commission's Proposal was adopted, the FTT would be a tax primarily on "financial institutions" (which could include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

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 Certificates 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.

The FTT may give rise to tax liabilities for the relevant Issuer with respect to certain transactions if it is adopted based on the Commission's Proposal. Examples of such transactions are the conclusion of a

[7] Several EU Member States (e.g. France, Italy and Spain) have already introduced national FTTs.

derivative contract in the context of the relevant Issuer's hedging arrangements or the purchase or sale of securities (such as charged assets) or the exercise/settlement of a warrant. The relevant Issuer is, in certain circumstances, able to pass on any such tax liabilities to holders of the Securities and therefore this may result in investors receiving less than expected in respect of the Securities. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Securities (including secondary market transactions) if conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's Proposal. Primary market transactions referred to in Article 5(c) of Regulation EC No 1287/2006 are expected to be exempt. There is however some uncertainty in relation to the intended scope of this exemption for certain money market instruments and structured issues.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to implementation, the timing of which remains unclear. Additional Member States may decide to participate. Prospective Securityholders are advised to seek their own professional advice in relation to the FTT.

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 United Kingdom's exit from the EU, the Withdrawal Agreement entered into force. A transition period begins following the date of the United Kingdom'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 European Union and/or any related matters may have on general economic conditions in the UK and the European Union. 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.

Legal risks

Legal investment considerations may restrict certain investments

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

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) Securities are legal investments for it, (2) Securities can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Securities 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 Securities 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 Securities by a prospective purchaser of the Securities, 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.

2.6. Risks related to the offer to the public and/or admission of the Securities to trading on a regulated market

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 Securities, but such fees will not be taken into account for the purposes of determining the price of the relevant Securities 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.

Investors should also take into consideration that if Securities are sold on the secondary market immediately following the offer period relating to such Securities, the implicit fees included in the Issue Price /Offer Price on initial subscription for such Securities will be deducted from the price at which such Securities may be sold in the secondary market.

Certain considerations associated with Offers of Securities

If Securities are distributed by means of an 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 to be null and void according to the terms indicated in the relevant Final Terms.

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

Possible illiquidity of the Securities in the secondary market

It is not possible to predict the price at which Securities will trade in the secondary market or whether such market will be liquid or illiquid. The Issuer may, but is not obliged to, list or admit to trading Securities on a stock exchange or market. If the Securities are not listed or admitted to trading on any exchange or market, pricing information for the Securities may be more difficult to obtain and the liquidity of the Securities may be adversely affected. If the Issuer does list or admit to trading an issue of Securities, there can be no assurance that at a later date, the Securities will not be delisted or that trading on such exchange or market will not be suspended. In the event of a delisting or suspension of listing or trading on a stock exchange or market, the Issuer will use its reasonable efforts to list or admit to trading the Securities on another exchange or market. Also, (in the case of Warrants) to the extent Warrants of a particular issue are exercised, the number of Warrants of such issue outstanding will decrease, resulting in a diminished liquidity for the remaining Warrants of such issue. A decrease in the liquidity of an issue of Warrants may cause, in turn, an increase in the volatility associated with the price of such issue of Warrants.

The Issuer, or any of its Affiliates may, but is not obliged to, at any time purchase Securities at any price in the open market or by tender or private treaty. Any Securities so purchased may be held or resold or surrendered for cancellation. The Issuer or any of its Affiliates may, but is not obliged to, be a market-maker for an issue of Securities. Even if the Issuer or such other entity is a market-maker for an issue of Securities, the secondary market for such Securities may be limited. To the extent that an issue of Securities becomes illiquid, Securityholders may have to exercise such Securities (in the case of American Style Warrants) or wait until the Exercise Date (in the case of European Style Warrants and Certificates) to realise value.

Finally, investors should note that if an entity is appointed as market-maker or liquidity provider with respect to the Securities in the secondary market, this may, in certain circumstances, affect the price of the Securities in the secondary market.

Listing of Securities

In respect of Securities which are (in accordance with the applicable Final Terms) to be listed on a stock exchange, market or quotation system, the Issuer shall use all reasonable endeavours to maintain such listing, provided that if it becomes impracticable or unduly burdensome or unduly onerous to maintain such listing, then the Issuer may apply to de-list the relevant Securities, although in this case it will use all reasonable endeavours to obtain and maintain (as soon as reasonably practicable after the relevant de-listing) an alternative admission to listing, trading and/or quotation by a stock exchange, market or quotation system within or outside the European Union, as it may decide. If such an alternative admission is not available or is, in the opinion of the Issuer, impracticable or unduly burdensome, an alternative admission will not be obtained.

In case of Offers in the secondary market, the Securities may be purchased upon payment of the Offer Price, which will be equal to the market price of the Securities applicable from time to time and, in addition, any costs and commissions payable to the relevant Authorised Offeror (if applicable).

Only in case of Securities to be admitted to listing and/or trading without prior offer, the applicable Final Terms may specify the Reduced Initial Listing Price. In such case, the initial price at which the Securities will be traded on the market will be determined on the basis of the Reduced Initial Listing Price. Investors should take into account that the Reduced Initial Listing Price may be lower or higher than the initial trading price of the Securities.

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 8 June 2026 and entitled "Intesa Sanpaolo: voluntary public tender and exchange offer on all shares of Banca Monte dei Paschi di Siena to further enhance value creation as a European leader and its role for Italy", available at the following website:

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/comunicati-stampa-en/2026/06/20260608_csm0626_def_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 2026, available at the following website:

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2026/31032026_Interim_statement.pdf

(iii) the press release issued by Intesa Sanpaolo on 8 May 2026 and entitled "Intesa Sanpaolo Consolidated Results as at 31 March 2026", available at the following website:

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/comunicati-stampa-en/2026/05/20260508_Ris1Q26_uk.pdf

(iv) the press release issued by Intesa Sanpaolo on 30 April 2026 and entitled "Intesa Sanpaolo: Shareholders'Meeting", available at the following website:

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/comunicati-stampa-en/2026/04/20260430_Assemblea_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 2025, as shown in the Intesa Sanpaolo Group 2025 Annual Report; available at the following website:

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

(vii) the section "Terms and Conditions of the Securities" contained in the Base Prospectus dated 21 July 2025 from page 73 to and including page 308, available at the following website:

https://prodottiequotazioni.intesasanpaolo.com/en/attachments/090201d18b75c075

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.

8 June 2026 Press Release	**Page number(s)**
	1-Second paragraph of page 2

Intesa Sanpaolo Group – Interim Statement as at 31 March 2026	**Page number(s)**
Consolidated balance sheet	34-35
Consolidated income statement	36
Statement of consolidated comprehensive income	37
Changes in consolidated shareholders' equity	38-39
Accounting policies	117-124
Declaration of the Manager responsible for preparing the Company’s financial reports	125
Attachments	127-148

8 May 2026 Press Release	**Page number(s)**
	All

30 April 2026 Press Release	**Page number(s)**
	All

Intesa Sanpaolo Group 2025 Annual Report	**Page Number(s)**
Alternative Performance Measures	374-378
Consolidated balance sheet	384-385
Consolidated income statement	386
Statement of consolidated comprehensive income	387
Changes in consolidated shareholders' equity	388-389
Consolidated statement of cash flows	390
Notes to the consolidated financial statements	391-790

TERMS AND CONDITIONS OF THE SECURITIES

The following is the text of the Terms and Conditions (the Conditions) of the Securities which will apply to each issue of Securities and, except in the case of Italian Dematerialised Securities, be incorporated by reference into each Global Security. The terms of the Final Terms (the "Final Terms") applicable to the respective issue of Securities complete and specify the Terms and Conditions of the Securities. The completed and specified Final Terms together with the Terms and Conditions of the Securities represent the conditions applicable to the relevant issue of Securities

Securities other than Italian Dematerialised Securities are issued by Intesa Sanpaolo S.p.A. (the **Issuer**) pursuant to an Agency Agreement dated on or about 9 June 2026 (as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) between the Issuer and BNP Paribas, Luxembourg Branch[8], acting as principal security agent (the **Principal Security Agent**, which expression shall include any successor principal security agent and, together with any additional security agents appointed pursuant to Clause 17 of the Agency Agreement, the **Security Agents**, which expression shall include any additional or successor security agents) and as registrar (the **Registrar**, which expression shall include any successor registrar).

The Issuer shall undertake the duties of calculation agent (in this capacity, the **Calculation Agent**) in respect of the Securities (including Italian Dematerialised Securities) unless another entity is so specified as the calculation agent in the applicable Final Terms. The expression Calculation Agent shall, in relation to the relevant Securities, include such other specified Calculation Agent.

The Securities (including Italian Dematerialised Securities) will be either warrants (**Warrants**) or certificates (**Certificates**), as specified in the applicable Final Terms, and references in these Conditions to **Security** and **Securities** will be construed accordingly. Conditions 19 and 20 apply only to Warrants and Condition 21 applies only to Certificates. Other Conditions apply to Warrants and/or Certificates, as applicable. References herein to the **applicable Final Terms** or **relevant Final Terms** are to the Final Terms or to each Final Terms (in the case of any further securities issued pursuant to Condition 11 and forming a single series with the Securities) in relation to each single issuance made under this Programme, which for the avoidance of doubt may be issued in respect of more than one series of Securities.

In respect of Securities other than Italian Dematerialised Securities, the applicable Final Terms is attached to the Global Security or Global Registered Security or any Securities in definitive form.

Bearer Securities

Each series of Securities that are not Registered Securities (as defined below in these Terms and Conditions of Securities) (**Bearer Securities**) will on issue be constituted by either (a) in the case of Bearer Securities with a maturity of more than one year, a temporary global security in bearer form (**Temporary Global Security**) or (b) in the case of Securities with a maturity of one year or less, a permanent global security in bearer form (**Permanent Global Security** and together with the Temporary Global Security, **Global Securities** and each a **Global Security**) as indicated in the applicable Final Terms which, in either case, will be deposited with a depositary (**Common Depositary**) common to Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, S.A. (**Clearstream, Luxembourg**).

On or after the 40th day following the Issue Date of the Temporary Global Securities (the Exchange Date) the Temporary Global Security will be exchangeable (a) for a Permanent Global Security or (b) for bearer

[8] *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.*

securities in definitive form (Definitive Securities, and the expression Definitive Certificates or Definitive Warrants shall be construed accordingly), as indicated in the applicable Final Terms and in each case only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Security 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 certification received) to the Principal Security Agent. A Permanent Global Security will be exchangeable (free of charge), in whole but not in part, for Definitive Securities only upon the occurrence of an Exchange Event. For these purposes, Exchange Event means that (i) 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 (ii) 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 Securities represented by the Securities in definitive form. The Issuer will promptly give notice to Securityholders in accordance with Condition 9 (*Notices*) if an Exchange Event occurs.

Bearer Securities will only be delivered outside the United States and its possessions.

With respect to any Bearer Security, payments of principal and interest in all cases will be made only outside the United States and its possessions, and if a payment of interest is made before the Exchange Date, only to the extent that certification of non-U.S. beneficial ownership, as described above, has been received.

The following legend will appear on all Bearer Securities with a maturity of more than one year:

"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."

Registered Securities

Any Securities that are "registration-required obligations" under the Code and US Treasury Regulations will be issued in "registered form" for US federal income tax purposes (**Registered Securities**). Registered Securities will be represented by definitive registered certificates registered in the names of the beneficial owners thereof (**Registered Certificates** or **Registered Securities**) and/or a registered certificate in global form (a **Global Registered Certificate**) which will be registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg or in any clearing system specified in the applicable Final Terms. Definitive Securities will be exchangeable for definitive Registered Securities only if and to the extent so specified in the relevant Final Terms. Definitive Registered Securities will not be exchangeable for Definitive Securities or an interest therein.

Italian Dematerialised Securities

Italian Dematerialised Securities will be issued in bearer (*al portatore*), uncertificated and dematerialised form evidenced at any time through book-entries into Monte Titoli S.p.A. (with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy, or any successor clearing system thereto) (**Monte Titoli**) pursuant to Italian legislative decree no. 58/1998, as amended and implemented and subsequent implementing provisions and in accordance with CONSOB and Bank of Italy Joint Regulation dated 13 August 2018 ("**Italian Dematerialised Securities**"). Italian Dematerialised

Securities will not be issued in definitive form. However, the holder still has the right to obtain the release of the certificate pursuant to articles 83-*quinquies* and 83-*novies*, paragraph 1, letter b), of the Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions. While the Italian Dematerialised Securities are represented by book entries, investors will be able to trade their beneficial interests only through Monte Titoli and the authorized financial intermediaries holding accounts on behalf of their customers with Monte Titoli. As the Italian Dematerialised Securities 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.

<u>General</u>

Copies of the Agency Agreement (which contains the form of the Final Terms) and the applicable Final Terms are available at the specified office of the Principal Security Agent, and in the case of Registered Securities, the Registrar, save that if the Securities 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 applicable Final Terms will only be made available to Securityholders holding one or more Securities and such Securityholder must produce evidence satisfactory to the Issuer or the relevant Security Agent as to its holding of such Securities and identity.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated.

The holders of Securities other than Italian Dematerialised Securities are entitled to the benefit of and are deemed to have notice of and are bound by all the provisions of the Agency Agreement (insofar as they relate to the Securities) and the applicable Final Terms, which are binding on them.

1. Type, Title and Transfer

(A) *Type*

Depending on the type of financial asset used as Underlying(s), the Securities may be Index Securities, Proprietary Index Securities, Share Securities, Exchange Rate Securities, Futures Contract Securities, Fund Securities, ETI Securities, Govies Securities, Interest Rate Securities, Commodity Securities or Combined Securities (i.e. a combination of two or more of the foregoing), as specified in the applicable Final Terms. The Securities may also be Dual Currency Securities if so specified in the applicable Final Terms.

The applicable Final Terms will also indicate *inter alia*:

1) Both in relation to Certificates and Warrants, whether settlement shall be by way of cash payment (**Cash Settled Securities**) and/or physical delivery (**Physical Delivery Securities**) or whether the method of settlement (i.e. cash settlement or physical settlement) will depend upon the occurrence of a specific event (e.g. the Barrier Event). Italian Dematerialised Securities may be issued as Cash Settled Securities only and relevant settlement and payments shall be by way of cash payment only;

2) In the case of Warrants only:

(i) whether the Warrants are American style Warrants, being Warrants which are exercisable during a specified period (**American Style Warrants**) or European style Warrants, being Warrants which are exercisable on a specified date (**European Style Warrants**) and whether automatic exercise (**Automatic Exercise**) applies to Warrants;

(ii) whether the Warrants are call Warrants (**Call Warrants**) or put Warrants (**Put Warrants**);

(iii) whether the Warrants are corridor Warrants (**Corridor Warrants**) being Warrants which allow to obtain a fixed Cash Settlement Amount, specified in the Final Terms, if the value of the Underlying remains within a range (a corridor) defined by two Barrier (the Lower Barrier Level and the Upper Barrier Level). Otherwise, if the value of the Underlying, on any day within the Barrier Event Determination Period, falls below the Lower Barrier Level or above the Upper Barrier Level, the Corridor Warrants will expire immediately and the Securityholder is entitled to receive the Corridor Early Amount, specified in the applicable Final Terms, instead of the Cash Settlement Amount and such Corridor Early Amount can be equal to zero; and

3) in the case of Certificates only, whether Remuneration Amount(s) and/or Early Redemption Amount(s) shall be payable in respect of the Securities.

References in these Conditions, save for the Italian Dematerialised Securities and unless the context otherwise requires, to Cash Settled Securities shall be deemed to include references to Physical Delivery Securities which include an option (as set out in the applicable Final Terms) at the Issuer's election to request cash settlement of such Security and where settlement is to be by way of cash payment. References in these Conditions, save for the Italian Dematerialised Securities and unless the context otherwise requires, to Physical Delivery Securities shall be deemed to include references to Cash Settled Securities which include an option (as set out in the applicable Final Terms) at the Issuer election to request physical delivery of the relevant Underlying in settlement of such Security and where settlement is to be by way of Physical Delivery.

Securities may, if so specified and provided for in the applicable Final Terms, allow Securityholders to elect for settlement by way of cash payment or by way of physical delivery or by such other method of settlement as is specified in the applicable Final Terms. Those Securities where the holder has elected for cash payment will be Cash Settled Securities and those Securities where the holder has elected for physical delivery will be Physical Delivery Securities. The rights of a holder as described in this paragraph may be subject to the Issuer's right to vary settlement if so indicated in the applicable Final Terms.

(B) *Title to Securities other than Registered Securities*

For so long as the Securities are represented by a Global Security, each person (other than Euroclear or Clearstream Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular number of Securities (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the number of Securities 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, the Security Agents and the Calculation Agent as the holder of such number of Securities for all purposes (and the expressions **Securityholder** and **holder of Securities** and related expressions shall be construed accordingly).

For so long as any of the Securities are represented by an Italian Dematerialised Securities, the person who is for the time being shown in the records of Monte Titoli as the holder of a particular amount of Securities (in which regard any certificate, record or other document issued by Monte Titoli as to the amount of Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall (except as otherwise required by applicable law) be treated for all purposes by the Issuer and all other persons dealing with such person as the holder thereof and as the person entitled to exercise the rights represented thereby notwithstanding any notice to the contrary (and the expressions **Securityholder** and **holder of Securities** and related expressions shall be construed accordingly, except where Italian law is applicable, in which case **Securityholder** and **holder of Securities** will be exclusively deemed to be the beneficial owner of the Italian Dematerialised Securities). The Issuer shall cause Italian Dematerialised Securities to be dematerialised and centralised with Monte Titoli, pursuant to Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions.

(C) *Title to Registered Certificates*

For so long as the Securities are represented by a Global Registered Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, each person (other than Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, as the holder of a particular amount of such Certificates (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, as to the amount of Certificates 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, the Security Agents and the Calculation Agent as the holder of such amount of such Certificates for all purposes other than with respect to the payment of cash settlement amounts, remuneration amounts and/or interest with respect to such Certificates for which purpose the registered holder (as shown in the register kept at the principal office of the Registrar (the **Register**), of the relevant Global Registered Certificate shall be treated by the Issuer, the Security Agents and the Calculation Agent as the holder of such amount of such Certificates in accordance with and subject to the terms of the relevant Global Registered Certificate (and the expressions **Securityholder** and **holder of Securities** and related expressions shall be construed accordingly).

In the case of definitive Registered Certificates, the Issuer shall cause to be kept at the principal office of the Registrar, a Register on which shall be entered the names and addresses of all Securityholders, the amount and type of the Certificates held by each Securityholder and details of all transfers of the Certificates. Each person who is for the time being shown in the Register as the holder of a particular amount of Certificates shall (except as otherwise required by law) be treated as the absolute owner of such amount of Certificates for all purposes (regardless of any notice of ownership, trust, or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating such person (and the expressions **Securityholder** and **holder of Securities** and related expressions shall be construed accordingly).

(D) *Transfers of Securities other than Registered Securities*

For so long as the Securities are represented by Definitive Securities, title to the Securities will pass by delivery.

For so long as the Securities are represented by a Global Security, all transactions (including transfers of Securities) in the open market or otherwise must be effected through an account at Euroclear or Clearstream, Luxembourg, 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 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 approved by the Issuer and the Principal Security Agent from time to time and notified to the Securityholders in accordance with Condition 9 (*Notices*).

Any transfer or attempted transfer in or into the United States or to, or for the account or benefit of, a United States person 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 Securityholder thereof retroactively to the date of transfer of such interest by the relevant Securityholder.

For so long as the Securities are represented by Italian Dematerialised Securities, the Securities are held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli account holders. Italian Dematerialised Securities will at all times be held in book entry form and title to the Italian Dematerialised Securities will be evidenced by book entries pursuant to the relevant provisions of Italian legislative decree no. 58/1998, as amended and integrated by subsequent implementing provisions, and in accordance with CONSOB and Bank of Italy Joint Regulation dated 13 August 2018, as amended and integrated by subsequent implementing provisions. The Securityholders may not require physical delivery of the Italian Dematerialised Securities. However, the Securityholders may ask the relevant intermediaries for certification pursuant to Article 83-quinquies of Italian legislative decree no. 58/1998, as amended and integrated by subsequent implementing provisions. Italian Dematerialised Securities will be transferable only in accordance with the rules and procedures for the time being of Monte Titoli. In particular, the transfer of the Italian Dematerialised Securities operates by way of registration in the accounts opened with Monte Titoli by the intermediaries adhering to the clearing system. As a consequence, the subject who from time to time is the owner of the account held with an intermediary adhering, directly or indirectly, to Monte Titoli, in which the Italian Dematerialised Securities are credited, is considered as the legitimate beneficial owner of the Italian Dematerialised Securities and is authorised to exercise all rights related to them.

(E) *Transfers of Registered Securities*

Global Registered Securities may be transferred only to a successor clearing organization. Transfers of beneficial interests in the underlying Registered Certificates represented by a Global Registered Security will be effected only through the book-entry system maintained by Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, and may be effected by such clearing systems or by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. Title will pass upon registration of the transfer in the books of Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be.

Title to definitive Registered Certificates will pass upon the registration of transfers in accordance with the provisions of the Agency Agreement. A definitive Registered Certificate may be transferred by the transferor or a person duly authorised on behalf of the transferor 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 and upon the Registrar after due and careful enquiry being satisfied with the documents of title and the identity of the person making the request and subject to the regulations set out under the Agency Agreement, the Registrar should enter the name of the transferee in the Register for the definitive Registered Certificates as the Securityholder of the Registered Certificate specified in the form of transfer.

Securityholders 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 determined by the Calculation Agent sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration or exchange in the jurisdiction of the Issuer or in any other jurisdiction where the Registrar's specified office is located.

Registered Certificates and interests therein may not be transferred at any time, directly or indirectly, in or into the United States or to or for the benefit of a U.S. person, and any such transfer shall not be recognised.

2. Status of the Securities

The Securities constitute direct, unsubordinated, unconditional and unsecured obligations of the Issuer and rank, unless provided otherwise by law, *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.

Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity are subject to certain restrictions.

In particular, such Certificates shall satisfy, *inter alia*, the following main requirements:

i. the subscription and the purchase of the Certificates are in no circumstances financed by the Issuer, whether directly or indirectly;

ii. the Certificates may not be subscribed by the Issuer by any undertaking in which the Issuer holds, whether directly or indirectly, through ownership or control, a participation representing 20% or more of the voting rights or of the share capital of such undertaking or by any entity that is part of the same resolution group of the Issuer;

iii. the Securityholders 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 Certificates;

iv. claims arising from such Certificates 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;

v. the level of amounts payable under the Certificates is not subject to any amendment on the basis of the credit standing of the Issue or any of its parent undertakings;

vi. provisions regarding the redemption of the Certificates shall not, in any circumstances, be construed or intended as a commitment by the Issuer to redeem, repurchase or repay the Certificates prior to their maturity in circumstances other than the Issuer's insolvency or resolution. The inclusion of such early redemption options therefore does not guarantee that the invested capital will in fact be redeemed early, as the Issuer may, at its discretion, decide not to exercise such option;

vii. to the extent that the Issuer intends to qualify Series of Certificates as eligible liabilities in accordance with article 45 c paragraph 2 lett. b) of the BRRD and 12c paragraph 2 lett. b) of the SRMR, the value of the claim arising from such Series of Certificates 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 Certificates, under all relevant laws and regulations amended from time to time, which are and will be applicable to the Issuer;

viii. the Securityholders are not entitled to accelerate the payments under the Certificates, 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. 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 Certificates for any purpose and shall not entitle to accelerate the payments under the Certificates;

ix. for the avoidance of doubt, there is no negative pledge in respect of the Certificates.

In relation to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity, all relevant provisions and requirements to which relevant regulation subjects the use of the Certificates in the counting towards MREL Requirement shall apply. With respect to the aforementioned Series of Certificates, such provisions and requirements are set out in the Final Terms and shall prevail over any other different contractual provision or clause.

Except in cases provided for by law, early redemption of the Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity may only take place at the Issuer's discretionary initiative, pursuant the applicable MREL Requirements, including, *inter alia*, articles 77 and 78a of the CRR which provide for the need to obtain prior authorization from the Relevant Authority in order for the Issuer to exercise early redemption options or initiatives.

3. Definitions

For the purposes of these Conditions, the following definitions will apply. Each of these definitions may be set as "Applicable" or "Not applicable" in the relevant Final Terms, as the case may be.

Accumulated Amount means, in relation to one or more Accumulated Valuation Dates, the amount in the Settlement Currency to be paid to the Securityholders on the relevant Accumulated Payment Date per each Minimum Exercise Amount as detailed in paragraph "C. Accumulated Amount(s)" in Condition 23 (*Pay-out provisions*).

If an Early Redemption Level is specified as applicable under the relevant Final Terms, and if so specified in such Final Terms, the Accumulated Amount will be paid only upon occurrence of an Early Redemption Event. In such case, the Accumulated Amount will be paid on the Accumulated Payment Date coinciding with, or immediately after, the Early Payment Date in relation to which an Early Redemption Event has occurred;

Accumulated Payment Date means the Business Day(s), specified in the applicable Final Terms, on which the Issuer shall pay the Accumulated Amount to the Securityholders.

If the Early Redemption Event is specified as applicable in the relevant Final Terms, and if so specified in such Final Terms, the Accumulated Amount will be paid only upon occurrence of the Early Redemption Event. In such case, the Accumulated Amount will be paid on the Accumulated Payment Date coinciding with, or immediately after, the Early Payment Date in relation to which the Early Redemption Event has occurred.

If an amount shall be paid on an Accumulated Payment Date, should the valuation date in which the Calculation Agent determines the Reference Value for the purposes of the calculation of such amount be postponed (by way of example and without limitation, for the occurrence of a Market Disruption Event), the relevant Accumulated Payment Date may be postponed accordingly. The Accumulated Payment Date shall not, in any case, be postponed beyond the tenth Business Day;

Accumulated Valuation Date means the Business Day(s), specified in the applicable Final Terms, in which the Calculation Agent determines how many times the relevant Accumulating Event has occurred during the relevant Accumulating Valuation Period and therefore it determines the amount of the relevant Accumulated Amount.

If the applicable Final Terms specifies the Accumulating Autocallable Trigger as applicable, in the Accumulated Valuation Date following the relevant Accumulating Valuation Period, the Calculation Agent will determine also whether an Early Redemption Event has occurred;

Accumulating Amount means the amount in the Settlement Currency set out in the relevant Final Terms in relation to the relevant Accumulated Valuation Date and to the relevant Accumulating Valuation Period;

Accumulating Autocallable Trigger means the amount in the Settlement Currency set out in the relevant Final Terms in relation to the relevant Accumulated Valuation Date. If on an Accumulated Valuation Date the Accumulated Amount payable to Securityholders is lower than, equal to or higher than (as specified in the applicable Final Terms) the relevant Accumulating Autocallable Trigger, such event will be considered as an Early Redemption Event and, therefore, the Certificates are deemed to be early redeemed and the Securityholders are entitled to receive the payment of the relevant Early Redemption Amount on the relevant Early Payment Date;

Accumulating Event means the event upon the occurrence of which the Securityholders are entitled to receive the Accumulating Amount. Such event will occur if the Calculation Agent determines that the Reference Value or the Spread, or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Accumulating Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Accumulating Level in the relevant Accumulating Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Accumulating Level during the relevant Accumulating Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Accumulating Level during the relevant Accumulating Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Accumulating Level and the relevant Down Range Accumulating Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Accumulating Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Accumulating Level and the relevant Down Range Accumulating Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Accumulating Valuation Period.

In case of Securities linked to more than one Underlying, the Accumulating Event may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Accumulating Event may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Accumulating Level (or the Up Range Accumulating Level and the Down Range Accumulating Level) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Accumulating Event.

Securityholders will be notified of the number of Accumulating Events occurred during the relevant Accumulating Valuation Period through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Accumulating Level means one or more values, that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Accumulating Event in relation to the relevant Underlying or Basket Constituent in the relevant Accumulating Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Accumulating Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Accumulating Level will be specified for each Underlying or Basket Constituent;

Accumulating Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Accumulating Event has occurred. In the event of more Accumulating Valuation Periods, the relevant Final Terms will indicate the **First Accumulating Valuation Period**, the **Second Accumulating Valuation Period**, or the **n-th Accumulating Valuation Period**.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Accumulating Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Actual Exercise Date, in respect of an American Style Warrant or European Style Warrant, has the meaning set out under Condition 19 (*Exercise rights and procedures (only applicable to Warrants)*);

Adjusted Price, in relation to Share Securities, is equal to the greater of (i) 0 (zero) and (ii) the amount calculated in accordance with the following formula:

$$AP_i = Underlying_i - SSD_i + SDD_i$$

Where:

"**$Underlying_i$**" is the Value of the Underlying on the Exchange Business Day “i”;

"**SSD_i**" or "**Sum of Synthetic Dividends**" means, in respect of the Exchange Business Day “i”, the sum of all the Synthetic Dividends for which the Synthetic Ex-Dividend Date falls in the period commencing on, but excluding, the Dividend Period Start Date and ending on, and including, the relevant day “i”. Any adjustment for corporate actions would be carried out before any coupon payment. The adjustments would be carried out on any or all the Underlyings (if basket), based on the nature of the corporate action;

"**SDD_i**" or "**Sum of Detached Dividends**" means, in respect of the Exchange Business Day “i”, the sum (gross amounts) of all the actual cash or cash equivalent dividends (excluding extraordinary dividends) for which the Ex-Dividend Date falls in the period commencing on, but excluding, the Dividend Period Start Date and ending on, and including, the relevant day “i”.

Adjustment Event means any event occurring on a Relevant Exchange Business Day that is deemed to be an Adjustment Event pursuant to Condition 15(2) (*Adjustment Events relating to the Underlying and correction provisions in relation to the Securities*);

ADR means an American Depositary Receipt which will be specified as the underlying asset or a Basket Constituent, from time to time in the relevant Final Terms.

Save where specifically provided under the applicable Final Terms, all references in the Conditions or, as applicable, to the "Shares" shall be deemed to be to the GDRs or ADRs, as applicable, and/or the underlying shares, references to the issuer of the Share, as applicable, shall be deemed to be to the issuer of the GDRs or ADRs, as the case may be, and the issuer of the underlying shares, and references to the "Exchange" shall be deemed to be to the exchange or quotation system on which the GDRs or ADRs, as the case may be, are listed and the exchange or quotation system on which the underlying shares are listed, and with such additional or alternative modifications as the Calculation Agent may consider necessary or otherwise desirable provided that any such amendment is not materially prejudicial to the holders of Securities;

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;

Air Bag Factor means the value, which will always be higher than 1, specified in the applicable Final Terms or determined according to the method of calculation specified in the applicable Final Terms;

Annual Management Fee1 or **AMF1** means, if applied by the Issuer in relation to Benchmark Certificates, a fee charged to the Securityholders at the particular time "t" which, irrespective of the performance of the Underlying, will accrue gradually and proportionally to the tenor of the Certificates and will be determined according to the formula set out below.

The Calculation Agent will deduct the accrued fee from the Cash Settlement Amount pursuant to Condition 23 (*Pay-out provisions*). If the Certificates are listed or admitted to trading, their price for trading purposes will include the AMF1 gradually accrued on each Exchange Business Day.

In particular, the AMF1 will be determined on the basis of the AMF1 Percentage. The AMF1 will be calculated as follows:

$$\mathbf{AMF1}_{\mathbf{t}} = \prod_{x \in (t_0, t_0+1, \ldots\ldots, t)} \left(100\% - \frac{\text{AMF1 Percentage}}{365.25}\right)$$

Where:

"**x**" means each calendar day from t_0 to t;

"$\mathbf{t_0}$" means the Issue Date or any calendar day specified in the applicable Final Terms;

"**t**" can be any calendar day before the Valuation Date or the Valuation Date;

"**AMF1 Percentage**" means the value expressed as a percentage specified in the applicable Final Terms;

Annual Management Fee2 or **AMF2** means, if applied by the Issuer in relation to Benchmark Certificates, the amount that multiplied by the Initial Reference Value determines a fee charged to the Securityholders at the particular time "t" which, irrespective of the performance of the Underlying, will accrue gradually and proportionally to the tenor of the Certificates and that will be determined according to the formula set out below.

The Calculation Agent will deduct the accrued fee from the Cash Settlement Amount pursuant to Condition 23 (*Pay-out provisions*). If the Certificates are listed or admitted to trading, their price for trading purposes will include the AMF2 gradually accrued on each Exchange Business Day.

In particular, the AMF2 will be determined on the basis of the AMF2 Percentage. The AMF2 will be calculated as follows:

$$\mathbf{AMF2_t} = \sum_{x \in (\boldsymbol{t_0}, \boldsymbol{t_0}+\mathbf{1} \ldots, \boldsymbol{t})} \boldsymbol{AMF2\ Percentage} \ * \frac{\mathbf{1}}{\mathbf{360}}$$

Where:

"**x**" means each calendar day from t_0 to t;

"$\mathbf{t_0}$" means the Issue Date or any calendar day specified in the applicable Final Terms;

"**t**" can be any calendar day before the Valuation Date or the Valuation Date;

"**AMF2 Percentage**" means the value expressed as a percentage specified in the applicable Final Terms;

Annual Margin or **AM** means, if applied by the Issuer in relation to Benchmark Certificates, the amount that multiplied by the Initial Reference Value determines a margin added at the particular time "t" which, irrespective of the performance of the Underlying, will accrue gradually and proportionally to the tenor of the Certificates and will be determined according to the formula set out below.

The Calculation Agent will add the accrued margin to the Cash Settlement Amount pursuant to Condition 23 (*Pay-out provisions*). If the Certificates are listed or admitted to trading, their price for trading purposes will include the AM gradually accrued on each Exchange Business Day.

In particular, the AM will be determined based on the AM Percentage. The AM will be calculated as follows:

$$\mathbf{AM_t} = \sum_{x \in (t_0, t_0+1 \ldots, t)} AM_{\ Percentage} * \frac{1}{360}$$

Where:

"**x**" means each calendar day from t_0 to t;

"**t_0**" means the Issue Date or any calendar day specified in the applicable Final Terms;

"**t**" can be any calendar day before the Valuation Date or the Valuation Date;

"**AM Percentage**" means the value expressed as a percentage specified in the applicable Final Terms;

Annual Valuation Period means, in relation to the Internal Return Amount, the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period as indicated in the applicable Final Terms, in which the Calculation Agent determines the Reference Value for the purposes of the calculation of the Internal Return Amount. In the event of more Annual Valuation Periods, the relevant Final Terms will indicate the **First Annual Valuation Period**, the **Second Annual Valuation Period**, or the **n-th Annual Valuation Period**;

Annual Remuneration Payment Date means, in relation to the Internal Return Amount, the Business Day(s) specified in the applicable Final Terms on which the Issuer shall pay the Internal Return Amount to the Securityholders.

If an amount shall be paid on an Annual Remuneration Payment Date, should the valuation date in which the Calculation Agent determines the Reference Value for the purposes of the calculation of such amount be postponed (by way of example and without limitation, for the occurrence of a Market Disruption Event), the relevant Annual Remuneration Payment Date may be postponed accordingly. The Annual Remuneration Payment Date shall not, in any case, be postponed beyond the tenth Business Day;

Barrier Event means the event the occurrence of which determines the calculation of the Cash Settlement Amount in accordance with Condition 23 (*Pay-out provisions*). Such event will occur if the Calculation Agent determines that the Reference Value or the Final Reference Value or the Spread or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Barrier Event Determination Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Barrier Level in the relevant Barrier Event Determination Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Barrier Level during the relevant Barrier Event Determination Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Barrier Level during the relevant Barrier Event Determination Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Upper Barrier Level and the relevant Lower Barrier Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Barrier Event Determination Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Upper Barrier Level and the relevant Lower Barrier Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Barrier Event Determination Period.

In case of Securities linked to more than one Underlying, the Barrier Event may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Barrier Event may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Barrier Level (or the Upper Barrier Level and the Lower Barrier Level) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Barrier Event.

If the Barrier Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Barrier Event Determination Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Barrier Event has occurred. In the event of more Barrier Event Determination Periods, the relevant Final Terms will indicate the **First Barrier Event Determination Period**, the **Second Barrier Event Determination Period**, or the n-th **Barrier Event Determination Period**.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Barrier Event Determination Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Barrier Gap Event means, in the case of Gap Certificates and in relation to the Premium Gap Amount, the event upon the occurrence of which the Cash Settlement Amount will be determined in accordance with a calculation method detailed in Condition 23 (*Pay-out provisions*). Such event will occur if the Calculation Agent determines that, during the Barrier Gap Observation Period, the Gap Daily Performance, as calculated in accordance with the terms of the relevant Final Terms, is equal to, higher than or lower than the Barrier Gap Level specified in the applicable Final Terms.

If the Barrier Gap Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com.

In relation to the calculation of the Premium Gap Amount(s) payable to the Securityholders during the life of the Gap Certificates, the investor should consider that after the occurrence of the Barrier Gap Event:

(i) the Premium Gap Amount will be determined on the basis of the actual number of days within the relevant Premium Gap Observation Period and not on the basis of all the days of the relevant Premium Determination Period; and

(ii) after the payment of the Premium Gap Amount that will be paid on the first Premium Payment Date following the Barrier Gap Event Date on which a Barrier Gap Event has occurred, no further Premium Gap Amount will be paid to the Securityholders;

Barrier Gap Event Date means, in the case of Gap Certificates, the Exchange Business Day(s) on which a Barrier Gap Event has occurred;

Barrier Gap Leverage means, in the case of Gap Certificates, the value expressed as a percentage indicated in the relevant Final Terms;

Barrier Gap Level means one or more values that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Barrier Gap Event in relation to the relevant Underlying or Basket Constituent in the relevant Barrier Gap Observation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Barrier Gap Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Barrier Gap Level will be specified for each Underlying or Basket Constituent.

Barrier Gap Observation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Barrier Gap Event has occurred. In the event of more Barrier Gap Observation Periods, the relevant Final Terms will indicate the **First Barrier Gap Observation Period**, the **Second Barrier Gap Observation Period**, or the n-th **Barrier Gap Observation Period**.

In relation to the Intraday Value, in the event that a Market Disruption Event has occurred on an Exchange Business Day of the Barrier Gap Observation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Barrier Level means one or more values that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Barrier Event in relation to the relevant Underlying or Basket Constituent in the relevant Barrier Event Determination Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value; or

(iv) a percentage of the Strike; or

(v) a percentage of the highest or the lowest (as specified in the applicable Final Terms) Reference Value registered during the Barrier Selection Period; or

(vi) a percentage of the Exercise Price.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Barrier Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Barrier Level will be specified for each Underlying or Basket Constituent;

Barrier Selection Period means, when the Barrier Level is determined as specified at point (iv) of the definition of "Barrier Level", the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines the highest or the lowest Reference Value (as specified in the applicable Final Terms) of the Underlying in order to determine the Barrier Level. In the event of more Barrier Selection Periods, the relevant Final Terms will indicate the **First Barrier Selection Period**, the **Second Barrier Selection Period**, or the n-th **Barrier Selection Period**;

Base Premium Percentage means the value expressed as a percentage specified from time to time in the relevant Final Terms;

Basket means a portfolio composed of two or more financial assets comprised in the same basket. A Basket may represent the Underlying of the Securities or it may constitute a Basket Constituent of another Basket (the Underlying of the Securities), as specified in the relevant Final Terms;

Basket Constituent means, in relation to each Series, each financial asset specified as such in the relevant Final Terms;

Basket Constituent Weight means, in respect of each Basket Constituent, the value specified in the applicable Final Terms;

Basket Value means the value of the Basket calculated by the Calculation Agent in order to determine the Initial Reference Value, the Reference Value and Final Reference Value.

In relation to all the values determined as specified below, only the changes published by the Issuer with a notice on its website www.prodottiequotazioni.intesasanpaolo.com shall be taken into account.

In particular, at any time, the Basket Value is equal to the sum of the single Values of the Basket Constituents at such time, divided by the single Values of the Basket Constituents at time "0", and multiplied by the relevant Basket Constituent Weight of each Basket Constituent comprised in the same Basket, in accordance with one of the following formulas:

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

Where:

"$\boldsymbol{Basket_t}$" is the Basket Value 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 the Basket Constituent "i" at time "t", as specified in the applicable Final Terms or, if the relevant Final Terms provide for a $Local\ CAP_r^i$:

$$C_t^i = \frac{1}{y}\ x \sum_{r=1}^{y} Min\ [C_0^i\ x\ Local\ CAP_r^i;\ C_r^i]$$

Where:

"$\boldsymbol{Local\ CAP_r^i}$" is the percentage applied to the Basket Constituent "i" at time "r", specified in the relevant Final Terms, for each Basket Constituent "i";

"$\boldsymbol{C_r^i}$" is the Value of the Basket Constituent "i" at time "r", as specified in the applicable Final Terms;

"$\boldsymbol{y}$" is the number of Valuation Dates and/or the number of the dates of the relevant valuation period, if applicable, specified as such in the relevant Final Terms;

"$\boldsymbol{C_0^i}$" is the Value of the Basket Constituent "i" at time "0", which is the date(s) specified in the applicable Final Terms;

"$\boldsymbol{W^i}$" is the Basket Constituent Weight of each Basket Constituent; and

"$\boldsymbol{n}$" is the number of the Basket Constituents, as specified in the applicable Final Terms;

b) $Basket_t = \sum_{i=1}^{n} Min(Cap_i\ ;\ \frac{C_t^i}{C_0^i}) \times W^i$

Where:

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

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

"$\boldsymbol{Cap_i}$" is the maximum performance of the Basket Constituent "i", specified in the applicable Final Terms for each Basket Constituent;

"$\boldsymbol{C_t^i}$" is the Value of the Basket Constituent "i", at time "t", as specified in the applicable Final Terms;

"$\boldsymbol{C_0^i}$" is the Value of the Basket Constituent "i" at time "0", which is the date(s) specified in the applicable Final Terms;

"$\boldsymbol{W^i}$" is the Basket Constituent Weight of each Basket Constituent; and

"$\boldsymbol{n}$" is the number of the Basket Constituents, as specified in the applicable Final Terms.

In the case of Securities linked to a Basket of Baskets, the value of the Basket Constituent(s) will also be determined according to the above formulas;

Best Of Feature means the feature pursuant to which the Calculation Agent will select the Best Of Underlying to determine:

(i) the relevant Remuneration Amount and/or the occurrence of an event that triggers such Remuneration Amount; and/or

(ii) the Early Redemption Amount and/or the occurrence of an Early Redemption Event; and/or

(iii) the Settlement Amount and/or the occurrence of any event(s) on which depends the calculation of such Settlement Amount; and/or

(iv) the occurrence of a Barrier Event or any other event or effect.

In addition, as specified in the applicable Final Terms, the Best Of Feature may apply in relation to any or all the relevant valuation periods;

Best Of Underlying means, in the case of Best Of Feature, the Underlying with the first, second or third (and so on, depending on the number of the underlying assets) best Performance of the Underlying in respect of the Performance of the other Underlying(s), determined pursuant to the formula set out in the applicable Final Terms. In the applicable Final Terms, the Issuer will indicate if it will take into account the Underlying with the first best Performance (in such case this will be named Best Of Underlying), the second best Performance (in such case this will be named **Second Best Of Underlying**) or the third best Performance (in such case this will be named **Third Best Of Underlying**) or the n-th best Performance, determined pursuant to the formula set out in the applicable Final Terms. Upon determination of the Best Of Underlying, the Issuer will inform the Securityholders pursuant to Condition 9 (*Notices*);

Bonus Observation Date means, in relation to Multiple Strike Certificates, each date specified in the applicable Final Terms on which the $Bonus_t$ is determined for the purposes of the calculation of the Cumulated Bonus Amount.

It being understood that no Bonus Observation Date may begin prior to the Issue Date;

Bonus Payment Date means, in relation to Multiple Strike Certificates, the Business Day(s) specified in the applicable Final Terms on which the Issuer shall pay the Cumulated Bonus Amount to the Securityholders.

If an amount shall be paid on a Bonus Payment Date, should the valuation date in which the Calculation Agent determines the Reference Value for the purposes of the calculation of such amount be postponed (by way of example and without limitation, for the occurrence of a Market Disruption Event), the relevant Bonus Payment Date may be postponed accordingly. The Bonus Payment Date shall not, in any case, be postponed beyond the tenth Business Day;

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;

Buffer Event means, in relation to Buffer Protection Certificates, the event occurring when the Calculation Agent determines that, in the Buffer Valuation Period, the Performance Sum is lower than, equal to or higher than the Buffer Percentage, as specified in the relevant Final Terms;

Buffer Percentage means in relation to Buffer Protection Certificates, the value expressed as a percentage specified in the relevant Final Terms;

Buffer Valuation Period means, in relation to Buffer Protection Certificates, the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the Buffer Event has occurred. In the event of more Buffer Valuation Periods, the relevant Final Terms will indicate the **First Buffer Valuation Period**, the **Second Buffer Valuation Period**, or the **n-th Buffer Valuation Period**;

Business Day means

(1) where the securities are represented by a Global Security or a Global Registered Security, a day on which the T2 System is open and Euroclear and Clearstream, Luxembourg are open for business;

(2) where the Securities are Italian Dematerialised Securities, a day on which the T2 System is open and Monte Titoli is open for business.

In the event that one or more dates specified in the applicable Final Terms do not fall on a Business Day, such dates shall shift to a Business Day in accordance with the Business Day Convention;

Business Day Convention means the convention specified in the relevant Final Terms;

Butterfly Level means, in relation to Reverse Butterfly Certificates, the value specified in the applicable Final Terms. The Butterfly Level is represented by a percentage of the Initial Reference Value or by a predetermined value;

Calculation Agent means Intesa Sanpaolo S.p.A. or such other calculation agent specified in the applicable Final Terms;

Calculation Entity means, in the case of Certificates on Interest Rates, the entity responsible for the calculation and publication of the Interest Rate that will be indicated from time to time in the relevant Final Terms;

Calendar Performance means, in the case of Calendar Certificates, the performance of each Underlying or Basket Constituent determined by the Calculation Agent according to the following formula:

$$Max\ \{Calendar\ Floor\ Percentage;\ Min\ [Calendar\ Cap\ Percentage;\ (RV_y - RV_x) / RV_x]\}$$

Where:

"$\mathbf{RV_y}$" means the Reference Value of the Underlying at time “y” specified in the relevant Final terms;

"$\mathbf{RV_x}$" means the Reference Value of Underlying at time “x” specified in the relevant Final terms;

"**Calendar Cap Percentage**" means the value expressed as a percentage specified from time to time in the relevant Final Terms. The Calendar Cap Percentage will always be equal to or higher than 0 per cent;

"**Calendar Floor Percentage**" means the value expressed as a percentage specified from time to time in the relevant Final Terms. The Calendar Floor Percentage will always be equal to or lower than 0 per cent;

Call Exercise Date means the Exchange Business Day on which the Certificates are exercised and redeemed by the Issuer, following the exercise of the Call Option. If the Call Valuation Period is applicable, the Call Exercise Date coincides with the last Exchange Business Day of the relevant Call Valuation Period or with the Call Valuation Period, if it is composed by one Exchange Business Day. If the Call Valuation Period is specified as "Not applicable", the Call Exercise Date is the date specified in the applicable Final Terms;

Call Notice Period means the date(s) – indicated in the applicable Final Terms – by which the Issuer shall notify, in accordance with Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*) below, the intention to exercise the Call Option in the relevant Call Exercise Date;

Call Option means, if the Call Option is specified as applicable in the relevant Final Terms, the option to redeem the Certificates which can be irrevocably exercised by the Issuer, at its sole discretion, during the Call Notice Period specified in the applicable Final Terms pursuant to Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*) below. Following the exercise of the Call Option, the Certificates will be exercised and the Securityholders will be entitled to receive the Cash Settlement Amount specified in the applicable Final Terms;

Call Valuation Period means, in relation to the Call Option and if specified as applicable in the relevant Final Terms, the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines the Reference Value or, in case of Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, respectively, the Payout Value Long or the Payout Value Short. In the event of more Call Valuation Periods, the relevant Final Terms will indicate the **First Call Valuation Period**, the **Second Call Valuation Period**, or the **n-th Call Valuation Period**.

If the applicable payout formula of the Cash Settlement Amount includes the Final Reference Value, if the Call Option is exercised by the Issuer, the Reference Value determined by the Calculation Agent in the relevant Call Valuation Period will be considered as Final Reference Value.

If the applicable payout formula of the Cash Settlement Amount does not include the Final Reference Value (and the Typology is different from Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates), the Call Valuation Period will be specified as "Not applicable" in the relevant Final Terms.

The Call Valuation Period, if applicable, may only begin after the Call Notice Period.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Call Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

CAP means either the Cap Amount, the Cap Percentage, the Cap Barrier Amount, the Cap Level, the Performance Cap, the Calendar Cap Percentage, the Early Cap Percentage, the Cap Consolidation Amount, or the Cap Down Amount as specified in the relevant Final Terms;

Cap Amount means the amount indicated in the relevant Final Terms;

Cap Barrier Amount means the amount indicated in the relevant Final Terms;

Cap Consolidation Amount means, in relation to Max Consolidation Long Cap Certificates, the amount that may be considered, if indicated in the relevant Final Terms, for the purpose of the calculation of the Cash Settlement Amount;

Cap Down Amount means, in relation to Twin Win Certificates, the amount that may be considered, if indicated in the relevant Final Terms, for the purpose of the calculation of the Cash Settlement Amount when the Final Reference Value is lower than the Initial Reference Value multiplied by the Strike Percentage;

Cap Level means one or more values specified in the relevant Final Terms, expressed as either (i) the product between the Cap Percentage and the Initial Reference Value, or (ii) a value predetermined by the Issuer, specified in the relevant Final Terms. If more values are provided, the applicable Final Terms will also specify the relevant details;

Cap Percentage means the value expressed as a percentage indicated in the relevant Final Terms;

Cap Style 1 means in relation to a Cap Level, if applicable, and if the Restrike Feature is indicated as applicable in the relevant Final Terms, the calculation method pursuant to which, if the Restrike Event has occurred, the Cap Level will be consequently amended in accordance with the Initial Reference Value set at the Restrike Percentage;

Cap Style 2 means in relation to a Cap Level, if applicable, and if the Restrike Feature is indicated as applicable in the relevant Final Terms, the calculation method pursuant to which, if the Restrike Event has occurred, the Cap Level will not be taken into consideration for the purposes of the Cash Settlement Amount;

Capital Protection Percentage means the value expressed as a percentage specified in the relevant Final Terms;

Cash Settled Securities means Securities that entitle their holders to receive from the Issuer on the Settlement Date the Cash Settlement Amount, if it results in an amount higher than zero;

Cash Settlement Amount means, in relation to a Cash Settled Securities, the amount in the Settlement Currency which the Securityholder is entitled to receive on the Settlement Date in relation to each Security, as determined by the Calculation Agent pursuant to the provisions under the section "Settlement Amount" of Condition 23 (*Pay out provisions*). If the result of the formulas set out in Condition 23 (*Pay out provisions*) is equal to or lower than 0, no Cash Settlement Amount will be paid to the Securityholder. The Cash Settlement Amount shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Securities exercised or redeemed, as the case may be, at the same time by the same Securityholder will be aggregated for the purpose of determining the aggregate Cash Settlement Amount payable. If a Remuneration Amount potentially payable on a payment date which coincides with the Settlement Date cannot be determined due to the occurrence of a Market Disruption Event, then also the payment of the Cash Settlement Amount may be postponed accordingly until such Market Disruption Event ceases.

Following the occurrence of a Market Disruption Event or an Adjustment Event, the Cash Settlement Amount to be paid on the Settlement Date may be determined by the Calculation Agent by reference to the last available Value of the Underlying before the occurrence of the Market Disruption Event or of the Adjustment Event, acting in good faith and in a commercially reasonable manner. In such case, the Value of the Underlying so determined shall be notified to the Securityholders with a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com;

Cash Settlement Amount Combo Feature means, in relation to Certificates linked to more Underlyings, the feature pursuant to which the Calculation Agent will determine, as specified in the applicable Final

Terms, the Cash Settlement Amount as either (i) the arithmetic mean of the Cash Settlement Amounts due in relation to each Underlying or (ii) the weighted average of the Cash Settlement Amounts due in relation to each Underlying or (iii) the sum of the Cash Settlement Amounts due in relation to each single Underlying. If the Cash Settlement Amount Combo Feature applies, the relevant Final Terms will specify for each Underlying the relevant payout formula among those set out in Condition 23 and all the relevant details for its determination (e.g. Barrier Level, Multiplier, Initial Reference Value, Final Reference Value, etc.);

Clearing System shall mean Euroclear or Clearstream, Luxembourg or such other clearing system as may be specified in the applicable Final Terms;

Click-on Effect means, if the Worst Of Feature and the Early Redemption Event are applicable, the feature pursuant to which, if applicable, the Calculation Agent will determine the Underlying(s) that will be considered for the purpose of the determination of the Worst of Underlying in relation to:

(i) the relevant Remuneration Amount specified in the applicable Final Terms and/or the occurrence of the event that triggers such Remuneration Amount; and/or

(ii) the Early Redemption Amount and/or the occurrence of the Early Redemption Event; and/or

(iii) the Settlement Amount and/or the occurrence of any event(s) on which depends the calculation of such Settlement Amount; and/or

(iv) the occurrence of the Barrier Event or any other event or effect.

In relation to each Underlying, the Click-on Effect will occur if the Calculation Agent determines that, on at least one Click-on Valuation Period, the Value of the Underlying has been equal to or higher than the relevant Click-on Level, as specified in the applicable Final Terms.

If the Click-on Effect occurs for all the Underlyings, the Certificates will be early redeemed.

After the occurrence of the Click-on Effect in relation to one or more Underlyings, the Underlying(s) that will be considered for the purpose of the determination of the Worst of Underlying, will be only the one(s) for which the Click-on Effect has not been occurred in all the Click-on Valuation Periods.

If the Click-on Effect occurs for any Underlying, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Click-on Level means one or more values, that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Click-on Effect in relation to the relevant Underlying or Basket Constituent in the relevant Click-on Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Click-on Effect, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Click-on Level will be specified for each Underlying or Basket Constituent;

Click-on Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Click-on Effect has occurred. In the event of more Click-on Valuation Periods, the relevant Final Terms will indicate the **First Click-on Valuation Period**, the **Second Click-on Valuation Period**, or the **n-th Click-on Valuation Period**.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Click-on Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply.

It being understood that no Click-on Valuation Period may begin prior to the Issue Date;

Cliquet Feature means the method for changing an applicable level (e.g. the Accumulating Level, the Digital Level, the Participation Remuneration Level, the Knock-in Level, the Knock-out Level, the Early Redemption Level, the Memory Level, the Consolidation Level, etc.) on the relevant valuation period, as specified by the Issuer in the relevant Final Terms, pursuant to which such level may change, either automatically or upon occurrence of the condition(s) specified from time to time in the applicable Final Terms. Such method may indicate:

(i) in relation to each Cliquet Valuation Period, the relevant Reference Value or Spread or Cumulated Performance (in the case of Multiperformance Certificates), for the determination of the applicable level; and/or

(ii) different percentage(s) to be applied to the Initial Reference Value and/or Reference Value(s) or Spread or Cumulated Performance (in the case of Multiperformance Certificates) for the determination of the applicable level, as specified in the applicable Final Terms.

If applicable, in relation to each different level the Issuer may also specify the related applicable amount (e.g. in relation to each different Digital Level the Issuer may also specify the related applicable Digital Amount).

The Securityholders will be informed about the update of the applicable level in accordance with Condition 9 (*Notices*);

Cliquet Valuation Period means, if the Cliquet Feature is applicable, the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines the Reference Value or the Spread or the Cumulated Performance (in the case of Multiperformance Certificates). In the event of more Cliquet Valuation Periods, the relevant Final Terms will indicate the **First Cliquet Valuation Period**, the **Second Cliquet Valuation Period**, or the **n-th Cliquet Valuation Period**.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Cliquet Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Combined Amount means, in relation to Combined Amount Certificates, the amount equal to the product of (i) the Multiplier of the Underlying specified in the applicable Final Terms and (ii) the relevant Final Reference Value. The Underlying used for the Combine Amount may differ from the Underlying used to determine the occurrence of the Barrier Event and/or to the determine the Cash Settlement Amount;

Combined Securities means the type of Securities which is a combination of two or more of the following types, as specified from time to time in the relevant Final Terms: Index Securities, Proprietary Index Securities, Share Securities, Exchange Rate Securities, Futures Contract Securities, Govies Securities, Fund Securities, ETI Securities, Interest Rate Securities and Commodity Securities;

Commodity means, in relation to each Series, either as single or as a Basket Constituent, the commodity indicated as Underlying in the relevant Final Terms;

Commodity Securities means Securities that have as Underlying one or more specified Commodities or one or more Baskets of Commodities;

Consolidation Effect means, if there are several Digital Valuation Periods or several Participation Remuneration Event Valuation Periods, the feature pursuant to which, if it occurs, the Digital Event/Participation Remuneration Event will automatically occur without further determinations for all the Digital Valuation Periods/Participation Remuneration Event Valuation Periods following such Consolidation Valuation Period and, therefore, the Securityholders will receive all the relevant Digital Amounts/Participation Remuneration Amounts.

The Consolidation Effect will occur if the Calculation Agent determines that the Reference Value or the Spread, or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Consolidation Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Consolidation Level in the relevant Consolidation Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Consolidation Level during the relevant Consolidation Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Consolidation Level during the relevant Consolidation Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Consolidation Level and the relevant Down Range Consolidation Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Consolidation Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Consolidation Level and the relevant Down Range Consolidation Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Consolidation Valuation Period.

In case of Securities linked to more than one Underlying, the Consolidation Effect may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Consolidation Effect may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Consolidation Level (or the Up Range Consolidation Level and the Down Range Consolidation Level) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Consolidation Effect.

If the Consolidation Effect occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Consolidation Floor Event means, in relation to Max Long Certificates and Max Short Certificates, the event upon the occurrence of which, the Cash Settlement Amount will be determined in accordance with a different calculation method, as detailed in Condition 23 (*Pay-out provisions*). Such event will occur if the Calculation Agent determines that the Reference Value or the Spread, or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Consolidation Floor Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Consolidation Floor Level in the relevant Consolidation Floor Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Consolidation Floor Level during the relevant Consolidation Floor Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Consolidation Floor Level during the relevant Consolidation Floor Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Consolidation Floor Level and the relevant Down Range Consolidation Floor Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Consolidation Floor Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Consolidation Floor Level and the relevant Down Range Consolidation Floor Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Consolidation Floor Valuation Period.

In case of Securities linked to more than one Underlying, the Consolidation Floor Event may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Consolidation Floor Event may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Consolidation Floor Level (or the Up Range Consolidation Floor Level and the Down Range Consolidation Floor Level) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Consolidation Floor Event.

If the Consolidation Floor Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Consolidation Floor Level means one or more values, that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Consolidation Floor Event in relation to the relevant Underlying or Basket Constituent in the relevant Consolidation Floor Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Consolidation Floor Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Consolidation Floor Level will be specified for each Underlying or Basket Constituent.

For the avoidance of doubt, the Consolidation Floor Level in relation to the occurrence of the Consolidation Floor Event may be different to the Consolidation Floor Level set for the purposes of the calculation of the Cash Settlement Amount (if so specified in the applicable Final Terms);

Consolidation Floor Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Consolidation Floor Event has occurred. In the event of more Consolidation Floor Valuation Periods, the relevant Final Terms will indicate the **First Consolidation Floor Valuation Period**, the **Second Consolidation Floor Valuation Period**, or the **n-th Consolidation Floor Valuation Period**.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Consolidation Floor Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Consolidation Level means one or more values, that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Consolidation Effect in relation to the relevant Underlying or Basket Constituent in the relevant Consolidation Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Consolidation Effect, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Consolidation Level will be specified for each Underlying or Basket Constituent;

Consolidation Participation Factor means the value expressed as a percentage indicated in the applicable Final Terms;

Consolidation Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Consolidation Effect has occurred. In the event of more Consolidation Valuation Periods, the relevant Final Terms will indicate the **First Consolidation Valuation Period**, the **Second Consolidation Valuation Period**, or the **n-th Consolidation Valuation Period**.

The applicable Final Terms may provide for different Underlyings in relation to each Consolidation Valuation Period.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Consolidation Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply.

It being understood that no Consolidation Valuation Period may begin prior to the Issue Date;

Constant Leverage Factor or **K** means, in relation to Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, the fixed leverage factor which applies to the Underlying, specified in the applicable Final Terms;

Conversion Rate means, in relation to Dual Currency FX Certificates, the rate specified in the applicable Final Terms;

Converted Certificates means, in relation to Turbo Certificates, Benchmark Certificates and Constant Leverage Certificates, if Reverse Split is specified as applicable in the relevant Final Terms, the amended Certificates after the application of the Reverse Split calculated by dividing the number of Pre-Conversion Certificates by the Reverse Split Ratio;

Corridor Early Amount means, in relation to Corridor Warrants, the amount specified in the relevant Final Terms to be paid to the Securityholder on the Corridor Early Payment Date per each Minimum Exercise Amount if a Barrier Event has occurred. The Corridor Early Amount could be also equal to zero;

Corridor Early Payment Date means, in relation to Corridor Warrants, the Business Day(s) specified in the applicable Final Terms. In the event that the Corridor Early Amount is set equal to zero, the Corridor Early Payment Date will be specified as not applicable in the relevant Final Terms;

Coupon Event means the event the occurrence or non-occurrence of which results in the payment of the relevant Coupon Premium 1 or the relevant Coupon Premium 2. Such event will occur if the Calculation Agent determines that the Reference Value or the Spread, or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Coupon Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Coupon Level in the relevant Coupon Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Coupon Level during the relevant Coupon Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Coupon Level during the relevant Coupon Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Coupon Level and the relevant Down Range Coupon Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Coupon Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Coupon Level and the relevant Down Range Coupon Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Coupon Valuation Period.

In case of Securities linked to more than one Underlying, the Coupon Event may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Coupon Event may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Coupon Level (or the Up Range Coupon Level and the Down Range Coupon Level) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Coupon Event.

If the Coupon Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Coupon Level means one or more values that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Coupon Event in relation to the relevant Underlying or Basket Constituent in the relevant Coupon Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Coupon Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Coupon Level will be specified for each Underlying or Basket Constituent;

Coupon Payment Date means the Business Day(s) specified in the applicable Final Terms on which the Issuer shall pay the relevant Coupon Premium Amount to the Securityholders.

If an amount shall be paid on a Coupon Payment Date, should the valuation date in which the Calculation Agent determines the Reference Value for the purposes of the calculation of such amount be postponed (by way of example and without limitation, for the occurrence of a Market Disruption Event), the relevant Coupon Payment Date may be postponed accordingly. The Coupon Payment Date shall not, in any case, be postponed beyond the tenth Business Day;

Coupon Premium Amount means either the Coupon Premium 1 or the Coupon Premium 2 as detailed in paragraph "B. Coupon Premium Amount" in Condition 23 (Pay-out provisions);

Coupon Premium 1 means, if the relevant Coupon Event in the relevant Coupon Valuation Period has occurred, the amount in the Settlement Currency specified in the applicable Final Terms to be paid to the Securityholder on the relevant Coupon Payment Date per each Minimum Exercise Amount;

Coupon Premium 2 means, if the relevant Coupon Event in the relevant Coupon Valuation Period has not occurred, the amount in the Settlement Currency specified in the applicable Final Terms to be paid to the Securityholder on the relevant Coupon Payment Date per each Minimum Exercise Amount;

Coupon Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Coupon Event has occurred. In the event of more Coupon

Valuation Periods, the relevant Final Terms will indicate the **First Coupon Valuation Period**, the **Second Coupon Valuation Period**, or the **n-th Coupon Valuation Period**.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Coupon Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply.

It being understood that no Coupon Valuation Period may begin prior to the Issue Date;

Cross Currency Rate or **XCCY** means, in relation to Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, the cross currency rate specified in the applicable Final Terms and available on the source specified in the applicable Final Terms;

Cumulated Bonus Amount means, in relation to Multiple Strike Certificates, the amount in the Settlement Currency specified in the applicable Final Terms to be paid to the Securityholder on the relevant Bonus Payment Date, as detailed in paragraph "I. Cumulated Bonus Amount" in Condition 23 (*Pay-out provisions*);

Cumulated Performance means, in relation to the Multiperformance Long/Short Certificates and the Multiperformance Max Long/Short Certificates, the sum of the performances of each Underlying calculated as follows:

$$\sum_{i=1}^{n}\left(\frac{Final\ Reference\ Value_i}{Initial\ Reference\ Value_i}-1\right)$$

Where:

"***Final Reference Value****i*" means the Final Reference Value of Underlying "*i*";

"***Initial Reference Value****i*" means the Initial Reference Value of Underlying "*i*";

"***n***" means the number of the Underlyings;

Darwin Feature means the determination method that may be specified as applicable in the relevant Final Terms in relation to the occurrence of an event and/or the determination of an amount to be paid.

If the Darwin Feature applies, the applicable Final Terms will specify in relation to each valuation period of each event and/or in relation to each amount to be paid (Remuneration Amount and/or the Settlement Amount and/or the Early Redemption Amount), the Underlying value to be considered (i.e. Best of Underlying, Worst of Underlying, Basket Value or as otherwise specified in the applicable Final Terms).

In the same way, if the Darwin Feature applies, the applicable Final Terms will specify the determination method of the Reference Value to be considered for the occurrence of the Barrier Event (by way of example, Worst Of Underlying) and the determination method of the Initial Reference Value and the Final Reference Value to be considered for the calculation of the Settlement Amount, that can be different from the method used for the determination of the occurrence of the Barrier Event;

Day Count Fraction or **DCF** means, in relation to Proprietary Index Securities, Interest Rate Warrants, Type B Long Constant Leverage Certificates, Type B Short Constant Leverage Certificates and to the calculation of Premium Gap Amounts:

- in relation to a Proprietary Index, has the meaning ascribed to it in the relevant definition section, specific to that Proprietary Index, within the "Annex 1 to the Terms and Conditions of the Securities – Description of the Proprietary Indices";
- in relation to Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, the actual number of calendar days between "t" (being any Exchange Business Day from and including the Determination Date to and including the Valuation Date) and "t-1" (being the Exchange Business Day prior to "t"), divided by the number specified in the applicable Final Terms;
- if "**ACT/360**" is specified as applicable in the relevant Final Terms, the actual number of days in the relevant Floating Amount Determination Period or Settlement Determination Period or Premium Gap Observation Period, respectively, divided by 360;
- if "**Actual/Actual**" is specified as applicable, means:

  (i) in relation to the calculation of the Premium Gap Amounts, the actual number of days in the relevant Premium Gap Observation Period divided by the number of days comprised in the relevant Premium Determination Period;

  (ii) in relation to Interest Rate Warrants, the actual number of days in the Floating Amount Determination Period, or Settlement Determination Period divided by number of days comprised in the relevant Floating Amount Determination Period, or Settlement Determination Period;

- if "**30/360**" is specified as applicable, means the number of days in the Premium Gap Observation Period or Floating Amount Determination Period or Settlement Determination Period, calculated as follows:

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

Where:

"Y_1" is the year, expressed as a number, in which the first day of the Premium Gap Observation Period, Floating Amount Determination Period or Settlement Determination Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Premium Gap Observation Period, Floating Amount Determination Period or Settlement Determination Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Premium Gap Observation Period, Floating Amount Determination Period or Settlement Determination Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Premium Gap Observation Period, Floating Amount Determination Period or Settlement Determination Period falls;

"D_1" is the first calendar day, expressed as a number, of the Premium Gap Observation Period, Floating Amount Determination Period or Settlement Determination Period, unless such number is 31, in which case D_1 will be 30;

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Premium Gap Observation Period, Floating Amount Determination Period or Settlement Determination Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

Deliverable Asset means, in case of Physical Delivery Securities, the quantity of the Relevant Asset capable of being delivered, which constitutes part or all of the Entitlement, as determined in accordance with the applicable Final Terms;

Delivery Date means, in the case of an offer of Securities and if applicable, the Business Day that may be specified in the relevant Final Terms and on which the Securities are delivered to the Securityholder. Delivery shall mean the relevant accounting evidence of such Securities in the securities depository account or such other account of the relevant investor (as indicated by the investor in the relevant subscription module) or of the relevant Manager;

Determination Date means one or more Exchange Business Days on which the Value of the Underlying(s) is registered for the purpose of the calculation of the Initial Reference Value (pursuant to the terms set out in the definition of Initial Reference Value), as specified in the relevant Final Terms;

Digital Amount means, upon occurrence of the relevant Digital Event in relation to the relevant Digital Valuation Period, the amount in the Settlement Currency specified in the applicable Final Terms to be paid to the Securityholder on the relevant Digital Payment Date per each Minimum Exercise Amount as detailed in paragraph "A. Digital Amount(s)" in Condition 23 (*Pay-out provisions*).

For the avoidance of any doubt, in relation to the same Digital Valuation Period, the applicable Final Terms may provide for two or more Digital Amounts (Digital Amount A, Digital Amount B, and so on), which could also be linked to different Underlyings, payable upon occurrence of the relevant Digital Event.

If the Multiple Level Option is applicable, the relevant Final Terms will specify the Digital Amount 1 and the Digital Amount 2, and so on, which will be respectively linked to the Digital Level 1, the Digital Level 2 and so on;

Digital Combo Feature means, in relation to Certificates linked to more Underlyings, and if the relevant Digital Event has occurred in relation to each Underlying, the feature pursuant to which the Calculation Agent will determine, the Digital Amount payable either (i) the arithmetic mean of the Digital Amounts due in relation to each Underlying for which the relevant Digital Event has occurred, or (ii) the weighted average of the Digital Amounts due in relation to each Underlying for which the relevant Digital Event has occurred, or (iii) the sum of the Digital Amounts due in relation to each Underlying for which the relevant Digital Event has occurred, as specified in the applicable Final Terms. The Calculation Agent eventually will determine the Consolidation Level, the Memory Level, the Knock-out Level and the Knock-in Level. If the Digital Combo Feature applies, the applicable Final Terms will specify for each Underlying the relevant Digital Level;

Digital Event means the event upon the occurrence of which the Securityholders are entitled to receive the payment of the relevant Digital Amount. Such event will occur if the Calculation Agent determines that the Reference Value or the Spread, or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Digital Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Digital Level in the relevant Digital Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Digital Level during the relevant Digital Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Digital Level during the relevant Digital Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Digital Level and the relevant Down Range Digital Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Digital Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Digital Level and the relevant Down Range Digital Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Digital Valuation Period.

In case of Securities linked to more than one Underlying, the Digital Event may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Digital Event may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Digital Level (or the Up Range Digital Level and the Down Range Digital Level, or, if Multiple Level Option is applicable, the Digital Level 1, the Digital Level 2 and so on) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Digital Event.

The Final Terms may specify that more than one Digital Event, with its related Digital Amount (Digital Amount A, Digital Amount B, and so on), may be indicated for the same Digital Valuation Period.

If the Digital Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Digital Level means one or more values that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Digital Event in relation to the relevant Underlying or Basket Constituent in the relevant Digital Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

The Digital Level may be identical for all the Digital Valuation Periods or it may differ for each Digital Valuation Period, as specified in the applicable Final Terms. If there are more Digital Levels, the Issuer will indicate in the relevant Final Terms: (i) the First Digital Level, the Second Digital Level and so on, in relation to the relevant Digital Valuation Period, and/or, if Multiple Level Option is applicable, (ii) the Digital Level 1, the Digital Level 2, and so on, in relation to the same Digital Valuation Period.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Digital Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Digital Level will be specified for each Underlying or Basket Constituent;

Digital Payment Date means the Business Day(s) specified in the applicable Final Terms on which the Issuer shall pay the relevant Digital Amount to the Securityholders.

If an amount shall be paid on a Digital Payment Date (i.e. Digital Amount or Extra Consolidation Digital Amount), should the valuation date in which the Calculation Agent determines the Reference Value for the purposes of the calculation of such amount be postponed (by way of example and without limitation, for the occurrence of a Market Disruption Event), the relevant Digital Payment Date may be postponed accordingly. The Digital Payment Date shall not, in any case, be postponed beyond the tenth Business Day;

Digital Percentage means, in relation to the Digital Certificates, the value expressed as a percentage specified in the relevant Final Terms;

Digital Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Digital Event has occurred. In the event of more Digital Valuation Periods, the relevant Final Terms will indicate the **First Digital Valuation Period**, the **Second Digital Valuation Period**, or the **n-th Digital Valuation Period**.

The applicable Final Terms may provide for different Underlyings in relation to each Digital Valuation Period.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Digital Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply.

It being understood that no Digital Valuation Period may begin prior to the Issue Date;

Discretionary Payment Amount means, upon exercise of the Discretionary Payment, the amount in the Settlement Currency to be paid to the Securityholders for each Minimum Exercise Amount as detailed in paragraph "J. Discretionary Payment Amount" in Condition 23 (*Pay-out provisions*);

Discretionary Payment Option means, in relation to Discretionary Payment Certificates, the option exercised by the Issuer at its own discretion, on a Discretionary Payment Exercise Date$_t$. Following the exercise of the Discretionary Payment Option, the Securityholders will receive the payment of (i) the Discretionary Payment Amount(s) and (ii) the relevant Cash Settlement Amount that will be determined in accordance with a calculation method detailed in Condition 23 (*Pay-out provisions*).

The Discretionary Payment Option can be exercised only once with effect from (and including) the Discretionary Payment Exercise Date$_t$ to (and including) the Settlement Date.

If the Discretionary Payment Option has been exercised, the Securityholders will be notified on or prior to the Discretionary Payment Notice Date through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Discretionary Payment Amount Payment Date means, in relation to Discretionary Payment Certificates, the Business Day(s) specified in the relevant Final Terms on which the Issuer shall pay the relevant Discretionary Payment Amount$_j$ to the Securityholders;

Discretionary Payment Exercise Date means, in relation to Discretionary Payment Certificates, the Business Day(s) specified in the relevant Final Terms in which the Issuer may exercises the Discretionary Payment Option;

Discretionary Payment Notice Date means, in relation to Discretionary Payment Certificates, the date(s) specified as such in the relevant Final Terms;

Disrupted Day means any Exchange Business Day on which a Market Disruption Event has occurred;

Dividend Period Start Date means, in respect of a Share, the date specified as such in the relevant Final Terms;

Dividend Publication means, in respect of Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, the source specified in the relevant Final Terms that may be, without limitation, the website or other media or electronic page where the dividend related to the Underlying is published;

Down Participation Factor means the value expressed as a percentage indicated in the applicable Final Terms;

Down Range Level means one or more values that may be specified in the applicable Final Terms that determines the occurrence of: (i) the Accumulating Event (the "**Down Range Accumulating Level**"); or (ii) the Consolidation Effect (the "**Down Range Consolidation Level**"); or (iii) the Consolidation Floor Event (the "**Down Range Consolidation Floor Level**"); or (iv) the Coupon Event (the "**Down Range Coupon Level**"); or (v) the Digital Event (the "**Down Range Digital Level**"); or (vi) the Knock-in Event (the "**Down Range Knock-in Level**"); or (vii) the Knock-out Event (the "**Down Range Knock-out Level**"); or (viii) the Memory Effect (the "**Down Range Memory Level**"); or (ix) the Participation Remuneration Event (the "**Down Range Participation Remuneration Level**"); or (x) the Early Redemption Event (the "**Down Range Early Redemption Level**"); or (xi) the Switch Event (the "**Down Range Switch Level**"); or (xii) the Multiple Strike Event$_i$ (the "**Down Range Multiple Strike Level$_i$**"); or (xiii) the Participation Rebate Event (the "**Down Range Participation Rebate Level**"); or (xiv) the Restrike Event (the "**Down Range Restrike Level**"). The Down Range Level is represented by a percentage of the Initial Reference Value and/or of the Reference Value or as a value expressed as a percentage, or by a predetermined value. If there are more Underlyings, the applicable Final Terms will specify the relevant Down Range Level for each Underlying;

Dropdown Protection Amount means, in relation to Short Dropdown Protection Certificates, the amount (always higher than 0) specified from time to time in the relevant Final Terms;

Dropdown Protection Level means, in relation to Long Dropdown Protection Certificates, the value (always higher than 0) specified from time to time in the relevant Final Terms. The Dropdown Protection Level is represented by a percentage of the Initial Reference Value, or as a value expressed as a percentage, or by a predetermined value;

Dynamic Protection Level means, in relation to Dynamic Protection Certificates, the value specified from time to time in the relevant Final Terms. The Dynamic Protection Level is represented by a percentage of the Initial Reference Value or by a predetermined value;

Dual Currency means the currency specified in the applicable Final Terms;

Early Partial Capital Payment Amount means the amount to be paid to the Securityholder for each Minimum Exercise Amount on the relevant Early Partial Capital Payment Date;

Early Partial Capital Payment Date means the Business Day(s) specified in the applicable Final Terms on which the Issuer shall pay the relevant Early Partial Capital Payment Amount to the Securityholder;

Early Participation Factor means the value expressed as a percentage specified in the relevant Final Terms;

Early Payment Date means the Business Day(s) specified in the applicable Final Terms on which the Issuer shall pay the Early Redemption Amount to the Securityholders.

If an amount shall be paid on an Early Payment Date, should the valuation date in which the Calculation Agent determines the Reference Value for the purposes of the calculation of such amount be postponed (by way of example and without limitation, for the occurrence of a Market Disruption Event), the relevant Early Payment Date may be postponed accordingly. The Early Payment Date shall not, in any case, be postponed beyond the tenth Business Day;

Early Redemption Amount means, upon occurrence of the Early Redemption Event in the relevant Early Redemption Valuation Period, (i) in relation to Certificates, the amount in the Settlement Currency to be paid to the Securityholder on the relevant Early Payment Date per each Minimum Exercise Amount specified in the applicable Final Terms or determined on the basis of the performance of the Underlying specified in the applicable Final Terms, in accordance with one of the calculation methods set out in Condition 23 (*Pay-out provisions*); (ii) in relation to Turbo Certificates or Warrants to be admitted to listing and/or trading without prior offer, an amount that will be equal to 0 (zero).

If the Early Redemption Amount is an amount determined on the basis of the performance of the Underlying specified in the applicable Final Terms, the Early Redemption Amount may be, as indicated in the relevant Final Terms, "**Long Early Redemption Amount**" or "**Long Cap Early Redemption Amount**" or "**Short Early Redemption Amount**" or "**Short Cap Early Redemption Amount**".

Following the occurrence of a Market Disruption Event or an Adjustment Event, the Early Redemption Amount and the relevant events that trigger their payments may be determined by the Calculation Agent by reference to the last available Value of the Underlying before the occurrence of the Market Disruption Event or of the Adjustment Event, acting in good faith and in a commercially reasonable manner. In such case, the Value of the Underlying so determined shall be notified to the Securityholders with a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com;

Early Redemption Event means the event upon the occurrence of which the Securities are deemed to be early redeemed on either (i) the Early Redemption Valuation Period on which the Early Redemption Event has occurred (when the Early Redemption Valuation Period is composed by one Exchange Business Day) or (ii) within the last Exchange Business Day of the Early Redemption Valuation Period on which the Early Redemption Event has occurred (when the Early Redemption Valuation Period is composed by more than one Exchange Business Day), or (iii) if the Intraday Value is applicable and in relation to Turbo Certificates, the Exchange Business Day on which the Early Redemption Event occurred. Such event will occur if the Calculation Agent determines that the Reference Value or the Spread, or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Early Redemption Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Early Redemption Level in the relevant Early Redemption Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Early Redemption Level during the relevant Early Redemption Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Early Redemption Level during the relevant Early Redemption Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Early Redemption Level and the relevant Down Range Early Redemption Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Early Redemption Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Early Redemption Level and the relevant Down Range Early Redemption Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Early Redemption Valuation Period.

In case of Securities linked to more than one Underlying, the Early Redemption Event may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Early Redemption Event may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Early Redemption Level (or the Up Range Early Redemption Level and the Down Range Early Redemption Level) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Early Redemption Event.

If the applicable Final Terms provide for one or more Accumulating Autocallable Trigger, the Calculation Agent will determine if on the relevant Accumulated Valuation Date (i.e. the Early Redemption Valuation Period will coincide with the Accumulated Valuation Date) the Early Redemption Event occurs. In particular, it will occur if the relevant Accumulated Amount payable to the Securityholders is lower than, equal to or higher than, as specified in the applicable Final Terms, the relevant Accumulating Autocallable Trigger.

If the applicable Final Terms provide for the Tarn Amount, the Calculation Agent will determine if on the relevant Participation Performance Period (i.e. the Early Redemption Valuation Period will coincide with the Participation Performance Period) the Early Redemption Event occurs. In particular, it will occur if the Remuneration Sum exceeds the Tarn Amount.

If the applicable Final Terms provide for the Magnet Feature, an Early Redemption Event occurs if the Magnet Worst Of Performance is equal to, higher than or lower than the relevant Magnet Performance, as specified in the applicable Final Terms.

If the Early Redemption Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Early Redemption Level means one or more values that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Early Redemption Event in relation to the relevant Underlying or Basket Constituent in the relevant Early Redemption Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Early Redemption Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Early Redemption Level will be specified for each Underlying or Basket Constituent.

In relation to Turbo Certificates, the Early Redemption Level is equal to the Strike Price;

Early Redemption Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Early Redemption Event has occurred. In the event of more Early Redemption Valuation Periods, the relevant Final Terms will indicate the **First Early Redemption Valuation Period**, the **Second Early Redemption Valuation Period**, or the **n-th Early Redemption Valuation Period**.

If the applicable Final Terms provide for the Click-on Effect, in relation to the first Early Redemption Valuation Period, all the Underlyings will be considered for the purpose of the determination of the Worst Of Underlying.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Early Redemption Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply.

It being understood that no Early Redemption Valuation Period may begin prior to the Issue Date;

Early Termination Amount means an amount which shall be equal to:

- If Capital Protection Percentage is specified in the relevant Final Terms, the higher of (i) the product of the Capital Protection Percentage and the Issue Price, as both specified in the applicable Final Terms, and (ii) the fair market value of the relevant Securities calculated by the Calculation Agent on the basis of the last available Value of the Underlying, acting in good faith and in a commercially reasonable manner;

- If Capital Protection Percentage is not specified in the relevant Final Terms, an amount not lower than the fair market value of the relevant Securities calculated by the Calculation Agent on the basis of the last available Value of the Underlying, acting in good faith and in a commercially reasonable manner.

Such amount shall be notified to the Securityholders with a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com;

Electronic Page means, in respect of an Underlying or a Basket Constituent, the electronic page or source specified for such Underlying or Basket Constituent in the applicable Final Terms, or either (i) any successor electronic page or source or information vendor or provider that has been designated by the sponsor of the original electronic page or source; or (ii) if such sponsor has not officially designated a successor electronic page or source or information vendor or provider, the successor electronic page or source or information vendor or provider designated by the relevant information vendor or provider (if different from such sponsor) or any alternative electronic page or source designated by the Calculation Agent, provided that, if, in the case of (i) and (ii), the Calculation Agent determines that it is not necessary or appropriate for the Electronic Page to be any such successor electronic page or source or information vendor or provider, then the Electronic Page may be either the originally designated electronic page or source or such other electronic page or source as selected by the Calculation Agent. Where more than one Electronic Page is specified in respect of an Underlying or a Basket Constituent, then the provisions of the preceding sentence shall be construed accordingly and (i) if there is any discrepancy between any relevant price or level displayed on the relevant Electronic Pages for any Exchange Business Day, the relevant price or level selected by the Calculation Agent shall be used for such Exchange Business Day; and (ii) if any relevant price or level is not published on all of such Electronic Pages but is published on one or more of such Electronic Pages, the Calculation Agent shall use such published price or level for the purpose of determining any calculation or determination in respect of the Certificates and no Market Disruption Event shall be deemed to have occurred in respect of the failure to publish on the other Electronic Page(s);

Entitlement means, in relation to Physical Delivery Securities, (i) the Deliverable Asset and, if any, (ii) the Residual Amount, which a Securityholder is entitled to receive on the Settlement Date, as provided in Condition 19 (*Exercise rights and procedures (only applicable to Warrants)*) and in Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*). The Entitlement will be equal to the value specified in the applicable Final Terms or will be determined by the Calculation Agent in accordance with the method of calculation specified in the applicable Final Terms;

ETI means (i) the issuer of an exchange traded note or of any other exchange traded product or (ii) any other exchange traded entity specified as an ETI in the applicable Final Terms;

ETI Interest means the Underlying of ETI Securities either as single or as a Basket Constituent that will be constituted by (i) in respect of an exchange traded note, a unit or note, as the case may be, issued by the relevant ETI, or (ii) in respect of any other exchange traded product, any other interest specified as an ETI Interest in the applicable Final Terms;

ETI Securities means Securities that have as Underlying one or more ETI Interests or one or more Baskets of ETI Interests;

Ex-Dividend Date means, in respect of a Share, the date on which such Share has commenced trading ex – dividend on the Exchange of such Share specified in the applicable Final Terms;

Exchange means each reference exchange or quotation system, on which the Underlying, the Reference Underlying or related components are principally listed and traded, as specified in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities/commodities comprising such Underlying or Reference Underlying has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities or commodities comprising such Underlying or Reference Underlying on such temporary substitute exchange or quotation system as on the original Exchange);

Exchange Business Day means, in relation to:

(A) Shares, Commodities, Exchange Rates:

any day (i) which is considered an exchange business day by the Reference Source, provided that on that day such Reference Source is open for trading, except for the days on which trading sessions close earlier than the regular closing hours and (ii) on which the Reference Source is open for trading during the regular trading hours;

(B) Indexes:

the day on which (i) the Index Sponsor determines and publishes the Index level and/or (ii) the Exchange is open for trading during the regular trading hours;

(C) Proprietary Indices:

(i) in relation to the Proprietary Index, the day on which the Proprietary Index Sponsor determines and publishes the Proprietary Index Level;

(ii) in relation to the Reference Underlying, any day which qualifies as an Exchange Business Day under the relevant paragraph of this definition, depending on the nature of the financial asset constituting such Reference Underlying;

(D) Futures Contracts:

any day on which the Futures Contract is regularly listed on the Reference Source. If on such a day a Market Disruption Event occurs, such day will not be considered as Exchange Business Day;

(E) Funds:

(i) in the case of unlisted Funds: any day on which the Net Asset Value of each Fund is (or would have been if a Market Disruption Event had not occurred) determined and/or published by the Management Company or the Fund Manager; and

(ii) in the case of listed Funds: any day on which the price relating to each Fund is (or would have been if a Market Disruption Event had not occurred) regularly determined and published by the relevant Reference Source;

(F) ETIs:

any day on which the relevant Reference Source, if any, and/or the relevant Exchange and/or the relevant Related Exchange, if any, are open for trading during their respective regular trading session(s) (or would have been if a Market Disruption Event had not occurred);

(G) Interest Rates:

any day on which the Interest Rate is determined and/or published by the relevant Calculation Entity;

(H) Govies:

any day (i) which is considered an exchange business day by the Reference Source, provided that on that day such Reference Source is open for trading, except for the days on which trading sessions close earlier than the regular closing hours and (ii) on which the Reference Source is open for trading during the regular trading hours; and, only in the case of Govies Securities linked to the Yield of Government Bond, (iii) on which the information source specified in the applicable Final Terms publishes the value of such yield(s);

(I) Baskets:

the day which is an Exchange Business Day for all the relevant Basket Constituents or, in case of Baskets of Baskets, the day which is an Exchange Business Day for all the relevant financial assets composing each of the Baskets representing the Baskets Constituent;

In the event that one or more dates specified in the applicable Final Terms do not fall on an Exchange Business Day, such dates shall shift to an Exchange Business Day in accordance with the convention specified in the relevant Final Terms (the **Exchange Business Day Convention**), provided however that, if such new Exchange Business Day is already a date relevant for the fixing of the Value of the Underlying, the date originally specified shall shift again to an Exchange Business Day which is not a date relevant for the fixing of the Value of the Underlying.

In the case of a Basket, or in the case of Best Of Feature and Worst Of Feature, if one or more dates specified in the applicable Final Terms do not fall on an Exchange Business Day for one or more Basket Constituents or for one or more Underlyings such dates will be postponed to (i) the immediately following or previous day according to the applicable Business Day Convention (as specified in the relevant Final Terms from time to time) which is an Exchange Business Day for all the Basket Constituents or for all the Underlyings or (ii) (a) for each Basket Constituent or for each Underlying in relation to which such date is not an Exchange Business Day, the immediately following or previous day according to the applicable Business Day Convention (as specified in the relevant Final Terms from time to time) which is an Exchange Business Day and (b) for all the Basket Constituents or for all the Underlyings in relation to which such date is an Exchange Business Day, the date originally scheduled;

Exchange Rate means either:

i. in case of Exchange Rate Securities, the exchange rate between currencies constituting the Underlying (as single or as a Basket Constituent) of the Securities if specified in the relevant Final Terms; or

ii. in relation to Non Quanto Securities in general with reference to the relevant Underlying, the exchange rate on a given date between the Underlying Reference Currency and the Settlement Currency (expressed as a number of units or portion of the Underlying Reference Currency necessary to purchase a unit in the Settlement Currency), determined by the Calculation Agent for the purpose of the determination of the Settlement Amount or Early Redemption Amounts or Remuneration Amounts or Corridor Early Amounts or Early Partial Capital Payment or any other amount payable under the Securities or the Deliverable Asset and the relevant events. The Calculation Agent will determine the Exchange Rate by making reference to the exchange rate (fixing) between the Underlying Reference Currency and the Settlement Currency determined by the information source specified in the applicable Final Terms or, <u>if the exchange rate is not published or announced at the relevant time on such information source</u>, either (i) the successor or alternative information source or (ii) the determination method to be carried out by the Calculation Agent in its sole and absolute discretion, in each case as specified in the applicable Final Terms;

Exchange Rate Securities means Securities that have as Underlying one or more specified Exchange Rates or one or more Baskets of Exchange Rates;

Exchange Rate Weights means in relation to Currency Certificates the weight for each exchange rate Underlying expressed as a percentage, as specified in the applicable Final Terms;

Exercise Business Day means, in respect of Warrants:

(a) in the case of Cash Settled Securities, a day that is a Business Day;

(b) in the case of Physical Delivery Securities, a day that is a Business Day and an Exchange Business Day;

Exercise Date means, if specified as applicable in the Final Terms, the Business Day on which the Securities are exercised;

Exercise Price means, in relation to Call Covered Warrants and Put Covered Warrants the amount or the value specified as such in the applicable Final Terms or determined in the Exchange Business Day(s) specified in the applicable Final Terms;

Extra Consolidation Digital Amount means, in relation to one or more Extra Consolidation Digital Valuation Periods, the amount(s) in the Settlement Currency to be paid to the Securityholders on the relevant Digital Payment Date (or the other date specified in the relevant Final Terms) per each Minimum Exercise Amount, if an Extra Consolidation Digital Event has occurred;

Extra Consolidation Digital Event means the event upon the occurrence of which the Securityholders are entitled to receive the payment of the relevant Extra Consolidation Digital Amount specified in the relevant Final Terms in connection to an Extra Consolidation Digital Valuation Period. Such event will occur if:

(a) prior to the relevant Extra Consolidation Digital Valuation Period, a Consolidation Effect has occurred; and

(b) the Calculation Agent determines that in the relevant Extra Consolidation Digital Valuation Period, the Reference Value or the Spread, or the Cumulated Performance (in the case of Multiperformance Certificates) is lower than, equal to or higher than the relevant Extra Consolidation Digital Level or, in relation to Securities with more than one Underlying, the Reference Value of each Underlying has been on at least one Extra Consolidation Digital Valuation Period, equal to, higher than or lower than the relevant Extra Consolidation Digital Level, as indicated in the relevant Final Terms.

In that case the Securityholders are entitled to receive the payment of the relevant Extra Consolidation Digital Amount specified in the relevant Final Terms in connection to such Extra Consolidation Digital Valuation Period.

If the Extra Consolidation Digital Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Extra Consolidation Digital Feature means, if the Consolidation Effect is specified as applicable, the feature pursuant to which the Extra Consolidation Digital Amount potentially payable in case of Extra Consolidation Digital Event, after the occurrence of a Consolidation Effect, will be eventually due and payable to the Securityholders;

Extra Consolidation Digital Level means one or more values that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Extra Consolidation Digital Event in relation to the relevant Underlying or Basket Constituent in the relevant Extra Consolidation Digital Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Extra Consolidation Digital Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Extra Consolidation Digital Level will be specified for each Underlying or Basket Constituent;

Extra Consolidation Digital Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Extra Consolidation Digital Event has occurred. In the event of more Extra Consolidation Digital Valuation Periods, the relevant Final Terms will indicate the **First Extra Consolidation Digital Valuation Period**, the **Second Extra Consolidation Digital Valuation Period**, or the **n-th Extra Consolidation Digital Valuation Period**.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Extra Consolidation Digital Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply.

It being understood that no Extra Consolidation Digital Valuation Period may begin prior to the Issue Date;

Final Gearing means, in relation to Dynamic Protection Certificates, the percentage equal to the Gearing multiplied by the number of Gearing Events occurred during the life of the Certificates;

Final Leverage means, in relation to Dropdown Protection Certificates, the value determined according to one of the following formulas:

(i) In case of Long Dropdown Protection Certificates:

Final Leverage = Initial Leverage – (Adjust Factor x Negative Performance)

(ii) In case of Short Dropdown Protection Certificates:

Final Leverage = Initial Leverage – (Adjust Factor x Positive Performance)

Where:

"**Initial Leverage**" means the value expressed as a percentage specified in the applicable Final Terms;

"**Adjust Factor**" means the value expressed as a percentage specified in the applicable Final Terms;

"**Negative Performance**" means the performance of the Underlying, determined according to the following formula and always represented by a positive value:

Max [0; 1 – (Final Reference Value / Initial Reference Value)]

"**Positive Performance**" means the performance of the Underlying, determined according to the following formula:

Max [0; (Final Reference Value / Initial Reference Value) – 1]

Final Notional Amount means, in relation to Interest Rate Warrants, the amount specified as such in the applicable Final Terms;

Final Reference Value or **FRV** means, as specified in the relevant Final Terms:

If the Underlying is one or more financial asset(s) (and not a Basket):

(A) the Value of the Underlying (or, in case of more than one Underlying, the Value of any or all Underlying(s) as specified in the applicable Final Terms) on the Valuation Date or on the Specific Period, determined by the Calculation Agent, as specified in the applicable Final Terms; or

(B) the arithmetic mean or a percentage of such arithmetic mean of the Values of the Underlying (or, in case of more than one Underlying, the arithmetic mean or a percentage of such arithmetic mean of the Values of each Underlying or of the Underlying(s) specified in the applicable Final Terms) on the Valuation Dates or on the Specific Periods, ascertained by the Calculation Agent, respectively, on the last Valuation Date or on the last of such Specific Periods, as specified in the relevant Final Terms, and determined pursuant to the following formula:

$$\boldsymbol{FRV} = Final\ Arithmetic\ Percentage\ \times (\frac{1}{x} \times \sum_{j=1}^{x} Underlying_j)$$

Where:

"**Final Arithmetic Percentage**" means the value expressed as a percentage specified in the applicable Final Terms (if not specified, the Final Arithmetic Percentage will be equal to 100%);

"$\boldsymbol{x}$" is the number of Valuation Dates or Specific Periods specified as such in the applicable Final Terms;

"$\boldsymbol{Underlying_j}$" is the Value of the Underlying as determined on the Valuation Date "j" or on the Specific Period "j", as specified in the applicable Final Terms; or

(C) the minimum or maximum Value as specified in the applicable Final Terms (or, in case of more than one Underlying, the maximum or minimum Value of the Underlying(s) specified in the applicable Final Terms) recorded in relation to the Underlying during one or more Final Reference Value Determination Period(s) ascertained by the Calculation Agent on the Valuation Date(s) or on the Specific Period(s), as specified in the applicable Final Terms; or

(D) in case of Exchange Rate Securities and if so specified in the relevant Final Terms, the Final Reference Value may be equal to the quotient of (a) 1 (as numerator) and (b) the Value calculated pursuant to (A), (B) or (C) above (as denominator); or

(E) 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, the Value of the Futures Contract N-th Near-by on the Valuation Date (only applicable when the Valuation Date is set as a single date); or

(F) in case of Share Securities and if so specified in the relevant Final Terms, either:

(i) the Adjusted Price on the Valuation Date or on the Specific Period; or

(ii) the arithmetic mean of the Adjusted Price on the Valuation Dates or on the Specific Periods, ascertained by the Calculation Agent, respectively, on the last Valuation Date or on the last of such Specific Periods, specified in the relevant Final Terms, and determined pursuant to the following formula:

$$\boldsymbol{FRV} = \frac{1}{x} \times \sum_{j=1}^{x} AP_j$$

Where:

"$\boldsymbol{x}$" is the number of Valuation Dates or Specific Periods specified as such in the relevant Final Terms;

"$\boldsymbol{AP_j}$" is the Adjusted Price of the Underlying(s) as determined on the Valuation Date "j" or on the Specific Period "j", as specified in the applicable Final Terms.

If the Underlying is a Basket:

(A) the Basket Value on the Valuation Date or on the Specific Period, as ascertained by the Calculation Agent, as specified in the applicable Final Terms; or

(B) the arithmetic mean of the Basket Values on the Valuation Dates or on the Specific Periods indicated in the applicable Final Terms, as ascertained by the Calculation Agent, and determined pursuant to the following formula:

$$\boldsymbol{FRV} = \frac{1}{x} \times \sum_{j=1}^{x} Basket_j$$

Where:

"$\boldsymbol{x}$" is the number of Valuation Dates or Specific Periods specified as such in the relevant Final Terms; and

"$\boldsymbol{Basket_j}$" is the Basket Value calculated on the Valuation Date "j" or on the Specific Period "*j*", as specified in the applicable Final Terms; or

(C) the minimum or maximum Basket Value (as specified in the applicable Final Terms) recorded in relation to the Basket during one or more Final Reference Value Determination Period(s), ascertained by the Calculation Agent on the Valuation Date or on the Specific Period, as set out in the relevant Final Terms; or

(D) the Value of one or more or each Basket Constituent (as specified in the applicable Final Terms) on the Valuation Date or on the Specific Period.

If the Call Option/Put Option is exercised by the Issuer/the Securityholder, the Reference Value determined by the Calculation Agent in the related Call Valuation Period/Put Valuation Period will be considered as Final Reference Value, if applicable.

For the avoidance of doubt, the Final Reference Value may also be set as "Not applicable" in the relevant Final Terms.

In relation to each Underlying, or Basket, or Basket Constituent and the related Final Reference Value, only the changes published by the Issuer with a notice on its website www.prodottiequotazioni.intesasanpaolo.com shall be taken into account;

Final Reference Value Determination Period means one or more periods composed of one or more Exchange Business Days or the Specific Period, as specified in the relevant Final Terms;

Floating Amount(s) means, in relation to Interest Rate Warrants, the amount(s) in the Settlement Currency to be paid, if positive, to the Securityholder on the Floating Amount Payment Date per each Minimum Exercise Amount as detailed in paragraph "H. Floating Amount(s)" in Condition 23 (*Pay-out provisions*);

Floating Amount Determination Date means, in relation to Interest Rate Warrants, each date specified in the applicable Final Terms on which the relevant Floating Amount is determined in relation to the relevant Floating Amount Determination Period.

In the event that a Market Disruption Event has occurred on the Floating Amount Determination Date, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Floating Amount Determination Period means, in relation to Interest Rate Warrants, one or more periods specified in the applicable Final Terms related to each Floating Amount. In the event of more Floating Amount Determination Periods, the relevant Final Terms will indicate the **First Floating Amount Determination Period**, the **Second Floating Amount Determination Period**, or the **n-th Floating Amount Determination Period**;

Floating Amount Payment Date means, in relation to Interest Rate Warrants, the Business Day(s) specified in the applicable Final Terms on which the Issuer shall pay the Floating Amount to the Securityholders.

If an amount shall be paid on a Floating Amount Payment Date, should the valuation date in which the Calculation Agent determines the Reference Value for the purposes of the calculation of such amount be postponed (by way of example and without limitation, for the occurrence of a Market Disruption Event), the relevant Floating Amount Payment Date may be postponed accordingly. The Floating Amount Payment Date shall not, in any case, be postponed beyond the tenth Business Day;

Floor Percentage means the value expressed as a percentage specified in the applicable Final Terms. The Floor Percentage will always be equal to or higher than 0 per cent;

Fund means, in respect of each Series, the fund specified in the relevant Final Terms as Underlying or Reference Underlying. The Fund may be either unlisted or listed (e.g. Exchange Traded Funds - ETF). In any case, no fund units, exclusively reserved for qualified investors and prohibited to retail investors in any Relevant Member States, can be physically settled to retail investors in such Relevant Member State;

Fund Manager means the Management Company (as defined below), the director, the manager or other entity which is responsible for publishing the Net Asset Value on behalf of the Management Company, as specified in the applicable Final Terms;

Fund Securities means Securities that have as Underlying one or more specified Funds or one or more Baskets of Funds;

Futures Contract means either as single or as a Basket Constituent, the future contract specified as Underlying in the relevant Final Terms. In the case of Futures Contract Securities, the lifetime of such instruments will reflect the lifetime of the related underlying futures. However, if the Futures Contract N-th Near-by Feature is specified as applicable in the relevant Final Terms, the Issuer will be entitled to determine the Initial Reference Value and/or, if the feature Rolling is also specified as applicable in the relevant Final Terms, the Reference Value in relation to any valuation period during the lifetime of the Certificates and/or the Final Reference Value on the basis of a Futures Contract N-th Near-by. In such case, the applicable Final Terms will specify the relevant N-th Near-by Initial Date and/or only the relevant Rollover Date(s);

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 and/or the Reference Value and/or the Final Reference Value; and

(ii) if the 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 Determination Date; and/or

(iii) if Rolling is also specified as applicable. In such case, the 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 valuation period/date during the lifetime of the Certificates and/or to the Valuation Date.

When the Futures Contract N-th Near-by replaces the Futures Contract, the applicable Final Terms will specify the relevant N-th Near-by Initial Date and/or the relevant Rollover Date(s) only. On the N-th Near-by Initial Date and/or the Rollover Dates, the Securityholders 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 represented by a Futures Contract, the feature pursuant to which the Calculation Agent will be entitled to determine, as specified in the applicable Final Terms:

(i) if the Initial Reference Value will be determined on the basis of a Futures Contract N-th Near-by; and/or

(ii) if Rolling is also specified as applicable. In such case, the Reference Value in relation to any valuation period during the lifetime of the Certificates and/or the Final Reference Value will be determined on the basis of a Futures Contract N-th Near-by;

Futures Contract Securities means Securities that have as Underlying one or more specified Futures Contracts or one or more Baskets of Futures Contracts;

Gap Daily Performance means, in the case of Gap Certificates, the daily performance of the relevant Underlying as determined by the Calculation Agent on each day of the Barrier Gap Observation Period, as follows:

$$Gap\ Daily\ Performance_t = \frac{RV_t}{RV_{t-1}} - 1$$

Where:

"$\mathbf{RV_t}$" means the Reference Value determined on the Exchange Business Day "t"

"$\mathbf{RV_{t-1}}$" means the Reference Value determined on the Exchange Business Day "t-1";

GDR means a Global Depositary Receipt which will be specified as the underlying asset or a Basket Constituent, from time to time in the relevant Final Terms.

Save where specifically provided under the applicable Final Terms, all references in the Conditions or, as applicable, to the "Shares" shall be deemed to be to the GDRs or ADRs, as applicable, and/or the underlying shares, references to the issuer of the Share, as applicable, shall be deemed to be to the issuer of the GDRs or ADRs, as the case may be, and the issuer of the underlying shares, and references to the "Exchange" shall be deemed to be to the exchange or quotation system on which the GDRs or ADRs, as the case may be, are listed and the exchange or quotation system on which the underlying shares are listed, and with such additional or alternative modifications as the Calculation Agent may consider necessary or otherwise desirable provided that any such amendment is not materially prejudicial to the holders of Securities;

Gearing means, in relation to Dynamic Protection Certificates, the value expressed as a percentage specified in the applicable Final Terms;

Gearing Event means, in relation to Dynamic Protection Certificates, the event upon the occurrence of which the Cas Settlement Amount will be determined in accordance with the calculation method as detailed in Condition 23 (*Pay-out provisions*). Such event will occur when the Reference Value is lower than, equal to or higher than, as specified in the applicable Final Terms, the relevant Gearing Level;

Gearing Factor means the value expressed as a percentage specified in the applicable Final Terms;

Gearing Level means, in relation to Dynamic Protection Certificates, one or more values, specified in the applicable Final Terms that triggers the occurrence of the Gearing Event. Such value(s) may be set as a percentage of the Initial Reference Value or by a predetermined value;

Global Performance means, in relation to the Global Performance Certificates, the sum or the average/mean, as specified in the relevant Final Terms, of the performances of the relevant Underlying as determined, in respect of any Performance Observation Date, by the Calculation Agent as follows:

$$\sum_{t=1}^{n} \text{Max [Local Floor Percentage}_t\text{; } \left(\frac{\text{RV}_t - (\text{RV}_s \text{x Global Strike Percentage}_t)}{\text{RV}_s}\right) \text{x Participation Factor}_t\text{]}$$

Or, if the relevant Final Terms provide a Cap Level:

$$\sum_{t=1}^{n} \text{Min} \left\{ \text{CAP}_t\text{; Max[Local Floor Percentage}_t\text{ ; } \left(\frac{\text{RV}_t - (\text{RV}_s \text{x GlobalStrike Percentage}_t)}{\text{RV}_s}\right) \text{x Partecipation Factor}_t\text{]} \right\}$$

Where:

"**n**" means the number of the Performance Observation Dates;

"**RV$_t$**" means the Reference Value calculated on the Performance Observation Date "**t**" specified in the relevant Final Terms;

"**RV$_s$**" means the Reference Value calculated on the Performance Observation Date "s" specified in the relevant Final Terms;

"**Participation Factor$_t$**" means the Participation Factor corresponding to the relevant Participation Observation Date "t" specified in the relevant Final Terms;

"**CAP$_t$**" means the value expressed as a percentage specified in the relevant Final Terms in relation to the relevant Participation Observation Date "t";

"**Global Strike Percentage$_t$**" means the value expressed as a percentage specified in the relevant Final Terms in relation to the relevant Participation Observation Date "t"; and

"**Local Floor Percentage$_t$**" means the value expressed as a percentage, specified in the relevant Final Terms, in relation to the relevant Participation Observation Date "t". Such percentage may also be negative;

Government Bond means, either as single or as a Basket Constituent, a bond issued by a national government of an OECD member country or by an international public organisation established by (or mainly represented by) OECD member countries, listed on a liquid regulated market (for the purposes of Directive 2014/65/EU as amended) or multilateral trading facility, that may constitute the Underlying of Govies Securities from time to time and as specified in the relevant Final Terms;

Govies Securities means Securities that have as Underlying one or more specified Government Bonds or one or more Baskets of Government Bonds or the Yield of Government Bond or the yield of one or more Baskets of Government Bonds. For avoidance of any doubt, in case of Physical Delivery Securities, only Government Bonds that are (i) settled through the Clearing System(s) and (ii) listed on stock exchanges that are regulated markets, can be physically settled. In such case, in relation to govies listed on stock exchanges in EU countries, regulated markets are those markets which fall within the definition of Art. 4(1) 21 of Directive 2014/65/EU, in relation to govies listed on stock exchanges in non-EU countries, regulated markets are those markets regulated by a local financial regulator or monetary authority or institute, in accordance with the law applicable under the relevant jurisdiction;

In-The-Money means:

(a) in the case of a Warrant which is a Cash Settled Security, the Cash Settlement Amount in respect of such Warrant is greater than zero; and

(b) in the case of a Warrant which is a Physical Delivery Security, the value of the Entitlement on the Actual Exercise Date for such Warrant is greater than the Premium as determined by the Calculation Agent;

Index means, either as single or as a Basket Constituent, the Italian or foreign indices constituting the Underlying from time to time and as specified in the relevant Final Terms;

Index Leverage Factor means, in relation to Type A Constant Leverage Certificates, the fixed leverage factor which applies to the Reference Underlying, specified in the applicable Final Terms;

Index Securities means Securities that have as Underlying one or more specified Indexes or one or more Baskets of Indexes;

Index Sponsor means, in relation to an Index, 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 Exchange Business Day, which as of the Issue Date is the index sponsor specified for such Index in the applicable Final Terms.

Indicative Price means, in relation to Warrants, the price of the Warrants as admitted to listing/negotiations specified in the applicable Final Terms and determined on the basis of the market parameters registered on a date around the Issue Date specified in the applicable Final Terms;

Initial Gearing means, in relation to Dynamic Protection Certificates, the value expressed as a percentage specified in the relevant Final Terms;

Initial Percentage means the value or the values expressed as a percentage indicated in the relevant Final Terms;

Initial Reference Value or **IRV** means, as specified in the relevant Final Terms:

I. the predetermined value or values (or, in case of more than one Underlying, the predetermined value or values of the Underlying(s) specified in the applicable Final Terms) indicated in the applicable Final Terms; or

II. without prejudice to the adjustments set out in the Terms and Conditions, the value or values calculated by the Calculation Agent pursuant to the following provisions, in accordance with the relevant Final Terms:

If the Underlying is one or more financial asset(s) (and not a Basket):

(A) the Value of the Underlying (or, in case of more than one Underlying, the Value of any or all Underlying(s) as specified in the applicable Final Terms) on the Determination Date or on the Specific Period, determined by the Calculation Agent, as specified in the applicable Final Terms; or

(B) the arithmetic mean or a percentage of such arithmetic mean of the Values of the Underlying (or, in case of more than one Underlying, the arithmetic mean or a percentage of such arithmetic mean of the Values of each Underlying or of the Underlying(s) specified in the applicable Final Terms) on the Determination Dates or on the Specific Periods, ascertained by the Calculation Agent, respectively, on the last Determination Date or on the last of such Specific Periods, as specified in the relevant Final Terms, and determined pursuant to the following formula:

$$\boldsymbol{IRV} = Initial\ Arithmetic\ Percentage\ \times\ (\frac{1}{x} \times \sum_{t=1}^{x} Underlying_t)$$

Where:

"**Initial Arithmetic Percentage**" means the value expressed as a percentage specified in the applicable Final Terms (if not specified, the Initial Arithmetic Percentage will be equal to 100%);

"$\boldsymbol{x}$" is the number of Determination Dates or Specific Periods specified as such in the applicable Final Terms;

"$\boldsymbol{Underlying_t}$" is the Value of the Underlying as determined on the Determination Date "t" or on the Specific Period "t", as specified in the applicable Final Terms; or

(C) the minimum or maximum Value as specified in the applicable Final Terms (or, in case of more than one Underlying, the maximum or minimum Value of the Underlying(s) specified in the applicable Final Terms) recorded in relation to the Underlying during one or more Initial Reference Value Determination Period(s) ascertained by the Calculation Agent on the Determination Date(s) or on the Specific Period(s), as specified in the applicable Final Terms; or

(D) in case of Exchange Rate Securities and if so specified in the relevant Final Terms, the Initial Reference Value may be equal to the quotient of (a) 1 (as numerator) and (b) the Value calculated pursuant to (A), (B) or (C) above (as denominator); or

(E) 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, the Value of such Futures Contract N-th Near-by on the Determination Date (only applicable when the Determination Date is set as a single date); or

(F) in case of Share Securities and if so specified in the relevant Final Terms, either:

(i) the Adjusted Price on the Determination Date or on the Specific Period; or

(ii) the arithmetic mean of the Adjusted Price on the Determination Dates or on the Specific Periods, ascertained by the Calculation Agent, respectively, on the last Determination Date or on the last of such Specific Periods, specified in the relevant Final Terms, and determined pursuant to the following formula:

$$\boldsymbol{IRV} = \frac{1}{x} \times \sum_{t=1}^{x} AP_t$$

Where:

"$\boldsymbol{x}$" is the number of Determination Dates or Specific Periods specified as such in the relevant Final Terms;

"$\boldsymbol{AP_t}$" is the Adjusted Price of the Underlying(s) as determined on the Determination Date "t" or on the Specific Period "t" as specified in the applicable Final Terms.

If the Underlying is a Basket:

(A) the Basket Value on the Determination Date or on the Specific Period, as ascertained by the Calculation Agent as specified in the applicable Final Terms. If so specified in the applicable Final Terms, the Basket Value on the Determination Date or on the Specific Period indicated in the applicable Final Terms may be equal to 1;

(B) the arithmetic mean of the Basket Values on the Determination Dates or on the Specific Periods indicated in the applicable Final Terms, as ascertained by the Calculation Agent, and determined pursuant to the following formula:

$$\boldsymbol{IRV} = \frac{1}{x} \times \sum_{t=1}^{x} Basket_t$$

Where:

"$\boldsymbol{x}$" is the number of Determination Dates or Specific Periods specified as such in the relevant Final Terms;

"$\boldsymbol{Basket_t}$" is the Basket Value as calculated on the Determination Date "t" or on the Specific Period "t" as specified in the applicable Final Terms; or

(C) the amount corresponding to the minimum or maximum Basket Value (as specified in the applicable Final Terms) recorded in relation to the Basket during one or more Initial Reference Value Determination Period(s), ascertained by the Calculation Agent (pursuant to the terms specified in the foregoing definition of "Basket Value") on the Determination Date or on the Specific Period, as set out in the relevant Final Terms; or

(D) the Value of one or more or each Basket Constituent (as specified in the applicable Final Terms) on the Determination Date or on the Specific Period.

For the avoidance of doubt, the Initial Reference Value may also be set as "Not applicable" in the relevant Final Terms. The Initial Reference Value will always be "Not applicable" in relation to Discount Certificates.

In relation to each Underlying, or Basket, or Basket Constituent and the related Initial Reference Value, only the changes published by the Issuer with a notice on its website www.prodottiequotazioni.intesasanpaolo.com shall be taken into account.

Initial Reference Value Determination Period means the period composed of one or more Exchange Business Days or the Specific Period, as specified in the relevant Final Terms;

Interest Cap means, in relation to the Interest Rate Warrants, the rate specified in the applicable Final Terms for the purposes of the calculation of the Floating Amount and the Cash Settlement Amount;

Interest Rate means, either as single or as a Basket Constituent, the interest rate representing the Underlying from time to time and as specified in the relevant Final Terms;

Interest Rate Securities means Securities that have as Underlying one or more specified Interest Rates or one or more Baskets of Interest Rates;

Internal Return Amount means the amount linked to the performance of the Underlying as indicated in the relevant Final Terms (if applicable). The Internal Return Amount may be **IRA Compound**, or **IRA Compound Cap**, or **IRA Simple**, or **IRA Simple Cap** as detailed in paragraph "E. Internal Return Amount" in Condition 23 (*Pay-out provisions*). In case of more than one Internal Return Amount, the applicable Final Terms will also specify in relation to each Annual Valuation Period the related applicable Internal Return Amount;

Internal Return Amount Cap or **IRA Cap** means the value expressed as a percentage indicated in the relevant Final Terms in relation to the relevant Annual Valuation Period;

Intraday Reset Event means, in relation to Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, the event occurring if the Calculation Agent determines at any time during an Exchange Business Day "t" that:

1) *In case of Type B Long Constant Leverage Certificates on Index:*

(i) For the first Intraday Reset Event (i=1),

$$\frac{UL_{t,\theta}}{UL_{IRE_{i-1}}} < 1 - TV$$

Where:

"$\boldsymbol{UL_{t,\theta}}$" means Intraday Value at the moment θ (being the moment in which the Intraday Reset Event Observation Period starts);

"$\boldsymbol{UL_{IRE_{i-1}}}$" = UL_{t-1};

"**TV**" means the Trigger Value specified in the applicable Final Terms.

(ii) After the occurrence of the first Intraday Reset Event and the relative Intraday Reset Event Observation Period (i >1),

$$\frac{UL_{t,\theta}}{UL_{IRE_{i-1}}} < 1 - TV$$

Where:

"$\boldsymbol{UL_{t,\theta}}$" means Intraday Value at the moment θ (being the moment in which the Intraday Reset Event Observation Period starts);

"$\boldsymbol{UL_{IRE_{i-1}}}$" = $min_{\nu \in [\theta,\theta^+]}\left[UL_{t,\nu}\right]$

Where:

"$\boldsymbol{UL_{t,\nu}}$" means the Intraday Value at a time ν;

"$\boldsymbol{\nu}$" means an instant of time within the period $[\theta, \theta^+]$;

"$[\boldsymbol{\theta}, \boldsymbol{\theta}^+]$" means the Intraday Reset Event Observation Period;

"**TV**" means the Trigger Value specified in the applicable Final Terms.

2) *In case of Type B Long Constant Leverage Certificates on Share:*

(i) For the first Intraday Reset Event (i=1),

$$\frac{UL_{t,\theta}}{UL_{IRE_{i-1}}} < 1 - TV - \frac{(1-TaxAF_t)\cdot Div_t}{UL_{IRE_{i-1}}}$$

Where:

"$\boldsymbol{UL_{t,\theta}}$" means Intraday Value at the moment θ (being the moment in which the Intraday Reset Event Observation Period starts);

"$\boldsymbol{UL_{IRE_{i-1}}}$" = UL_{t-1};

"**TV**" means the Trigger Value specified in the applicable Final Terms;

"$\mathbf{TaxAF_t}$" means the Tax Adjustment Factor on Exchange Business Day "t";

"$\mathbf{TaxAF_0}$" means the Tax Adjustment Factor on the Issue Date, as specified in the applicable Final Terms;

"$\mathbf{Div_t}$" means any ordinary gross cash dividend distributed in relation to the relevant Share on the Exchange Business Day "t". The Div_t will be available from time to time on the Dividend Publication specified in the applicable Final Terms.

(ii) After the occurrence of the first Intraday Reset Event and the relative Intraday Reset Event Observation Period (i >1),

$$\frac{UL_{t,\theta}}{UL_{IRE_{i-1}}} < 1 - TV$$

Where:

"$\boldsymbol{UL_{t,\theta}}$" means Intraday Value at the moment θ (being the moment in which the Intraday Reset Event Observation Period starts);

"$\boldsymbol{UL_{IRE_{i-1}}}$" = $min_{v\in[\theta,\theta^+]}\left[UL_{t,v}\right]$

Where:

"$\boldsymbol{UL_{t,v}}$" means the Intraday Value at a time v;

"$\boldsymbol{v}$" means an instant of time within the period $[\theta, \theta^+]$;

"$[\boldsymbol{\theta}, \boldsymbol{\theta}^+]$" means the Intraday Reset Event Observation Period;

"**TV**" means the Trigger Value specified in the applicable Final Terms.

3) *In case of Type B Short Constant Leverage Certificates on Index:*

(i) For the first Intraday Reset Event (i=1),

$$\frac{UL_{t,\theta}}{UL_{IRE_{i-1}}} > 1 + TV$$

Where:

"$\boldsymbol{UL_{t,\theta}}$" means Intraday Value at the moment θ (being the moment in which the Intraday Reset Event Observation Period starts);

"$\boldsymbol{UL_{IRE_{i-1}}}$" = UL_{t-1};

"**TV**" means the Trigger Value specified in the applicable Final Terms.

(ii) After the occurrence of the first Intraday Reset Event and the relative Intraday Reset Event Observation Period (i >1),

$$\frac{UL_{t,\theta}}{UL_{IRE_{i-1}}} > 1 + TV$$

Where:

"$\boldsymbol{UL_{t,\theta}}$" means Intraday Value at the moment θ (being the moment in which the Intraday Reset Event Observation Period starts);

"$\boldsymbol{UL_{IRE_{i-1}}}$" = $max_{\nu \in [\theta,\theta^+]}\left[UL_{t,\nu}\right]$

Where:

"$\boldsymbol{UL_{t,\nu}}$" means the Intraday Value at a time ν;

"$\boldsymbol{\nu}$" means an instant of time within the period $[\theta, \theta^+]$;

"$[\boldsymbol{\theta}, \boldsymbol{\theta^+}]$" means the Intraday Reset Event Observation Period;

"**TV**" means the Trigger Value specified in the applicable Final Terms.

4) <u>In case of Type B Short Constant Leverage Certificates on Share:</u>

(i) For the first Intraday Reset Event (i=1),

$$\frac{UL_{t,\theta}}{UL_{IRE_{i-1}}} > 1 + TV - \frac{Div_t}{UL_{IRE_{i-1}}}$$

Where:

"$\boldsymbol{UL_{t,\theta}}$" means Intraday Value at the moment θ (being the moment in which the Intraday Reset Event Observation Period starts);

"$\boldsymbol{UL_{IRE_{i-1}}}$" = UL_{t-1};

"**TV**" means the Trigger Value specified in the applicable Final Terms;

"$\mathbf{Div_t}$" means any ordinary gross cash dividend distributed in relation to the relevant Share on the Exchange Business Day "t". The Div_t will be available from time to time on the Dividend Publication specified in the applicable Final Terms.

(ii) After the occurrence of the first Intraday Reset Event and the relative Intraday Reset Event Observation Period (i >1),

$$\frac{UL_{t,\theta}}{UL_{IRE_{i-1}}} > 1 + TV$$

Where:

"$\boldsymbol{UL_{t,\theta}}$" means Intraday Value at the moment θ (being the moment in which the Intraday Reset Event Observation Period starts);

"$\boldsymbol{UL_{IRE_{i-1}}}$" = $max_{\nu \in [\theta,\theta^+]}\left[UL_{t,\nu}\right]$

Where:

"$\boldsymbol{UL_{t,\nu}}$" means the Intraday Value at a time ν;

"$\boldsymbol{\nu}$" means an instant of time within the period $[\theta, \theta^+]$;

"$[\boldsymbol{\theta}, \boldsymbol{\theta^+}]$" means the Intraday Reset Event Observation Period;

"**TV**" means the Trigger Value specified in the applicable Final Terms.

Intraday Reset Event Observation Period means, in relation to Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, the period starting from (and including) the moment θ and ending on (and including) the moment θ^+, which falls 10 minutes after θ or at the end of the relevant Exchange Business Day, in case there are less than 10 minutes between θ and the end of such Exchange Business Day.

In case θ^+ coincides with the end of the Exchange Business Day, $PAVL_t$ or $PAVS_t$ will coincides with the last calculated $PAVL_{IREi}$ or $PAVS_{IREi}$.

During an Intraday Reset Event Observation Period only one Intraday Reset Event can occur;

Intraday Value means, if specified as applicable in the relevant Final Terms:

(i) the official level published by the Index Sponsor; or

(ii) the official traded price, quoted on the relevant Exchange; or

(iii) the Exchange Rate value quoted on the relevant over-the-counter or quotation-based market indicated in the relevant Final Terms; or

(iv) the official Interest Rate value; or

(v) the Net Asset Value

(without limitation, as the case may be and as specified in the applicable Final Terms), to be used to calculate the Reference Value, continuously observed on the relevant day by the Calculation Agent on the applicable Electronic Page, subject as provided in Condition 15(2) (*Adjustment Events relating to the Underlying and correction provisions in relation to the Securities*);

Investment Strategy means, in relation to a Strategy Index, the investment strategy developed and defined by the Strategy Manager that may include, by way of example, a participation factor (leverage), a periodic re-allocation or weighting, events or barriers which trigger a re-allocation or weighting, adjustments to the components and for specific events, a deduction of fees or commissions, etc.;

Issue Currency means the currency specified from time to time in the applicable Final Terms;

Issue Date means the Business Day on which the Securities are issued. Such a date is specified from time to time in the relevant Final Terms. For the avoidance of doubt, the beginning of any valuation period, as indicated in the applicable Final Terms, in which the Calculation Agent may determine the occurrence of any event that triggers the payment of a Remuneration Amount, any Early Redemption Event and any other event on which depends the calculation of the Settlement Amount, may not begin prior to the Issue Date;

Issue Price means the price of issue of the Certificates indicated in the relevant Final Terms. In relation to Discount Certificates, the Issue Price indicated in the relevant Final Terms will always be set as a discounted price compared to the value of the relevant Underlying;

Issue Specific Summary or **Summary** means the issue specific summary that will be annexed to the applicable Final Terms when required under any applicable laws and regulations. The Issuer, at its discretion, may annex the Issue Specific Summary even if not required under any applicable laws and regulations;

Issuer means Intesa Sanpaolo S.p.A. with registered office at Piazza San Carlo, 156 - 10121 Turin, Italy;

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 (in 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;

Italian Traded Securities means Securities in respect of which the applicable Final Terms state that an application will be made to admit such Securities to trading on an Italian multilateral trading facility and the expression **Italian Traded Warrants** and **Italian Traded Certificates** shall be construed accordingly;

Knock-in Event means the event upon the occurrence of which the Securityholders are entitled to receive the payment of the Remuneration Amount(s) as specified in the applicable Final Terms. Such event will occur if the Calculation Agent determines that the Reference Value or the Spread, or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Knock-in Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Knock-in Level in the relevant Knock-in Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Knock-in Level during the relevant Knock-in Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Knock-in Level during the relevant Knock-in Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Knock-in Level and the relevant Down Range Knock-in Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Knock-in Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Knock-in Level and the relevant Down Range Knock-in Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Knock-in Valuation Period.

In case of Securities linked to more than one Underlying, the Knock-in Event may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Knock-in Event may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Knock-in Level (or the Up Range Knock-in Level and the Down Range Knock-in Level) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Knock-in Event.

If the Knock-in Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Knock-in Feature means, if specified as applicable in the relevant Final Terms, the feature pursuant to which the relevant Remuneration Amount(s) becomes payable to the Securityholders after the occurrence of a Knock-in Event, as specified in the applicable Final Terms;

Knock-in Level means one or more values, that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Knock-in Event in relation to the relevant Underlying or Basket Constituent in the relevant Knock-in Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Knock-in Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Knock-in Level will be specified for each Underlying or Basket Constituent;

Knock-in Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Knock-in Event has occurred. In the event of more Knock-in Valuation Periods, the relevant Final Terms will indicate the **First Knock-in Valuation Period**, the **Second Knock-in Valuation Period**, or the **n-th Knock-in Valuation Period**.

The applicable Final Terms may provide for different Underlyings in relation to each Knock-in Valuation Period.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Knock-in Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Knock-out Event means the event upon the occurrence of which the Securityholders are no longer entitled to receive the payment of the Remuneration Amount(s) as specified in the applicable Final Terms. Such event will occur if the Calculation Agent determines that the Reference Value or the Spread, or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Knock-out Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Knock-out Level in the relevant Knock-out Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Knock-out Level during the relevant Knock-out Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Knock-out Level during the relevant Knock-out Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Knock-out Level and the relevant Down Range Knock-out Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Knock-out Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Knock-out Level and the relevant Down Range Knock-out Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Knock-out Valuation Period.

In case of Securities linked to more than one Underlying, the Knock-out Event may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Knock-out Event may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Knock-out Level (or the Up Range Knock-out Level and the Down Range Knock-out Level) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Knock-out Event.

If the Knock-out Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Knock-out Feature means, if specified as applicable in the relevant Final Terms, the feature pursuant to which the Remuneration Amount(s) potentially payable after the occurrence of a Knock-out Event will cease to be due and payable to the Securityholders, as specified in the applicable Final Terms;

Knock-out Level means one or more values that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Knock-out Event in relation to the relevant Underlying or Basket Constituent in the relevant Knock- out Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Knock-out Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Knock-out Level will be specified for each Underlying or Basket Constituent;

Knock-out Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Knock-out Event has occurred. In the event of more Knock-out Valuation Periods, the relevant Final Terms will indicate the **First Knock-out Valuation Period**, the **Second Knock-out Valuation Period**, or the **n-th Knock-out Valuation Period**.

The applicable Final Terms may provide for different Underlyings in relation to each Knock-out Valuation Period.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Knock-out Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Listing Agent means the Luxembourg Listing Agent and/or any other listing agent specified as such in the applicable Final Terms;

Long Strategy means the financial strategy which gives to the investor the possibility to benefit from the positive (increasing) performance of the Underlying(s) in relation to the amount(s) or occurrence of event(s) specified in the applicable Final Terms;

Lower Barrier Level means the value, specified in the applicable Final Terms, that triggers the occurrence of the Barrier Event. Such value may be set as:

(i) a percentage of the Initial Reference Value specified in the applicable Final Terms; or

(ii) a predetermined value;

Luxembourg Listing Agent means BNP Paribas, Luxembourg Branch, acting as listing agent in Luxembourg;

Lower One Star Trigger Level means the value, specified in the applicable Final Terms, that triggers the occurrence of the One Star Event. Such value may be set as:

(i) a percentage of the Initial Reference Value specified in the applicable Final Terms; or

(ii) a predetermined value;

Magnet Feature means, if specified as applicable in the relevant Final Terms, the feature pursuant to which the Certificates will be early redeemed on the Early Redemption Valuation Period in which the related Magnet Worst Of Performance (Magnet Worst Of Performance$_i$) is equal to, higher than or lower than (as specified in the applicable Final Terms) the relevant Magnet Performance.

The Magnet Feature may only occur if there is an Early Redemption Valuation Period preceding the Early Redemption Valuation Period in which the Magnet Feature applies.

Magnet Performance means, in relation to the Magnet Feature, the value expressed as a percentage determined by the Calculation Agent on an Early Redemption Valuation Period, as follows:

$$Magnet\ Performance\ =\ Max(Magnet\ Floor;\ Magnet\ Worst\ Of\ Performance_{i-1})$$

Where:

"**Magnet Floor**" means the value expressed as a percentage specified in the applicable Final Terms;

"**Magnet Worst Of Performance$_{i-1}$**" means the performance of the Worst Of Underlying in the Early Redemption Valuation Period "i-1" calculated on the basis of the following formula:

$$\frac{RV_{i-1}}{IRV}$$

Where:

"**RV$_{i-1}$**" means the Reference Value on the Early Redemption Valuation Period "i-1" specified in the relevant Final Terms;

"**IRV**" means the Initial Reference Value of the relevant Worst of Underlying;

Management Company is the entity responsible for the management of the Fund;

Market Disruption Event means any event occurring on a Relevant Exchange Business Day that is deemed to be a Market Disruption Event pursuant to Condition 15(1) (*Market Disruption Event*);

Market Value means an amount determined by the Calculation Agent acting in good faith pursuant to reasonable market practice, in the event that the Issuer redeems early the Securities if a Market Disruption Event or Adjustment Event should occur, which has the aim to neutralise the effects caused to the Securities by such Market Disruption Event or Adjustment Event;

Margin means the value, which may be expressed as a percentage (that may also be equal to zero), specified in the relevant Final Terms;

Maximum Exercise Number means the maximum number of Warrants that may be exercised by the Securityholder, as specified in the applicable Final Terms.

Maximum Level means, in relation to each Series, the value of the Underlying, specified in the applicable Final Terms and determined by the Calculation Agent, upon which the Issuer can opt to not carry out the issue of the Securities and the relevant offer shall be deemed consequently cancelled pursuant to the applicable Final Terms;

Memory Effect means, if there are several Digital Valuation Periods or several Participation Remuneration Event Valuation Periods, the feature pursuant to which, if it occurs, the Securityholder will receive the Digital Amount(s)/Participation Remuneration Amount(s) which were not due because of the non-occurrence of the relevant Digital Event/Participation Remuneration Amount Event or the non-occurrence of the Memory Effect in a previous Memory Valuation Period.

The Memory Effect will occur if the Calculation Agent determines that the Reference Value or the Spread, or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Memory Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Memory Level in the relevant Memory Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Memory Level during the relevant Memory Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Memory Level during the relevant Memory Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Memory Level and the relevant Down Range Memory Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Memory Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Memory Level and the relevant Down Range Memory Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Memory Valuation Period.

In case of Securities linked to more than one Underlying, the Memory Effect may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Memory Effect may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Memory Level (or the Up Range Memory Level and the Down Range Memory Level) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Memory Effect.

If the Memory Effect occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Memory Level means one or more values, that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms, that triggers the occurrence of the Memory Effect in relation to the relevant Underlying or Basket Constituent in the relevant Memory Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Memory Effect, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Memory Level will be specified for each Underlying or Basket Constituent;

Memory Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Memory Effect has occurred. In the event of more Memory Valuation Periods, the relevant Final Terms will indicate the **First Memory Valuation Period**, the **Second Memory Valuation Period**, or the **n-th Memory Valuation Period**.

The applicable Final Terms may provide for different Underlyings in relation to each Memory Valuation Period.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Memory Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Minimum Exercise Amount means the minimum amount of Securities which can be exercised and is set out in the relevant Final Terms, in respect of each issue;

Minimum Level means, in the case of Fund Securities, the interest rate swap value as determined on the Determination Date, whose term coincides with the lifetime of the Certificates. The Minimum Level upon which, if reached, the Calculation Agent determines the occurrence of a Market Disruption Event, as specified in the applicable Final Terms and as determined by the Calculation Agent;

Minimum Trading Amount means the amount of Securities specified in the relevant Final Terms, in relation to each Series admitted to trading;

MREL Disqualification Event means, in relation to the Certificates counted towards the MREL capacity of the Issuer, as indicated 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 Certificates 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 Certificates from the MREL Requirements due to the remaining maturity of such Certificates 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 Certificates from the MREL Requirements due to there being insufficient headroom for such Certificates 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 Certificates from the MREL Requirements as a result of such Certificates 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;

Multiple Amount$_i$ means, in relation to Multiple Strike Certificates, the amount that will be determined as specified under Condition 23 (*Pay-out provisions*);

Multiple Level Option means, in relation to a Digital Event, the feature pursuant to which, in the same Digital Valuation Period there may be more Digital Levels and related Digital Amounts. Therefore, the Final Terms will indicate the Digital Amount 1, the Digital Amount 2, and so on, which will be respectively linked to the Digital Level 1, the Digital Level 2 and so on. If a Digital Event occurs, the Securityholders will be entitled to receive, alternatively, the Digital Amount 1 or the Digital Amount 2 (and so on) depending on the relevant Digital Level reached by the Reference Value;

Multiple Participation Factor$_i$ means each percentage specified in the applicable Final Terms in relation to each Multiple Strike Event$_i$;

Multiple Strike Event$_i$ means, in relation to Multiple Strike Certificates, the event upon the occurrence of which, the Multiple Amount and the Cumulated Bonus Amount will be determined in accordance with the calculation method detailed in Condition 23 (*Pay-out provisions*). Such event will occur if the Calculation Agent determines that the Reference Value, in one, at least one, any or all Multiple Strike Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Multiple Strike Level$_i$ in the relevant Multiple Strike Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Multiple Strike Level$_i$ during the relevant Multiple Strike Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Multiple Strike Level$_i$ during the relevant Multiple Strike Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Multiple Strike Level$_i$ and the relevant Down Range Multiple Strike Level$_i$ (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Multiple Strike Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Multiple Strike Level$_i$ and the relevant Down Range Multiple Strike Level$_i$ (included or excluded in the range as specified in the relevant Final Terms) during the relevant Multiple Strike Valuation Period.

In case of Securities linked to more than one Underlying, the Multiple Strike Event$_i$ may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Multiple Strike Event$_i$ may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Multiple Strike Level$_i$ (or the Up Range Multiple Strike Level$_i$ and the Down Range Multiple Strike Level$_i$) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Multiple Strike Event$_i$.

If a Multiple Strike Event$_i$ occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Multiple Strike Level$_i$ means each value that may be specified in the applicable Final Terms that triggers the occurrence of each Multiple Strike Event$_i$, provided that a Multiple Strike Event$_i$ may only occur once in respect of each Multiple Strike Level$_i$. Such value may be set as:

(i) a percentage of the Initial Reference Value and/or the Reference Value;

(ii) or as a value expressed as a percentage;

(iii) or by a predetermined value,

as specified in the applicable Final Terms in relation to the relevant Multiple Strike Valuation Period.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Multiple Strike Level$_i$ will be specified for each Underlying or Basket Constituent;

Multiple Strike Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Multiple Strike Event$_i$ has occurred. In the event of more Multiple Strike Valuation Periods, the relevant Final Terms will indicate the **First Multiple Strike Valuation Period**, the **Second Multiple Strike Valuation Period**, or the **n-th Multiple Strike Valuation Period**.

The applicable Final Terms may provide for different Underlyings in relation to each Multiple Strike Valuation Period.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Multiple Strike Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Multiplier means the amount of Underlying which is related to a single Certificate or Covered Warrant, specified as a predetermined value in the applicable Final Terms or determined according to the method of calculation specified in the applicable Final Terms. For the avoidance of doubt, the Multiplier may also be equal to 1;

Net Asset Value or **NAV** means the net asset value for each share or unit of the Fund as calculated and published by the Fund Manager;

Net Profit Feature means the calculation method, if specified as applicable in the relevant Final Terms, for the determination of the relevant Participation Remuneration Amount, pursuant to which the

Remuneration Sum will be deducted from the relevant Participation Remuneration Amount, provided that the resulting amount cannot be lower than zero;

Non Quanto Securities means, when the Underlying Reference Currency differs from the Settlement Currency, that the Quanto Option does not apply;

Notional Amount means, in relation to Warrants, the amount specified in the applicable Final Terms;

Notional Amount$_t$ means, in relation to the Interest Rate Warrants, the amount specified in the applicable Final Terms in relation to each Floating Amount Determination Period;

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 the 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 of the Securities.

When the Futures Contract N-th Near-by replaces the Futures Contract on the N-th Near-by Initial Date, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Offer Period means the period indicated by the Issuer for the subscription in relation to the Series, as specified in the applicable Final Terms;

One Star Determination Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, on which the Calculation Agent determines if the One Star Event has occurred. In the event of more One Star Determination Periods, the relevant Final Terms will indicate the **First One Star Determination Period**, the **Second One Star Determination Period**, or the **n-th One Star Determination Period**.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of any One Star Determination Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

One Star Event means, in relation to One Star Certificates, the event upon the occurrence of which, the Cash Settlement Amount will be determined in accordance with a calculation method detailed in Condition 23 (*Pay-out provisions*). Such event will occur when the Calculation Agent determines that, with reference to the Worst Of Underlying (or, in case of Basket, the Basket Constituent with the worst Performance) or the Best Of Underlying (or, in case of Basket, the Basket Constituent with the best Performance) the Reference Value, in one, at least one, any or all One Star Determination Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant One Star Trigger Level in the relevant One Star Determination Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant One Star Trigger Level during the relevant One Star Determination Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant One Star Trigger Level during the relevant One Star Determination Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Upper One Star Trigger Level and the relevant Lower One Star Trigger Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant One Star Determination Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Upper One Star Trigger Level and the relevant Lower One Star Trigger Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant One Star Determination Period.

If the One Star Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

One Star Percentage means the value expressed as a percentage specified in the relevant Final Terms;

One Star Selection Period means, when the One Star Trigger Level is determined as specified at point (iv) of the definition of "One Star Trigger Level" below, the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines the highest or the lowest Reference Value (as specified in the applicable Final Terms) of each Underlying (or, in case of Basket, of each Basket Constituent) in order to determine the One Star Trigger Level. Such period(s) may be composed of one or more Exchange Business Days or the Specific Period, as indicated in the relevant Final Terms. In the event of more One Star Selection Periods, the relevant Final Terms will indicate the **First One Star Selection Period**, the **Second One Star Selection Period**, or the **n-th One Star Selection Period**;

One Star Trigger Level means one or more values that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the One Star Event. Such value may be set as:

(i) a percentage of the Initial Reference Value; or

(ii) a predetermined value; or

(iii) a percentage of the Strike; or

(iv) a percentage of the highest or the lowest (as specified in the applicable Final Terms) Reference Value registered during the One Star Selection Period.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant One Star Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the One Star Trigger Level will be specified for each Underlying or Basket Constituent;

Open End Feature means, in relation to Benchmark Certificates, Constant Leverage Certificates and Turbo Certificates and if specified in the applicable Final Terms, the feature pursuant to which the securities have no term. In this case, the Certificates can be redeemed upon exercise of the Call Option by the Issuer or, if applicable, the exercise of the Put Option by the Securityholders pursuant to Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*);

Outstanding Amount means, if an Early Partial Capital Payment Amount is provided in the relevant Final Terms, on the relevant Outstanding Amount Determination Date, the Issue Price less the sum of any Early Partial Capital Payment Amounts paid up to and including such relevant Outstanding Amount Determination Date.

Outstanding Amount Determination Date(s) means the date(s) specified in the applicable Final Terms in which the Calculation Agent determines the Outstanding Amount;

Participation Combo Feature means, in relation to Certificates linked to more Underlyings and in relation to the calculation of a Participation Remuneration Amount, the feature pursuant to which the Calculation Agent will determine the Participation Remuneration Amount payable in relation to the Participation Remuneration Event Valuation Period specified in the applicable Final Terms in relation to each Underlying. Therefore, the Participation Remuneration Amount payable will be either, as specified in the applicable Final Terms, (i) the arithmetic mean of the Participation Remuneration Amounts due in relation to each Underlying, or (ii) the weighted average of the Participation Remuneration Amounts due in relation to each Underlying, or (iii) the sum of the Participation Remuneration Amounts due in relation to each Underlying. In this case, for each single Basket Constituent or each single Underlying the applicable Final Terms will specify, if applicable, (1) the relevant CAP, and/or (2) the Floor Percentage, and/or (3) the Participation Factor, and/or (4) the Strike Remuneration Percentage, and/or (5) the Base Premium Percentage and/or (6) the Participation Remuneration Amount Gearing;

Participation Factor means the value expressed as a percentage indicated in the applicable Final Terms;

Participation Performance Period means, if applicable in relation to the relevant Participation Remuneration Amount, the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, during which the performance of the relevant Underlying is determined for the purposes of the calculation of the relevant Participation Remuneration Amount. Such period will start from the Participation Valuation Date(s)j and end on the Participation Valuation Date(s)t. In the event of more Participation Performance Periods, the relevant Final Terms will indicate the **First Participation Performance Period**, the **Second Participation Performance Period**, or the **n-th Participation Performance Period**;

Participation Rebate Amount means, if a Participation Rebate Event has occurred, an amount in the Settlement Currency specified by the Issuer in the relevant Final Terms for each Series;

Participation Rebate Event means the event upon the occurrence of which the Securityholder will receive the specified Participation Rebate Amount on the relevant payment date following the Participation Rebate Valuation Period in which the Participation Rebate Event has occurred. Such event will occur when the Calculation Agent determines that the Reference Value, or the Spread or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Participation Rebate Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Participation Rebate Level in the relevant Participation Rebate Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Participation Rebate Level during the relevant Participation Rebate Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Participation Rebate Level during the relevant Participation Rebate Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Participation Rebate Level and the relevant Down Range Participation

Rebate Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Participation Rebate Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Participation Rebate Level and the relevant Down Range Participation Rebate Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Participation Rebate Valuation Period.

In case of Securities linked to more than one Underlying, the Participation Rebate Event may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Participation Rebate Event may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Participation Rebate Level (or the Up Range Participation Rebate Level and the Down Range Participation Rebate Level) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Participation Rebate Event.

If the Participation Rebate occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Participation Rebate Feature means, in relation to the calculation of the Participation Rebate Amount, the feature pursuant to which the Participation Remuneration Amount potentially payable after the occurrence of a Participation Rebate Event will cease to be due and payable to the Securityholders;

Participation Rebate Level means the value, that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Participation Rebate Event in each Participation Rebate Valuation Period. For the purposes of the Participation Rebate Event, the Participation Rebate Level is determined by the Calculation Agent pursuant to the relevant Final Terms.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Participation Rebate Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Participation Rebate Level will be specified for each Underlying or Basket Constituent;

Participation Rebate Valuation Period means, in relation to the Participation Rebate Level, the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Participation Rebate Event has occurred. In the event of more Participation Rebate Valuation Periods, the relevant Final Terms will indicate the **First Participation Rebate Valuation Period**, the **Second Participation Rebate Valuation Period**, or the **n-th Participation Rebate Valuation Period**.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Participation Rebate Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Participation Remuneration Amount means the amount in the Settlement Currency to be paid to the Securityholder on the relevant Participation Remuneration Payment Date per each Minimum Exercise Amount as detailed in paragraph "F. Participation Remuneration Amount(s)" in Condition 23 (*Pay-out provisions*).

The Participation Remuneration Amount may be, as indicated in the relevant Final Terms, "**Long Participation Remuneration Amount Form A**" and/or "**Long Participation Remuneration Amount Form B**" and/or "**Long Participation Remuneration Amount Form C**" and/or "**Short Participation Remuneration Amount**" and/or "**Spread Participation Remuneration Amount**".

In case of more than one Participation Remuneration Amount, the relevant Final Terms will specify the Participation Remuneration Amount 1, the Participation Remuneration Amount 2, and so on. For the avoidance of doubt, the relevant Final Terms may provide for more than one Participation Remuneration Amount also in relation to the same Participation Remuneration Event and/or in relation to the same Participation Remuneration Event Valuation Period (if applicable) and/or in relation to the same Participation Performance Period and/or in the same Participation Valuation Date and/or in relation to the same Participation Remuneration Payment Date;

Participation Remuneration Amount Gearing means the value specified in the applicable Final Terms;

Participation Remuneration Event means the event upon the occurrence of which the Securityholders are entitled to receive the payment of the relevant Participation Remuneration Amount. Such event will occur if the Calculation Agent determines that the Reference Value or the Spread, or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Participation Remuneration Event Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Participation Remuneration Level in the relevant Participation Remuneration Event Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Participation Remuneration Level during the relevant Participation Remuneration Event Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Participation Remuneration Level during the relevant Participation Remuneration Event Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Participation Remuneration Level and the relevant Down Range Participation Remuneration Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Participation Remuneration Event Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Participation Remuneration Level and the relevant Down Range Participation Remuneration Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Participation Remuneration Event Valuation Period.

In case of Securities linked to more than one Underlying, the Participation Remuneration Event may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Participation Remuneration Event may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Participation Remuneration Level (or the Up Range Participation Remuneration Level and the Down Range Participation

Remuneration Level) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Participation Remuneration Event.

In the case of Certificates with Best Of Feature or Worst Of Feature, the Issuer will specify in the relevant Final Terms the occurrence of the Participation Remuneration Event in relation to one or more Underlyings and the applicable Final Terms will specify the Participation Remuneration Level for each Underlying. In particular, for the purposes of determining the occurrence of a Participation Remuneration Event, the applicable Final Terms will specify the number of Underlyings in relation to which the Participation Remuneration Event has to occur.

If the Participation Remuneration Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Participation Remuneration Event Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Participation Remuneration Event has occurred. In the event of more Participation Remuneration Event Valuation Periods, the relevant Final Terms will indicate the **First Participation Remuneration Event Valuation Period**, the **Second Participation Remuneration Event Valuation Period**, or the **n-th Participation Remuneration Event Valuation Period**.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Participation Remuneration Event Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Participation Remuneration Level means one or more values that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms that triggers the occurrence of the Participation Remuneration Event in relation to the relevant Underlying or Basket Constituent in the relevant Participation Remuneration Event Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Participation Remuneration Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Participation Remuneration Level will be specified for each Underlying or Basket Constituent;

Participation Remuneration Payment Date means the Business Day(s) specified in the applicable Final Terms on which the Issuer shall pay the Participation Remuneration Amount to the Securityholders.

If an amount shall be paid on a Participation Remuneration Payment Date and the payment of such amount depends upon the occurrence of a specific event, should the valuation date in which the Calculation Agent determines the Reference Value for the purposes of the calculation of such amount be postponed (by way of example and without limitation, for the occurrence of a Market Disruption Event), the relevant Participation Remuneration Payment Date may be postponed accordingly. The Participation Remuneration Payment Date shall not, in any case, be postponed beyond the tenth Business Day;

Participation Valuation Date(s) means, in relation to the relevant Participation Remuneration Amount, each Exchange Business Day or Exchange Business Days or the Specific Period specified in the applicable Final Terms in which the Calculation Agent determines the Reference Value for the purposes of the calculation of the Participation Remuneration Amount. In particular, for each Participation Remuneration Amount, the "RV_j" (as defined under the formulas of the Participation Remuneration Amount in Condition 23 (*Pay-out provisions*)) will be determined on the "**Participation Valuation Date(s)$_j$**" (if applicable) and the "RV_t" (as defined under the formulas of the Participation Remuneration Amount in Condition 23 (*Pay-out provisions*)) will be determined on the "**Participation Valuation Date(s)$_t$**".

In the event that the "RV_j" coincides with the Initial Reference Value and such value is indicated in the relevant Final Terms as a predetermined value or values, the Participation Valuation Date$_j$ will coincide with the Issue Date;

Path Dependency Effect means a calculation method of the Digital Amount, described in Condition 23 (*Pay-out provisions*), according to which the Digital Amount may increase in relation to each Digital Valuation Period;

Path Dependency Amount means the amount specified in the applicable Final Terms in relation to the Path Dependency Effect;

Payout Value Long or **PAVL** means, in relation to Type B Long Constant Leverage Certificates, the Value of the Underlying calculated at the end of each Exchange Business Day "t" (as defined below) as follows:

1) *In case of an Index as Underlying:*

If an Intraday Reset Event has not occurred:

$$PAVL_t = PAVL_{t-1} \cdot (PerfB_t + CostComp_t)$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**$PAVL_t$**" means the Payout Value Long on Exchange Business Day "t";

"**$PAVL_{t-1}$**" means the Payout Value Long on Exchange Business Day "t-1";

"**$PAVL_0$**" means the Initial Reference Value;

"**$PerfB_t$**" means the performance boost on Exchange Business Day "t" calculated as follows:

$$PerfB_t = \left[1 + K \cdot \left(\frac{UL_t}{UL_{t-1}} - 1\right)\right]$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL_t**" means the Reference Value on the Exchange Business Day "t";

"**UL_{t-1}**" means the Reference Value on the Exchange Business Day "t-1";

"**UL_0**" means the Initial Reference Value;

"**$CostComp_t$**" means the cost component on Exchange Business Day "t" calculated as follows:

$$CostComp_t = -(K-1) \cdot [RR_{t-1} + SC_t + min(0; XCCY_{t-1})] \cdot DCF$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**RR_{t-1}**" means the Reference Rate on Exchange Business Day "t-1";

"**SC_t**" means the Spread Cost on Exchange Business Day "t";

"**SC_0**" means the Spread Cost on the Issue Date, as specified in the applicable Final Terms;

"**$XCCY_{t-1}$**" means the Cross Currency Rate on Exchange Business Day "t-1";

"**DCF**" means the Day Count Fraction;

If an Intraday Reset Event has occurred:

$$PAVL_t = \max\left\{0;\ PAVL_{IRE_i} \cdot \left[1 + K \cdot \left(\frac{UL_t}{UL_{IRE_i}} - 1\right)\right]\right\}$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**$PAVL_t$**" means the Payout Value Long on Exchange Business Day "t";

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL_t**" means the Reference Value on the Exchange Business Day "t";

"**$PAVL_{IREi}$**" means:

(i) For the first Intraday Reset Event occurred (i = 1):

$$PAVL_{IRE_i} = PAVL_{t-1} \cdot \left(PerfB_{IRE_i} + CostComp_{IRE_i}\right)$$

Where:

"$\boldsymbol{PAVL_{t-1}}$" means the Payout Value Long on Exchange Business Day "t-1";

"**$PerfB_{IREi}$**" means the performance boost calculated as follows:

$$PerfB_{IRE_i} = \left[1 + K \cdot \left(\frac{UL_{IRE_i}}{UL_{t-1}} - 1\right)\right]$$

Where:

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL_{t-1}**" means the Reference Value on the Exchange Business Day "t-1";

"**UL_{IREi}**" means the Reference Value calculated as follows:

$$UL_{IRE_i} = min_{v \in [\theta, \theta^+]}\left[UL_{t,v}\right]$$

Where:

"**$UL_{t,v}$**" means the Intraday Value on time "v";

"$\boldsymbol{v}$" means an instant of time within the period $[\theta, \theta^+]$;

"$[\boldsymbol{\theta}, \boldsymbol{\theta}^+]$" means the Intraday Reset Event Observation Period;

"**$CostComp_{IREi}$**" means the cost component calculated as follows:

$$CostComp_{\mathrm{IREi}} = -(K-1) \cdot [RR_{\ t-1} + SC_t + \ min(0; XCCY_{t-1})] \cdot DCF$$

Where:

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**RR_{t-1}**" means the Reference Rate on Exchange Business Day "t-1";

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**SC_t**" means the Spread Cost on Exchange Business Day "t";

"**SC_0**" means the Spread Cost on the Issue Date, as specified in the applicable Final Terms;

"**$XCCY_{t-1}$**" means the Cross Currency Rate on Exchange Business Day "t-1";

"**DCF**" means the Day Count Fraction;

(ii) For any Intraday Reset Event occurred after the first one (i > 1):

$$PAVL_{IRE_i} = PAVL_{IRE_{i-1}} \cdot PerfB_{IRE_i}$$

Where:

"**PerfB$_{IREi}$**" means the performance boost calculated as follows:

$$PerfB_{IRE_i} = \left[1 + K \cdot \left(\frac{UL_{IRE_i}}{UL_{IRE_{i-1}}} - 1\right)\right]$$

Where:

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL$_{IREi}$**" means the Reference Value calculated as follows:

$$UL_{IRE_i} = min_{v \in [\theta, \theta^+]}\left[UL_{t,v}\right]$$

Where:

"**UL$_{t,v}$**" means the Intraday Value on time "v";

"***v***" means an instant of time within the period $[\theta, \theta^+]$

"**[*θ, θ*$^+$]**" means the Intraday Reset Event Observation Period;

2) *In case of a Share as Underlying:*

If an Intraday Reset Event has not occurred:

$$PAVL_t = PAVL_{t-1} \cdot (PerfB_t + CostComp_t)$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**PAVL$_t$**" means the Payout Value Long on Exchange Business Day "t";

"**PAVL$_{t-1}$**" means the Payout Value Long on Exchange Business Day "t-1";

"**PAVL$_0$**" means the Initial Reference Value;

"**PerfB$_t$**" means the performance boost on Exchange Business Day "t" calculated as follows:

$$PerfB_t = \left\{1 + K \cdot \left[\frac{UL_t + (1 - TaxAF_t) \cdot Div_t}{UL_{t-1}} - 1\right]\right\}$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL_t**" means the Reference Value on the Exchange Business Day "t";

"**UL_{t-1}**" means the Reference Value on the Exchange Business Day "t-1";

"**UL_0**" means the Initial Reference Value;

"**$TaxAF_t$**" means Tax Adjustment Factor on Exchange Business Day "t";

"**$TaxAF_0$**" means the Tax Adjustment Factor on the Issue Date, as specified in the applicable Final Terms;

"**Div_t**" means any ordinary gross cash dividend distributed in relation to the relevant Share on the Exchange Business Day "t". The Div_t will be available from time to time on the Dividend Publication specified in the applicable Final Terms;

"**$CostComp_t$**" means the cost component on Exchange Business Day "t" calculated as follows:

$$CostComp_t = -(K-1) \cdot [RR_{t-1} + SC_t + min(0; XCCY_{t-1})] \cdot DCF$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**RR_{t-1}**" means the Reference Rate on Exchange Business Day "t-1";

"**SC_t**" means the Spread Cost on Exchange Business Day "t";

"**SC_0**" means the Spread Cost on the Issue Date, as specified in the applicable Final Terms;

"**$XCCY_{t-1}$**" means the Cross Currency Rate on Exchange Business Day "t-1";

"**DCF**" means the Day Count Fraction;

If an Intraday Reset Event has occurred:

$$PAVL_t = \max\left\{0;\ PAVL_{IRE_i} \cdot \left[1 + K \cdot \left(\frac{UL_t}{UL_{IRE_i}} - 1\right)\right]\right\}$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**$PAVL_t$**" means the Payout Value Long on Exchange Business Day "t";

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL_t**" means the Reference Value on the Exchange Business Day "t";

"**$PAVL_{IREi}$**" means:

(i) For the first Intraday Reset Event occurred (i = 1):

$$PAVL_{IRE_i} = PAVL_{t-1} \cdot \left(PerfB_{IRE_i} + CostComp_{IRE_i}\right)$$

Where:

"$\boldsymbol{PAVL_{t-1}}$" means the Payout Value Long on Exchange Business Day "t-1";

"**$PerfB_{IREi}$**" means the performance boost calculated as follows:

$$PerfB_{IRE_i} = \left[1 + K \cdot \left(\frac{UL_{IRE_i} + (1 - TaxAF_t) \cdot Div_t}{UL_{t-1}} - 1\right)\right]$$

Where:

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL_{t-1}**" means the Reference Value on the Exchange Business Day "t-1";

"**$TaxAF_t$**" means Tax Adjustment Factor on Exchange Business Day "t";

"**$TaxAF_0$**" means the Tax Adjustment Factor on the Issue Date, as specified in the applicable Final Terms;

"**Div_t**" means any ordinary gross cash dividend distributed in relation to the relevant Share on the Exchange Business Day "t". The Div_t will be available from time to time on the Dividend Publication specified in the applicable Final Terms;

"**UL_{IREi}**" means the Reference Value calculated as follows:

$$UL_{IRE_i} = min_{v \in [\theta, \theta^+]}\left[UL_{t,v}\right]$$

Where:

"**$UL_{t,v}$**" means the Intraday Value on time "v";

"$\boldsymbol{v}$" means an instant of time within the period $[\theta, \theta^+]$

"$[\boldsymbol{\theta}, \boldsymbol{\theta^+}]$" means the Intraday Reset Event Observation Period;

"**$CostComp_{IREi}$**" means the cost component calculated as follows:

$$CostComp_{\text{IREi}} = -(K-1) \cdot [RR_{t-1} + SC_t + min(0; XCCY_{t-1})] \cdot DCF$$

Where:

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**RR_{t-1}**" means the Reference Rate on Exchange Business Day "t-1";

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"$\mathbf{SC_t}$" means the Spread Cost on Exchange Business Day "t";

"$\mathbf{SC_0}$" means the Spread Cost on the Issue Date, as specified in the applicable Final Terms;

"$\mathbf{XCCY_{t-1}}$" means the Cross Currency Rate on Exchange Business Day "t-1";

"**DCF**" means the Day Count Fraction;

(ii) For any Intraday Reset Event occurred after the first one (i > 1):

$$PAVL_{IRE_i} = PAVL_{IRE_{i-1}} \cdot PerfB_{IRE_i}$$

Where:

"$\mathbf{PerfB_{IREi}}$" means the performance boost calculated as follows:

$$PerfB_{IRE_i} = \left[1 + K \cdot \left(\frac{UL_{IRE_i}}{UL_{IRE_{i-1}}} - 1\right)\right]$$

Where:

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"$\mathbf{UL_{IREi}}$" means the Reference Value calculated as follows:

$$UL_{IRE_i} = min_{v \in [\theta, \theta^+]}\left[UL_{t,v}\right]$$

Where:

"$\mathbf{UL_{t,v}}$" means the Intraday Value on time "v";

"$\boldsymbol{v}$" means an instant of time within the period $[\theta, \theta^+]$

"$[\boldsymbol{\theta}, \boldsymbol{\theta}^+]$" means the Intraday Reset Event Observation Period;

Payout Value Short or **PAVS** means, in relation to Type B Short Constant Leverage Certificates, the Value of the Underlying calculated at the end of each Exchange Business Day "t" (as defined below) as follows:

1) *In case of an Index as Underlying:*

If an Intraday Reset Event has not occurred:

$$PAVS_t = PAVS_{t-1} \cdot (PerfB_t + CostComp_t)$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**$PAVS_t$**" means the Payout Value Short on Exchange Business Day "t";

"**$PAVS_{t-1}$**" means the Payout Value Short on Exchange Business Day "t-1";

"**$PAVS_0$**" means the Initial Reference Value;

"**$PerfB_t$**" means the performance boost on Exchange Business Day "t" calculated as follows:

$$PerfB_t = \left[1 - K \cdot \left(\frac{UL_t}{UL_{t-1}} - 1\right)\right]$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL_t**" means the Reference Value on the Exchange Business Day "t";

"**UL_{t-1}**" means the Reference Value on the Exchange Business Day "t-1";

"**UL_0**" means the Initial Reference Value;

"**$CostComp_t$**" means the cost component on Exchange Business Day "t" calculated as follows:

$$CostComp_t = +(K+1) \cdot [RR_{\ t-1} + min(0; XCCY_{t-1})] \cdot DCF - K \cdot RpR_t \cdot DCF$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**RR_{t-1}**" means the Reference Rate on Exchange Business Day "t-1";

"**$XCCY_{t-1}$**" means the Cross Currency Rate on Exchange Business Day "t-1";

"**RpR_t**" means the Repo Rate on Exchange Business Day "t";

"**RpR_0**" means the Repo Rate on the Issue Date, as specified in the applicable Final Terms;

"**DCF**" means the Day Count Fraction;

If an Intraday Reset Event has occurred:

$$PAVS_t = \max\left\{0;\ PAVS_{IRE_i} \cdot \left[1 - K \cdot \left(\frac{UL_t}{UL_{IRE_i}} - 1\right)\right]\right\}$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**$PAVS_t$**" means the Payout Value Short on Exchange Business Day "t";

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL_t**" means the Reference Value on the Exchange Business Day "t";

"**$PAVS_{IREi}$**" means:

(i) For the first Intraday Reset Event occurred (i = 1):

$$PAVS_{IRE_i} = PAVS_{t-1} \cdot \left(PerfB_{IRE_i} + CostComp_{IRE_i}\right)$$

Where:

"$\boldsymbol{PAVS_{t-1}}$" means the Payout Value Short on Exchange Business Day "t-1";

"**$PerfB_{IREi}$**" means the performance boost calculated as follows:

$$PerfB_{IRE_i} = \left[1 - K \cdot \left(\frac{UL_{IRE_i}}{UL_{t-1}} - 1\right)\right]$$

Where:

"**K** " means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL_{t-1}**" means the Reference Value on the Exchange Business Day "t-1";

"**UL_{IREi}**" means the Reference Value calculated as follows:

$$UL_{IRE_i} = max_{v \in [\theta, \theta^+]}\left[UL_{t,v}\right]$$

Where:

"**$UL_{t,v}$**" means the Intraday Value on time "v";

"$\boldsymbol{v}$" means an instant of time within the period $[\theta, \theta^+]$;

"$[\boldsymbol{\theta}, \boldsymbol{\theta}^+]$" means the Intraday Reset Event Observation Period;

"**$CostComp_{IREi}$**" means the cost component calculated as follows:

$$CostComp_{\mathrm{IREi}} = +(K+1) \cdot [RR_{\ t-1} + min(0; XCCY_{t-1})] \cdot DCF - K \cdot RpR_t \cdot DCF$$

Where:

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**RR_{t-1}**" means the Reference Rate on Exchange Business Day "t-1";

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**$XCCY_{t-1}$**" means the Cross Currency Rate on Exchange Business Day "t-1";

"**RpR_t**" means the Repo Rate on Exchange Business Day "t";

"**RpR_0**" means the Repo Rate on the Issue Date, as specified in the applicable Final Terms;

"**DCF**" means the Day Count Fraction;

(ii) For any Intraday Reset Event occurred after the first one (i > 1):

$$PAVS_{IRE_i} = PAVS_{IRE_{i-1}} \cdot PerfB_{IRE_i}$$

Where:

"**$PerfB_{IREi}$**" is calculated as follows:

$$PerfB_{IRE_i} = \left[1 - K \cdot \left(\frac{UL_{IRE_i}}{UL_{IRE_{i-1}}} - 1\right)\right]$$

Where:

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL_{IREi}**" means the Reference Value calculated as follows:

$$UL_{IRE_i} = max_{v \in [\theta, \theta^+]} [UL_{t,v}]$$

Where:

"**$UL_{t,v}$**" means the Intraday Value on time "v";

"$\boldsymbol{v}$" means an instant of time within the period $[\theta, \theta^+]$

"[$\boldsymbol{\theta}$, $\boldsymbol{\theta^+}$]" means the Intraday Reset Event Observation Period;

2) <u>In case of a Share as Underlying:</u>

If an Intraday Reset Event has not occurred:

$$PAVS_t = PAVS_{t-1} \cdot (PerfB_t + CostComp_t)$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**$PAVS_t$**" means the Payout Value Short on Exchange Business Day "t";

"**$PAVS_{t-1}$**" means the Payout Value Short on Exchange Business Day "t-1";

"**PAVS$_0$**" means the Initial Reference Value;

"**PerfB$_t$**" means the performance boost on Exchange Business Day "t" calculated as follows:

$$PerfB_t = \left[1 - K \cdot \left(\frac{UL_t + Div_t}{UL_{t-1}} - 1\right)\right]$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL$_t$**" means the Reference Value on the Exchange Business Day "t";

"**UL$_{t-1}$**" means the Reference Value on the Exchange Business Day "t-1";

"**UL$_0$**" means the Initial Reference Value;

"**Div$_t$**" means any ordinary gross cash dividend distributed in relation to the relevant Share on the Exchange Business Day "t". The Div$_t$ will be available from time to time on the Dividend Publication specified in the applicable Final Terms;

"**CostComp$_t$**" means the cost component on Exchange Business Day "t" calculated as follows:

$$CostComp_t = +(K + 1) \cdot RR_{t-1} \cdot DCF - K \cdot RpR_t \cdot DCF$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**RR$_{t-1}$**" means the Reference Rate on Exchange Business Day "t-1";

"**RpR$_t$**" means the Repo Rate on Exchange Business Day "t";

"**RpR$_0$**" means the Repo Rate on the Issue Date, as specified in the applicable Final Terms;

"**DCF**" means the Day Count Fraction;

If an Intraday Reset Event has occurred:

$$PAVS_t = \max\left\{0;\ PAVS_{IRE_i} \cdot \left[1 - K \cdot \left(\frac{UL_t}{UL_{IRE_i}} - 1\right)\right]\right\}$$

Where:

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"**$PAVS_t$**" means the Payout Value Short on Exchange Business Day "t";

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL_t**" means the Reference Value on the Exchange Business Day "t";

"**$PAVS_{IREi}$**" means:

(i) For the first Intraday Reset Event occurred (i = 1):

$$PAVS_{IRE_i} = PAVS_{t-1} \cdot \left(PerfB_{IRE_i} + CostComp_{IRE_i}\right)$$

Where:

"$\boldsymbol{PAVS_{t-1}}$" means the Payout Value Short on Exchange Business Day "t-1";

"**$PerfB_{IREi}$**" means the performance boost calculated as follows:

$$PerfB_{IRE_i} = \left[1 - K \cdot \left(\frac{UL_{IRE_i} + Div_t}{UL_{t-1}} - 1\right)\right]$$

Where:

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"**UL_{t-1}**" means the Reference Value on the Exchange Business Day "t-1";

"**Div_t**" means any ordinary gross cash dividend distributed in relation to the relevant Share on the Exchange Business Day "t". The Div_t will be available from time to time on the Dividend Publication specified in the applicable Final Terms;

"**UL_{IREi}**" means the Reference Value calculated as follows:

$$UL_{IRE_i} = max_{v \in [\theta, \theta^+]}\left[UL_{t,v}\right]$$

Where:

"**$UL_{t,v}$**" means the Intraday Value on time "v";

"$\boldsymbol{v}$" means an instant of time within the period $[\theta, \theta^+]$

"[$\boldsymbol{\theta}$, $\boldsymbol{\theta^+}$]" means the Intraday Reset Event Observation Period;

"**$CostComp_{IREi}$**" is calculated as follows:

$$CostComp_{\mathrm{IREi}} = +(K+1) \cdot RR_{t-1} \cdot DCF - K \cdot RpR_t \cdot DCF$$

Where:

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"$\mathbf{RR_{t-1}}$" means the Reference Rate on Exchange Business Day "t-1";

"**t**" means any Exchange Business Day from and including the Determination Date to and including the Valuation Date;

"$\mathbf{RpR_t}$" means the Repo Rate on Exchange Business Day "t";

"$\mathbf{RpR_0}$" means the Repo Rate on the Issue Date, as specified in the applicable Final Terms;

"**DCF**" means the Day Count Fraction;

(ii) For any Intraday Reset Event occurred after the first one (i > 1):

$$PAVS_{IRE_i} = PAVS_{IRE_{i-1}} \cdot PerfB_{IRE_i}$$

Where:

"$\mathbf{PerfB_{IREi}}$" is calculated as follows:

$$PerfB_{IRE_i} = \left[1 - K \cdot \left(\frac{UL_{IRE_i}}{UL_{IRE_{i-1}}} - 1\right)\right]$$

Where:

"**K**" means the Constant Leverage Factor (which will always be higher than 0) specified in the applicable Final Terms;

"$\mathbf{UL_{IREi}}$" means the Reference Value calculated as follows:

$$UL_{IRE_i} = max_{v \in [\theta, \theta^+]}\left[UL_{t,v}\right]$$

Where:

"$\mathbf{UL_{t,v}}$" means the Intraday Value on time "v";

"$\boldsymbol{v}$" means an instant of time within the period $[\theta, \theta^+]$

"$[\boldsymbol{\theta}, \boldsymbol{\theta}^+]$" means the Intraday Reset Event Observation Period;

Performance Cap means the value specified in the relevant Final Terms;

Performance Floor means the value specified in the relevant Final Terms;

Performance Observation Date(s) means, in relation to Buffer Protection Certificates and Global Performance Certificates, the Exchange Business Day(s) set out in the relevant Final Terms, on which the Calculation Agent determines the performance of the relevant Underlying, for the purposes of the calculation of the Performance Sum and the Global Performance, as the case may be;

Performance means the performance of an Underlying or a Basket Constituent determined by the Calculation Agent according to one of the following formulas:

(i) on the Valuation Date:

(a) In case of Long Strategy: *Performance* = $\frac{\mathrm{FRV}}{\mathrm{IRV}} - 1$

or

In case of Short Strategy: *Performance* = $1 - \frac{\mathrm{FRV}}{\mathrm{IRV}}$

or

(b) In case of Long Strategy: *Performance* = $P\ x\ (\frac{FRV}{IRV} - 1)$

or

In case of Short Strategy: *Performance* = $P\ x\ (1 - \frac{FRV}{IRV})$

Where:

"**P**" means the Performance Participation Factor;

(ii) during the life of the Certificates:

(a) In case of Long Strategy: *Performance* = $\frac{\mathrm{RV}}{\mathrm{IRV}} - 1$

In case of Short Strategy: *Performance* = $1 - \frac{\mathrm{RV}}{\mathrm{IRV}}$

or

(b) In case of Long Strategy: *Performance* = $P\ x\ (\frac{RV}{IRV} - 1)$

In case of Short Strategy: *Performance* = $P\ x\ (1 - \frac{RV}{IRV})$

Where:

"**P**" means the Performance Participation Factor;

In each case, the relevant Final Terms may provide for the application of a Performance Cap and/or a Performance Floor.

If Spread is applicable, the performance of the two Underlyings for the purposes of the calculation of the Spread will be indicated, respectively, as "**Performance of the Underlying A**" and "**Performance of the Underlying B**";

Performance Participation Factor means, in relation to the determination of the Performance of the Underlying, the multiplier factor specified in the relevant Final Terms;

Performance Sum means, in relation to the Buffer Protection Certificates, the sum of the performances percentages of the relevant Underlying as determined, in respect of any Performance Observation Date, by the Calculation Agent as follows:

(i) In case of Long Strategy: $\sum_{t=1}^{n}\left(\frac{RV_t}{IRV}-1\right)$

(ii) In case of Short Strategy: $\sum_{t=1}^{n}\left(1-\frac{RV_t}{IRV}\right)$

Where:

"**n**" means the number of the Performance Observation Dates; and

"$\mathbf{RV_t}$" means the Reference Value calculated on the Performance Observation Date "t".

In each case, the relevant Final Terms may provide for the application of a Performance Sum Cap and/or a Performance Floor.

Performance Sum Cap means the value expressed as a percentage specified in the relevant Final Terms;

Performance Sum Floor means the value expressed as a percentage specified in the relevant Final Terms;

Physical Delivery Securities means Securities that entitle their holders to receive from the Issuer, on the Settlement Date, the Entitlement;

Plus Amount means, if applicable, one or more amounts indicated in the relevant Final Terms, to be paid to the Securityholder for each Minimum Exercise Amount on the relevant Plus Payment Date, as detailed in paragraph "D. Plus Amount(s)" in Condition 23 (*Pay-out provisions*);

Plus Payment Date means the Business Day(s), indicated in the relevant Final Terms, on which the Issuer shall pay the Plus Amount to the Securityholders;

Pre-Conversion Certificates means, in relation to Turbo Certificates, Benchmark Certificates and Constant Leverage Certificates, if Reverse Split is specified as applicable in the relevant Final Terms, the Certificates before the application of the Reverse Split;

Predetermined Loss Amount means the amount specified in the applicable Final Terms, or determined according to the following formula, if provided in the relevant Final Terms:

(Final Reference Value/Initial Reference Value – 1) x Issue Price

For the avoidance of doubt, the Final Reference Value and the Initial Reference Value are referred to the Underlying specified in the applicable Final Terms, which may differ from the Underlying used to determine the occurrence of the Barrier Event and/or from the Underlying used to the determine the Cash Settlement Amount;

Predetermined Loss Percentage means the value expressed as a percentage specified in the relevant Final Terms;

Premium means the price of issue of the Warrants specified from time to time in applicable Final Terms as an amount and/or as a percentage of the Notional Amount;

Premium Determination Method(s) means, in the case of Gap Certificates, the **Floating Premium**, the **Fixed Premium** and the **Difference in Rates**, pursuant to Condition 23 (Pay-out provisions) and specified by the Issuer in the relevant Final Terms in relation to each Premium Determination Method;

Premium Determination Period means, in relation to Gap Certificates and the Premium Gap Amount, one or more periods specified in the applicable Final Terms during which the relevant Premium Gap Amount is determined. In the event of more Premium Determination Periods, the relevant Final Terms will indicate the **First Premium Determination Period**, the **Second Premium Determination Period**, or the **n-th Premium Determination Period**;

Premium Gap Amount(s) means, in relation to one or more Premium Determination Period(s), the amount(s) in the Settlement Currency to be paid to the Securityholder on the Premium Gap Payment Date per each Minimum Exercise Amount, as detailed in paragraph "G. Premium Gap Amount(s)" in Condition 23 (*Pay-out provisions*);

Premium Gap Observation Period(s) means, in relation to Gap Certificates and the Premium Gap Amount:

(i) If a Barrier Gap Event has not occurred, the actual number of days comprised in the relevant Premium Determination Period;

(ii) If a Barrier Gap Event has occurred, the actual number of days comprised in the relevant Premium Determination Period from the initial day (included or excluded as specified in the relevant Final Terms) of such Premium Determination Period to the Barrier Gap Event Date (included or excluded as specified in the relevant Final Terms);

Premium Gap Payment Date means the Business Day(s) specified in the applicable Final Terms on which the Issuer shall pay the Premium Gap Amount to the Securityholders.

If an amount shall be paid on a Premium Gap Payment Date, should the valuation date in which the Calculation Agent determines the Reference Value for the purposes of the calculation of such amount be postponed (by way of example and without limitation, for the occurrence of a Market Disruption Event), the relevant Premium Gap Payment Date may be postponed accordingly. The Premium Gap Payment Date shall not, in any case, be postponed beyond the tenth Business Day;

Premium Margin means, in the case of Gap Certificates, a value expressed as basis points specified by the Issuer in the applicable Final Terms (the Premium Margin may be equal to zero if the Issuer decides not to apply it for the calculation of the relevant Premium Gap Amount);

Premium Percentage means, in the case of Gap Certificates, the value expressed as a percentage specified in the applicable Final Terms;

Proprietary Index means an Index composed, calculated and managed by the Issuer or by any legal entity belonging to the same group;

Proprietary Index Securities means Securities that have as Underlying one or more specified Proprietary Indices or one or more Baskets of Proprietary Indices. Specific provisions in relation to Proprietary Index Securities are included in the "Annex 1 to the Terms and Conditions of the Securities – Description of the Proprietary Indices";

Protection Amount means the amount specified in the relevant Final Terms;

Protection Level means the value or the values specified in the relevant Final Terms that may be set as:

(i) a percentage of the Initial Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value specified in the applicable Final Terms.

In the case of Best Of Feature or Worst Of Feature, the Issuer will indicate in the relevant Final Terms the Protection Level for each Underlying;

Protection Percentage means the value expressed as a percentage specified in the relevant Final Terms;

Purchase Price means, in relation to Digital Certificates, the price at which the Digital Certificates may be subscribed by the investor in an Exempt Offer, if so specified in the applicable Final Terms. The Purchase Price will be lower than the Issue Price;

Put Exercise Date means the Exchange Business Day on which the Certificates are redeemed, following the exercise of the Put Option. If the Put Valuation Period is applicable, the Put Exercise Date coincides with the last Exchange Business Day of the relevant Put Valuation Period or with the Put Valuation Period, if it is composed by one Exchange Business Day. If the Put Valuation Period is specified as "Not applicable", the Put Exercise Date is the date specified in the applicable Final Terms;

Put Notice Period means the date(s) – indicated in the applicable Final Terms – by which the Securityholder shall notify, in accordance with Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*) below, the intention to exercise the Put Option in the relevant Put Exercise Date;

Put Option means, if so specified in the relevant Final Terms, the option to request the redemption of the Certificates which can be irrevocably exercised by the Securityholders during the Put Notice Period specified in the applicable Final Terms pursuant to Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*) below. Following the exercise of the Put Option, the Certificates indicated by the Securityholders will be redeemed and such Securityholders will be entitled to receive the Cash Settlement Amount specified in the applicable Final Terms and the relevant Put Option Amount, if applicable;

Put Option Amount means one or more amounts specified in the applicable Final Terms that Securityholders are entitled to receive following the exercise of the Put Option, in addition to the Cash Settlement Amount;

Put Option Exercise Notice means the notice drawn up and to be sent by the Securityholder pursuant to Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*) below and pursuant to the applicable Final Terms;

Put Valuation Period means, in relation to the Put Option and if specified as applicable in the relevant Final Terms, the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines the Reference Value. In the event of more Put Valuation Periods, the relevant Final Terms will indicate the **First Put Valuation Period**, the **Second Put Valuation Period**, or the **n-th Put Valuation Period**.

If the applicable payout formula of the Cash Settlement Amount includes the Final Reference Value, if the Put Option is exercised by the Securityholder, the Reference Value determined by the Calculation Agent in the relevant Put Valuation Period will be considered as Final Reference Value.

The Put Valuation Period, if applicable, may only begin after the Put Notice Period.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Put Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Qualifying Certificates 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 Certificates that qualify as eligible liabilities; (C) have the same redemption rights as the Certificates that qualify as eligible liabilities; (D) preserve any existing rights under the Certificates that qualify as eligible liabilities to any due but unpaid amounts which has not been paid in respect of the period from (and including) the payment date immediately preceding the date of substitution or variation; (E) are assigned (or maintain) the same or higher solicited credit ratings as were assigned to the Certificates immediately prior to such variation or substitution, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 17 (Acknowledgment of the Italian Bail-in Power); and (F) other than in respect of the effectiveness and enforceability of Condition 17 (Acknowledgment of the Italian Bail-in Power), have terms not materially less favourable to a holder of the Certificates 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 Certificates that qualify as eligible liabilities; and

(ii) are listed on a recognized stock exchange if the Certificates were listed immediately prior to such variation or substitution.

Quanto Option means, if specified as applicable in the relevant Final Terms, that the Underlying Reference Currency is in any case conventionally denominated in the Settlement Currency. The Settlement Amount and/or any amount payable as indicated in the relevant Final Terms, will be converted from the Underlying Reference Currency into the Settlement Currency at an exchange rate of one unit of the Underlying Reference Currency to one unit of the Settlement Currency.

In case of Physical Delivery Securities, the Calculation Agent will apply the relevant exchange rate between the Underlying Reference Currency and the Settlement Currency to the determine the Entitlement and the Residual Amount on the Valuation Date (or a different date indicated in the relevant Final Terms);

Quanto Securities means, when the Underlying Reference Currency differs from the Settlement Currency, that the Quanto Option applies;

Rainbow Feature means, in relation to the Certificates linked to a Basket, the feature pursuant to which the value of that Basket is determined, as provided by the Issuer in the relevant Final Terms. The Issuer will indicate in the applicable Final Terms: (i) the financial activities which represent the Basket Constituents, (ii) the relative weighting within the Basket without any preliminary reference to specific financial activities and (iii) the objective criteria pursuant to which the weight will be allocated by the Calculation Agent (by way of example, in a Basket constituted by three financial activities, the Basket would be weighted as follows: 50% for the Basket Constituent with the best performance; 30% for the Basket Constituent with the worst performance; and 20% for a Basket Constituent with the second best performance). For each determination (during the life of the Certificates and at the settlement date), the Calculation Agent will weigh the relevant Basket Constituents on the basis of the performance registered on such determination date and pursuant to the formula set out in the applicable Final Terms. The allocation of the weights within a Basket may result differently on each determination date and depending on the performance of the Basket Constituents.

Once the Calculation Agent has carried out the weighting of the Basket on the relevant determination date, the Calculation Agent will calculate the total amount of the Basket pursuant to the methods applied on the instruments normally linked to the Basket.

Such feature shall not apply to Spread Certificates and Multiperformance Certificates;

Record Date means the Business Day that may be specified in the relevant Final Terms, which is the last day on which the ownership of the Securities is verified in relation to the right to receive the payment of the relevant Remuneration Amount;

Reduced Initial Listing Price means the price, which may be indicated in the applicable Final Terms, that will be used in order to determine the initial trading price of the Securities. The Reduced Initial Listing Price may be different from the initial trading price of the Securities and will be lower than the Issue Price. The Reduced Initial Listing Price will be applicable only in relation to Securities to be admitted to listing and/or trading without prior offer;

Reference Rate or **RR** means, in relation to Premium Gap Amount, Interest Rate Warrants, Floating Amount, Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, the interest rate determined in the manner specified in the applicable Final Terms. In the case of Difference in Rates, the applicable Final Terms will specify the **Reference Rate 1** and the **Reference Rate 2**;

Reference Source means, in relation to the Underlying, each information provider, electronic page, exchange or quotation system in which the Underlying values are available, as specified in the applicable Final Terms, any successor to such information provider, electronic pages, exchange or quotation system or any substitute exchange or quotation system to which trading in the Underlying has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the contracts relating to such Underlying on such temporary substitute exchange or quotation system as on the original Reference Source);

Reference Underlying means:

(i) in relation to Proprietary Index Securities, has the meaning ascribed to it under the "Annex 1 to the Terms and Conditions of the Securities – Description of the Proprietary Indices";

(ii) in relation to the Underlying of Type A Constant Leverage Certificates, the relevant asset (by way of example a stock index, a share, a commodity or its related future contract) to which the index sponsor applies the Index Leverage Factor in order to calculate the Value of the Underlying, as specified in the relevant Final Terms.

In the event of significant and adverse changes in the performance of the Reference Underlying, an intra-day recalculation mechanism (intra-day reset) is provided by the index sponsor to prevent that the value of the Underlying will become negative due to the Index Leverage Factor. Specifically, when the performance of the Reference Underlying is lower (in case of Underlying with long leverage) or higher (in case of Underlying with short leverage) than the Trigger Value, the Underlying index sponsor sets a new base value for the calculation of the daily performance of the Reference Underlying and, consequently, will result in an adjustment of the value of the Underlying;

Reference Value or **RV** means the value or values determined by the Calculation Agent pursuant to the following provisions, in accordance with the relevant Final Terms.

If the Underlying is one or more financial asset(s) (and not a Basket):

(A) the Value of the Underlying (or, in case of more than one Underlying, the Value of any or all Underlying(s) as specified in the applicable Final Terms) on the relevant valuation period, as determined by the Calculation Agent; or

(B) the arithmetic mean or a percentage of such arithmetic mean of the Values of the Underlying (or, in case of more than one Underlying, the arithmetic mean or a percentage of such arithmetic mean of the Values of each Underlying or of the Underlying(s) specified in the relevant Final Terms) on the relevant valuation period, ascertained by the Calculation Agent on the last Exchange Business Day or on the last Specific Period of such valuation period, as specified in the relevant Final Terms, and determined pursuant to the following formula:

$$RV = Arithmetic\ Percentage\ \times\ (\frac{1}{x} \times \sum_{z=1}^{x} Underlying_z)$$

Where:

"**Arithmetic Percentage**" means the value expressed as a percentage specified in the applicable Final Terms (if not specified, the Arithmetic Percentage will be equal to 100%);

"***x***" is the number of the dates of such valuation period, specified as such in the relevant Final Terms; and

"***Underlying$_z$***" is the Value of the Underlying as determined on the Exchange Business Day "z" or on the Specific Period "z" of such valuation period, as specified in the applicable Final Terms; or

(C) the minimum or the maximum Value as specified in the applicable Final Terms (or, in case of more than one Underlying, the maximum or minimum Value of the Underlying(s) specified in the applicable Final Terms) recorded in relation to the Underlying during one or more valuation period(s) ascertained by the Calculation Agent on the Exchange Business Day or on the Specific Period, as specified in the applicable Final Terms; or

(D) in case of Exchange Rate Securities and if so specified in the relevant Final Terms, the Reference Value may be equal to the quotient of (a) 1 (as numerator) and (b) the amount calculated pursuant to (A), (B) or (C) above (as denominator); or

(E) 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, the Value of the Futures Contract N-th Near-by on the relevant valuation period (only applicable when such valuation period is set as a single date); or

(F) in case of Share Securities and if so specified in the relevant Final Terms, either

(i) the Adjusted Price on the relevant valuation period or

(ii) the arithmetic mean of the Adjusted Price on the relevant valuation period, ascertained by the Calculation Agent on the Exchange Business Day or on the Specific

Period, as specified in the applicable Final Terms, and determined pursuant to the following formula:

$$\boldsymbol{RV} = \frac{1}{x} \times \sum_{z=1}^{x} AP_z$$

Where:

"$\boldsymbol{x}$" is the number of valuation period specified as such in the relevant Final Terms;

"$\boldsymbol{AP_z}$" is the Adjusted Price of the Underlying(s) as determined on the Exchange Business Day "z" or on the Specific Period "z" of such valuation period, as specified in the applicable Final Terms.

If the Underlying is a Basket:

(A) the Basket Value on the relevant valuation period, as ascertained by the Calculation Agent;

(B) the arithmetic mean of the Basket Values on the Exchange Business Days or on the Specific Periods of the relevant valuation period as ascertained by the Calculation Agent, determined pursuant to the following formula:

$$\boldsymbol{RV} = \frac{1}{x} \times \sum_{z=1}^{x} Basket_z$$

Where:

"$\boldsymbol{x}$" is the number of the Exchanges Business Days or the Specific Period(s) of the relevant valuation period, specified as such in the relevant Final Terms;

"$\boldsymbol{Basket_z}$" is the Basket Value as calculated on the Exchange Business Day "z" or on the Specific Period "z" as specified in the applicable Final Terms; or

(C) the minimum or the maximum Basket Value (as specified in the applicable Final Terms) recorded in relation to the Basket during one or more valuation period(s), ascertained by the Calculation Agent on the Exchange Business Day or the Specific Period of the relevant valuation period, as set out in the relevant Final Terms; or

(D) the Value of one or more or each Basket Constituent (as specified in the applicable Final Terms) on the relevant valuation period.

If the Call Option/Put Option is exercised by the issuer/the Securityholder, the Reference Value determined by the Calculation Agent in the related Call Valuation Period/Put Valuation Period will be considered as Final Reference Value, if applicable.

In relation to each Underlying, or Basket, or Basket Constituent and the related Reference Value, only the changes published by the Issuer with a notice on its website www.prodottiequotazioni.intesasanpaolo.com shall be taken into account;

Registrar means BNP Paribas, Luxembourg Branch, as registrar in respect of any Registered Securities;

Register means in the case of Registered Securities, the register kept at the principal office of the Registrar;

Related Exchange means any regulated or non-regulated market where the options, futures or repo contracts on an Underlying or a Reference Underlying are traded, as determined by the Calculation Agent;

Relevant Exchange Business Day means any Exchange Business Day which is relevant to fix the Value of the Underlying(s);

Relevant Asset means, in relation to Physical Delivery Securities, the Underlying specified in the applicable Final Terms constituting the Deliverable Asset;

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 Regulations means any requirements contained in the regulations, rules, guidelines and policies of the competent authority or the Relevant 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 Certificates, 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);

Remuneration Amount means either the Accumulated Amount, the Cumulated Bonus Amount, the Coupon Premium Amount, the Digital Amount, the Extra Consolidation Digital Amount, the Internal Return Amount, the Participation Rebate Amount, the Participation Remuneration Amount, the Plus Amount, the Premium Gap Amount, the Discretionary Payment Amount, as the case may be.

Following the occurrence of a Market Disruption Event or an Adjustment Event, any Remuneration Amount potentially payable and the relevant events that trigger their payments may be determined by the Calculation Agent by reference to the last available Value of the Underlying before the occurrence of the Market Disruption Event or of the Adjustment Event, acting in good faith and in a commercially reasonable manner. In such case, the Value of the Underlying so determined shall be notified to the Securityholders with a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com;

Remuneration Sum means, in relation to the Participation Remuneration Amounts, (i) if the Net Profit Feature is specified as applicable in the relevant Final Terms, the sum, in respect of any Valuation Date, of the Remuneration Amounts specified in the relevant Final Terms, if already paid, on the payment dates specified in the relevant Final Terms, or (ii) if the Tarn Feature is specified as applicable in the relevant Final Terms, the sum in respect of any Valuation Date, of the Remuneration Amounts specified in the relevant Final Terms, if already paid, on the payment dates specified in the relevant Final Terms;

Renouncement Notice means, if specified as applicable in the relevant Final Terms, the notice to be sent by the Securityholders, prior to the Renouncement Notice Cut-off Time (if applicable), to renounce any automatic exercise of Securities pursuant to Condition 19 (*Exercise rights and procedures (only applicable to Warrants)*) and Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*);

Renouncement Notice Cut-off Time means, if a Renouncement Notice is specified as applicable in the relevant Final Terms, the time limit for sending the Renouncement Notice by the Securityholders pursuant to Condition 19 (*Exercise rights and procedures (only applicable to Warrants)*) and Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*);

Repo Rate or **RpR** means, in relation to Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, the repo rate determined by the Calculation Agent based on the prevailing market quotes within the same Exchange Business Day and published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Residual Amount means, in relation to Physical Delivery Securities, the cash amount which will be paid on the Settlement Date if the result of the formula specified in the applicable Final Terms for calculating the Entitlement is not an integer number. The Residual Amount will be determined by the Calculation Agent on the basis of the decimal part of such number, as specified in the applicable Final Terms;

Restrike Event means, in relation to the Restrike Feature, the event upon occurrence of which the Initial Reference Value (and therefore all the values and levels that depend upon the Initial Reference Value, such as the Barrier Level, the Cap Level, the Multiplier and so forth) and/or the level specified in the applicable Final Terms (such as the Digital Level and/or the Barrier Level and/or the Switch Level and so forth) will be consequently amended as specified in the applicable Final Terms. Such event will occur when the Calculation Agent determines that the Reference Value or the Spread, or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Restrike Observation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Restrike Level in the relevant Restrike Observation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Restrike Level during the relevant Restrike Observation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Restrike Level during the relevant Restrike Observation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Restrike Level and the relevant Down Range Restrike Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Restrike Observation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Restrike Level and the relevant Down Range Restrike Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Restrike Observation Period.

In case of Securities linked to more than one Underlying, the Restrike Event may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Restrike Event may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Restrike Level of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Restrike Event.

If the Restrike Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Restrike Feature means the feature pursuant to which the Cash Settlement Amount and/or any Remuneration Amount will be determined in accordance with the calculation method detailed in Condition 23 (*Pay-out provisions*) and upon the occurrence of a Restrike Event:

(i) the Initial Reference Value will be automatically set at a percentage of the Initial Reference Value (the Restrike Percentage) specified in the applicable Final Terms and, therefore, all the values and levels dependent from the Initial Reference Value (such as the Barrier Level, the Cap Level, the Multiplier and so forth) will be consequently amended; and/or

(ii) the level(s), as specified in the applicable Final Terms (such as the Digital Level and/or the Barrier Level and/or the Switch Level and so forth) will be automatically set as specified in the applicable Final Terms;

Restrike Level means one or more values, that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms, that triggers the occurrence of the Restrike Event in relation to the relevant Underlying or Basket Constituents in the relevant Restrike Observation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Restrike Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Restrike Level will be specified for each Underlying or Basket Constituent;

Restrike Observation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Restrike Event has occurred. In the event of more Restrike Observation Periods, the relevant Final Terms will indicate the **First Restrike Observation Period**, the **Second Restrike Observation Period**, or the **n-th Restrike Observation Period**.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Restrike Observation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Restrike Percentage means, in relation to the Restrike Feature, the value expressed as a percentage that may be specified as applicable in the relevant Final Terms;

Reverse Split means, in relation to Turbo Certificates, Benchmark Certificates and Constant Leverage Certificates, if specified as applicable in the relevant Final Terms, the mechanism by which the Issuer may, at its option, consolidate such Certificates and replace the Securities representing such Certificates before the Reverse Split occurred (the Pre-Conversion Certificates) with Securities representing the Certificates after the Reverse Split (Converted Certificates), as better specified in Condition 24 (*Reverse Split of Turbo Certificates, Benchmark Certificates and Constant Leverage Certificates*). In such event, the Issuer may give the Reverse Split Trigger Notice to Securityholders within a number of days equal to the Reverse Split Notice Period informing them of its intention to effect a Reverse Split with respect to the relevant Turbo Certificates, the Benchmark Certificates or Constant Leverage Certificates (as the case may be). If required, the Issuer will also pay to the Securityholders a Reverse Split Cash Settlement Amount to reflect the economic effect of reducing the number of such outstanding Certificates of the relevant Series;

Reverse Split Cash Settlement Amount means, in respect of each Securityholder, the amount determined as the product of the Reverse Split Cash Settlement Price and the Reverse Split Number applicable to such Securityholder;

Reverse Split Cash Settlement Price means, in relation to Turbo Certificates, Benchmark Certificates and Constant Leverage Certificates, the "*prezzo di riferimento*" of such Certificates as calculated by Borsa Italiana in accordance with SeDeX Rules;

Reverse Split Effective Date is the date specified as such in the applicable Reverse Split Trigger Notice;

Reverse Split Notice Period is the number of days specified in the applicable Final Terms;

Reverse Split Number means, in respect of each Securityholder, the number of the Unconverted Certificates;

Reverse Split Ratio means, in relation to Turbo Certificates, Benchmark Certificates and Constant Leverage Certificates, the ratio by which the Certificates will be replaced by the Converted Certificates as specified in the applicable Reverse Split Trigger Notice;

Reverse Split Settlement Date is the number of days or Business Days specified in the applicable Reverse Split Trigger Notice following the Reverse Split Effective Date;

Reverse Split Trigger Notice means, in respect of Turbo Certificates, Benchmark Certificates and Constant Leverage Certificates, the notice which shall include the description of the operational mechanisms to be performed in relation to the Reverse Split;

Rolling means the feature that may be specified as applicable in relation to Futures Contract Securities 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 valuation period during the lifetime of the Certificates and the Final Reference Value on the basis of a Futures Contract N-th Near-by. In particular, if Rolling is specified as applicable in the relevant Final Terms, when the Futures Contract N-th Near-by replaces the Futures Contract on the Rollover Date, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Rollover Date(s) means the Exchange Business Day specified in the applicable Final Terms on which the Futures Contract N-th Near-by will replace the Futures Contract indicated as the Underlying of the Securities in the applicable Final Terms;

Series means the Securities that will be issued, from time to time, pursuant to this Base Prospectus as identified by the relevant ISIN Code;

Settlement Amount means, as specified in the applicable Final Terms:

(i) when settlement shall be by way of cash payment, the Cash Settlement Amount as calculated on the basis of the formulas set out in Condition 23 (*Pay-out provisions*) or,

(ii) when settlement shall be by way of physical delivery, the Physical Delivery.

It is understood that, if the Cash Settlement Amount is equal to or lower than 0, no Cash Settlement Amount will be paid to the Securityholders.

Following the occurrence of a Market Disruption Event or an Adjustment Event, the Settlement Amount to be paid on the Settlement Date may be determined by the Calculation Agent by reference to the last available Value of the Underlying before the occurrence of the Market Disruption Event or of the Adjustment Event, acting in good faith and in a commercially reasonable manner. In such case, the Value of the Underlying so determined shall be notified to the Securityholders with a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com;

Settlement Characteristic means one of the characteristics that may apply to the formulas of the determination of the Settlement Amount set out under Condition 23 (*pay-out provisions*) (including, without limitation, Initial Percentage, Participation Factor, Barrier Event, Barrier Gap Event, Buffer Event, Protection Level, Short Protection, CAP, Cap Level, Cap Amount, Cap Barrier Amount, Predetermined Loss Percentage, Air Bag Factor, Sigma Amount, Gearing Factor, Cap Consolidation Amount, Strike Percentage, Annual Management Fee1, Annual Management Fee2, Annual Margin, Variable Management Fee, Protection Percentage, Spread Protection, Protection Amount, Step Up Amount);

Settlement Currency means the currency specified in the applicable Final Terms;

Settlement Date means the date specified in the applicable Final Terms. If on a Valuation Date or on a Call Exercise Date or on a Put Exercise Date or on any Relevant Exchange Business Day of the last valuation periods/dates a Market Disruption Event occurs, the Settlement Date will be postponed accordingly. The Settlement Date shall not, in any case, be postponed beyond the tenth Business Day following the last Valuation Date or Call Exercise Date or Put Exercise Date or the last Relevant Exchange Business Day;

Settlement Determination Date means, in relation to Interest Rate Warrants, each date specified in the applicable Final Terms during which the Cash Settlement Amount is determined in relation to the Settlement Determination Period, provided that in the opinion of the Calculation Agent, no Market Disruption Event has occurred on a Settlement Determination Date, Had a Market Disruption Event occurred on a Settlement Determination Date, the Exchange Business Day coinciding with the Settlement Determination Date shall be postponed to the first following Exchange Business Day on which the Market Disruption Event is no longer occurring. It being understood that the Exchange Business Day of the Settlement Determination Period may not be postponed beyond the eighth Exchange Business Day following the Exercise Date;

Settlement Determination Period means, in relation to Interest Rate Warrants, the period specified in the applicable Final Terms related to the Cash Settlement Amount;

Settlement Event means, in relation to the Digital Certificates, the event upon the occurrence of which, the Cash Settlement Amount will be an amount dependent on a predetermined percentage of the Issue Price specified as "Digital Percentage" in the applicable Final Terms. Such event will occur when the Calculation Agent determines that the Final Reference Value is equal to, or higher than, the Settlement Level, as specified in the relevant Final Terms.

In the case of Digital Certificates with Best Of Feature or Worst Of Feature, the Issuer will specify in the relevant Final Terms the occurrence of the Settlement Event in relation to one or more Underlyings and the applicable Final Terms may specify the Settlement Level for each Underlying.

The determination by the Calculation Agent on the occurrence of the Settlement Event will be promptly notified to the Securityholders through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Settlement Level means, in relation to the Digital Certificates, the value, specified in the applicable Final Terms that triggers the occurrence of the Settlement Event. Such value will be set as a percentage of the Initial Reference Value, as specified in the applicable Final Terms.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant event, at least one, any or all the Underlyings or Basket Constituents will be considered. The Settlement Level will be specified for each Underlying or Basket Constituent;

Share means, in relation to each Series, either as single underlying or as a Basket Constituent, the share listed in Italy on the markets managed by Borsa Italiana S.p.A., or listed on European or foreign stock exchanges, which will be specified as the underlying asset or a Basket Constituent, from time to time in the relevant Final Terms. The relevant underlying share (as single underlying or as Basket Constituent) (i) will not be issued by the Issuer nor by an entity belonging to the group of the Issuer, and (ii) may not be converted or exchanged into shares or other transferable securities equivalent to shares issued by the Issuer or by an entity belonging to the group of the Issuer;

Share Securities means Securities that have as Underlying one or more specified Shares or one or more Baskets of Shares or one or more Global depository receipts (GDRs) or American depository receipts (ADRs) or one or more baskets of GDRs and/or ADRs. In case of Physical Delivery, the Underlying will not be a Share issued by the Issuer nor by an entity belonging to the Group. Furthermore, in case of Physical Delivery Securities, only shares listed on stock exchanges that are regulated markets can be physically settled to retail investors. In such case, in relation to shares listed on stock exchanges in EU countries, regulated markets are those markets which fall within the definition of Art. 4(1) 21 of Directive 2014/65/EU, in relation to shares listed on stock exchanges in non-EU countries, regulated markets are those markets regulated by a local financial regulator or monetary authority or institute, in accordance with the law applicable under the relevant jurisdiction;

Short Protection means the amount specified in the relevant Final Terms;

Short Strategy means the financial strategy which gives to the investor the possibility to benefit from the negative (decreasing) performance of the Underlying(s) in relation to the amount(s) or occurrence of event(s) specified in the applicable Final Terms;

Sigma Amount means the amount in the Settlement Currency specified by the Issuer in Final Terms for each Series;

Specific Period means, in case of Securities linked to one or more Indexes based on inflation, the month or the year (or any other period of time consecutive or not consecutive) specified in the applicable Final

Terms or, in case of Securities linked to any other type of Underlying, the month or the year (or any other period of time) made of Exchange Business Days, specified in the applicable Final Terms;

Sponsor means, in relation to each Series, the entity responsible for the calculation and/or the management and/or the issue of the relevant Underlying, as specified from time to time in the relevant Final Terms;

Spread means the difference calculated pursuant to one or more of the formulas below, as specified in the applicable Final Terms:

(i) *Spread = Performance of the Underlying A – Performance of the Underlying B*

In this case the Spread will be equal to the difference between the Performance of the Underlying A and the Performance of the Underlying B, each of them determined according to one of the formulas set out in the definition of "Performance", specified in the applicable Final Terms;

and/or

(ii) *Spread = Initial Reference Value*$_A$ *– Initial Reference Value*$_B$

In this case the Spread will be equal to the difference between the Initial Reference Value of the Underlying A (Initial Reference Value$_A$) and the Initial Reference Value of the Underlying B (Initial Reference Value$_B$);

and/or

(iii) *Spread = Reference Value*$_A$ *– Reference Value*$_B$

In this case the Spread will be equal to the difference between the Reference Value of the Underlying A (Reference Value$_A$) and the Reference Value of the Underlying B (Reference Value$_B$);

and/or

(iv) *Spread = Final Reference Value*$_A$ *– Final Reference Value*$_B$

In this case the Spread will be equal to the difference between the Final Reference Value of the Underlying A (Final Reference Value$_A$) and the Final Reference Value of the Underlying B (Final Reference Value$_B$);

and/or

(v) *Spread = Max[Floor Percentage*$_A$*; Min(Performance of the Underlying A; Cap Percentage*$_A$*)] – Max[Floor Percentage*$_B$*; Min(Performance of the Underlying B; Cap Percentage*$_B$*)]*

In this case the Spread will be equal to the difference between (1) the higher between (A) the Floor Percentage$_A$ and (B) the lower between (i) the Performance of the Underlying A and (ii) the Cap Percentage$_A$ and (2) the higher between (A) the Floor Percentage$_B$ and (B) the lower between (i) the Performance of the Underlying B and (ii) the Cap Percentage$_B$;

and/or

in relation to Interest Rate Securities only:

(vi) *Spread = Max[Floor Percentage$_A$; Min(Initial Reference Value$_A$; Cap Percentage$_A$)] – Max[Floor Percentage$_B$; Min(Initial Reference Value$_B$; Cap Percentage$_B$)]*

In this case the Spread will be equal to the difference between (1) the higher between (A) the Floor Percentage$_A$ and (B) the lower between (i) the Initial Reference Value of the Underlying A or (ii) the Cap Percentage$_A$ and (2) the higher between (A) the Floor Percentage$_B$ and (B) the lower between (i) the Initial Reference Value of the Underlying B or (ii) the Cap Percentage$_B$;

and/or

(vii) *Spread = Max[Floor Percentage$_A$; Min(Reference Value$_A$; Cap Percentage$_A$)] – Max[Floor Percentage$_B$; Min(Reference Value$_B$; Cap Percentage$_B$)]*

In this case the Spread will be equal to the difference between (1) the higher between (A) the Floor Percentage$_A$ and (B) the lower between (i) the Reference Value of the Underlying A or (ii) the Cap Percentage$_A$ and (2) the higher between (A) the Floor Percentage$_B$ and (B) the lower between (i) the Reference Value of the Underlying B or (ii) the Cap Percentage$_B$;

and/or

(viii) *Spread = Max[Floor Percentage$_A$; Min(Final Reference Value$_A$; Cap Percentage$_A$)] – Max[Floor Percentage$_B$; Min(Final Reference Value$_B$; Cap Percentage$_B$)]*

In this case the Spread will be equal to the difference between (1) the higher between (A) the Floor Percentage$_A$ and (B) the lower between (i) the Final Reference Value of the Underlying A or (ii) the Cap Percentage$_A$ and (2) the higher between (A) the Floor Percentage$_B$ and (B) the lower between (i) the Final Reference Value of the Underlying B or (ii) the Cap Percentage$_B$;

Spread Cost or **SC** means, in relation to Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, the percentage specified in the applicable Final Terms;

Spread Leverage means the value expressed as a percentage specified in the applicable Final Terms;

Spread Protection means the value expressed as a percentage specified in the relevant Final Terms;

Step Up Amount means, in relation to Dynamic Protection Certificates, the amount specified in the relevant Final Terms;

Strategy Index means an Index replicating a portfolio of underlying financial assets which is continuously and actively managed by the Strategy Manager within a specified Investment Strategy;

Strategy Manager means, in relation to a Strategy Index, the entity specified in the applicable Final Terms;

Strike means the value which will be determined by the Calculation Agent on the Strike Observation Period;

Strike Level means the level specified in the applicable Final Terms in relation to the calculation of the Cash Settlement Amount of the Dual Currency FX Certificates;

Strike Percentage means, in relation to Warrants, Call Certificates, Standard Certificates (if applicable) and Twin Win Certificates, the value expressed as a percentage (which may also be equal to zero) specified in the relevant Final Terms, which will be considered for the purposes of the calculation of the Cash Settlement Amount;

Strike Price means, in relation to Short Benchmark Certificates, Type A Short Constant Leverage Certificates and Turbo Certificates, the amount or the value specified as such in the applicable Final Terms. In case of Turbo Certificates with Open End Feature, if the Call Option/Put Option is exercised by the Issuer/the Securityholder, the Strike Price is the SP_t as defined below;

SP_t means, in relation to Turbo Certificates with Open End Feature, the Strike Price which, in respect of a calendar day (day_t), is an amount calculated as follows:

$$SP_t = SP_{t-1} \times (1 + Restrike\ Cost_{t-1})^{1/360} - Dividend\ Adjustment\ Amount$$

Where:

"**Dividend Adjustment Amount**" means, in respect of an Ex-Dividend Date, an amount determined by the Calculation Agent equal to (i) the sum of the gross cash dividends and/or other cash distributions payable in respect of the relevant Underlying (or in the case of an Index, in respect of each share comprising such Index) related to such Ex-Dividend Date multiplied by (ii) the Dividend Percentage;

"**Dividend Percentage**" means the value expressed as a percentage specified as such in the applicable Final Terms, provided that the Calculation Agent, acting in good faith and in a commercially reasonable manner, may increase or decrease such percentage to reflect any imposition of or adjustment to, any taxes which are deducted or withheld at source by or on behalf of any applicable authority having the power to tax in respect of cash dividends and/or other cash distributions payable in respect of the relevant Underlying (or in the case of an Index, in respect of each share comprising such Index). If the Dividend Percentage is adjusted as provided herein, the adjusted Dividend Percentage, will be notified to Securityholders through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com as soon as reasonably practicable following such adjustment;

"**Ex-Dividend Date**" means, with respect to a Share or share comprising an Index, the date on which such Share or share comprising an Index becomes "ex-dividend" as determined by the Calculation Agent;

"**Restrike $Cost_t$**" means, if applicable, in respect of a calendar day (day_t), the value expressed as a percentage determined and published daily by the Issuer so as not to exceed the percentage indicated in the applicable Final Terms;

"**Restrike $Cost_{t-1}$**" means the Restrike $Cost_t$ applicable on day_{t-1}; and

"**SP_{t-1}**" means Strike Price applicable on day_{t-1}.

For the purpose of calculating the Cash Settlement Amount, if the Call Option/Put Option is exercised by the Issuer/the Securityholder, *t* is equal to the Call Exercise Date/Put Exercise Date;

Strike Remuneration Percentage means the value expressed as a percentage, which may also be equal to zero, specified in the relevant Final Terms;

Strike Observation Period means one or more periods specified in the relevant Final Terms for the purposes of the determination of the Strike. In the event of more Strike Observation Periods, the relevant Final Terms will indicate the **First Strike Observation Period**, the **Second Strike Observation Period**, or the **n-th Strike Observation Period**;

Successor Sponsor means, in relation to each Underlying, a third party that may be responsible for the calculation and/or the management and/or the issuance of the Underlying in the place of the Sponsor;

Switch Event means, in relation to Switch Certificates, the event upon the occurrence of which the Cash Settlement Amount will be calculated in accordance with either: (I) one of the payout formulas set out in Condition 23 for another Typology; or (II) one of the formulas set out in Condition 23 for the same Typology, but with different Settlement Characteristic; or (III) one of the formulas set out in Condition 23 for another or the same Typology, but with different values assigned to the relevant Settlement Characteristic(s); or (IV) the same formula that applies if the Switch Event has not occurred, but with different values assigned to the relevant Settlement Characteristic(s).

Such event will occur when the Calculation Agent determines that the Reference Value, the Final Reference Value or the Spread or the Cumulated Performance (in the case of Multiperformance Certificates), in one, at least one, any or all Switch Valuation Period(s) (as specified in the relevant Final Terms):

(i) has been equal to, higher than or lower than the relevant Switch Level in the relevant Switch Valuation Period; and/or

(ii) has never been or has always been equal to, higher than or lower than the relevant Switch Level during the relevant Switch Valuation Period; and/or

(iii) has been for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) equal to higher than or lower than the relevant Switch Level during the relevant Switch Valuation Period; and/or

(iv) has fallen or has never fallen or has always fallen within or out of a range between the relevant Up Range Switch Level and the relevant Down Range Switch Level (included or excluded in the range as specified in the relevant Final Terms) in/during the relevant Switch Valuation Period; and/or

(v) has fallen for a number of Exchange Business Days specified in the applicable Final Terms (e.g. at least once or at least twice, etc.) within or out of a range between the relevant Up Range Switch Level and the relevant Down Range Switch Level (included or excluded in the range as specified in the relevant Final Terms) during the relevant Switch Valuation Period.

In case of Securities linked to more than one Underlying, the Switch Event may be determined in relation to at least one, any or all the Underlyings, as specified in the applicable Final Terms. In case of Securities linked to a Basket, the Switch Event may be determined in relation to the Basket or to at least one, any or all the Basket Constituents, as specified in the applicable Final Terms. In these cases, the applicable Final Terms will also specify the Switch Level (or the Up Range Switch Level and the Down Range Switch Level) of each Underlying or Basket Constituent that will be considered for the purposes of the determination of the Switch Event.

If the Switch Event occurs, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Switch Level means one or more values, that may be specified for one or more Underlyings or Basket Constituents in the applicable Final Terms, that triggers the occurrence of the Switch Event in relation to the relevant Underlying or Basket Constituent in the relevant Switch Valuation Period.

Such value(s) may be set as:

(i) a percentage of the Initial Reference Value and/or of the Reference Value; or

(ii) a value expressed as a percentage; or

(iii) a predetermined value.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Switch Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Switch Level will be specified for each Underlying or Basket Constituent;

Switch Valuation Period means the period, made of one or more Business Days or Exchange Business Days or calendar days or a Specific Period, as indicated in the applicable Final Terms, in which the Calculation Agent determines if the relevant Switch Event has occurred. In the event of more Switch Valuation Periods, the relevant Final Terms will indicate the **First Switch Valuation Period**, the **Second Switch Valuation Period**, or the **n-th Switch Valuation Period**.

In the event that a Market Disruption Event has occurred on one or more Exchange Business Days of the Switch Valuation Period, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Synthetic Dividends means, in respect of a Share and a Synthetic Ex-Dividend Date, the amount or amounts specified as such for such Share in the relevant Final Terms, or, if no such amount is specified for such Share, zero;

Synthetic Ex-Dividend Date means each date specified as such in the relevant 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;

Tarn Feature means, if specified as applicable in the relevant Final Terms, in relation to the calculation of the Participation Remuneration Amount, the feature pursuant to which the Participation Remuneration Amount potentially payable will cease to be due and payable to the Securityholders if the Remuneration Sum exceeds the Tarn Amount and the Certificates will be early redeemed;

Tarn Amount means the amount in the Settlement Currency set out in the relevant Final Terms. If in respect of any Participation Valuation Date, the Remuneration Sum exceeds the Tarn Amount, such event will be considered as an Early Redemption Event and, therefore, the Certificates are deemed to be early redeemed and the Securityholders are entitled to receive the payment of the relevant Early Redemption Amount on the relevant Early Payment Date;

Tax Adjustment Factor or **TaxAF** means, in relation to Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, the percentage determined by the Calculation Agent as an estimate of the possible withholding tax costs applicable in relation to the Underlying and published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com;

Termination Event means the occurrence of an event pursuant to Condition 5 (*Illegality and force majeure*) or a Hedging Disruption pursuant to Condition 6 (*Hedging Disruption*);

Trigger Value means, in relation to Constant Leverage Certificates, the value expressed as a percentage specified in the relevant Final Terms;

Typology means the type of Securities that will be issued in respect of each Series, as specified in the relevant Final Terms. In particular, the Securities may be:

- *Standard Long Certificates / Standard Short Certificates,*

- *Max Long Certificates / Max Consolidation Long Certificates / Max Short Certificates;*

- *Type A Spread Certificates / Type B Spread Certificates / Type C Spread Certificates / Type D Spread Certificates;*

- *Twin Win Long Certificates / Twin Win Short Certificates;*

- *Long Benchmark Certificates / Short Benchmark Certificates;*

- *Long Turbo Certificates / Short Turbo Certificates;*

- *Long Outperformance Certificates / Short Outperformance Certificates;*

- *Buffer Protection Certificates;*

- *Global Performance Certificates;*

- *Long Dropdown Protection Certificates / Short Dropdown Protection Certificates;*

- *Long Dynamic Protection Certificates / Short Dynamic Protection Certificates;*

- *Currency Certificates;*

- *Multiperformance Long Certificates / Multiperformance Max Long Certificates / Multiperformance Short Certificates / Multiperformance Max Short Certificates;*

- *Long Dual Currency FX Certificates / Short Dual Currency FX Certificates;*

- *Gap Long Certificates / Gap Short Certificates;*

- *Calendar Certificates;*

- *One Star Certificates;*

- *Switch Certificates;*

- *Call Certificates;*

- *Digital Certificates;*

- *Discount Certificates;*

- Combined Amount Certificates;

- Long Outperformance Combined Certificates;

- Reverse Butterfly Certificates;

- Multiple Strike Certificates;

- Discretionary Payment Certificates;

- Type A Long Constant Leverage Certificates / Type A Short Constant Leverage Certificates / Type B Long Constant Leverage Certificates / Type B Short Constant Leverage Certificates;

- Call Warrants;

- Call Covered Warrants;

- Call Spread Warrants;

- Put Warrants;

- Put Covered Warrants;

- Put Spread Warrants;

- Interest Rate Warrants;

- Corridor Warrants;

Unconverted Certificates means, in relation to Turbo Certificates, Benchmark Certificates and Constant Leverage Certificates, if Reverse Split is specified as applicable in the applicable Final Terms, the Certificates held by any Securityholder that cannot be replaced by Converted Certificates, once that the aggregate number of Certificates held by the relevant Securityholder have been divided by the Reverse Split Ratio;

Underlying means, for each Series:

(i) one or more financial asset(s) such as the Share, the GDRs/ADRs, the Index, the Commodity, the Futures Contract, the Exchange Rate, the Government Bond, the Yield of Government Bond, the Interest Rate and the Fund, as specified in the applicable Final Terms and/or

(ii) a Basket composed of two or more of financial assets listed above or composed by two or more baskets composed of two or more of such financial assets (each a Basket Constituent, as defined above and indicated from time to time in the relevant Final Terms); and/or

(iii) a Basket Constituent of a Basket; and/or

(iv) if Spread is applicable, two or more financial assets selected from the following Underlyings: Shares, GDRs/ADRs, Indexes, Commodities, Futures Contracts, Government Bonds, Yields of Government Bonds, Exchange Rates, Interest Rates, Funds and Baskets, and indicated respectively as **Underlying A** and **Underlying B** in the relevant Final Terms;

in this case, the relevant Initial Reference Value, Final Reference Value, Multiplier, Initial Percentage, Cap Percentage, Floor Percentage and Performance of the Underlying, will be indicated as, respectively, the **Initial Reference Value$_A$** (**IRV$_A$**) and **Initial Reference Value$_B$** (**IRV$_B$**), the **Reference Value$_A$** (**RV$_A$**) and **Reference Value$_B$** (**RV$_B$**), the **Final Reference Value$_A$** (**FRV$_A$**) and **Final Reference Value$_B$** (**FRV$_B$**), the **Multiplier$_A$** and **Multiplier$_B$**, the **Initial Percentage$_A$** and **Initial Percentage$_B$**, **Cap Percentage$_A$** and **Cap Percentage$_B$**, **Floor Percentage$_A$** and **Floor Percentage$_B$** and the **Performance of the Underlying A** and **Performance of the Underlying B**;

Underlying Reference Currency means for each Series, the currency of the Underlying(s) as indicated in the applicable Final Terms. In the case of Quanto Securities, the Underlying Reference Currency will be expressed in the Settlement Currency;

Up Participation Factor means the value expressed as a percentage specified as such in the applicable Final Terms;

Up Range Level means one or more values that may be specified in the applicable Final Terms that determines the occurrence of: (i) the Accumulating Event (the "**Up Range Accumulating Level**"); or (ii) the Consolidation Effect (the "**Up Range Consolidation Level**"); or (iii) the Consolidation Floor Event (the "**Up Range Consolidation Floor Level**"); or (iv) the Coupon Event (the "**Up Range Coupon Level**"); (v) the Digital Event (the "**Up Range Digital Level**"); or (vi) the Knock-in Event (the "**Up Range Knock-in Level**"); or (vii) the Knock-out Event (the "**Up Range Knock-out Level**"); or (viii) the Memory Effect (the "**Up Range Memory Level**"); or (ix) the Participation Remuneration Event (the "**Up Range Participation Remuneration Level**"); or (x) the Early Redemption Event (the "**Up Range Early Redemption Level**"); or (xi) the Switch Event (the "**Up Range Switch Level**"); or (xii) the Multiple Strike Event$_i$ (the "**Up Range Multiple Strike Level$_i$**"); or (xiii) the Participation Rebate Event (the "**Up Range Participation Rebate Level**"); or (xiv) the Restrike Event (the "**Up Range Restrike Level**"). The Up Range Level is represented by a percentage of the Initial Reference Value or as a value expressed as a percentage or by a predetermined value. If there are more Underlyings, the applicable Final Terms will specify the relevant Up Range Level for each Underlying;

Upper Barrier Level means the value, specified in the applicable Final Terms that triggers the occurrence of the Barrier Event. Such value may be set as:

(i) a percentage of the Initial Reference Value; or

(ii) a predetermined value;

Upper One Star Trigger Level means the value, specified in the applicable Final Terms that triggers the occurrence of the One Star Event. Such value may be set as:

(i) a percentage of the Initial Reference Value; or

(ii) a predetermined value;

Valuation Date means, if applicable, one or more Exchange Business Days on which the Value of the Underlying(s) is registered for the purposes of the calculation of:

(i) the Final Reference Value (pursuant to the terms specified below in the definition of Final Reference Value), and/or

(ii) the Payout Value Long or Payout Value Short, in case of Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, and/or

(iii) the Cash Settlement Amount,

as specified in the relevant Final Terms.

If, on a Valuation Date, a Market Disruption Event (as defined below) occurs, the provisions set out within Condition 15(1) (*Market Disruption Event*) will apply;

Value means:

(i) the level, price, amount or such other value (e.g. Intraday Value) of the Underlying; or

(ii) a percentage (specified in the applicable Final Terms) of such level, price, amount or other value; or

(iii) the level, price, amount or other value plus an amount or a number (specified in the applicable Final Terms),

used for the purposes of the determination of the Reference Value, Initial Reference Value or Final Reference Value, as the case may be. Furthermore, the Value can be determined according to the calculation method specified in the applicable Final Terms;

Variable Management Fee or VMF means, if applied by the Issuer in relation to Benchmark Certificates and Constant Leverage Certificates, a fee charged to the Securityholders at the particular time "t" determined on the basis of the AMF Percentage and of the VMF Percentage$_x$.

The Calculation Agent will deduct the VMF accrued from the Cash Settlement Amount pursuant to Condition 23 (*Pay-out provisions*).

The VMF will be calculated as follows:

$$\boldsymbol{VMF_t} = \prod_{x \in (t_0, t_0+1, \ldots\ldots, t)} \left(100\% - \frac{AMF\ Percentage}{365.25} - \frac{VMF\ Percentage_x}{365.25}\right)$$

Where:

"**x**" means each calendar day from t_0 to t;

"**t**" can be any calendar day before the Valuation Date or the Valuation Date;

"**AMF Percentage**" means the value expressed as a percentage specified in the applicable Final Terms;

"**VMF Percentage$_x$**" means the percentage identified from time to time by the Calculation Agent within a range specified in the applicable Final Terms, considering that:

- at x = t_0 (i.e. at the Issue Date), the VMF Percentage$_{t0}$ is equal to 0;
- at x = t_1 (i.e. the first calendar day following the Issue Date) the VMF Percentage$_{t1}$ is equal to the percentage indicated in the applicable Final Terms;

- thereafter, the VMF Percentage$_x$ remains constant on each calendar day "x" until new communication. It shall be determined by the Calculation Agent so as to not exceed the percentage indicated in the applicable Final Terms. The Calculation Agent may update the VMF Percentage$_x$ at its reasonable discretion, within the range indicated in the applicable Final Terms, considering the prevailing market conditions. The variations of the VMF Percentage$_x$ will be notified to the relevant exchange where the Certificates are listed/traded and published on the website of the Issuer.

It remains understood that the minimum value of the range will be a value equal to or higher than 0;

Worst Of Feature means the feature pursuant to which the Calculation Agent will select the Worst Of Underlying to determine:

(i) the relevant Remuneration Amount and/or the occurrence of an event that triggers such Remuneration Amount; and/or

(ii) the Early Redemption Amount and/or the occurrence of an Early Redemption Event; and/or

(iii) the Settlement Amount and/or the occurrence of any event(s) on which depends the calculation of such Settlement Amount; and/or

(iv) the occurrence of a Barrier Event or any other event or effect.

In addition, as specified in the applicable Final Terms, the Worst Of Feature may apply in relation to any or all the relevant valuation periods;

Worst Of Underlying means, in the case of Worst Of Feature, the Underlying with the first, second or third (and so on, depending on the number of the Underlyings) worst Performance of the Underlying in respect of the Performance of the other Underlying(s), determined pursuant to the formula set out in the applicable Final Terms. In the applicable Final Terms, the Issuer will indicate whether it will take into account the Underlying with the first worst Performance (in such case, this will be named Worst Of Underlying), the second worst Performance (in such case, this will be named **Second Worst Of Underlying**) or the third worst Performance (in such case, a this will be named **Third Worst Of Underlying**) or the n-th worst Performance, determined pursuant to the formula set out in the applicable Final Terms. Upon determination of the Worst Of Underlying, the Issuer will inform the Securityholders pursuant to Condition 9 (*Notices*);

Yield of Government Bond means, either as single or as a Basket Constituent, the yield (of a Government Bond) that may constitute the Underlying of Govies Securities, published from time to time by the relevant information source specified in the applicable Final Terms or, if such yield is not published or announced at the relevant time on such information source, either (i) the successor or alternative information source or (ii) the determination method to be carried out by the Calculation Agent in its sole and absolute discretion, in each case as specified in the applicable Final Terms.

4. Physical Delivery provisions

Settlement of the Securities will be by cash payment (**Cash Settled Securities**) or physical delivery (**Physical Delivery Securities**).

The method of settlement will be specified in the applicable Final Terms.

In relation to Certificates only, the applicable Final Terms may also specify that such Certificates are either cash settled of physically settled depending upon the occurrence or not of a specific event (e.g. the Barrier Event).

In relation to Physical Delivery Securities, the following provisions apply:

(A) *Settlement Disruption*

If, following the exercise of Physical Delivery Securities, in the opinion of the Calculation Agent, delivery of the Deliverable Asset constituting part or all of the Entitlement using the method of delivery specified in the applicable Final Terms is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on any Settlement Date, then such Settlement Date for such Securities shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event, provided that the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security by delivering the Deliverable Asset constituting part or all of the Entitlement using such other commercially reasonable manner as it may select. In such event the Settlement Date shall be such day as the Issuer deems appropriate for the delivery of the Deliverable Asset constituting part or all of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Deliverable Asset comprising the Entitlement, the Settlement Date for the Deliverable Asset not affected by the Settlement Disruption Event will be the originally designated Settlement Date. For so long as delivery of the Deliverable Asset constituting part or all of the Entitlement is not practicable due to a Settlement Disruption Event, the Issuer may elect in its sole discretion, in lieu of physical settlement and notwithstanding any other provision hereof, to satisfy and discharge its obligations in respect of the relevant Security by paying to the relevant Securityholder the Settlement Disruption Amount (as defined below) on the third Business Day following the date that notice of such election is given to the Securityholders in accordance with Condition 9 (*Notices*). Payment of the Settlement Disruption Amount will be made in such manner as shall be notified to the Securityholders in accordance with Condition 9 (*Notices*). The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with Condition 9 (*Notices*) that a Settlement Disruption Event has occurred provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such Settlement Disruption Event. No Securityholder shall be entitled to any payment in respect of the relevant Security in the event of any delay in the delivery of the Deliverable Asset constituting part or all of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer.

For the purposes hereof:

Settlement Disruption Amount in respect of any relevant Security shall be the fair market value of such Security (taking into account, where the Settlement Disruption Event affected some but not all of the Deliverable Asset comprising the Entitlement and such non-affected Deliverable Asset have been duly delivered as provided above, the value of such Deliverable Asset), less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), all as determined by the Issuer in its sole and absolute discretion; and

Settlement Disruption Event means, in the opinion of the Calculation Agent, an event beyond the control of the Issuer as a result of which the Issuer cannot make delivery of the Deliverable Asset using the method specified in the applicable Final Terms.

(B) *Failure to Deliver due to Illiquidity*

If "Failure to Deliver due to Illiquidity" is specified as applicable in the applicable Final Terms and, following the exercise of Physical Delivery Securities, in the opinion of the Calculation Agent, it is impossible or impracticable to deliver, when due, some or all of the Deliverable Asset (the **Affected Deliverable Asset**) comprising the Entitlement, where such failure to deliver is due to illiquidity in the market for the Deliverable Asset (a **Failure to Deliver due to Illiquidity**), then:

(a) subject as provided elsewhere in these Conditions as amended by the applicable Final Terms, any Deliverable Asset which are not Affected Deliverable Asset, will be delivered on the originally designated Settlement Date; and

(b) in respect of any Affected Deliverable Asset, in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security by payment to the relevant Securityholder of the Failure to Deliver Settlement Price (as defined below) on the fifth Business Day following the date that notice of such election is given to the Securityholders in accordance with Condition 9 (*Notices*). Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Securityholders in accordance with Condition 9 (*Notices*). The Calculation Agent shall give notice as soon as practicable to the Securityholders in accordance with Condition 9 (*Notices*) that the provisions of this Condition 4(B) apply.

For the purposes hereof:

Failure to Deliver Settlement Price means, in respect of any relevant Security, the fair market value of such Security (taking into account, the Deliverable Asset comprising the Entitlement which have been duly delivered as provided above), minus the costs to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion.

(C) *Issuer's Option to Vary Settlement*

If the applicable Final Terms indicates that the Issuer has an option to vary settlement in respect of the Securities, upon a valid exercise of Securities in accordance with these Conditions, the Issuer may, at its sole and unfettered discretion, in respect of each such Security, elect not to pay the relevant Securityholders the Cash Settlement Amount or not to deliver or procure delivery of the Entitlement to the relevant Securityholders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Cash Settlement Amount on the Settlement Date to the relevant Securityholders, as the case may be. Notification of such election will be given to Securityholders no later than 10.00 a.m. (Luxembourg time) on the second Business Day following (a) the Actual Exercise Date for Warrants or (b) the Settlement Date for Certificates in accordance with Condition 9 (*Notices*) and/or, at the option of the Issuer, if applicable, in accordance with the contact details for a Securityholder specified in its Exercise Notice (in the case of a Warrant) or Physical Delivery Confirmation Notice (in the case of Certificates and if applicable pursuant to the relevant Final Terms).

(D) *Intervening Period*

For such period of time after the Settlement Date as any person other than the relevant Securityholder shall continue to be the legal owner of such securities (the **Intervening Period**), neither the Issuer nor any other person shall (i) be under any obligation to deliver or procure delivery to the relevant Securityholder or any subsequent beneficial owner of such securities or any other person any letter, certificate, notice, circular or any other document or payment whatsoever received by that person in its capacity as the holder of such securities or (ii) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such securities during the Intervening Period.

(E) *General*

None of the Issuer, the Security Agents and the Calculation Agent shall have any responsibility for any errors or omissions in the calculation of any Cash Settlement Amount or of any Entitlement.

The purchase of Securities does not confer on any holder of such Securities any rights (whether in respect of voting, distributions or otherwise) attaching to any Deliverable Asset.

In case of Share Securities, the Issuer shall be under no obligation to register or procure the registration of any Securityholder or any other person as the registered holder in respect of any shares comprised in any Deliverable Asset in the register of shareholders of the company that issued the relevant Share.

(F) *Italian Dematerialised Securities*

This Condition 4 (*Physical Delivery provisions*) shall not apply to Italian Dematerialised Securities, which shall exclusively be settled by way of cash settlement.

5. Illegality and force majeure

If the Issuer determines that the performance of its obligations under the Securities or that any arrangements made to hedge the Issuer's obligations under the Securities have, become (i) illegal in whole or in part for any reason, or (ii) by reason of a force majeure event (such as an act of God, fire, flood, severe weather conditions, or a labour dispute or shortage) or an act of state occurring after the Trade Date, impossible or impracticable, the Issuer may consider such event as a Termination Event in respect of the Securities and, therefore, may, in its sole discretion, cancel the Securities by giving notice to Securityholders in accordance with Condition 9 (*Notices*).

Should any one or more of the provisions contained in these Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

If the Issuer cancels the Securities pursuant to an illegality or by reason of a force majeure event or an act of state, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Securityholder in respect of each Security held by such holder, which amount shall be equal to the fair market value of the Securities, as the case may be (the bid-value in case of Italian Traded Securities), notwithstanding such illegality, less the cost to the Issuer and/or any of its Affiliates or agents of unwinding any underlying related hedging arrangements (including any cost of funding in respect of such hedging arrangements), plus, in the case of Warrants and if already paid by or on behalf of a Securityholder, the Premium, all as determined by the Calculation Agent in its sole and absolute discretion (such costs shall not be applicable in case of Italian Traded Securities). Payment will be made in such manner as shall be notified to the Securityholders in accordance with Condition 9 (*Notices*).

In relation to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity, the early exercise of such Certificates 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 Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*) below).

6. Hedging Disruption

In respect of the Securities linked to one or more Underlyings, the Issuer or one of its affiliates may evaluate to adopt, during the Security life cycle, hedging strategies, which may consist in several solutions, in order to manage certain financial risks. In this context, the Issuer or one of its affiliates might be unable, even after using commercially reasonable efforts, to either (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the currency risk) of entering into and performing its obligations with respect to the Securities; or (b) freely realize, recover, receive, repatriate, remit or transfer the proceeds of hedge positions as the case may be between accounts within the jurisdiction of the hedge position (the **Affected Jurisdiction**) or from accounts within the Affected Jurisdiction to accounts outside of the Affected Jurisdiction.

In case of the occurrence of a Hedging Disruption relating to an Underlying (the **Affected Underlying**) the Calculation Agent may:

(i) consider such event as a Termination Event. In that case where a Termination Event occurs, the Issuer shall terminate its obligations under the Securities and shall pay or cause to be paid an amount on the basis of the fair market value of the Securities (the bid-value in case of Italian Traded Securities);

(ii) replace the Affected Underlying by a new underlying which is representative of the same economic or geographic sector.

In relation to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity, if the Calculation Agent considers the Hedging Disruption as a Termination Event, the Issuer is not obliged to terminate its obligations under the Securities, but has, in its own discretion, the right to – and to the extent permitted by applicable law – early terminate its obligations.

In any case, the early exercise of such Certificates 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 Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*) below).

7. Purchases and Cancellation

The Issuer may, but is not obliged to, at any time purchase Securities at any price in the open market or by tender or private treaty. Any Securities so purchased may be held or resold or surrendered for cancellation.

In relation to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity, the Issuer may, but is not obliged to, at any time repurchase Securities 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 Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*) below).

8. Agents, Determinations, Meetings of Securityholders and Modifications

(A) *Security Agents and Registrar*

The specified offices of the Security Agents and Registrar are as set out at the end of these Conditions.

The Issuer reserves the right at any time to vary or terminate the appointment of any Security Agent and to appoint further or additional Security Agents, provided that no termination of appointment of the Principal Security Agent shall become effective until a replacement Principal Security Agent shall have been appointed and provided that, so long as any of the Securities are listed on any stock exchange or admitted to trading or listing by any other relevant authority, there shall be a Security Agent having a specified office in each location required by the rules and regulations of the relevant stock exchange or other relevant authority and, for so long as there are any Registered Securities outstanding, there will at all times be a Registrar. Notice of any termination of appointment and of any changes in the specified office of any Security Agent or Registrar will be given to Securityholders in accordance with Condition 9 (*Notices*) provided that any failure to give, or non-receipt of, such notice will not affect the validity of any such termination or changes. In acting under the Agency Agreement, each Security Agent and the Registrar acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Securityholders and any Security Agent's determinations and calculations in respect of the Securities shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Securityholders.

The Agency Agreement may be amended by the parties thereto, but without the consent of the Securityholders, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the parties may mutually deem necessary or desirable and which shall not be materially prejudicial to the interests of the Securityholders.

(B) *Calculation Agent*

In relation to each issue of Securities, the Calculation Agent (whether it be the Issuer or another entity) acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Securityholders. All calculations and determinations made in respect of the Securities by the Calculation Agent shall be made in good faith and in a commercially reasonable manner and shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Securityholders.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

(C) *Determinations by the Issuer*

Any determination made by the Issuer pursuant to these Conditions shall be made in good faith and in a commercially reasonable manner and shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Securityholders.

(D) *Meetings of Securityholders and Modifications*

(i) The Agency Agreement contains provisions for convening meetings of the Securityholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Securities or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer. The provisions for convening meetings of the Securityholders contained in the Agency Agreement, shall apply, *mutatis mutandis*, also to the Italian Dematerialised Securities. The quorum at any such meeting for passing an Extraordinary Resolution is two or more persons holding or representing a clear majority of the Securities for the time being outstanding or at any adjourned meeting two or more persons being or representing Securityholders whatever the number or Securities so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Securities (including modifying the date of exercise of the Securities, reducing or cancelling the Cash Settlement Amount in respect of the Securities or altering the currency of payment of the Securities other than pursuant to Condition 16 (*Adjustments for European Monetary Union*)), the quorum shall be two or more persons holding or representing not less than two-thirds of the Securities for the time being outstanding or at any adjourned such meeting one or more persons holding or representing not less than one-third of the Securities for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Securityholders shall be binding on all the Securityholders, whether or not they are present at the meeting save in the case of American Style Warrants, for those Warrants remaining outstanding but for which an Exercise Notice shall have been submitted prior to the date of the meeting.

In respect of Italian Dematerialised Securities, for the purposes of (i) ascertaining the right to attend and vote at any meeting of the Securityholders and (ii) the determination of how many Italian Dematerialised Securities are outstanding for the purposes of this Condition, those Italian Dematerialised Securities which are beneficially held by, or on behalf of, the Issuer and not cancelled shall (unless and until ceasing to be so held) be deemed not to be outstanding provided, for the avoidance of doubt, that this shall not prejudice any rights of the Issuer and its respective legal and financial advisers to attend and speak at any such meeting.

The Principal Security Agent and the Issuer may agree, without the consent of the Securityholders to:

(a) any modification (except as mentioned above) of the Securities or the Agency Agreement which is not prejudicial to the interests of the Securityholders; or

(b) any modification of the Securities 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.

Any such modification shall be binding on the Securityholders and any such modification shall be notified to the Securityholders in accordance with Condition 9 (*Notices*) as soon as practicable thereafter.

(ii) This Condition 8(D)(ii) applies to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity. If at any time a MREL Disqualification Event occurs and/or in order to ensure the effectiveness and enforceability of Condition 17 (*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 Certificates of that Series) and having given not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Principal Security Agent and the Securityholders of the Certificates of that Series, which notice shall be irrevocable, at any time either substitute all (but not some only) of such Certificates, or vary the terms of such Certificates so that they remain or, as appropriate, become Qualifying Certificates (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 Securityholders shall be required for a substitution or variation (as applicable) of such Certificates in accordance with this Condition 8(D)(ii).

9. Notices

All notices to Securityholders shall be valid if (i) until such time as any Definitive Securities or Registered Securities in definitive form are issued, the notice is delivered to Euroclear and/or Clearstream, Luxembourg, for communication by them to the Securityholders; (ii) if and so long as the Securities are admitted to trading on the Luxembourg Stock Exchange's regulated market and listed on the Official List of the 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 Securities are admitted to trading on stock exchanges other than the Luxembourg Stock Exchange, the notices are duly published in compliance with the rules of any such other stock exchange (or any other relevant authority) on which the Securities are for the time being listed or by which they have been admitted to trading; (iv) in the case of Registered Securities in definitive form if sent by first class mail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register; and (v) if and so long as the Securities are Italian Dematerialised Securities, as long as the Securities are held through Monte Titoli, the notice shall be deemed to have been duly given if given through the systems of Monte Titoli. If Definitive Securities are issued, notices to Securityholders will be deemed validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that such publication will be made in the *Financial Times*. Any such notice shall be deemed to have been given on the date of delivery to Euroclear and/or Clearstream, Luxembourg or the date of publication, as the case may be, or, if published more than once, on the date of the first publication.

10. Expenses and Taxation

(A) A holder of Securities must pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, sale commissions, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the exercise and settlement of such Securities pursuant to the terms of such Securities and/or the delivery or transfer of the Entitlement, as applicable (**Expenses**) relating to such Securities.

(B) 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, exercise or enforcement of any Security by any person 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.

(C) A holder of Securities must provide the Issuer with sufficient information and all reasonable assistance necessary (for, and pay all costs associated with), compliance by the Issuer with Section 1471(b) of the Code or otherwise imposed pursuant to Section 1471 through 1474 of the Code or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code. If the Issuer or any other relevant withholding agent determines that a withholding pursuant to FATCA or U.S. dividend equivalent tax legislations under Section 871(m) is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

11. Further Issues

The Issuer shall be at liberty from time to time without the consent of Securityholders to create and issue further Securities so as to be consolidated with and form a single series with the outstanding Securities.

12. Substitution of the Issuer

(A) *Substitution of Issuer*

Unless otherwise indicated in the relevant Final Terms, the Issuer (or any previously substituted company from time to time) shall, without the consent of the Securityholders, 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 Securities 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 Securities 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 Securities and shall have become a party to the Agency Agreement, with any consequential amendments; (iii) the obligations of the Substitute in respect of the Securities shall be unconditionally and irrevocably guaranteed by the Issuer; (iv) each stock exchange or listing authority on which the Securities are listed shall have confirmed that following the proposed substitution of the Substitute the Securities would continue to be listed on such stock exchange; and (v) the Issuer shall have given at least 30 days' prior notice of the date of such substitution to the Securityholders in accordance with Condition 9 (*Notices*); and (vi) in relation to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity, if required by the Relevant Regulations, the Issuer has obtained the prior permission of the Relevant Authority.

(B) *Modification of Conditions as a result of Substitution of Issuer*

After any substitution or change of branch pursuant to Condition 12(A) (*Substitution of Issuer*), the Conditions will be modified in all consequential respects including, but not limited to, replacement of references to the Republic of Italy in the 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 Securityholders in accordance with Condition 9 (*Notices*).

13. Governing Law and Jurisdiction

The Securities and the Agency Agreement (and any non-contractual obligations arising out of or in connection with the Securities and the Agency Agreement) are governed by and shall be construed in accordance with English law. Notwithstanding this, (i) in respect of Italian Dematerialised Securities, the registration and transfer of the Italian Dematerialised Securities 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 17 (*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.

In relation to any legal action or proceedings arising out of or in connection with the Securities (including any legal action or proceedings relating to any non-contractual obligations arising out of or in connection with the Securities and the Agency Agreement) (**Proceedings**), the Issuer irrevocably submits to the non-exclusive jurisdiction of the courts of England and hereby waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are for the benefit of each of the Securityholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

The Issuer hereby appoints Intesa Sanpaolo S.p.A., London Branch which is presently at 90 Queen Street, London EC4N 1SA, 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 process in any other manner permitted by law.

14. Prescription

Claims against the Issuer, if any, for payment of principal, interest and/or remuneration in respect of the Certificates shall become void unless made within 60 months from the Settlement Date and no claims shall be made after such date.

15. Market Disruption Events and Adjustment Events

Capitalised terms which are not defined in this Condition 15 (*Market Disruption Events and Adjustment Events*) shall have the same meaning as of Condition 3 (*Definitions*).

Notwithstanding the provisions below, upon the occurrence of a Market Disruption Events or an Adjustment Events, the Issuer may, at its sole discretion, either:

(i) where practicable, make any appropriate modification or adjustment to the Certificates, in accordance with the provisions of this Base Prospectus applicable to the relevant Underlying; or

(ii) maintain the Certificates outstanding and determine any future Remuneration Amount, any Early Redemption Amount, the Settlement Amount or any other amount payable under the Securities and the relevant events that trigger all these payments, at the relevant payment dates, by reference to the last available Value of the Underlying prior to the occurrence of the Market Disruption Event or the Adjustment Event; or

(iii) redeem the Certificates early by paying the Early Termination Amount no later than the tenth Business Day following the date on which the Calculation Agent determines that a Market Disruption Event or an Adjustment Event has occurred.

If the Capital Protection Percentage is specified in the relevant Final Terms, the Securityholders retain the right to receive, at the Settlement Date, a Cash Settlement Amount equal to the Early Termination Amount, notwithstanding any adjustment or modification made by the Calculation Agent in accordance with this Condition 15 (*Market Disruption Events and Adjustment Events*).

Finally, it remains understood that, in relation to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity, the early exercise of such Certificates 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 Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*).

15(1) Market Disruption Event

If the Calculation Agent determines that the Intraday Value cannot be determined at any time on a Relevant Exchange Business Day, by reason of the occurrence of an event giving rise to a Market Disruption Event (as described in the following sub-conditions), then the value at such time on such period shall be disregarded for the purposes of determining the Intraday Value of the Underlying(s).

15(1)(A) Market Disruption Event in relation to Index Securities

Definitions

"**Index Constituent**" means any security or other asset constituting an Index; and

"**Related Exchange**" means, in relation to an Index, any regulated or non-regulated market where the options, futures or repo contracts on such Index are traded, as determined by the Calculation Agent.

Market Disruption Events occurring on a Relevant Exchange Business Day other than the Determination Date and occurring at any time during the one hour period that ends at the time of the relevant determination and/or valuation made by the Calculation Agent on the Relevant Exchange Business Day

For the purposes of this 15(1)(A), Market Disruption Events means:

(i) any suspension of, or relevant limitation imposed on (a) any transaction on the relevant Exchange or (b) trading of a concrete amount of Index Constituents traded on the relevant Exchanges;

(ii) any suspension of, or relevant limitation imposed on, trading of futures or options contracts relating to the Index on a Related Exchange;

(iii) any event (as determined by the Calculation Agent) that disrupts or impairs the ability of market participants in general to affect transactions (a) in relation to or to obtaining market values for, the Index on the relevant Exchange, or (b) in or obtaining market values for, options contracts or futures contracts on or relating to such Index on any relevant Related Exchange;

(iv) the opening on any Exchange Business Day of the relevant Exchange or any Related Exchange(s) prior to its scheduled opening time unless such earlier opening time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (a) the actual opening time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (b) the submission deadline (if applicable) for orders to be entered into with the Exchange or Related Exchange system for execution on such Exchange Business Day; and

(v) the closure on any Exchange Business Day of the relevant Exchange or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (b) the submission deadline (if applicable) for orders to be entered into with the Exchange or Related Exchange system for execution on such Exchange Business Day.

If the Calculation Agent determines that a Market Disruption Event has occurred pursuant to (i), (ii), (iii), (iv) and (v) above, then the Exchange Business Day on which the Market Disruption Event occurred is postponed to the next following Exchange Business Day on which the Market Disruption Event ceases.

The Exchange Business Day may be postponed for up to eight Exchange Business Days from the Exchange Business Day originally expected.

If the valuation/determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days.

In case of Securities relating to a Basket of Indices, if the Market Disruption Event has occurred but it is not continuing anymore for all Basket Constituent(s) before the eighth Exchange Business Day from the Exchange Business Day originally expected, in order to determine the official level of the Index the Calculation Agent will have the faculty to determine the official level of each Basket Constituent(s):

(a) on the relevant date on which the Market Disruption Event has ceased to occur for each single Basket Constituent, or

(b) on the date on which the Market Disruption Event has ceased to occur for all Basket Constituents.

If, on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Market Disruption Event is continuing, the Calculation Agent, acting in good faith and in a commercially reasonable manner, will determine

(i) in the case of Securities relating to a single Index, the official level of the Index as of the Exchange Business Day on which the Market Disruption Event occurred on that eighth Exchange Business Day (in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the Market Disruption Event), or

(ii) in the case of Securities relating to a Basket of Indices:

(a) for the Basket Constituent(s) for which a Market Disruption Event has not occurred (if any), then the Calculation Agent will have the faculty to determine the official level of such Basket Constituent(s) on the Exchange Business Day originally expected, or on that eighth Exchange Business Day from the Exchange Business Day originally expected;

(b) for the Basket Constituent(s) for which a Market Disruption Event has occurred, but it is not continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Calculation Agent will have the faculty to determine the official level of such Basket Constituent(s) on the date on which the Market Disruption Event has ceased to occur, or on that eighth Exchange Business Day from the Exchange Business Day originally expected; or

(c) for the Basket Constituent(s) for which a Market Disruption Event has occurred and it is continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Calculation Agent will have the faculty to determine the official level of each Basket Constituent on that eighth Exchange Business Day on which the Market Disruption Event occurred,

in all cases in accordance with the fair market value of the Index affected by the Market Disruption Event, using the formula for and the method of calculating each Index last in effect prior to the occurrence of the Market Disruption Event.

Alternatively, if on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Market Disruption Event is continuing, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

***

Market Disruption Events occurring on a Determination Date

For the purposes of this 15(1)(A), Market Disruption Events occurring on a Determination Date means the occurrence of a Market Disruption Event pursuant to the paragraph above on a Determination Date.

In such case:

(i) if the Determination Date is in advance of the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected. However, where a Market Disruption Event is continuing on all the Exchange Business Days following the Determination Date originally expected until the Issue Date (excluded), the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled;

(ii) if the Determination Date is on or after the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected.

If the Market Disruption Event is also continuing on the Determination Date, the

Calculation Agent, acting in good faith, will determine: (i) in the case of Securities relating to a single Index, the official closing level of the Index for the purposes of determining the Initial Reference Value or (ii) in the case of Securities relating to a Basket of Indices, the official closing level of the Basket Constituent, for the purposes of determining the Initial Reference Value of the Basket, in either case (x) on the basis of the Market Value of the Index affected by the Market Disruption determined using the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of such index or (y) pursuant to the reasonable market practice.

If the determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days; and

(iii) if, on a Determination Date before the Issue Date, the Calculation Agent determines that the index level is equal to or greater than the Maximum Level set out in the relevant Final Terms, then the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled.

Securityholders will be notified of the occurrence of any events pursuant to (i), (ii) and (iii), by way of a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com.

15(1)(B) Market Disruption Event in relation to Share Securities

Definitions

"**Related Exchange**" means, in relation to a Share, any regulated or non-regulated market where the options, futures or repo contracts on such Share are traded, as determined by the Calculation Agent.

Market Disruption Events occurring on a Relevant Exchange Business Day other than the Determination Date and occurring at any time during the one hour period that ends at the time of the relevant determination and/or valuation made by the Calculation Agent on the Relevant Exchange Business Day

For the purposes of this 15(1)(B), Market Disruption Events means:

(i) any suspension of, or relevant limitation (as determined by the Calculation Agent) imposed on (a) any transaction on the relevant Reference Source or (b) trading of the Share traded on the relevant Reference Source;

(ii) any suspension of or relevant limitation imposed on trading of futures or options contracts relating to a Share on a Related Exchange;

(iii) any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to affect transactions in relation to or to obtaining market values for the Share on the relevant Reference Source or (ii) to affect transactions in or obtaining market values for options contracts or futures contracts on or relating to such Share on any relevant Related Exchange;

(iv) the opening on any Exchange Business Day of the relevant Reference Source or any Related Exchange(s) prior to its scheduled opening time unless such earlier opening time is announced by such Reference Source(s) or Related Exchange(s) at least one hour prior to the earlier of (a) the actual opening time for the regular trading session on such Reference Source(s) or Related Exchange(s) on such Exchange Business Day and (b) the submission deadline (if applicable) for orders to be entered into with the Reference Source or Related Exchange system for execution on such Exchange Business Day; and

(v) the closure on any Exchange Business Day of the relevant Reference Source or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source(s) or Related Exchange(s) at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Reference Source(s) or Related Exchange(s) on such Exchange Business Day and (b) the submission deadline (if applicable) for orders to be entered into with the Reference Source or Related Exchange system for execution on such Exchange Business Day.

If the Calculation Agent determines that a Market Disruption Event has occurred pursuant to this paragraph 15(1)(B), then the Exchange Business Day on which the Market Disruption Event occurred is postponed to the next following Exchange Business Day on which the Market Disruption Event ceases.

The Exchange Business Day may be postponed for up to eight Exchange Business Days from the Exchange Business Day originally expected.

If the valuation/determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days.

In case of Securities relating to a Basket of Shares, if the Market Disruption Event has occurred but it is not continuing anymore for all Basket Constituent(s) before the eighth Exchange Business Day from the Exchange Business Day originally expected, in order to determine the official level of the Basket of Shares the Calculation Agent will have the faculty to determine the official level of each Basket Constituent(s):

(a) on the relevant date on which the Market Disruption Event has ceased to occur for each single Basket Constituent, or

(b) on the date on which the Market Disruption Event has ceased to occur for all Basket Constituents.

If, on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Market Disruption Event is continuing, the Calculation Agent, acting in good faith and in a commercially reasonable manner, will determine:

(i) in the case of Securities relating to a single Share, the value for the Share as of the Exchange Business Day on which the Market Disruption Event occurred on that eighth Exchange Business Day, or

(ii) in the case of Securities relating to a Basket of Shares:

(a) for the Basket Constituent(s) for which a Market Disruption Event has not occurred (if any), then the Calculation Agent will have the faculty to determine the official level of such Basket Constituent(s) on the Exchange Business Day originally expected, or on that eighth Exchange Business Day from the Exchange Business Day originally expected;

(b) for the Basket Constituent(s) for which a Market Disruption Event has occurred, but it is not continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Calculation Agent will have the faculty to determine the official level of such Basket Constituent(s) on the date on which the Market Disruption Event has ceased to occur, or on that eighth Exchange Business Day from the Exchange Business Day originally expected; or

(c) for the Basket Constituent(s) for which a Market Disruption Event has occurred and it is continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Calculation Agent will have the faculty to determine the official level of each Basket Constituent on that eighth Exchange Business Day on which the Market Disruption Event occurred.

Alternatively, if on the eighth Exchange Business Day from the Exchange Business Day originally expected the Market Disruption Event is continuing, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

***

Market Disruption Events occurring on a Determination Date

For the purposes of this 15(1)(B), Market Disruption Events occurring on a Determination Date means the occurrence of a Market Disruption Event pursuant to the paragraph above on a Determination Date.

In such case:

(i) if the Determination Date is in advance of the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected. However, where a Market Disruption Event is continuing on all the Exchange Business Days following the Determination Date originally expected until the Issue Date (excluded), the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled;

(ii) if the Determination Date is on or after the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected.

If, on the Determination Date the Market Disruption Event is also continuing, the Calculation Agent, acting in good faith, will determine: (i) in the case of Securities relating to a single Share, the official closing price of the Share for the purposes of determining the Initial Reference Value or (ii) in the case of Securities relating to a Basket of Shares, the official closing price of the Basket Constituent, for the purposes of determining the Initial Reference Value of the Basket, in either case (x) on the basis of the Market Value of the Share affected by the Market Disruption determined using the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of such Share, or (y) pursuant to the reasonable market practice.

If the determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days; and

(iii) if, on a Determination Date before the Issue Date, the Calculation Agent determines that the Share level is equal to or greater than the Maximum Level set out in the relevant Final Terms, then the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled.

Securityholders will be notified of the occurrence of any event pursuant to (i), (ii) and (iii) of this 15(1)(B), by way of a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com.

15(1)(C) Market Disruption Event in relation to Commodity Securities

Definitions

"**Commodity Reference Dealers Price**" means the price for the Reference Value determined by the Calculation Agent on the basis of four quotations provided by Reference Dealers on the Relevant Time for a unit of the relevant Commodity. If four quotations are provided, the price for that Reference Value will be the arithmetic mean of the price for that Commodity provided by each Reference Dealer, without regard to the prices having the highest and lowest value; if exactly three quotations are provided, the Commodity Reference Dealers Price will be the price provided by the relevant Reference Dealer that remains after disregarding the prices having the highest value or the lowest value. For this purpose, if more than one quotation has the same highest value or lowest value, then one of such quotations shall be disregarded. If fewer than three quotations are provided, it will be deemed that the price for that Relevant Time cannot be determined.

"**Fallback Reference Value**" means the Reference Value calculated following a Market Disruption Event;

"**Other Exchange**" means, with respect to a Commodity, each exchange, trading system or quotation system other than the Reference Source on which such Commodity is listed, traded or quoted;

"**Reference Dealers**" means in the event that the Reference Value shall be determined as a Commodity Reference Dealers Price, four leading leaders in the relevant market, other than the Reference Source, selected by the Calculation Agent;

"**Reference Price**" means an amount equal to the official price of the relevant Commodity resulting from the listing made by the Reference Source on the Exchange Business Day which is used by the Calculation Agent to determine the Reference Value;

"**Related Exchange**" means, in relation to a Commodity, any regulated or non-regulated market where the options, futures or repo contracts on such Commodity are traded, as determined by the Calculation Agent;

"**Relevant Time**" means, with respect to any Commodity, the relevant time by reference to which the Calculation Agent determines the price or value of such Commodity for the purposes of determining the Reference Value; and

"**Relevant Country**" means, each of:

(i) any country (or any political or regulatory authority thereof) in which a Reference Currency or the Settlement Currency is the legal tender or currency; and

(ii) any country (or any political or regulatory authority thereof) with which a Commodity, or the Reference Source, has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to such factor(s) as it may deem appropriate,

all as determined by the Calculation Agent.

Market Disruption Events occurring on a Relevant Exchange Business Day other than the Determination Date and occurring at any time during the one hour period that ends at the time of the relevant determination and/or valuation made by the Calculation Agent on the Relevant Exchange Business Day

For the purposes of this 15(1)(C), Market Disruption Events means the following events determining the impossibility for the Calculation Agent to calculate during the Relevant Time the Reference Value:

(i) the occurrence or existence on any Relevant Exchange Business Day at the Relevant Time for such commodity or at any time during the one hour period that ends at the Relevant Time for such Commodity:

(A) of any suspension of or limitation imposed on all trading (whether by reason of movements in price exceeding limits permitted by the relevant Reference Source or any Related Exchange or otherwise):

a) in all contracts on a Reference Source; or

b) in options contracts or futures contracts on a Related Exchange relating to a Commodity; or

c) in connection with the closure on any Exchange Business Day of the Reference Source or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source or such Related Exchange, as the case may be, at least one hour prior to (a) the actual closing time for the regular trading session on such Reference Source or such Related Exchange on such Exchange Business Day or, if earlier, (b) the submission deadline (if applicable) for orders to be entered into the Reference Source or such Related Exchange system for execution at the Relevant Time on such Exchange Business Day. A "**Scheduled Closing Time**" is the scheduled weekday closing time of the relevant Reference Source or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours; or,

(B) of any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to affect transactions in relation to or to obtaining market values for the relevant Commodity on the relevant Reference Source, or to affect transactions in or obtain market values for options contracts or futures contracts on the Related Exchange relating to such Commodity; or

(C) of a failure of the Reference Source to announce or publish the Reference Price (or the information necessary for determining the Reference Price), or the temporary or permanent discontinuance or unavailability of the Reference Price, or if the Commodity Reference Dealers Price is applicable, the failure to obtain at least three quotations from the relevant Reference Dealers, or if the Reference Value determined on the basis of Reference Price materially differs from the Reference Value determined on the basis of the Commodity Reference Dealers Price; or

(D) of a material change in the formula for, or the method of, calculating the Reference Price by the Reference Source; or

(ii) the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp. documentary, (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the Issue Date, if the direct effect of such imposition, change or removal is to raise or lower the price or value of the Commodity on the day that would otherwise be a Relevant Time from what it would have been without that imposition, change or removal.

(iii) any government or supervisory authority (a) imposes any controls or announces its intention to impose any controls or (b) (i) implements or announces its intention to implement or (ii) changes or announces its intention to change the interpretation or administration of any laws or regulations, in each case which the Calculation Agent determines is likely to affect the Issuer's ability to acquire, hold, transfer or realise such Commodity or otherwise to affect transactions in relation to such Commodity.

If the Calculation Agent determines in good faith that a Market Disruption Event has occurred or exists pursuant to this paragraph 15(1)(C) during the Relevant Time on a day that is an Exchange Business Day, then a Disruption Fallback (as defined below) method may apply.

The Fallback Reference Value will be determined on the basis of the first applicable Disruption Fallback (applied in accordance with its terms), according to the order below, being each of the following method listed under (i), (ii) (iii) and (iv), a "**Disruption Fallback**" with the meaning as follows:

(i) the Calculation Agent determines the Fallback Reference Value based on the price for that Relevant Time provided by a suitable market recognised dealer not subject to a Market Disruption Event;

(ii) the Calculation Agent, promptly upon becoming aware of the Market Disruption Event, determines in good faith the Fallback Reference Value (or a method for determining the Fallback Reference Value), and, if the Calculation Agent is not able to determine the Fallback Reference Value before the fifth Business Day following the date on which that Market Disruption Event occurred or existed, the next applicable Disruption Fallback shall apply;

(iii) the Fallback Reference Value is determined on the basis of the Commodity Reference Dealers Price;

(iv) the Issuer terminates its obligations under the relevant Commodity Security and the Calculation Agent shall determine the relevant termination amount.

***

Market Disruption Events occurring on a Determination Date

For the purposes of this 15(1)(C), Market Disruption Events occurring on a Determination Date means the occurrence of a Market Disruption Event pursuant to the paragraph above on a Determination Date.

In such case:

(i) if the Determination Date is in advance of the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected. However, where a Market Disruption Event is continuing on all the Exchange Business Days following the Determination Date originally expected until the Issue Date (excluded), the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled;

(ii) if the Determination Date is on or after the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected.

If the Market Disruption Event is also continuing on the Determination Date, the Calculation Agent, acting in good faith, will determine: (i) in the case of Securities relating to a single Commodity, the Reference Value of the Commodity for the purposes of determining the Initial Reference Value, or (ii) in the case of Securities relating to a Basket of Commodities, the Reference Value of the Basket Constituent, for the purposes of determining the Initial Reference Value of the Basket, in either case (x) on the basis of the Market Value of the Commodity affected by the Market Disruption determined using the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of such Commodity, or (y) pursuant to the reasonable market practice.

If the determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days; and

(iii) if, on a Determination Date before the Issue Date, the Calculation Agent determines that the commodity level is equal to or greater than the Maximum Level set out in the relevant Final Terms, then the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled.

Securityholders will be notified of the occurrence of any event pursuant to (i), (ii) and (iii) of this 15(1)(C), by way of a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com.

15(1)(D) Market Disruption Event in relation to Futures Contract Securities

Market Disruption Events occurring on a Relevant Exchange Business Day other than the Determination Date and occurring at any time during the one hour period that ends at the time of the relevant determination and/or valuation made by the Calculation Agent on the

Relevant Exchange Business Day

For the purposes of this 15(1)(D), Market Disruption Events means:

(i) any disruption or any temporary or permanent discontinuance of the Reference Source (as determined by the Calculation Agent),

(ii) any failure by the Reference Source to publish any relevant price of the Future contract,

(iii) any suspension or limitation imposed on trading in the Future contract or in any other future or option contracts on the relevant exchanges;

(iv) any discontinuance of trading in Future contracts,

(v) the unavailability of the Reference Value,

(vi) any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to affect transactions in relation to or obtain market values for the Future contract;

If the Calculation Agent determines that a Market Disruption Event has occurred pursuant to this paragraph 15(1)(D), then the Exchange Business Day on which the Market Disruption Event occurred is postponed to the next following Exchange Business Day on which the Market Disruption Event ceases.

The Exchange Business Day may be postponed for up to eight Exchange Business Days from the Exchange Business Day originally expected.

If the valuation/determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days.

In case of Securities relating to a Basket of Future Contracts, if the Market Disruption Event has occurred but it is not continuing anymore for all Basket Constituent(s) before the eighth Exchange Business Day from the Exchange Business Day originally expected, in order to determine the official level of the Basket of Future Contracts the Calculation Agent will have the faculty to determine the official level of each Basket Constituent(s):

(a) on the relevant date on which the Market Disruption Event has ceased to occur for each single Basket Constituent, or

(b) on the date on which the Market Disruption Event has ceased to occur for all Basket Constituents.

If, on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Market Disruption Event is continuing, the Calculation Agent, acting in good faith and in a commercially reasonable manner, will determine:

(i) in the case of Securities relating to a single Future Contract, the Reference Value of the Future Contract as of the Exchange Business Day on which the Market Disruption Event occurred on that eighth Exchange Business Day or

(ii) in the case of Securities relating to a Basket of Future Contracts:

  (a) for the Basket Constituent(s) for which a Market Disruption Event has not occurred (if any), then the Calculation Agent will have the faculty to determine the Reference Value of such Basket Constituent(s) on the Exchange Business Day originally expected, or on that eighth Exchange Business Day from the Exchange Business Day originally expected;

(b) for the Basket Constituent(s) for which a Market Disruption Event has occurred, but it is not continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Calculation Agent will have the faculty to determine the Reference Value of such Basket Constituent(s) on the date on which the Market Disruption Event has ceased to occur, or on that eighth Exchange Business Day from the Exchange Business Day originally expected; or

(c) for the Basket Constituent(s) for which a Market Disruption Event has occurred and it is continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Calculation Agent will have the faculty to determine the Reference Value of each Basket Constituent on that eighth Exchange Business Day on which the Market Disruption Event occurred.

Alternatively, if on the eighth Exchange Business Day from the Exchange Business Day originally expected the Market Disruption Event is continuing, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

***

Market Disruption Events occurring on a Determination Date

For the purposes of this 15(1)(D), Market Disruption Events occurring on a Determination Date means the occurrence of a Market Disruption Event pursuant to the paragraph above on a Determination Date.

In such case:

(i) if the Determination Date is in advance of the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected. However, where a Market Disruption Event is continuing on all the Exchange Business Days following the Determination Date originally expected until the Issue Date (excluded), the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled;

(ii) if the Determination Date is on or after the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected.

If the Market Disruption Event is also continuing on the Determination Date, the Calculation Agent, acting in good faith, will determine: (i) in the case of Securities relating to a single Future Contract, the Reference Value of the Future Contract for the purposes of determining the Initial Reference Value or (ii) in the case of Securities relating to a Basket of Future Contracts, the Reference Value of the Basket Constituent, for the purposes of determining the Initial Reference Value of the Basket, in either case (x) on the basis of the Market Value of the Future Contract affected by the Market Disruption determined using the quoted prices from the period before the Disrupted

Day and taking into consideration the impact of the Market Disruption Event on the value of such Future Contract, or (y) pursuant to the reasonable market practice.

If the determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days; and

(iii) if, on a Determination Date before the Issue Date, the Calculation Agent determines that the Future Contract level is equal to or greater than the Maximum Level set out in the relevant Final Terms, then the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled.

Securityholders will be notified of the occurrence of any event pursuant to (i), (ii) and (iii) of this 15(1)(D), by way of a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com.

15(1)(E) Market Disruption Event in relation to Exchange Rate Securities

Definitions

"**Fallback Exchange Rate**" means the Exchange Rate calculated by the Calculation Agent following a Market Disruption Event.

"**Other Exchange**" means, with respect to an Exchange Rate, each exchange, trading system or quotation system other than the Reference Source on which the relevant Exchange Rate is listed, traded or quoted;

"**Reference Currency**" means, with respect to an Exchange Rate, each currency specified in such an Exchange Rate;

"**Related Exchange**" means, with respect to an Exchange Rate, any exchange, trading system, quotation system or non-regulated market on which options contracts, futures or repo contracts on the relevant Exchange Rate are traded as determined by the Calculation Agent;

"**Relevant Time**" means, with respect to any Exchange Rate, the relevant time by reference to which the Calculation Agent determines the price or value of such Exchange Rate for the purposes of determining the Reference Value;

"**Relevant Country**" means, with respect to each Exchange Rate, each of:

(i) any country (or any political or regulatory authority thereof) in which a Reference Currency for the Exchange Rate or the Settlement Currency is the legal tender or currency; and

(ii) any country (or any political or regulatory authority thereof) in which a Reference Currency for the Exchange Rate or the Reference Source has a material connection and, in determining what is material the Calculation Agent may, without limitation, refer to such factor(s) as it may deem appropriate;

all as determined by the Calculation Agent;

"**First Currency**" means the currency appearing in the first position in an Exchange Rate; and

"**Second Currency**" means the currency appearing in the second position in an Exchange Rate.

Market Disruption Events occurring on a Relevant Exchange Business Day other than the Determination Date and occurring at any time during the one hour period that ends at the

time of the relevant determination and/or valuation made by the Calculation Agent on the Relevant Exchange Business Day

For the purposes of this 15(1)(E), Market Disruption Events means the occurrence of the following events under which it becomes impossible to calculate the Exchange Rate at the Relevant Time, and in particular:

A the occurrence or existence on any Exchange Business Day at the Relevant Time for the Exchange Rate or at any time during the one hour period that ends at the Relevant Time for such Exchange Rate:

(a) of any suspension of or limitation imposed on trading (whether by reason of movements in price exceeding the limits permitted by the relevant Reference Source or any Related Exchange or otherwise):

(i) of a Second Currency, for its conversion into the relevant First Currency, on the Reference Source or any Other Exchange; or

(ii) in options contracts or futures contracts relating to a Second Currency, for its conversion into the relevant First Currency, on any Related Exchange; or

(b) of any event that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to affect transactions in relation to or to obtaining market values for a Second Currency, for its conversion into the relevant First Currency, on the relevant Reference Source or affecting transactions in or obtain market values for options contracts or futures contracts on or relating to such Second Currency, for its conversion into the First Currency, on any Related Exchange;

B the closure on any Exchange Business Day of the Reference Source or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Reference Source or such Related Exchange, as the case may be, at least one hour prior to (a) the actual closing time for the regular trading session on such Reference Source or such Related Exchange on such Exchange Business Day or, if earlier, (b) the submission deadline (if applicable) for orders to be entered into with the Reference Source or such Related Exchange system for execution at the Relevant Time on such Exchange Business Day. A "**Scheduled Closing Time**" is the scheduled weekday closing time of the relevant Reference Source or Related Exchange, without regard to after hours or any other trading outside of the regular trading session hours.

If the Calculation Agent determines that a Market Disruption Event has occurred pursuant to this paragraph 15(1)(E), then the Exchange Business Day on which the Market Disruption Event occurred is postponed to the next following Exchange Business Day on which the Market Disruption Event ceases.

If the valuation/determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days.

The Calculation Agent, acting in good faith and in a commercially reasonable manner, will determine the Fallback Exchange Rate taking into consideration all available information that in good faith it deems relevant.

Alternatively, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

***

Market Disruption Events occurring on a Determination Date

For the purposes of this 15(1)(E), Market Disruption Events occurring on a Determination Date means the occurrence of a Market Disruption Event pursuant to the paragraph above on a Determination Date.

In such case:

(i) if the Determination Date is in advance of the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected. However, where a Market Disruption Event is continuing on all the Exchange Business Days following the Determination Date originally expected until the Issue Date (excluded), the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled;

(ii) if the Determination Date is on or after the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected.

If also on the Determination Date the Market Disruption Event is continuing, the Calculation Agent, acting in good faith, will determine: (i) in the case of Securities relating to a single Exchange Rate, the Reference Value of the Exchange Rate for the purposes of the determining the Initial Reference Value, or (ii) in the case of Securities relating to a Basket of Exchange Rates, the Reference Value of the Basket Constituent, for the purposes of the determining the Initial Reference Value of the Basket, in either case (x) on the basis of the Market Value of the Exchange Rate affected by the Market Disruption determined using the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of such Exchange Rate, or (y) pursuant to the reasonable market practice.

If the determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days; and

(iii) if, on a Determination Date before the Issue Date, the Calculation Agent determines that the Exchange Rate level is equal to or greater than the Maximum Level set out in the relevant Final Terms, then the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled.

Securityholders will be notified of the occurrence of any event pursuant to (i), (ii) and (iii) of this 15(1)(E), by way of a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com.

15(1)(F) Market Disruption Events in relation to Fund Securities

Definitions

"**Related Exchange**" means, in relation to the Fund(s), any regulated or non-regulated market where the relevant options, futures, repo contracts or derivatives of the unit, Funds and/or Fund's underlying assets (as the case maybe), thereto are traded, as determined by the Calculation Agent, as indicated in the applicable Final Terms (or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts has temporarily relocated, provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts on such temporary substitute exchange or quotation system as on the original Related Exchange).

Market Disruption Events occurring on a Relevant Exchange Business Day other than the Determination Date and occurring at any time during the one hour period that ends at the time of the relevant determination and/or valuation made by the Calculation Agent on the Relevant Exchange Business Day

For the purposes of this 15(1)(F), Market Disruption Events means the occurrence of the following events:

(i) the failure to publish or determine (a) the net asset value of the Fund or (b) if applicable, the closing auction price relating to each Exchange Traded Fund;

(ii) the failure to open for trading and the permanent discontinuance of trading in the Fund (in the case of an Exchange Traded Fund);

(iii) any substantial limitation on trading in the Fund on the relevant Exchanges (in the case of Exchange Traded Fund);

(iv) any suspension of, or relevant limitation imposed on, trading of the relevant unit, Fund Securities, Underlying and Fund's underlying assets (as the case maybe) on a Related Exchange;

(v) any event (as determined by the Calculation Agent) that disrupts or impairs the ability of market participants in general to affect transactions (a) in relation to or to obtaining market values for, the relevant unit, Fund Securities, Underlying and Fund's underlying assets (as the case maybe) on the relevant Exchange, or (b) in or obtaining market values for, the relevant unit, Fund Securities, Underlying and Fund's underlying assets (as the case maybe) on any relevant Related Exchange;

(vi) the opening on any Exchange Business Day of the relevant Exchange or any Related Exchange(s) prior to its scheduled opening time unless such earlier opening time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (a) the actual opening time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (b) the submission deadline (if applicable) for orders to be entered into with the Exchange or Related Exchange system for execution on such Exchange Business Day;

(vii) the closure on any Exchange Business Day of the relevant Exchange or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (b) the submission deadline (if applicable) for orders to be entered into with the Exchange or Related Exchange system for execution on such Exchange Business Day; and (viii) any other event similar to the events set out above which makes it impossible or impracticable for the Calculation Agent to perform its duties pursuant to the Securities.

If the Calculation Agent determines that a Market Disruption Event has occurred pursuant to the above, then the Exchange Business Day is postponed to the next following Exchange Business Day on which the Market Disruption Event ceases.

If the valuation/determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days.

The Calculation Agent, acting in good faith and in a commercially reasonable manner, will determine:

(i) in the case of Securities relating to a single Fund, its good faith estimate value for that Fund on the Exchange Business Day on which the Market Disruption Event ceases, or

(ii) in the case of Securities relating to a Basket of Funds:

(a) for the Basket Constituent(s) for which a Market Disruption Event has not occurred (if any), then the Calculation Agent will have the faculty to determine the value of such Basket Constituent(s) on the Exchange Business Day originally expected, or on that Exchange Business Day on which the Market Disruption Event ceases for all Basket Constituents;

(b) for the Basket Constituent(s) for which a Market Disruption Event has occurred, but it is not continuing on the Exchange Business Day on which the Market Disruption Event ceases for all Basket Constituents, the Calculation Agent will have the faculty to determine the value of such Basket Constituent(s) on the date on which the Market Disruption Event has ceased to occur for that single Basket Constituent(s), or on that Exchange Business Day on which the Market Disruption Event ceases for all Basket Constituents; or,

in all cases in order to determine its good faith estimate value of each Basket Constituent on the Exchange Business Day on which the Market Disruption Event ceases, using (where available) the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of such Fund.

Alternatively, if on the eighth Exchange Business Day from the Exchange Business Day originally expected the Market Disruption Event is continuing, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

***

Market Disruption Events occurring on a Determination Date

For the purposes of this 15(1)(F), Market Disruption Events occurring on a Determination Date means the occurrence of a Market Disruption Event pursuant to the paragraph above on a Determination Date.

In such case:

(i) if the Determination Date is in advance of the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected. However, where a Market Disruption Event is continuing on all the Exchange Business Days following the Determination Date originally expected until the Issue Date (excluded), the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled;

(ii) if the Determination Date is on or after the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected.

If, on the Determination Date the Market Disruption Event is also continuing, the Calculation Agent, acting in good faith, will determine: (i) in the case of Securities relating to a single Fund, the Reference Value of the Fund for the purposes of determining the Initial Reference Value or (ii) in the case of Securities relating to a Basket of Funds, the Reference Value of the Basket Constituent, for the purposes of determining the Initial Reference Value of the Basket, in either case (x) on the basis of the Market Value of the Fund affected by the Market Disruption determined using the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of such Fund, or (y) pursuant to the reasonable market practice.

If the determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days; and

(iii) if, on a Determination Date before the Issue Date, the Calculation Agent determines that the Fund level is equal to or greater than the Maximum Level set out in the relevant Final Terms, then the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled.

Securityholders will be notified of the occurrence of any event pursuant to (i), (ii) and (iii) of this 15(1)(F), by way of a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com.

15(1)(G) Market Disruption Events in relation to ETI Securities

Definitions

"**Related Exchange**" means in relation to the ETI Interest(s), each exchange or quotation system where the relevant options, futures, repo contracts or derivatives of the ETI Interest and/or the ETI and/or the ETI Interest's underlying assets (as the case may be), thereto are traded, as determined by the Calculation Agent and as indicated in the applicable Final Terms (or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts has temporarily relocated, provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts on such temporary substitute exchange or quotation system as on the original Related Exchange).

Market Disruption Events occurring on a Relevant Exchange Business Day other than the Determination Date and occurring at any time during the one hour period that ends at the time of the relevant determination and/or valuation made by the Calculation Agent on the Relevant Exchange Business Day

For the purposes of this 15(1)(G), Market Disruption Events means the occurrence of the following events:

(i) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or any Related Exchange or otherwise (i) relating to the ETI Interest or any underlying asset of the ETI on the Exchange; or (ii) in futures or options contracts relating to the ETI Interest or any underlying asset of the ETI on any relevant Related Exchange;

(ii) the closure on any Exchange Business Day of the relevant Exchange(s) or any Related Exchange(s) prior to its scheduled closing time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution on such Exchange Business Day;

(iii) any other event that disrupts or impairs, as determined by the Calculation Agent, the ability of market participants in general (i) to effect transactions in, or obtain market values for, the ETI Interest on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the ETI Interest on any relevant Related Exchange.

If the Calculation Agent determines that a Market Disruption Event has occurred pursuant to paragraphs above, then the Exchange Business Day is postponed to the next following Exchange Business Day on which the Market Disruption Event ceases.

The Exchange Business Day may be postponed for up to eight Exchange Business Days from the Exchange Business Day originally expected.

If the valuation/determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days.

In case of Securities relating to a Basket of ETI Interests, if the Market Disruption Event has occurred but it is not continuing anymore for all Basket Constituent(s) before the eighth Exchange Business Day from the Exchange Business Day originally expected, in order to determine the official level of the Basket of ETI Interests the Calculation Agent will have the faculty to determine the official closing price of each Basket Constituent(s):

(a) on the relevant date on which the Market Disruption Event has ceased to occur for each single Basket Constituent, or

(b) on the date on which the Market Disruption Event has ceased to occur for all Basket Constituents.

If, on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Market Disruption Event is continuing, the Calculation Agent, acting in good faith and in a commercially reasonable manner, will determine:

(i) in the case of Securities relating to a single ETI Interest, the official closing price for the ETI Interest as of the Exchange Business Day on which the Market Disruption Event occurred on that eighth Exchange Business Day, or

(ii) in the case of Securities relating to a Basket of ETI Interests:

(a) for the Basket Constituent(s) for which a Market Disruption Event has not occurred (if any), then the Calculation Agent will have the faculty to determine the official closing price of such Basket Constituent(s) on the Exchange Business Day originally expected, or on that eighth Exchange Business Day from the Exchange Business Day originally expected;

(b) for the Basket Constituent(s) for which a Market Disruption Event has occurred, but it is not continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Calculation Agent will have the faculty to determine the official closing price of such Basket Constituent(s) on the date on which the Market Disruption Event has ceased to occur, or on that eighth Exchange Business Day from the Exchange Business Day originally expected; or

(c) for the Basket Constituent(s) for which a Market Disruption Event has occurred and it is continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Calculation Agent will have the faculty to determine the official closing price of each Basket Constituent on that eighth Exchange Business Day on which the Market Disruption Event occurred.

Alternatively, if on the eighth Exchange Business Day from the Exchange Business Day originally expected the Market Disruption Event is continuing, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

***

Market Disruption Events occurring on a Determination Date

For the purposes of this 15(1)(G), Market Disruption Events occurring on a Determination Date means the occurrence of a Market Disruption Event pursuant to the paragraph above on a Determination Date.

In such case:

(i) if the Determination Date is in advance of the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected. However, where a Market Disruption Event is continuing on all the Exchange Business Days following the Determination Date originally expected until the Issue Date (excluded), the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled;

(ii) if the Determination Date is on or after the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected.

If, on the Determination Date the Market Disruption Event is also continuing, the Calculation Agent, acting in good faith, will determine: (i) in the case of Securities relating to a single ETI Interest, the official closing price of the ETI Interest for the purposes of determining the Initial Reference Value or (ii) in the case of Securities relating to a Basket of ETI Interests, the official closing price of the Basket Constituent, for the purposes of determining the Initial Reference Value of the Basket, in either case (x) on the basis of the Market Value of the ETI Interest affected by the Market Disruption determined using the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of such ETI Interest, or (y) pursuant to the reasonable market practice.

If the determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days; and

(iii) if, on a Determination Date before the Issue Date, the Calculation Agent determines that the ETI Interest level is equal to or greater than the Maximum Level set out in the relevant Final Terms, then the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled.

Securityholders will be notified of the occurrence of any event pursuant to (i), (ii) and (iii) of this 15(1)(G), by way of a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com.

15(1)(H)Market Disruption Event in relation to Interest Rate Securities

Market Disruption Events occurring on a Relevant Exchange Business Day other than the Determination Date and occurring at any time during the one hour period that ends at the time of the relevant determination and/or valuation made by the Calculation Agent on the Relevant Exchange Business Day

For the purposes of this 15(1)(H), Market Disruption Events means:

(i) the permanent discontinuance or the failure to publish, determine, substitute the Interest Rate, provided that if such failure is an Adjustment Event pursuant to the following 15(2), such event will be considered an Adjustment Event and not a Market Disruption Event; and

(ii) any other event similar to the events set out above which makes it impossible or impracticable for the Calculation Agent to perform its duties pursuant to the Securities.

If the Calculation Agent determines that a Market Disruption Event has occurred pursuant to this paragraph 15(1)(H), then the Calculation Agent shall identify in good faith and according to the best market practices a substitutive suitable Interest Rate for the purposes of such determination, or, in the event that no substitutive suitable Interest Rate can be validly identified, then the Exchange Business Day is postponed to the next following Exchange Business Day on which the Market Disruption Event ceases.

If the valuation/determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days.

In case of Securities relating to a Basket of Interest Rates, if the Market Disruption Event has occurred but it is not continuing anymore for all Basket Constituent(s) before the eighth Exchange Business Day from the Exchange Business Day originally expected, in order to determine the Reference Value of the Basket Constituent the Calculation Agent will have the faculty to determine the official level of each Basket Constituent(s):

(a) on the relevant date on which the Market Disruption Event has ceased to occur for each single Basket Constituent, or

(b) on the date on which the Market Disruption Event has ceased to occur for all Basket Constituents.

If, on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Market Disruption Event is continuing, then the Calculation Agent, acting in good faith and in a commercially reasonable manner, will determine

(i) in the case of Securities relating to a single Interest Rate, the official Reference Value of the Interest Rate, or

(ii) in the case of Securities relating to a Basket of Interest Rates:

  (a) for the Basket Constituent(s) for which a Market Disruption Event has not occurred (if any), then the Calculation Agent will have the faculty to determine the Reference Value of such Basket Constituent(s) on the Exchange Business Day originally expected, or on that eighth Exchange Business Day from the Exchange Business Day originally expected;

  (b) for the Basket Constituent(s) for which a Market Disruption Event has occurred, but it is not continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Calculation Agent will have the faculty to determine the Reference Value of such Basket Constituent(s) on the date on which the Market Disruption Event has ceased to occur, or on that eighth Exchange Business Day from the Exchange Business Day originally expected; or

  (c) for the Basket Constituent(s) for which a Market Disruption Event has occurred and it is continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Calculation Agent will have the faculty to determine the Reference Value of each Basket Constituent on that eighth Exchange Business Day on which the Market Disruption Event occurred,

in all cases in accordance with the fair market value of the Interest Rate affected by the Market Disruption Event, using the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of such Interest Rate.

Alternatively, if on the eighth Exchange Business Day from the Exchange Business Day originally expected the Market Disruption Event is continuing, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

***

Market Disruption Events occurring on a Determination Date

For the purposes of this 15(1)(H), Market Disruption Event occurring on a Determination Date means:

(i) the occurrence of a Market Disruption Event pursuant to (i) and (ii) above in 15(1)(H) on a Determination Date. In such case, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected. However, where a Market Disruption Event is continuing on all the five Exchange Business Days following the Determination Date originally expected, the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled. Securityholders will be notified of the occurrence of such event by way of a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com, and

(ii) if, on a Determination Date, the Calculation Agent determines that the Interest Rate level is equal to or greater than the Maximum Level set out in the relevant Final Terms. In such case, the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled. Securityholders will be notified of the occurrence of such event by way of a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com.

15(1)(I) Market Disruption Events in relation to Govies Securities

Market Disruption Events occurring on a Relevant Exchange Business Day other than the Determination Date and occurring at any time during the one hour period that ends at the time of the relevant determination and/or valuation made by the Calculation Agent on the Relevant Exchange Business Day

For the purposes of this 15(1)(I), Market Disruption Events means:

(i) the specified Exchange ceases to list or otherwise include the Government Bond and the Government Bond is not listed or otherwise included in any other Exchange, provided that if such event is an Adjustment Event pursuant to the following 15(2), such event will be considered an Adjustment Event and not a Market Disruption Event;

(ii) the issuer of the Government Bond irreversibly converts those Government Bonds into other securities, and such other securities in the reasonable opinion of the Calculation Agent will not have the same characteristics of the Government Bond, provided that if such an event is an Adjustment Event pursuant to the following 15(2), such event will be considered an Adjustment Event and not a Market Disruption Event;

(iii) any other event similar to the events set out above which makes it impossible or impracticable for the Calculation Agent to perform its duties pursuant to the Securities.

If the Calculation Agent determines that a Market Disruption Event has occurred pursuant to 15(1)(I), then the Calculation Agent shall identify in good faith and according to the best market practices a substitutive suitable Government Bond for the purposes of such determination, or, in the event that no substitutive suitable Government Bond can be validly identified, the Exchange Business Day is postponed to the next following Exchange Business Day on which the Market Disruption Event ceases.

The Exchange Business Day may be postponed for up to eight Exchange Business Days from the Exchange Business Day originally expected.

If the valuation/determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days.

In case of Securities relating to a Basket of Government Bonds, if the Market Disruption Event has occurred but it is not continuing anymore for all Basket Constituents before the eighth Exchange Business Day from the Exchange Business Day originally expected, in order to determine the Reference Value of the Basket Constituent the Calculation Agent will have the faculty to determine the official Value of each Basket Constituent:

(a) on the relevant date on which the Market Disruption Event has ceased to occur for each single Basket Constituent, or

(b) on the date on which the Market Disruption Event has ceased to occur for all Basket Constituents.

If, on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Market Disruption Event is continuing, then the Calculation Agent, acting in good faith and in a commercially reasonable manner, will determine:

(i) in the case of Securities relating to a single Government Bond, the Reference Value of the Government Bond as of the Exchange Business Day on which the Market Disruption Event occurred on that eighth Exchange Business Day, or

(ii) in the case of Securities relating to a Basket of Government Bonds:

  (a) for the Basket Constituent(s) for which a Market Disruption Event has not occurred (if any), then the Calculation Agent will have the faculty to determine the Reference Value of such Basket Constituent(s) on the Exchange Business Day originally expected, or on that eighth Exchange Business Day from the Exchange Business Day originally expected;

  (b) for the Basket Constituent(s) for which a Market Disruption Event has occurred, but it is not continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Calculation Agent will have the faculty to determine the Reference Value of such Basket Constituent(s) on the date on which the Market Disruption Event has ceased to occur, or on that eighth Exchange Business Day from the Exchange Business Day originally expected; or

  (c) for the Basket Constituent(s) for which a Market Disruption Event has occurred and it is continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Calculation Agent will have the faculty to determine the Reference Value of each Basket Constituent on that eighth Exchange Business Day on which the Market Disruption Event occurred,

in all cases in accordance with the fair market value of the Government Bond affected by the Market Disruption Event, using the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of such Government Bond.

Alternatively, if on the eighth Exchange Business Day from the Exchange Business Day originally expected the Market Disruption Event is continuing, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

***

Market Disruption Events occurring on a Determination Date

For the purposes of this 15(1)(I), Market Disruption Events occurring on a Determination Date means the occurrence of a Market Disruption Event pursuant to the paragraph above on a Determination Date.

In such case:

(i) if the Determination Date is in advance of the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected. However, where a Market Disruption Event is continuing on all the Exchange Business Days following the Determination Date originally expected until the Issue Date (excluded), the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled;

(ii) if the Determination Date is on or after the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected.

If the Market Disruption Event is also continuing on the Determination Date, the Calculation Agent, acting in good faith, will determine: (i) in the case of Securities relating to a single Government Bond, the official closing Value of the Government Bond for the purposes of determining the Initial Reference Value or (ii) in the case of Securities relating to a Basket of Government Bonds, the official closing Value of the Basket Constituent, for the purposes of determining the Initial Reference Value of the Basket, in either case (x) on the basis of the market value of the Government Bond affected by the Market Disruption determined using the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of such Government Bond or (y) pursuant to the reasonable market practice.

If the determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days; and

(iii) if, on a Determination Date before the Issue Date, the Calculation Agent determines that the Government Bond Value is equal to or greater than the Maximum Level set out in the relevant Final Terms, then the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled.

Securityholders will be notified of the occurrence of any events pursuant to (i), (ii) and (iii), by way of a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com.

15(1)(J) Market Disruption Events in relation to Proprietary Index Securities

For the purposes of this 15(1)(J), Market Disruption Events means, in relation to one or more Reference Underlyings, the occurrence of one or more of the events set out above in relation to the other types of Security, depending on the nature of the financial asset constituting such Reference Underlying.

Market Disruption Events occurring on a Calculation Date or on a Scheduled Fund Valuation Date or on a Scheduled Redemption Valuation Date

If the Calculation Agent determines a Market Disruption Event has occurred then the Exchange Business Day on which the Market Disruption Event occurred is postponed to the next following Exchange Business Day on which the Market Disruption Event ceases.

The Exchange Business Day may be postponed for up to eight Exchange Business Days from the Exchange Business Day originally expected.

If the valuation/determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days.

In case of Securities relating to a Basket, if the Market Disruption Event has occurred but it is not continuing anymore for all Basket Constituent(s) before the eighth Exchange Business Day from the Exchange Business Day originally expected, in order to determine the Proprietary Index Level the Proprietary Index Sponsor will have the faculty to determine the official level of each Basket Constituent(s):

(a) on the relevant date on which the Market Disruption Event has ceased to occur for each single Basket Constituent, or

(b) on the date on which the Market Disruption Event has ceased to occur for all Basket Constituents.

If, on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Market Disruption Event is continuing, the Proprietary Index Sponsor, acting in good faith and in a commercially reasonable manner, will determine

(i) in the case of Proprietary Index composed by a single Reference Underlying, the Value of the Reference Underlying as of the Exchange Business Day on which the Market Disruption Event occurred on that eighth Exchange Business Day (in accordance with the formula for and method of calculating the Reference Underlying last in effect prior to the occurrence of the Market Disruption Event), or

(ii) in the case of Proprietary Index relating to a Basket of Reference Underlying:

(a) for the Basket Constituent(s) for which a Market Disruption Event has not occurred (if any), then the Proprietary Index Sponsor will have the faculty to determine the Value of such Basket Constituent(s) on the Exchange Business Day originally expected, or on that eighth Exchange Business Day from the Exchange Business Day originally expected;

(b) for the Basket Constituent(s) for which a Market Disruption Event has occurred, but it is not continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Proprietary Index Sponsor will have the faculty to determine the Value of such Basket Constituent(s) on the date on which the Market Disruption Event has ceased to occur, or on that eighth Exchange Business Day from the Exchange Business Day originally expected; or

(c) for the Basket Constituent(s) for which a Market Disruption Event has occurred and it is continuing on the eighth Exchange Business Day from the Exchange Business Day originally expected, the Proprietary Index Sponsor will have the faculty to determine the Value of each Basket Constituent on that eighth Exchange Business Day on which the Market Disruption Event occurred,

in all cases in accordance with the fair market value of the Basket Constituent affected by the Market Disruption Event, using the formula and the method of calculating each Basket Constituent last in effect prior to the occurrence of the Market Disruption Event.

Alternatively, if on the eighth Exchange Business Day from the Exchange Business Day originally expected the Market Disruption Event is continuing, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

In relation to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity, such early exercise of such Certificates 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 Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*)).

***

Market Disruption Events occurring on a Determination Date

If a Market Disruption Event has occurred on a Determination Date:

(i) if the Determination Date is in advance of the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected. However, where a Market Disruption Event is continuing on all the Exchange Business Days following the Determination Date originally expected until the Issue Date (excluded), the Issuer reserves the right for any reason to cancel the issuance of the Securities and the offer pursuant to the relevant Final Terms shall be deemed cancelled;

(ii) if the Determination Date is on or after the Issue Date, Determination Date shall mean the first Exchange Business Day on which the Market Disruption Event ceases immediately following the Determination Date originally expected.

If the Market Disruption Event is also continuing on the Determination Date, the Proprietary Index Sponsor, acting in good faith, will determine: (i) the Value of the Reference Underlying for the purposes of determining the I_0 or (ii) in the case of Securities relating to a Basket, the Value of the Basket Constituent, for the purposes of determining the I_0, in either case (x) on the basis of the Market Value of the Reference Underlying or Basket Constituent affected by the Market Disruption determined using the quoted prices from the period before the Disrupted Day and taking into consideration the impact of the Market Disruption Event on the value of such Reference Underlying or Basket Constituent or (y) pursuant to the reasonable market practice.

If the determination has been carried out in more than one Exchange Business Day and the disruption occurred in connection with just one of such days, the postponement will be carried out also in connection with the remaining Exchange Business Days; and

(iii) if, on a Determination Date before the Issue Date, the Proprietary Index Sponsor determines that the index level is equal to or greater than the Maximum Level set out in the relevant Final Terms (if specified as applicable), then the Issuer reserves the right for any reason to cancel the issuance of the Securities, and the offer pursuant to the relevant Final Terms shall be deemed cancelled.

Securityholders will be notified of the occurrence of any events pursuant to (i), (ii) and (iii), by way of a notice published on the Issuer's website www.prodottiequotazioni.intesasanpaolo.com.

15(1)(K) Market Disruption Events in relation to Combined Securities

For the purposes of this 15(1)(K), a Market Disruption Event occurring **on a Relevant Exchange Business Day other than the Determination Date or on a Determination Date**, shall have the same meaning of the foregoing Market Disruption Events and will be considered in accordance with the underlyings which are relevant for each specific issue.

15(2) Adjustment Events relating to the Underlying and correction provisions in relation to the Securities

If the Underlying is affected by an Adjustment Event, the Issuer will intervene in order to procure that the economic value of the Securities following an Adjustment Event is equal, as far as possible, to the economic value of the Securities before the occurrence of the Adjustment Event, by applying one of the following measures pursuant to the following sub-sections from 15(2)(A) to 15(2)(K).

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 15(1), or, as alternative, (ii) apply the provisions set forth above in the second paragraph of this Condition 15.

15(2)(A) Adjustment Events in relation to Index Securities

For the purposes of this 15(2)(A), "**Adjustment Event**" means, in relation to an Index, the occurrence of one or more of the following events:

(a) *Calculation of the Index by a Successor Sponsor.*

If the Index Sponsor is replaced by a Successor Sponsor, the Index so calculated and announced by such Successor Sponsor will continue to be deemed as the single Underlying or the Basket Constituent.

(b) *Modification of the method of calculation of the Index or substitution with a Successor Index.*

If an Index Sponsor (or a Successor Sponsor, where applicable) substantially modifies the method of calculation of the Index or replaces the Index with a Successor Index, the Issuer may take one of the following actions which will be notified to the Securityholders by way of a notice on its website:

(i) the Index Sponsor (or the Successor Sponsor, where applicable) may modify or replace the method of calculation by using the same or a substantially similar formula in the calculation of the Index, so as to maintain continuity in the values of the Index before and after such amendment or replacement (using a connection coefficient) and the Securities will not be affected by any correction and will have the modified Index (or the Successor Index, as the case may be) as the Underlying;

(ii) the Index Sponsor (or the Successor Sponsor, where applicable) may modify or replace the method of calculation resulting in a substantial difference between the Index value (as single the Underlying or Basket Constituent) before and after such amendment or replacement, the Issuer may correct the Multiplier, using an adjustment coefficient as determined by the Index Sponsor, the Successor Sponsor or, failing this, by the Issuer. In the case of a Basket, such amendment or replacement (also following the correction of the Multiplier) will not affect the weighting of the Index as Basket Constituent;

(iii) if the Issuer, in relation to the procedure for the amendment or replacement and in relation to the modified Index or Successor Index, does not consider appropriate the method of calculation in (i) and (ii) for the purposes of the first paragraph of this 15(2)(A), the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

(c) *Cancellation or inability to use or disruption of the Index.*

(i) If the Index Sponsor (or the Successor Sponsor, where applicable) permanently cancels that Index, including without limitation following the adoption of a decision to withdraw the authorization or registration as set out in Article 35 of the Benchmark Regulation, or (ii) it has or will become unlawful for the Issuer to use the Index, including, without limitation, in the case that the Index has been or will be prohibited from being used or its use has been or will be subject to restrictions or adverse consequences under the Benchmark Regulation; or (iii) if the Index Sponsor (or the Successor Sponsor, where applicable) fails to calculate and announce that Index, the Issuer may replace the Index with another similar Index and, in the case of a Basket, with the same weighting of the Index which is a Basket Constituent. In accordance with the index types, the features that the Issuer will consider for the purposes of the replacement are the following:

1 in case of share indices:

(i) the connection with the same geographical area;

(ii) the connection with the same sector; and

(iii) the method of calculation of the Index;

2 in case of currency indices, a similar composition of the Index in relation to currency classes and such currency classes may include:
   (i) U.S. dollar;
   (ii) Euro;
   (iii) emerging market countries;
   (iv) Asian currencies; and
   (v) high-yield currencies (for example, New Zealand dollar);

3. in case of bond indices:
   (i) the rating;
   (ii) the type of issuer (sovereign or not sovereign);
   (iii) the connection with the same geographical area;
   (iv) the connection with the same sector;
   (v) the life of the bond composing the index; and
   (vi) the type of yield of the bond composing the index (fixed-rate or floating-rate);

4. in case of commodity indices:
   (i) the composition of the Index; and
   (ii) the method of calculation of the Index;

5. in case of futures indices:
   (i) the composition of the Index; and
   (ii) the connection with the same sector;

6. in case of fund indices:
   (i) the connection with a monetary area;
   (ii) the connection with the same geographical area;
   (iii) the connection with the same sector; and
   (iv) the method of calculation of the Index;

7. in case of inflation indices, the method of calculation of the Index and if the successor index cannot be determined pursuant to such parameter, the Calculation Agent will inquire five leading independent dealers to establish which index shall be the successor index;

8. in the case of volatility indices and interest rate indices, the composition of the Index.

If it is not possible to replace such Index, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

(d) *Any other event affecting the economic value and, consequently, the market price of the Index.*

The Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

(e) *In case of fund indices, any breach by the Management Company or by the Fund Manager or by the Index Sponsor of their obligations, pursuant to agreements in place with the Issuer or any of its Affiliates, to provide the Issuer or any of its Affiliates on a continuous basis with the information of the fund(s) composing the Index that the Issuer is required to receive in order to apply the lookthrough approach pursuant to the*

Fundamental Review of the Trading Book (FRTB), as amended from time to time, which caused a negative change in the accounting treatment of such fund(s) and, therefore, a higher capital absorption requirement for the Issuer.

The Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

15(2)(B) Adjustment Events in relation to Share Securities

For the purposes of this 15(2)(B), "**Adjustment Event**" means, in relation to a Share, one or more of the following events:

(a) share splits and consolidations;

(b) the increase of corporate capital transactions on a free basis and the increase of corporate capital transactions by way of issuance of new shares of the same class as those underlying the Securities;

(c) the increase of corporate capital transactions by way of issuance of (i) new shares of a class different from those underlying the Securities, (ii) shares with Warrant, (iii) convertible bonds and (iv) convertible bonds with Warrant;

(d) merger and de-merger transactions[9];

(e) payment of an extraordinary dividend or a spin-off;

(f) delisting in any stock exchange;

(g) nationalisation which means that all the shares or all or substantially all the assets of the company that issued the share, as the case may be, are nationalised, expropriated or are otherwise transferred to any governmental agency, authority, entity or instrumentality thereof;

(h) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent and less than 100 per cent of the outstanding voting shares of the company that issued the share, as the case may be, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant;

(i) any other event affecting the economic value and, consequently, the market price of the Share and/or the rights of the Shareholders.

In relation to a Share, the Issuer determines the method of correction so that the economic value of the Securities after the correction is equal, as far as possible, to the economic value of the Securities before the Adjustment Event has occurred. By way of example, the Issuer may also use for a single Share one of the following correction methods, including but not limited to:

(i) in case of a merger (and the shares of the company that arises from the merger remain listed), such Share will be replaced with the only Share of the company that arises from the merger;

(ii) in case of a takeover, by way of tender offer, of the company issuing the Share, the

[9] For the purposes of a correction in relation to a de-merger, reference should be made to the listed share of the company that arises from the de-merger transaction.

price of such Share is crystallised until the expiry date of the Securities and is determined by the Calculation Agent taking into account the value of the Share at the beginning of the tender offer;

(iii) in case of a payment of an extraordinary dividend or a spin-off in relation to the Share, the Initial Reference Value will be corrected so the performance of the Share is held constant.

In relation to a Basket, the correction is made so as to immunise the Basket performance on an Adjustment Event occurring, and as a consequence the performance of the Securities will be neutralised in relation to the Adjustment Event. By way of example, the Issuer may also use for a Basket one of the following correction methods:

(i) a merger between two companies issuing Shares which are both Basket Constituents (and the shares of the company that arises from the merger remain listed), such Shares will be replaced within the Basket with the only Share of the company that arises from the merger and that Share will have a weighting equal to the sum of the weightings of the two Shares;

(ii) a takeover, by way of tender offer, of the company issuing the Share which is a Basket Constituent, the price of such Share within the Basket is crystallised until the expiry date of the Securities and is determined by the Calculation Agent taking into account the value of the Share at the beginning of the tender offer;

(iii) a default of a company issuing a Share which is a Basket Constituent (and the consequent delisting of such Share), the price of such Share will be equal to zero until the expiry date of the Securities; and

(iv) a payment of an extraordinary dividend or a spin-off in relation to a Share which is a Basket Constituent, the Initial Reference Value will be corrected so the performance of the Share within the relevant Basket is held constant.

In each case, both in relation to a single Share and a Basket, the correction, in relation to a single Adjustment Event, may affect the Initial Reference Value and/or the Multiplier and/or the Share/Basket Constituent and/or other terms related to the Securities and is made according to the following criteria:

(i) where an option contract on the Share affected by the Adjustment Event is traded on a Related Exchange, reference will be made to the criteria used by the Related Exchange to make the relevant corrections, possibly modified to consider the existing differences between the contractual features of the Securities and the option contracts;

(ii) where there are no option contracts on the Share traded on a Related Exchange or in relation to which the Issuer does not consider that the method of correction is appropriate for the adjustment of the Securities, the terms and conditions of the Securities will be adjusted by the Issuer pursuant to international market practice.

In relation to such adjustments, Securityholders will be notified by the Issuer by way of a notice on the Issuer's website.

If an Adjustment Event has occurred, whose effects may not be neutralised by way of appropriate corrections to the Initial Reference Value and/or the Multiplier and/or the Share/Basket Constituent and/or other terms related to the Securities, the Issuer has the right but not the obligation to: (i) apply the provisions of the relevant Market Disruption Events as detailed under 15(1)(B), or, as alternative, (ii) apply the provisions set forth above in the second paragraph of this Condition 15.

15(2)(C) Adjustment Events in relation to Commodity Securities

For the purposes of this 15(2)(C), "**Adjustment Event**" means, in relation to a Commodity, one or more of the following events:

(a) the Commodity traded on the Reference Source is a different quality or another composition (for example, in a different degree of purity);

(b) any other event or measure as a result of which the Commodity, as traded on the Reference Source, is changed or altered;

(c) options contracts or futures contracts on or relating to the Commodity as traded on any Related Exchange are altered in the manner described under (a) and (b) above; and

(d) any other event affecting the economic value and, consequently, the market price of the Commodity,

and whether or not any event or measure is an Adjustment Event shall be conclusively determined in good faith by the Calculation Agent.

The Adjustment Event shall be treated as a Market Disruption event and paragraph 15 (1)(C) shall apply.

15(2)(D) Adjustment Events in relation to Future Contracts Securities.

For the purposes of this 15(2)(D), "**Adjustment Event**" means, in relation to a Future Contract, one or more of the following events:

(a) *Calculation of the Future Contract by a third party*

If the price of the Future Contract starts to be calculated and published by an entity other than the Reference Source (the "**Other Entity**"), the Underlying of the Securities will remain as the Future Contract selected as such, as calculated by the Other Entity.

The Securityholders will be notified of the identity of the Other Entity, the terms of the calculation and the publication of the Future Contract as calculated by the Other Entity, within eight Business Day after the appointment of such Other Entity, by way of a notice on the Issuer's website.

(b) *Modification of the features of the Future Contract*

If the Reference Source or the Other Entity substantially modifies the features of the Future Contract, including, without limitation, the formula or the method of calculation of the Reference Value, the content, composition or constitution of the underlying of the Future Contract or replaces the Future Contract with a new asset, the following may occur:

(i) if the Reference Source (or the Other Entity, where applicable) modifies or replaces so as to maintain continuity in the values of the Future Contract before and after such amendment or replacement (using a connection coefficient), the Securities will not be affected by any correction and will have the modified Future Contract as the Underlying;

(ii) if the Reference Source (or the Other Entity, where applicable) makes the modification or replacement resulting in a substantial difference in the value of the Future Contract before and after such modification or replacement, the Calculation Agent will correct the Multiplier (and/or the Initial Reference Value and/or other terms related to the Securities), so that the economic value of the Future Contract is maintained constant, using an adjustment coefficient as calculated by the Reference Source of the Future Contract or, failing this, as deemed appropriate by the Calculation Agent, acting in its reasonable discretion and in good faith, also considering the market practice. In the case of a Basket of Future Contracts, such modification or replacement will not affect the weighting of the Future Contract as a Basket Constituent; and

(iii) if the Calculation Agent determines that the effects of the modification or replacement cannot be deleted by way of the procedure set out in (ii) above, the Issuer will be entitled to perform its obligations pursuant to the Securities in accordance with the following paragraph.

(c) *Cessation of the calculation of the Future Contract*

If the Reference Source or the Other Entity ceases to calculate or publish the Future Contract without calculating or publishing a new Future Contract, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

(d) *Any other event affecting the economic value and, consequently, the market price of the Future Contract.*

The Issuer may apply the provisions set forth above in the second paragraph of this Condition 15. The Securityholders will be notified by way of a notice on the Issuer's website.

15(2)(E) Adjustment Events in relation to Exchange Rate Securities

For the purposes of this 15(2)(E), "**Adjustment Event**" means, in relation to an Exchange Rate, the one or more of the following events:

(a) *Adjustments*

If a Second Currency is in the country (or countries) or jurisdiction (or jurisdictions)maintaining the authority, institution or other body which issues such Reference Currency, replaced in its function as legal tender by another currency or merged with another currency to become a common currency (such replacement or merged currency the "**New Reference Currency**") and the provisions of the following paragraph "Early Termination Event" do not apply, such Second Currency shall, within the Exchange Rate, be replaced by the New Reference Currency (such exchange rate the "**New Rate of Exchange**"), provided that the New Exchange Rate shall be calculated on the basis of the number of units of the New Reference Currency determined by the conversion of the number of units of the Second Currency used for the determination of the previous Exchange Rate into the New Reference Currency using the exchange rate applicable to such conversion, all of which is determined by the Calculation Agent; and

(b) *Early Termination Events*

(i) If a Reference Currency ceases, for any reason, to be legal tender in the country (or countries) or jurisdiction (or jurisdictions), maintaining the authority, institution or other body which issues such Reference Currency, and the provisions of the previous paragraph ""Adjustments" do not apply, or if an adjustment in accordance with the previous paragraph is, as determined by the Calculation Agent, for any reason not possible or not reasonably practical; or

(ii) where the Reference Source for any Exchange Rate is an exchange, trading system or quotation system, if the Reference Source announces that pursuant to the rules of such Reference Source, the exchange rate between the relevant First Currency and Second Currency ceases (or will cease) to be listed, traded or publicly quoted on the Reference Source for any reason and is not immediately re-listed, re-traded or re-quoted on an exchange, trading system or quotation system acceptable to the Calculation Agent ("**Cessation of Trading**"),

the Issuer will have the right, but not the obligation, to cancel the Securities by giving notice to the Securityholders.

The Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

The Securityholders will be notified by way of a notice on the Issuer's website.

15(2)(F) Adjustment Events in relation to Fund Securities

Terms

"**Insolvency**" means that, by reason of voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Fund, (i) all of the shares of that Fund are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the shares of that Fund become legally prohibited from transferring them.

"**Nationalization**" means that the Fund or all or substantially all the assets of a Fund are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

For the purposes of this 15(2)(F), "**Adjustment Event**" means, in relation to a Fund, one or more of the following events:

(a) Nationalization;

(b) Insolvency;

(c) the Fund (i) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger), or (ii) makes a general assignment or arrangement with or for the benefit of its creditors, or the Fund institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, a proceeding seeking judgement of insolvency or bankruptcy or any other similar relief, or (iii) has instituted against it a proceeding seeking a judgement of insolvency or bankruptcy or any other similar relief, (iv) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all of its assets, (v) has a secured party take possession of all or substantially all of its assets or has a distress, execution, attachment, sequestration or other process levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter, or (vi) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction has an analogous effect to any of the events specified in clauses from (i) to (v) above;

(d) the net asset value of the Fund has decreased by an amount considered reasonably significant by the Issuer in good faith, or the Fund has violated any leverage restriction that is applicable to, or affecting, such Fund or its assets by operation of any law, any order or judgement of any court or other agency of government applicable to it or any of its assets, the Fund documents or any contractual restriction binding on or affecting the Fund or any of its assets;

(e) (i) the resignation, termination, or replacement of its Fund adviser or (ii) the resignation, termination, death or replacement of any key person;

(f) any change or modification of the related documents that could reasonably be expected to affect the value of such Fund;

(g) any breach or violation of any strategy or investment guidelines stated in the related Fund documents that is reasonably likely to affect the value of such Fund or the rights or remedies of any holders thereof (in each case, as determined by the Calculation Agent);

(h) (i) cancellation, suspension or revocation of the registration or approval of the Fund by any governmental, legal or regulatory entity with authority over such Fund, (ii) any change in the legal, tax, accounting, or regulatory treatments of the relevant Fund or its Fund adviser that is reasonably likely to have an adverse impact on the value of such Fund or on any investor therein, or (iii) the Fund or any of its Fund administrator of Fund adviser becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged violation of applicable law for any activities relating to or resulting from the operation of such Fund, Fund administrator or Fund adviser;

(i) (i) occurrence of any event affecting such Fund that, in the determination of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the value of such Fund, and such event continues for at least the foreseeable future; (ii) any failure of the Fund to deliver, or cause to be delivered, (A) information, if any that such Fund has agreed to deliver, or (B) information that has been previously delivered, as applicable, in accordance with such Fund, or its authorized representative's, to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to such Fund;

(j) any breach by the Management Company or by the Fund Manager of their obligations, pursuant to agreements in place with the Issuer or any of its Affiliates, to provide the Issuer or any of its Affiliates on a continuous basis with the information of the Fund that the Issuer is required to receive in order to apply the lookthrough approach pursuant to the Fundamental Review of the Trading Book (FRTB), as amended from time to time, which caused a negative change in the accounting treatment of the Fund and, therefore, a higher capital absorption requirement for the Issuer;

(k) (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (A) it has become illegal to hold, acquire or dispose of the interest issued or held in the Fund, or (B) it will incur a materially increased cost in performing its obligations with respect to the interest issued or held in the Fund (including, without limitation, due to any increase in tax liability, decrease in tax benefit of other adverse effect on its tax position);

(l) the Issuer would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk relating to any interest issued or held in the Fund of entering into and performing its obligations with respect to the relevant Fund Security, or (ii) realize, recover or remit the proceeds of any such transaction (s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an increased cost of hedging pursuant to this clause l);

(m) as a result of a change in the Issuer's accounting policies and/or accounting treatment, the Issuer would incur (i) a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee and/or (ii) a materially decreased valuation, to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk relating to any interest issued or held in the Fund of entering into and performing its obligations with respect to the relevant Fund Security;

(n) a failure by the Fund to pay the full amount of the redemption proceeds calculated by the Calculation Agent (whether expressed as a percentage or otherwise), on any date on which the Fund was scheduled to have paid such amount;

(o) any other event affecting the economic value and, consequently, the market price of the Fund; and

(p) the total exposure of the Issuer with respect to the Fund on any Exchange Business Day is higher than a specific threshold amount (the "**Threshold**") determined by the Calculation Agent and notified to Securityholders on the Issuer's website. In the absence of any notice, the Threshold shall be considered as equal to 22.00% of the aggregate net asset value of the relevant Fund on the relevant Exchange Business Day.

Following the occurrence of an Adjustment Event pursuant to (a), (b), (j) and (m) above in relation to a Fund, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

Adjustment Events pursuant to (c), (d), (e), (f), (g), (h), (i), (k), (l), (n) and (o) above shall be treated as Market Disruption Events and paragraph 15 (1) (F) shall apply.

Following the occurrence of the Adjustment Event pursuant to (p), the Calculation Agent has the faculty but not the obligation to, alternatively:

(i) identify a new Fund in respect of which an Adjustment Event has not occurred. Following the identification of the new fund by the Calculation Agent, Securityholders will be notified by the Calculation Agent by way of a notice on the Issuer's website.

The new Fund will replace the Fund affected by the Adjustment Event pursuant to (p) with effect from the release of the relevant substitution notice on the Issuer's website. The Calculation Agent will make the corrections which will be appropriate in its opinion, acting in a commercially reasonable manner, to any variable, method of calculation or evaluation or other relevant parameter pursuant to the Securities, in order to affect such substitution, or

(ii) take any necessary action to reduce Issuer's exposure in order that the total exposure of the Issuer shall be comprised below the Threshold, including the faculty for the Issuer to apply the provisions set forth above in the second paragraph of this Condition 15 through a notice published on its website.

15(2)(G) Adjustment Events in relation to ETI Securities

Definitions

Entity means the applicable ETI or any applicable ETI Related Party, as the context may require;

ETI Documents means with respect to any ETI Interest, the offering document of the relevant ETI in effect on the Hedging Date specifying, among other matters, the terms and conditions relating to such ETI Interests and, for the avoidance of doubt, any other documents or agreements in respect of the ETI, as may be further described in any ETI Document;

ETI Related Party means, in respect of any ETI, any person who is appointed to provide services (howsoever described in any ETI Documents), directly or indirectly, in respect of such ETI, whether or not specified in the ETI Documents, including any advisor, manager, administrator, calculation agent, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent, sponsor or general partner and any other person specified as such in the applicable Final Terms;

Interests means the applicable ETI Interests or the shares of any applicable ETI Related Party, as the context may require;

Merger Event means, in respect of any relevant Interests and Entity (as defined above), any (a) reclassification or change of such ETI Interests that results in a transfer of or an irrevocable commitment to transfer all of such ETI Interests outstanding to another entity or person, (b) consolidation, amalgamation, merger or binding share/unit/interest exchange of an ETI with or into another entity or person (other than a consolidation, amalgamation, merger or binding share/unit/interest exchange in which such ETI, is the continuing entity and which does not result in a reclassification or change of all of such ETI Interests outstanding), (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding ETI Interests of an ETI that results in a transfer of or an irrevocable commitment to transfer all such ETI Interests (other than such ETI Interests owned or controlled by such other entity or person), or (d) consolidation, amalgamation, merger or binding share/unit/interest exchange of an ETI or its subsidiaries with or into another entity in which the ETI is the continuing entity and which does not result in a reclassification or change of all such ETI Interests outstanding but results in the outstanding ETI Interests (other than ETI Interests owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding ETI Interests immediately following such event; For the purposes of this definition only;

Number of Value Publication Days means the number of calendar days or Exchange Business Days specified in the applicable Final Terms;

Tender Offer means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent and less than 100 per cent of the outstanding voting shares, units or interests of the ETI or an ETI Related Party, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

For the purposes of this 15(2)(G), "**Adjustment Event**" means, in relation to an ETI Interest, one or more of the following events:

(a) the ETI or any ETI Related Party (i) ceases trading and/or, in the case of an ETI Related Party, ceases administration, portfolio management, investment services, custodian, prime brokerage, or any other relevant business (as applicable), (ii) is dissolved or has a resolution passed, or there is any proposal, for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv) (1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in sub-clause (iv) (1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not immediately dismissed, discharged, stayed or restrained; (v) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not immediately dismissed, discharged, stayed or restrained; or (vii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an effect analogous to any of the events specified in sub-clauses (i) to (vi) above; or

(b) the occurrence of a Merger Event or Tender Offer;

(c) there exists any litigation against the ETI or an ETI Related Party which the Calculation Agent determines, acting in good faith and in a commercially reasonable manner, could materially affect the value of the ETI Interests or on the rights or remedies of any investor therein; or (i) an allegation of criminal or fraudulent activity is made in respect of the ETI, or any ETI Related Party, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred, or (ii) any investigative, judicial, administrative or other civil or criminal proceedings is commenced or is threatened against the ETI, any ETI Related Party or any key personnel of such entities if such allegation, determination, suspicion or proceedings could, in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner, materially affect the value of the ETI Interests or the rights or remedies of any investor in such ETI Interests;

(d) an ETI Related Party ceases to act in such capacity in relation to the ETI (including by way of Merger Event or Tender Offer) and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent; and/or (ii) any event occurs which causes, or will with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the ETI and/or any ETI Related Party to meet or maintain any obligation or undertaking under the ETI Documents which failure is reasonably likely to have an adverse impact on the value of the ETI Interests or on the rights or remedies of any investor therein;

(e) a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the ETI (howsoever described, including the underlying type of assets in which the ETI invests), from those set out in the ETI Documents, or any announcement regarding a potential modification or deviation, except where such modification or deviation is of a formal, minor or technical nature;

(f) a material modification, cancellation or disappearance (howsoever described), or any announcement regarding a potential future material modification, cancellation or disappearance (howsoever described), of the type of assets (i) in which the ETI invests, (ii) the ETI purports to track, or (iii) the ETI accepts/provides for purposes of creation/redemption baskets;

(g) a material modification, or any announcement regarding a potential future material modification, of the ETI (including but not limited to a material modification of the ETI Documents or to the ETI's liquidity terms) other than a modification or event which does not affect the ETI Interests or the or any portfolio of assets to which the ETI Interest relates (either alone or in common with other ETI Interests issued by the ETI);

(h) the currency denomination of the ETI Interest is amended from that set out in the ETI Documents;

(i) a material modification of the method of calculating the value of the ETI Interest;

(j) any change in the periodicity of the calculation or the publication of the value of the ETI Interest;

(k) any of the ETI, any ETI Related Parties or any other party acting on behalf of the ETI fails for any reason to calculate and publish the value of the ETI Interest within the Number of Value Publication Days following any date scheduled for the determination of the valuation of the ETI Interests unless the cause of such failure to publish is of a technical nature and outside the immediate and direct control of the entity responsible for such publication;

(l) any relevant activities of or in relation to the ETI or the ETI Related Parties are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the ETI by any governmental, legal or regulatory entity with authority over the ETI), (ii) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the ETI or the ETI Related Parties or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (iii) the ETI is required by a competent authority to redeem any ETI Interests,

In relation to an ETI Interest, the Issuer determines the method of correction so that the economic value of the Securities after the correction is equal, as far as possible, to the economic value of the Securities before the Adjustment Event has occurred. The Issuer may also use one of the following correction methods, including but not limited:

(i) determination of the appropriate adjustment by reference to the adjustment in respect of the relevant Adjustment Event made by any options exchange to options on the ETI Interests traded on that options exchange; or

(ii) substitution of each ETI Interest (each, an "**Affected ETI Interest**") of each ETI (each, an "**Affected ETI**") which is affected by Adjustment Event with an ETI Interest selected by it in accordance with the criteria for ETI Interest selection set out in this point (ii) (each, a "**Substitute ETI Interest**") and the Substitute ETI Interest will be deemed to be an "ETI Interest" and the relevant issuer of such Substitute ETI Interest, an "ETI" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of the terms of the applicable Final Terms as the Calculation Agent acting in good faith and in a commercially reasonable manner determines appropriate. In order to be selected as a Substitute ETI Interest, the relevant share/unit/interest must satisfy the following criteria, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner:

   - where the relevant Adjustment Event is a Merger Event or a Tender Offer, the relevant share/unit/interest shall be an ordinary share/unit/interest of the entity or person that in the case of a Merger Event is the continuing entity in respect of the Merger Event or in the case of a Tender Offer is the entity making the Tender Offer provided that the relevant share/unit/interest (A) in case of ETI Securities related to a Basket of ETI Interests, is not already included in the ETI Basket, (B) it is publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union, in any member state of the European Union) and (C) it is not subject to any currency exchange controls, trading restrictions or other trading limitations; or

   - where the relevant Adjustment Event is a Merger Event or a Tender Offer and a share/unit/interest would otherwise satisfy the criteria set out in paragraph above, but such share/unit/interest is (in the case of ETI Securities related to a Basket of ETI Interests), already included in the Basket, or where the Adjustment Event is not a Merger Event or a Tender Offer, an alternative exchange traded instrument which, in the determination of the Calculation Agent, has similar characteristics to the relevant ETI, including but not limited to, a comparable listing (which, for the avoidance of doubt, shall not be restricted to a listing on the exchange or quotation system in the same geographic region), investment objectives, investment restrictions and investment processes, underlying asset pools and whose related parties (such as, but not limited to, trustee, general partner, sponsor, advisor, manager, operating company, custodian, prime broker and depository) are acceptable to the Calculation Agent.

In relation to such adjustments, Securityholders will be notified by the Issuer by way of a notice on the Issuer's website.

If an Adjustment Event has occurred, whose effects may not be neutralised by way of appropriate corrections to the Initial Reference Value and/or the Multiplier and/or the ETI Interests/Basket Constituent and/or other terms related to the Securities, the Issuer has the right but not the obligation to: (i) apply the provisions of the relevant Market Disruption Events as detailed under 15(1)(G), or, as alternative, (ii) apply the provisions set forth above in the second paragraph of this Condition 15.

In any case, the Issuer, at its sole discretion, may apply the provisions set forth above in the second paragraph of this Condition 15.

15(2)(H) Adjustment Events in relation to Interest Rate Securities

For the purposes of this 15(2)(H), "**Adjustment Event**" means, in relation to an Interest Rate, one or more of the following events:

(i) the Interest Rate is no longer calculated by the relevant Calculation Entity in charge for the calculation, but by another entity which has replaced the Calculation Entity in charge of the calculation. In such case, the Settlement Amount will be determined according to the Reference Value of the Interest Rate as determined and published by the new entity, and each reference to the Entity in charge for the calculation shall be deemed as a reference, where applicable, to the new entity; and

(ii) (a) the Interest Rate is cancelled or replaced, including without limitation, following the adoption of a decision to withdraw the authorization or registration as set out in Article 35 of the Benchmark Regulation or (b) it has or will become unlawful for the Issuer to use the Interest Rate, including, without limitation, in the case that the Interest Rate has been or will be prohibited from being used or its use has been or will be subject to restrictions or adverse consequences under the Benchmark Regulation. In such cases, if the Calculation Entity substantially modifies the method of calculation of the Interest Rate or replaces the Interest Rate with a Successor Interest Rate, the Issuer may take one of the following actions which will be notified to the Securityholders by way of a notice on its website:

  (a) the Calculation Entity may modify or replace the method of calculation by using the same or a substantially similar formula in the calculation of the Interest Rate, so as to maintain continuity in the values of the Interest Rate before and after such amendment or replacement (using a connection coefficient) and the Securities will not be affected by any correction and will have the modified Interest Rate as the Underlying;

  (b) the Calculation Entity may modify or replace the method of calculation resulting in a substantial difference between the Interest Rate value before and after such amendment or replacement, the Issuer may correct the Multiplier, using an adjustment coefficient as determined by the Calculation Entity or, failing this, by the Issuer. In the case of a Basket, such amendment or replacement (also following the correction of the Multiplier) will not affect the weighting of the Interest Rate as Basket Constituent;

(c) if the Issuer, in relation to the procedure for the amendment or replacement and in relation to the modified Interest Rate, does not consider appropriate the method of calculation in (a) and (b) for the purposes of this 15(2)(H), the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15;

(iii) (a) the Interest Rate is cancelled or replaced including without limitation, following the adoption of a decision to withdraw the authorization or registration as set out in Article 35 of the Benchmark Regulation or (b) it has or will become unlawful for the Issuer to use the Interest Rate, including, without limitation, in the case that the Interest Rate has been or will be prohibited from being used or its use has been or will be subject to restrictions or adverse consequences under the Benchmark Regulation and, in the reasonable opinion of the Issuer, it is not possible to determine a new Interest Rate. In such case, the Issuer and an expert appointed by the Issuer will continue to calculate and publish the Interest Rate pursuant to the previous system and to the last level calculated or the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

15(2)(I) Adjustment Events in relation to Govies Securities

For the purposes of this 15(2)(I), "**Adjustment Event**" means the occurrence of one or more of the following events:

(i) the specified Exchange ceases to list or otherwise include the Government Bond and the Government Bond is listed or otherwise included in any other securities exchange;

(ii) the issuer of the Government Bond irreversibly converts those Government Bond into other securities;

(iii) If the Value published or announced on a given Exchange Business Day and used or to be used by the Calculation Agent to determine the Reference Value, the Initial Reference Value or Final Reference Value is subsequently corrected and the correction is published or announced by the Reference Source for that publication or announcement within 30 calendar days of the original publication or announcement;

(iv) any other event affecting the economic value, and consequently the market price of the Government Bond.

15(2)(J) Adjustment Events in relation to Proprietary Index Securities

For the purposes of this 15(2)(J), "**Adjustment Event**" means the occurrence of one or more of the following events:

(a) *Calculation of the Proprietary Index by a Successor Sponsor.*

If the Proprietary Index Sponsor is replaced by a Successor Sponsor, the Proprietary Index so calculated and announced by such Successor Sponsor will continue to be deemed as the single Underlying or the Basket Constituent.

(b) *Modification of the method of calculation of the Proprietary Index by a Successor Sponsor.*

If a Successor Sponsor modifies the method of calculation of the Proprietary Index, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

(c) *Cancellation or inability to use or disruption of the Proprietary Index.*

If the Proprietary Index Sponsor (or the Successor Sponsor, where applicable) permanently cancels that Proprietary Index, including without limitation, because it has or will become unlawful for the Issuer to use the Proprietary Index or for the Proprietary Index Sponsor to calculate the Proprietary Index, including, without limitation, in the case that the use or administration of the Proprietary Index has been or will be subject to restrictions or adverse consequences under the Benchmark Regulation, the Issuer may replace the Proprietary Index with another similar Proprietary Index or Index and, in the case of a Basket, with the same weighting of the Proprietary Index which is a Basket Constituent. In accordance with the index types, the features that the Issuer will consider for the purposes of the replacement are the following, without limitation:

(i) the method of calculation; and

(ii) the composition.

If it is not possible to replace such Index, the Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

(d) *Any other event affecting the economic value and, consequently, the market price of the Proprietary Index.*

The Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

(e) *In relation to the Fund(s) used as Reference Underlying, any breach by the Management Company or by the Fund Manager of their obligations, pursuant to agreements in place with the Issuer or any of its Affiliates, to provide the Issuer or any of its Affiliates on a continuous basis with the information of the fund(s) composing the Proprietary Index that the Issuer is required to receive in order to apply the lookthrough approach pursuant to the Fundamental Review of the Trading Book (FRTB), as amended from time to time, which caused a negative change in the accounting treatment of such fund(s) and, therefore, a higher capital absorption requirement for the Issuer.*

The Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

(f) *In relation to one or more Reference Underlyings, the occurrence of one or more of the events set out above in relation to the other types of Security, in accordance with the specific type of Reference Underlying(s) of the relevant issue.*

The Issuer may apply the provisions set forth above in the second paragraph of this Condition 15.

In relation to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity, the early exercise of such Certificates 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 Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*).

15(2)(K) Adjustment Events in relation to Combined Securities

For the purposes of this 15(2)(K), "**Adjustment Event**" means the occurrence of one or more of the events set out above in relation to the other types of Security, in accordance with the specific underlying assets which are relevant from time to time in relation to each issue.

16. Adjustments for European Monetary Union

The Issuer may, without the consent of the Securityholders, on giving notice to the Securityholders in accordance with Condition 9 (*Notices*):

(i) elect that, with effect from the Adjustment Date specified in the notice, certain terms of the Securities shall be redenominated in Euro;

The election will have effect as follows:

(A) where the Settlement Currency of the Securities is the National Currency Unit of a country which is participating in the third stage of European Economic and Monetary Union, such Settlement Currency shall be deemed to be an amount of euro converted from the original Settlement Currency into Euro at the Established Rate, subject to such provisions (if any) as to rounding as the Calculation Agent may decide and as may be specified in the notice, and after the Adjustment Date, all payments of the Cash Settlement Amount in respect of the Securities will be made solely in Euro as though references in the Securities to the Settlement Currency were to Euro;

(B) where the Exchange Rate and/or any other terms of these Conditions (as amended or supplemented in the applicable Final Terms) are expressed in or, in the case of the Exchange Rate, contemplate the exchange from or into, the currency (the "**Original Currency**") of a country which is participating in the third stage of European Economic and Monetary Union, such Exchange Rate and/or any other terms of these Conditions shall be deemed to be expressed in or, in the case of the Exchange Rate, converted for or, as the case may be into, Euro at the Established Rate; and

(C) such other changes shall be made to these Conditions (as amended or supplemented in the applicable Final Terms) as the Issuer may decide, in its sole and absolute discretion to conform them to conventions then applicable to instruments expressed in Euro; and/or

(ii) require that the Calculation Agent make such adjustments to the Multiplier and/or the Strike Price and/or the Settlement Price and/or any other terms of these Conditions and/or the applicable Final Terms as the Calculation Agent, in its sole and absolute discretion, may determine to be appropriate to account for the effect of the third stage of European Economic and Monetary Union on the Multiplier and/or the Strike Price and/or the Settlement Price and/or such other terms of these Conditions and/or the applicable Final Terms).

Notwithstanding the foregoing, none of the Issuer, any of its Affiliates, the Calculation Agent or any of the Security Agents shall be liable to any Securityholder or other person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of Euro or any currency conversion or rounding effected in connection therewith.

In this Condition, the following expressions have the following meanings:

Adjustment Date means a date specified by the Issuer in the notice given to the Securityholders pursuant to this Condition which falls on or after the date on which the country of the Original Currency first participates in the third stage of European Economic and Monetary Union pursuant to the Treaty;

Established Rate means the rate for the conversion of the Original Currency (including compliance with rules relating to rounding in accordance with applicable European Community regulations) into Euro established by the Council of the European Union pursuant to first sentence of Article 1091(4) of the Treaty;

Euro means the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty;

National Currency Unit means the unit of the currency of a country, as those units are defined on the date on which the country of the Original Currency first participates in European Economic and Monetary Union; and

Treaty means the treaty establishing the European Community, as amended.

17. 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 Securityholder, and without prejudice to Article 55(1) of the BRRD, by its acquisition of the Securities each Securityholder (which, for the purposes of this Condition 17, includes each holder of a beneficial interest in the Securities) 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 settlement amount in respect of the Securities 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 settlement amount in respect of the Securities together with 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 Securities together with any additional amounts (if any) due in relation thereto; and (iv) the amendment or alteration of the expiry of the Securities or amendment of the amounts payable under the Securities, or the date on which each amount 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 17.

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 Certificates, the Issuer shall notify the holders of the Certificates 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 Certificates described in this Condition 17.

Each Securityholder 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 Certificates.

18. Contracts (Rights of Third Parties) Act 1999

Subject as provided in the Agency Agreement, the Securities do not confer on any third party any rights under the Contracts (Rights of Third Parties) Act 1999 (the **Act**) to enforce any term of the Securities, but this does not affect any right or remedy of a third party which exists or is available apart from the Act.

19. Exercise rights and procedures (only applicable to Warrants)

(A) *Exercise Period*

(i) American Style Warrants

American Style Warrants are exercisable on any Exercise Business Day during the Exercise Period by the delivery of an Exercise Notice in the manner set out below, unless an Early Redemption Event (only applicable in case of Warrants to be admitted to listing and/or trading without prior offer), or a Termination Event, or an Adjustment Event, or a Market Disruption Event has occurred.

If Automatic Exercise is not specified in the applicable Final Terms, any such American Style Warrant with respect to which no Exercise Notice (as defined below) has been delivered in the manner set out below, at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the last Exercise Business Day of the Exercise Period (the **Expiration Date**), shall become void.

If Automatic Exercise is specified as applicable in the relevant Final Terms, any such American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out below, at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Expiration Date and which is in the determination of the Calculation Agent "In-The-Money" shall be automatically exercised on the Expiration Date (as defined below), provided that the relevant Warrant is not a Definitive Warrant. The expressions **exercise, due exercise** and related expressions shall be construed to apply to any Warrants which are automatically exercised on the Expiration Date in accordance with this provision.

With respect to an American Style Warrant, the **Actual Exercise Date** means (a) the Exercise Business Day during the Exercise Period on which an Exercise Notice in respect of an American Style Warrant is delivered to Euroclear and/or Clearstream, Luxembourg with a copy to the Issuer and the Principal Security Agent, at or prior to 10.00 a.m. Brussels or Luxembourg time, as appropriate, or (b) if Automatic Exercise is specified in the applicable Final Terms and no Exercise Notice has been delivered in accordance with the preceding paragraph (a), the Expiration Date. If any Exercise Notice in respect of an American Style Warrant is received by Euroclear and/or Clearstream, Luxembourg, or a copy thereof is delivered to the Principal Security Agent and the Issuer after 10.00 a.m. Brussels or Luxembourg time, as appropriate, on any Exercise Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out below at or prior to 10.00 a.m. Brussels or Luxembourg time (as appropriate) on the Expiration Date shall (i) if Automatic Exercise is not specified in the applicable Final Terms, become void or (ii) if Automatic Exercise is specified in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

If the Renouncement Notice is specified as applicable in the relevant Final Terms, the Securityholder may renounce any Automatic Exercise of such Warrant, prior to the Renouncement Notice Cut-off Time, specified in the relevant Final Terms, through its own account holding bank, which shall deliver or send by authenticated swift message (confirmed in writing) a duly completed Renouncement Notice, which shall be substantially in the form available on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com, to the relevant Clearing System, with a copy to the Principal Security Agent, in compliance with the laws and regulation, including the regulations of the relevant stock exchange, applicable from time to time. If a duly completed Renouncement Notice is delivered or sent in compliance with the above, the relevant Securityholder will not be entitled to receive any amounts payable by the Issuer in respect of the relevant Warrants and the Issuer shall have no further liabilities in respect of such amounts.

Once delivered, a Renouncement Notice shall be irrevocable. Any determination as to whether a Renouncement Notice is duly completed and in proper form shall be made by the relevant Clearing System in consultation with the Principal Security Agent and shall be conclusive and binding on the Issuer, the Security Agents, the Calculation Agent and the relevant Securityholder. Subject as set out below, any Renouncement Notice so determined to be incomplete or not in proper form or which is not duly delivered shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the relevant Clearing System, in consultation with the Principal Security Agent, it shall be deemed to be a new Renouncement Notice submitted at the time such correction was delivered to the relevant Clearing System and copied to the Issuer and the Principal Security Agent.

(ii) European Style Warrants

European Style Warrants are only exercisable on the Exercise Date or if such day is not an Exercise Business Day the immediately succeeding Exercise Business Day (the **Actual Exercise Date** and the **Expiration Date**), unless an Early Redemption Event (only applicable in case of Warrants to be admitted to listing and/or trading without prior offer), or a Termination Event, or an Adjustment Event, or a Market Disruption Event has occurred.

If Automatic Exercise is not specified in the applicable Final Terms, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out below, at or prior to 10.00 a.m., Brussels or Luxembourg time (as appropriate) on the Actual Exercise Date, shall become void.

If Automatic Exercise is specified in the applicable Final Terms, any such European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out below, at or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Actual Exercise Date and which is in the determination of the Calculation Agent "In-The-Money", shall be automatically exercised on the Actual Exercise Date and the provisions set out below shall apply, provided the relevant Warrant is not a Definitive Warrant. The expressions exercise, due exercise and related expressions shall be construed to apply to any Warrants which are automatically exercised on the Actual Exercise Date in accordance with this provision.

If the Renouncement Notice is specified as applicable in the relevant Final Terms, the Securityholder may renounce any Automatic Exercise of such Warrant, prior to the Renouncement Notice Cut-off Time, specified in the applicable Final Terms, through its own account holding bank, which shall deliver or send by authenticated swift message (confirmed in writing) a duly completed Renouncement Notice, which shall be substantially in the form available on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com, to the relevant Clearing System, with a copy to the Principal Security Agent and the Issuer, in compliance with the laws and regulation, including the regulations of the relevant stock exchange, applicable from time to time. If a duly completed Renouncement Notice is delivered or sent in compliance with the above, the relevant Securityholder will not be entitled to receive any amounts payable by the Issuer in respect of the relevant Warrants and the Issuer shall have no further liabilities in respect of such amounts.

Once delivered, a Renouncement Notice shall be irrevocable. Any determination as to whether a Renouncement Notice is duly completed and in proper form shall be made by the relevant Clearing System in consultation with the Principal Security Agent and shall be conclusive and binding on the Issuer, the Security Agents, the Calculation Agent and the relevant Securityholder. Subject as set out below, any Renouncement Notice so determined to be incomplete or not in proper form or which is not duly delivered shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the relevant Clearing System, in consultation with the Principal Security Agent, it shall be deemed to be a new Renouncement Notice submitted at the time such correction was delivered the relevant Clearing System and copied to the Issuer and the Principal Security Agent.

(B) *Cash Settlement*

If the Warrants are Cash Settled Securities, subject as provided in this Condition 19, the Issuer shall pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant, by credit or transfer to the Securityholder's account with Euroclear or Clearstream Luxembourg, as the case may be, for value on the Settlement Date less any Expenses and any other sums payable not already paid, such payment to be made in accordance with the rules of Euroclear or Clearstream, Luxembourg (as appropriate).

The Issuer's obligations will be discharged by payment to, or to the order of, Euroclear or Clearstream, Luxembourg (as the case may be) of the amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular number of

Warrants must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each such payment.

Payments will be subject in all cases to any fiscal or any other laws and regulations applicable thereto in the place of payment.

(C) *Physical Settlement*

If the Warrants are Physical Delivery Securities, each such Warrant entitles its holder, upon due exercise and subject as provided in Condition 4 (*Physical Delivery provisions*), to receive the Entitlement from the Issuer on the Settlement Date, subject to payment of any Expenses and any other sums payable and unless an Early Redemption Event (only applicable in case of Warrants to be admitted to listing and/or trading without prior offer), or a Termination Event, or an Adjustment Event, or a Market Disruption Event has occurred.

The method of delivery of the Entitlement is set out in the applicable Final Terms.

Warrants exercised at the same time by the same Securityholder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Warrants. In particular, Securityholders will receive the Deliverable Asset and, if any, the Residual Amount.

Following exercise of a Share Security which are Warrants that are Physical Delivery Securities, all dividends on the Shares to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares executed on the relevant Actual Exercise Date and to be delivered in the same manner as such relevant Shares, all as determined by the Calculation Agent. Any such dividends to be paid to a Securityholder will be paid to the account specified by the Securityholder in the relevant Exercise Notice.

(D) *Exercise Notice*

Warrants may only be exercised by the Securityholder through its own account holding bank, which shall deliver or send by authenticated swift message (confirmed in writing) to Euroclear or Clearstream, Luxembourg, as the case may be, with a copy to the Principal Security Agent and the Issuer, of a duly completed exercise notice, which shall be substantially in the form available on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com (an **Exercise Notice**) in accordance with the provisions set out in this Condition 19. If the relevant Warrant is in definitive form, such Warrant must be delivered, together with the Exercise Notice, to the Issuer and with a copy to the Principal Security Agent.

(1) An Exercise Notice shall:

(i) specify the series of the Warrants and the number of Warrants the subject of such Notice;

(ii) except in the case of Definitive Warrants, specify the number of the Securityholder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be debited with the Warrants the subject of such Exercise Notice;

(iii) except in the case of Definitive Warrants, irrevocably instruct Euroclear or Clearstream, Luxembourg, as the case may be, to debit on or before the Settlement Date the Securityholder's account with the Warrants the subject of such Exercise Notice;

(iv) include (A) an undertaking to pay all Expenses (together with any other amounts payable); and (B) an authorisation to the Issuer to deduct any Expenses from the Cash Settlement Amount, if the Warrants are Cash Settled Securities, or, if the Warrants are Physical Delivery Securities, an irrevocable instruction to Euroclear or Clearstream, Luxembourg, as the case may be (or to the Principal Security Agent, in the case of Definitive Warrants), to debit a specified account of the Securityholder at Euroclear or Clearstream, Luxembourg (or such other specified account of the Securityholder, in the case of Definitive Warrants) with any Expenses (together with any other amounts payable);

(v) include such details as are required by the applicable Final Terms for delivery of the Deliverable Asset constituting part or all of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Deliverable Asset constituting part or all of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Deliverable Asset constituting part or all of the Entitlement are to be delivered and specify the name and the number of the Securityholder's account with Euroclear or Clearstream, Luxembourg, as the case may be, or, in the case of a Definitive Warrant, at a bank in the principal financial centre of the relevant Settlement Currency to be credited with any cash payable by the Issuer, either in respect of any Residual Amount constituting the Entitlement or any dividends relating to the Deliverable Asset or as a result of the occurrence of a Settlement Disruption Event or, if applicable, a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Settlement Disruption Amount or Failure to Deliver Settlement Price;

(vi) only in the case of Warrants having an Exchange Rate as Underlying, specify the number of the Securityholder's account at Euroclear or Clearstream, Luxembourg, as the case may be, or, in the case of a Definitive Warrant, at a bank in the principal financial centre of the relevant Settlement Currency to be credited with the amount due upon exercise of the Warrants;

(vii) only if the Cash Settled Warrants are Definitive Warrants, specify the details of an account in the principal financial centre of the relevant Settlement Currency to be credited with the Cash Settlement Amount for each Warrant being exercised;

(viii) certify, *inter alia*, that the beneficial owner of each Warrant the subject of such Exercise Notice is not a U.S. person (as defined in the Exercise Notice), the Warrant was not held on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with such exercise and, where appropriate, undertake to provide such various forms of certification in respect of selling restrictions under the securities, commodities and other laws of the United States as set out in the applicable Final Terms; and

(ix) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

(2) If Condition 4(C) applies, the form of Exercise Notice required to be delivered may be different from that set out above. Copies of such Exercise Notice are available on the website of the Issuer

www.prodottiequotazioni.intesasanpaolo.com and may also be obtained from Euroclear, Clearstream, Luxembourg and the Security Agents.

(E) *Verification of the Securityholder*

Except in the case of an Exercise Notice submitted in respect of a Definitive Warrant, upon receipt of an Exercise Notice, Euroclear or Clearstream, Luxembourg, as the case may be, shall verify that the person exercising the Warrant is the holder thereof according to the books of Euroclear or Clearstream, Luxembourg, as the case may be. Subject thereto, Euroclear or Clearstream, Luxembourg, as the case may be, will confirm to the Principal Security Agent the Series and the number of Warrants being exercised, the relevant account details (if applicable) for payment of the Cash Settlement Amount or the details for the delivery of the Entitlement, as the case may be, in respect of the Warrants specified in the relevant Exercise Notice. Upon receipt of such confirmation, the Principal Security Agent will inform the Issuer thereof. Euroclear or Clearstream, Luxembourg, as the case may be, will on or before the Settlement Date debit the account of the relevant Securityholder with the Warrants the subject of the relevant Exercise Notice.

(F) *Determinations*

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by the relevant Clearing System in consultation with the Principal Security Agent, and shall be conclusive and binding on the Issuer, the Security Agents, the Calculation Agent and the relevant Securityholder. Subject as set out below, any Exercise Notice so determined to be incomplete or not in proper form or which is not duly delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) and copied to the Issuer and the Principal Security Agent (or, in the case of Definitive Warrants, is not duly delivered to the Issuer together with the relevant Definitive Warrant(s) and copied to the Principal Security Agent), shall be null and void.

If such Exercise Notice is subsequently corrected to the satisfaction of Euroclear and/or Clearstream, Luxembourg (as appropriate), in consultation with the Principal Security Agent (or, in the case of Definitive Warrants, to the satisfaction of the Issuer in consultation with the Principal Security Agent), it shall be deemed to be a new Exercise Notice submitted at the time such correction was delivered to Euroclear and/or Clearstream, Luxembourg, as the case may be, and copied to the Issuer and the Principal Security Agent.

If Automatic Exercise is not specified in the applicable Final Terms, any Warrants with respect to which the Exercise Notice has not been duly completed and delivered in the manner set out above by the cut-off time specified above, shall become void.

Euroclear and/or Clearstream, Luxembourg, as applicable (or, in the case of Definitive Warrants, the Issuer) shall use its best efforts promptly to notify the Securityholder submitting an Exercise Notice if, in consultation with the Issuer and/or the Principal Security Agent (as applicable), it has determined that such Exercise Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Security Agents, Euroclear, Clearstream, Luxembourg and the Calculation Agent shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Securityholder.

(G) *Delivery of an Exercise Notice*

Delivery of an Exercise Notice shall constitute an irrevocable election by the relevant Securityholder to exercise the Warrants specified. After the delivery of such Exercise Notice, such exercising Securityholder may not transfer such Warrants.

(H) *Failure to deliver an Exercise Notice*

This paragraph only applies if (i) Automatic Exercise is specified in the applicable Final Terms and Warrants are automatically exercised and (ii) provided the relevant Warrant is not a Definitive Warrant.

(i) *Cash Settlement*

In the event that a Securityholder does not, in respect of Warrants that are Cash Settled Securities to which this Condition applies, deliver an Exercise Notice in accordance with the provisions set out above on or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Expiration Date, the provisions of Condition 19(B) shall nevertheless apply as if such Warrant had been duly exercised on such date.

(ii) *Physical Delivery*

In the event that a Securityholder does not, in respect of Warrants that are Physical Delivery Securities to which this Condition applies, deliver an Exercise Notice in accordance with Condition 19(D) above on or prior to 10.00 a.m., Brussels or Luxembourg time, as the case may be, on the Expiration Date, the Issuer shall as soon as reasonably practicable determine the Assessed Value Payment Amount and in respect of the relevant Warrant, shall pay or cause to be paid the Assessed Value Payment Amount by credit or transfer to the relevant Securityholder's account with Euroclear or Clearstream, Luxembourg (such payment to be made in accordance with the rules of Euroclear or Clearstream, Luxembourg, as the case may be) as soon as reasonably practicable following the determination of the Assessed Value Payment Amount. Upon payment of the Assessed Value Payment Amount as aforesaid, the Issuer's obligations in respect of such Warrant shall be discharged. Payments will be subject in all cases to any fiscal or any other laws and regulations applicable thereto in the place of payment.

As used herein, **Assessed Value Payment Amount** means an amount determined by the Calculation Agent to be the fair market value of the Deliverable Asset constituting part or all of the Entitlement in respect of the relevant Warrant, less any Expenses and any other amounts payable.

(I) *Settlement provisions for Definitive Warrants*

In the event that any Definitive Warrants have been issued prior to the Expiration Date, the Issuer shall, on or prior to the Expiration Date, notify Securityholders in accordance with Condition 9 (*Notices*) of the procedure to be followed in order to receive any Cash Settlement Amount or Assessed Value Payment Amount that may be payable upon Automatic Exercise.

20. Minimum and maximum amount of Warrants Exercisable (only applicable to Warrants)

(A) *American Style Warrants*

This paragraph (A) applies only to American Style Warrants.

(i) The number of Warrants exercisable by any Securityholder on any Actual Exercise Date, as determined by the Issuer, must not be less than the Minimum Exercise Amount specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Amount, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

(ii) If the Issuer determines that the number of Warrants being exercised on any Actual Exercise Date by any Securityholder or a group of Securityholders (whether or not acting in concert) exceeds the Maximum Exercise Number (a number equal to the Maximum Exercise Number being the Quota), the Issuer may deem the Actual Exercise Date for the first Quota of such Warrants, selected at the discretion of the Issuer, to be such day and the Actual Exercise Date for each additional Quota of such Warrants (and any remaining number thereof) to be each of the succeeding Business Days until all such Warrants have been attributed with an Actual Exercise Date, provided, however, that the deemed Actual Exercise Date for any such Warrants which would thereby fall after the Expiration Date shall fall on the Expiration Date. In any case where more than the Quota of Warrants are exercised on the same day by Securityholder(s), the order of settlement in respect of such Warrants shall be at the sole discretion of the Issuer.

(B) *European Style Warrants*

This paragraph (B) applies only to European Style Warrants.

The number of Warrants exercisable on behalf of any Securityholder on any Exercise Date, as determined by the Issuer, must be equal to the Minimum Exercise Amount specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Amount, must be an integral multiple of the number specified in the applicable Final Terms. Any exercise which purports to exercise Warrants in breach of this provision shall be void and of no effect.

21. Exercise rights and procedure (only applicable to Certificates)

(A) *Exercise of the Certificates*

Each Certificate shall be automatically exercised on the Settlement Date and settled in accordance with Condition 21 (*Exercise rights and procedures (only applicable to Certificates)*), unless an Early Redemption Event occurred, if applicable, or a Call Option is exercised by the Issuer (if applicable), or a Put Option is exercised by the Securityholder (if applicable) or an Open End Feature is applicable (only in case of Benchmark Certificates, Constant Leverage Certificates and Turbo Certificates), as specified in the relevant Final Terms or unless a Termination Event or an Adjustment Event or a Market Disruption Event has occurred and unless it has previously been redeemed or purchased and cancelled, subject as provided in these Terms and Conditions.

In relation to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity, the Early Redemption Event and the Put Option shall not apply. In addition, to the same Series of Certificates, the early redemption is, in any case, subject to compliance with the applicable MREL Requirements (including, without limitation, having obtained the prior permission of the Relevant Authority, if required, as specified in this Condition 21).

(B) *Exercise of the Certificates in case of Open End Feature or if a Call Option or Put Option is specified as applicable in the relevant Final Terms*

If, in case of Benchmark Certificates, Constant Leverage Certificates and Turbo Certificates, Open End Feature is specified as applicable in the relevant Final Terms, the Certificates may only be redeemed upon exercise of the Call Option by the Issuer (on a Call Exercise Date), or the exercise of the Put Option by the Securityholder (on a Put Exercise Date).

Following the Call Option or the Put Option, the Certificates will be redeemed on the relevant Call Exercise Date or Put Exercise Date, as the case may be and in accordance with the relevant Final Terms.

In relation to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity, the Put Option shall not apply and any early exercise of Certificates shall be subject to compliance with the then applicable MREL Requirements (including, without limitation, having obtained the prior permission of the Relevant Authority, if required).

(i) *Exercise of the Call Option by the Issuer*

For the purposes of the exercise of the Call Option during a specified Call Notice Period, the Issuer shall communicate the intention to exercise the Call Option to the relevant Stock Exchange and publish a notice to the Securityholders on its website by the Call Notice Period specified in the relevant Final Terms. Such notice will be irrevocable and shall indicate the Call Exercise Date.

(ii) *Exercise of the Put Option by the Securityholder*

For the purposes of the exercise of the Put Option during a specified Put Notice Period, the Securityholder shall send a Put Option Exercise Notice in accordance with the procedure specified in the applicable Final Terms. The Put Option Exercise Notice shall be carried out in relation to a number of Certificates of the same Series, equal to the Minimum Exercise Amount or to an integer multiple of that number. Any Put Option Exercise Notice which has not been sent pursuant to the applicable Final Terms and/or has not been received by the relevant recipient specified in the applicable Final Terms, will not be considered valid. Once the Put Option Exercise Notice is delivered, the Certificates in respect of which the Put Option has been exercised shall not be transferred to third parties.

(C) *Exercise of Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity*

(i) Regulatory conditions for call, redemption, repayment or repurchase

Any call, redemption, repurchase, repayment or modification of eligible Certificates is subject, to the extent such Certificates are counted at such time towards the MREL capacity of the Issuer (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:

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

(b) 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 Authority, in agreement with the competent authority, considers necessary; or

(c) the Issuer has demonstrated to the satisfaction of the Relevant Authority that the partial or full replacement of the relevant Certificates 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 Certificates, 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.

(ii) Early redemption due to a MREL Disqualification Event

In relation to Certificates that qualify as liabilities to be counted towards the Issuer's MREL capacity, 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 Securityholders in accordance with Condition 9 (*Notices*), which will specify the scheduled date for redemption and payment of the relevant amount, redeem such Series of Certificates, in whole but not in part, then outstanding at any time by paying to Securityholders an amount which shall be equal to the Early Termination Amount.

(D) *Cash Settlement*

Subject as provided in this Condition 21, the Issuer shall pay or cause to be paid the relevant amount(s) (if any) for each Certificate by credit or transfer to the Securityholder's account with Euroclear or Clearstream, Luxembourg, as the case may be, for value on the Settlement Date, less any Expenses not already paid, such payment to be made in accordance with the rules of Euroclear or Clearstream, Luxembourg, as the case may be provided that in the case of Registered Securities, such payment shall be made in accordance with Condition 21(E) (*Settlement provisions for Registered Certificates*).

In case of Securities which are not Registered Securities, the Issuer's obligations will be discharged by payment to, or to the order of, Euroclear or Clearstream, Luxembourg (as the case may be) of the amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular amount of the Certificates must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each such payment.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in any jurisdiction (including Section 871(m)), and (ii) 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 current or future regulations or official interpretations thereof, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code.

(E) *Settlement provisions for Registered Certificates*

Payments of the Cash Settlement Amount (less any Expenses not already paid) in respect of each Registered Security (whether or not in global form) 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 Certificate 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 (in each case, the **Record Date**). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the aggregate Issue Price of the Certificates 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 (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 (in the case of a payment in euro) any bank which processes payments in euro.

Holders of Registered Securities will be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Certificate 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.

None of the Issuer, the Registrar or the Principal Security Agent 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 Global Registered Certificates or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

A record of each payment made on such Registered Global Certificate will be made on such Registered Global Certificate by the Registrar and such record shall be *prima facie* evidence that the payment in question has been made.

The holder of the relevant Registered Global Certificate shall be the only person entitled to receive payments in respect of Registered Certificates represented by such Registered Global Certificate and the payment obligations of the Issuer will be discharged by payment to, or to the order of, the holder of such Registered Global Certificate in respect of each amount so paid.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, as the holder of a particular amount of Certificates must look solely to Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, 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 the relevant Registered Global Certificate. No person other than the holder of the relevant Registered Global Certificate shall have any claim against the Issuer in respect of any payments due on that Registered Global Certificate.

(F) *Settlement provisions for Definitive Certificates*

In the event that any Definitive Certificates have been issued prior to the Settlement Date, the Issuer shall, on or prior to the Settlement Date, notify Securityholders in accordance with Condition 9 (*Notices*) of the procedure to be followed in order to receive any Cash Settlement Amount that may be payable upon exercise of the Certificates.

(G) *Physical Settlement*

If the Certificates are Physical Delivery Securities, each such Certificate entitles its holder, subject to the provisions of Condition 22 (if applicable), to receive from the Issuer on the Settlement Date the Entitlement, subject to payment of any Expenses. The method of delivery of the Entitlement is set out in the applicable Final Terms.

Unless otherwise specified in the applicable Final Terms, Certificates of the same Securityholder which has been automatically exercised and in respect of which, if so specified in the applicable Final Terms, a Physical Delivery Confirmation Notice (as defined below) has been duly given as provided in Condition 22 below, will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Certificates. In particular, Securityholders will receive the Deliverable Asset and, if any, the Residual Amount.

In case of Share Securities, following exercise of Certificates that are Physical Delivery Securities, all dividends on the relevant Shares to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares executed on the Exercise Date and to be delivered in the same manner as such relevant Shares, all as determined by the Calculation Agent. Any such dividends to be paid to a Securityholder will be paid to the account specified by the Securityholder in the relevant Physical Delivery Confirmation Notice (if applicable) as referred to in Condition 22.

22. Physical Delivery Confirmation Notices and Settlement (only applicable if Physical Delivery Confirmation Notice is specified as applicable in the relevant Final Terms)

(A) *Physical Delivery Confirmation Notice Requirement*

If so specified in the applicable Final Terms, in the case of Physical Delivery Securities, in order to obtain delivery of the Entitlement the relevant Securityholder must deliver or send by authenticated swift message (confirmed in writing) to Euroclear or Clearstream, Luxembourg, as the case may be, with a copy to the Principal Security Agent and the Issuer not later than 10.00 a.m. Brussels or Luxembourg time (as appropriate) on the Settlement Date a duly completed physical delivery confirmation notice (a **Physical Delivery Confirmation Notice**) substantially in the form set out in the Annex 2 to the Terms and Conditions of the Securities and in accordance with the provisions set out in this Condition.

If the relevant Security is in definitive form, such Security must be delivered, together with the Physical Delivery Confirmation Notice, to the Issuer and with a copy to the Principal Security Agent.

(1) The Physical Delivery Confirmation Notice shall:

(i) specify the Series of the Securities and the number of Securities the subject of such Physical Delivery Confirmation Notice;

(ii) except in the case of Definitive Securities, specify the number of the Securityholder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be debited with the Securities the subject of such Physical Delivery Confirmation Notice;

(iii) except in the case of Definitive Securities, irrevocably instruct Euroclear or Clearstream, Luxembourg, as the case may be, to debit on or before the Settlement Date the Securityholder's account with the Securities the subject of such Physical Delivery Confirmation Notice;

(iv) include an undertaking to pay all Expenses and, except in the case of Definitive Securities, an authority to Euroclear or Clearstream, Luxembourg, as the case may be, to debit a specified account of the Securityholder at Euroclear or Clearstream, Luxembourg, in respect thereof;

(v) include such details as are required by the applicable Final Terms for delivery of the Deliverable Asset constituting part or all of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Deliverable Asset constituting part or all of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Deliverable Asset constituting part or all of the Entitlement are to be delivered and specify the name and the number of the Securityholder's account with Euroclear or Clearstream, Luxembourg, as the case may be, or, in the case of a Definitive Security, at a bank in the principal financial centre of the relevant Settlement Currency to be credited with any cash payable by the Issuer, either in respect of any Residual Amount constituting the Entitlement or any dividends relating to the Deliverable Asset or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Settlement Disruption Amount or Failure to Deliver Settlement Price, as the case may be;

(vi) only in the case of Securities having Exchange Rate(s) as Underlying, specify the number of the Securityholder's account at Euroclear or Clearstream, Luxembourg, as the case may be, or, in the case of a Definitive Security, at a bank in the principal financial centre of the relevant Settlement Currency to be credited with the amount due upon exercise of the Securities;

(vii) certify, *inter alia*, that the beneficial owner of each Security the subject of such Physical Delivery Confirmation Notice is not a U.S. person (as defined in the Physical Delivery Confirmation Notice), the Security was not held on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with such exercise and, where appropriate, undertake to provide such various forms of certification in respect of selling restrictions under the securities, commodities and other laws of the United States as set out in the applicable Final Terms; and

(viii) authorise the production of the Physical Delivery Confirmation Notice in any applicable administrative or legal proceedings.

(2) If Condition 4(C) applies, the form of Physical Delivery Confirmation Notice required to be delivered may be different from that set out above. Copies of such Physical Delivery Confirmation Notice may be obtained from Euroclear, Clearstream, Luxembourg and the Security Agents.

(B) *Verification of the Securityholder*

Except in the case of a Physical Delivery Confirmation Notice submitted in respect of a Definitive Security, upon receipt of a Physical Delivery Confirmation Notice, Euroclear or Clearstream, Luxembourg, as the case may be, shall verify that the person exercising the Securities is the holder thereof according to the books of Euroclear or Clearstream, Luxembourg, as the case may be. Subject thereto, Euroclear or Clearstream, Luxembourg, as the case may be, will confirm to the Principal Security Agent the Series and the number of Securities being exercised and the details for the delivery of the Deliverable Asset constituting part or all of the Entitlement in respect of each Security the subject of the relevant Physical Delivery Confirmation Notice. Upon receipt of such confirmation, the Principal Security Agent will inform the Issuer thereof. Euroclear or Clearstream, Luxembourg, as the case may be, will on or before the Settlement Date debit the account of the relevant Securityholder with the Securities the subject of the relevant Physical Delivery Confirmation Notice.

(C) *Determinations*

Any determination as to whether a Physical Delivery Confirmation Notice, if applicable, is duly completed and in proper form shall be made by the Principal Security Agent, and shall be conclusive and binding on the Issuer, the Security Agents, the Calculation Agent and the relevant Securityholder. Subject as set out below, any Physical Delivery Confirmation Notice so determined to be incomplete or not in proper form or which is not duly delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) and copied to the Issuer and the Principal Security Agent (or, in the case of Definitive Securities, which is not duly delivered to the Issuer together with the relevant Definitive Security(s) and copied to the Principal Security Agent) shall be null and void.

If such Physical Delivery Confirmation Notice is subsequently corrected to the satisfaction of Euroclear and/or Clearstream, Luxembourg, in consultation with the Issuer and the Principal Security Agent (or, in the case of Definitive Securities, to the satisfaction of the Issuer in consultation with the Principal Security Agent), it shall be deemed to be a new Physical Delivery Confirmation Notice submitted at the time such correction was delivered to Euroclear or Clearstream, Luxembourg, as the case may be, and copied to the Issuer and the Principal Security Agent (or, in the case of Definitive Securities, to the Issuer and copied to the Principal Security Agent).

Euroclear and/or Clearstream, Luxembourg, as applicable, (or, in the case of Definitive Securities, the Issuer) shall use its best efforts promptly to notify the Securityholder submitting a Physical Delivery Confirmation Notice if, in consultation with the Issuer and/or the Principal Security Agent (as applicable), it has determined that such Physical Delivery Confirmation

Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Security Agents, Euroclear, Clearstream, Luxembourg and the Calculation Agent shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Securityholder.

(D) *Delivery of a Physical Delivery Confirmation Notice*

After the delivery of a Physical Delivery Confirmation Notice, the relevant Securityholder may not transfer Certificates the subject of such notice.

(E) *Failure to deliver a Physical Delivery Confirmation Notice*

If the Physical Delivery Confirmation Notice is specified as applicable in the relevant Final Terms (and provided that the relevant Securities are not Definitive Securities, in which case the provisions of Condition 22(I) (Settlement provisions for Definitive Securities) will apply), in the event that a Securityholder does not, in respect of the Physical Delivery, deliver or procure delivery of a Physical Delivery Confirmation Notice as set out above, prior to 10.00 a.m., Brussels or Luxembourg time, on the Settlement Date, the Issuer shall as soon as reasonably practicable determine the Assessed Value Payment Amount and in respect of such Certificate shall pay or cause to be paid the Assessed Value Payment Amount by credit or transfer to the Securityholder's account with Euroclear or Clearstream, Luxembourg as soon as reasonably practicable following the determination of the Assessed Value Payment Amount. Upon payment of the Assessed Value Payment Amount as aforesaid, the Issuer's obligations in respect of such Certificate shall be discharged. Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in any jurisdiction (including Section 871(m)), and (ii) 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 current or future regulations or official interpretations thereof, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code.

As used herein, "**Assessed Value Payment Amount**" means an amount determined by the Calculation Agent to be the fair market value of the Deliverable Asset constituting part or all of the Entitlement in respect of the relevant Certificate, less any Expenses.

23. Pay-out provisions

If the Underlying Reference Currency is different from the Settlement Currency, Securities may be either "Quanto Securities" (i.e. Quanto Option is specified as applicable in the relevant Final Terms) or "Non Quanto Securities" (i.e. Quanto Option is specified as not applicable in the relevant Final Terms). In case of Quanto Securities, the Underlying Reference Currency will be expressed in the Settlement Currency. Otherwise, in case of Non Quanto Securities, the amounts payable under the Securities and the relevant events will be determined by exchanging the Underlying Reference Currency into the Settlement Currency at the applicable Exchange Rate.

REMUNERATION AMOUNTS

The Certificates may provide for the payment of one or more of the amounts specified below, in the relevant payment date, as specified in the applicable Final Terms. Each of these Remuneration Amounts, in relation to each relevant valuation period, if so specified in the applicable Final Terms, may become due only after the occurrence of a Knock-in Event or may cease to be due after the occurrence of a Knock-out Event occurs. In particular, the Certificates may provide for a:

a) *Knock-out Feature*: if a Knock-out Feature is specified in the relevant Final Terms as applicable, the relevant Remuneration Amount(s) as specified in the relevant Final Terms potentially payable will cease to be due and payable to the Securityholders after the occurrence of a Knock-out Event.

   Securityholders will be notified in the event of a Knock-out Event by means of a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com; or/and

b) *Knock-in Feature*: if a Knock-in Feature is specified in the relevant Final Terms as applicable, the relevant Remuneration Amount(s) as specified in the applicable Final Terms will become payable to the Securityholders after the occurrence of a Knock-in Event.

   Securityholders will be notified in the event of a Knock-in Event by means of a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com.

The Certificates, as specified below and as the case may be, may provide for one or more of the following Remuneration Amounts:

A. <u>DIGITAL AMOUNT(S)</u>

The Certificates may provide[10] for the payment of one or more Digital Amounts, depending on the occurrence of the relevant Digital Event.

If the Digital Event occurs, the Securityholders will receive one or more Digital Amounts as specified in the relevant Final Terms.

The Digital Amount is an amount predetermined by the Issuer in relation to each Digital Valuation Period. For the avoidance of any doubt, in relation to the same Digital Valuation Period, the applicable Final Terms may provide for two or more Digital Amounts (Digital Amount A, Digital Amount B, and so on), which could also be linked to different Underlyings, payable upon occurrence of the relevant Digital Event.

If the "Multiple Level Option" is specified as applicable the relevant Final Terms will specify the Digital Amount 1 and the Digital Amount 2, and so on, which will be respectively linked to the Digital Level 1, the Digital Level 2 and so on.

If so specified in the applicable Final Terms, in relation to each different Digital Level the Issuer will also specify the related applicable Digital Amount.

Securityholders will be notified of the Digital Event through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com.

Specific features in relation to the Digital Amount

In addition to the other features that may be specified as applicable in relation to all the Remuneration Amounts, in relation to the Digital Amount, the following features may specifically apply, jointly or separately, as specified in the applicable Final Terms:

[10] In relation to the Digital Certificates, the payment of one or more Digital Amounts, depending on the occurrence of the Digital Event, as specified in the applicable Final Terms, will always be provided.

Consolidation Effect

The Certificates, if so specified in the relevant Final Terms, may provide for an automatic activation option of the following Digital Amounts eventually payable during the life of the Certificates.

In particular, if several Digital Valuation Periods have been provided and the Consolidation Effect occurs, the Digital Event will automatically occur without further determinations for all the Digital Valuation Periods following such Consolidation Valuation Period and, therefore, Securityholders will receive all the relevant Digital Amounts.

If the Consolidation Effect has occurred, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com.

Memory Effect

The Certificates, if so specified in the relevant Final Terms, may provide, as specified in the applicable Final Terms, for an automatic activation option of the Digital Amounts that were not due because of the non-occurrence of the relevant Digital Events or the non-occurrence of the Memory Effect in a previous Memory Valuation Period.

In particular, if several Digital Valuation Periods have been provided and the Memory Effect occurs, the Securityholders will receive the Digital Amount(s) which is/are not due, except where such Digital Amounts were already due following the occurrence of the relevant Digital Event or following the occurrence of the Memory Effect in a previous Memory Valuation Period.

If the Memory Effect has occurred, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com.

Path Dependency Effect

If so specified in the relevant Final Terms, the Path Dependency Effect may be applicable. In this case, the Digital Amount may increase in relation to each Digital Valuation Period. Such increase will depend upon the occurrence of a Digital Event in the previous Digital Valuation Period.

In particular, the increase will be calculated as the product of (i) the amount indicated as the Path Dependency Amount in the applicable Final Terms and (ii) the number of the Digital Events that have occurred from the first Digital Valuation Period (included) until the Digital Valuation Period on which such Digital Amount is calculated.

B. COUPON PREMIUM AMOUNT(S)

The Certificates may provide for the payment of the Coupon Premium Amounts, which will be either the Coupon Premium 1 or the Coupon Premium 2 depending on the occurrence or not of the relevant Coupon Event.

In particular, if the Coupon Event has occurred in the relevant Coupon Valuation Period, the Securityholders will receive the Coupon Premium 1 in the relevant Coupon Payment Date. If the Coupon Event has not occurred in the relevant Coupon Valuation Period, the Securityholders will receive the Coupon Premium 2 in the relevant Coupon Payment Date.

The Coupon Premium Amounts are predetermined by the Issuer in relation to each Coupon Valuation Period.

Securityholders will be notified of the Coupon Event through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com.

C. *ACCUMULATED AMOUNT(S)*

If so specified in the relevant Final Terms, the Certificates may provide for the Accumulated Amount(s). If such amount is specified as applicable in the relevant Final Terms, Securityholders may be entitled to receive, on the relevant Accumulated Payment Date, the relevant Accumulated Amount.

Each Accumulated Amount, in relation to the relevant Accumulated Valuation Date, may be calculated as follows:

(i) Accumulated Amount Type A:

Accumulating Amount x n

Where:

"**n**" means the total number of Accumulating Events occurred during the relevant Accumulating Valuation Period.

Therefore, the Accumulated Amount Type A will be equal to the product between (i) the Accumulating Amount provided in relation to such Accumulated Valuation Date and such Accumulating Valuation Period and (ii) the total number of Accumulating Events occurred during the relevant Accumulating Valuation Period;

or

(ii) Accumulated Amount Type B:

Accumulating Amount x (n / N)

Where:

"**n**" means the total number of Accumulating Events occurred during the relevant Accumulating Valuation Period; and

"**N**" means the total number of days (Business Days or Exchange Business Days or calendar days as specified in the applicable Final Terms) or total number of Specific Period of the relevant Accumulating Valuation Period as indicated in the applicable Final Terms.

Therefore, the Accumulated Amount Type B will be equal the product between (i) the Accumulating Amount provided in relation to such Accumulated Valuation Date and such Accumulating Valuation Period and (ii) the ratio of (A) the total number of Accumulating Events occurred during the relevant Accumulating Valuation Period and (B) the total number of days (being Business Day or Exchange Business Day or calendar days) of the relevant Accumulating Valuation Period as indicated in the applicable Final Terms.

The applicable Final Terms may also provide for one or more Accumulating Autocallable Trigger. In such case, an Early Redemption Event occurs if, on the Accumulated Valuation Date, the Calculation Agent determines that the relevant Accumulated Amount payable to the Securityholders is lower than, equal to or higher than, as specified in the applicable Final Terms, the relevant Accumulating Autocallable Trigger.

In addition, if an Early Redemption Level is applicable under the relevant Final Terms, and if so specified in such Final Terms, the Accumulated Amount will be paid only upon occurrence of an Early Redemption Event. In such case, the Accumulated Amount will be paid on the Accumulated Payment Date coinciding with, or immediately after, the Early Payment Date in relation to which an Early Redemption Event has occurred.

Securityholders will be notified of the number of Accumulating Events occurred during the relevant Accumulating Valuation Period through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com.

D. PLUS AMOUNT(S)

If so specified in the relevant Final Terms, the Certificates may provide the unconditional payment of one or more Plus Amount, allowing the Securityholders, during the life of the Certificates or at the Settlement Date, to receive an additional amount which is not linked to the performance of the Underlying. The Plus Amount will be paid on the relevant Plus Payment Date specified in the applicable Final Terms.

E. INTERNAL RETURN AMOUNT(S)

The applicable Final Terms may specify the Internal Return Amount. In this case, the Internal Return Amount, which can be IRA Compound or IRA Compound Cap or IRA Simple or IRA Simple Cap, as specified below, will be linked to the performance of the Underlying and calculated according to one of the following formulas:

(i) IRA Compound:

$$Issue\ Price\ x\ Max\left\{0;\left[\left(\sqrt[n]{\frac{RV_t}{IRV}}\right)-1\right]\right\}$$

Where:

"**RV_t**" means the Reference Value in relation to the relevant Annual Valuation Period; and

"**n**" means the number specified in the applicable Final Terms in relation to the relevant Annual Valuation Period.

In this case, the Internal Return Amount is calculated on the performance of the Underlying which is annualized in relation to each Annual Valuation Period;

(ii) IRA Compound Cap:

$$Issue\ Price\ x\ Min\left\{IRA\ Cap_t;\ Max\left\{0;\left[\left(\sqrt[n]{\frac{RV_t}{IRV}}\right)-1\right]\right\}\right\}$$

Where:

"**IRA Cap$_t$**" means the value expressed as a percentage specified in the relevant Final Terms in relation to the relevant Annual Valuation Period;

"**RV$_t$**" means the Reference Value in relation to the relevant Annual Valuation Period; and

"**n**" means the number specified in the applicable Final Terms in relation to the relevant Annual Valuation Period.

In this case, the Internal Return Amount is calculated on the performance of the Underlying which is annualized in relation to each Annual Valuation Period, but it will be subject to a maximum amount represented by the IRA Cap multiplied by the Issue Price;

(iii) IRA Simple:

Issue Price x Max {0; [(RV$_t$/IRV)-1]/n}

Where:

"**RV$_t$**" means the Reference Value in relation to the relevant Annual Valuation Period; and

"**n**" means the number specified in the applicable Final Terms in relation to the relevant Annual Valuation Period.

In this case, the Internal Return Amount is calculated on the performance of the Underlying which is annualized in relation to each Annual Valuation Period;

(iv) IRA Simple Cap:

Issue Price x Min {IRA CAP$_t$; Max [0; [(RV$_t$ / IRV)-1]/n]}

Where:

"**IRA Cap$_t$**" means the value expressed as a percentage specified in the relevant Final Terms in relation to the relevant Annual Valuation Period;

"**RV$_t$**" means the Reference Value in relation to the relevant Annual Valuation Period; and

"**n**" means the number specified in the applicable Final Terms in relation to the relevant Annual Valuation Period.

In this case, the Internal Return Amount is calculated on the performance of the Underlying which is annualized in relation to each Annual Valuation Period, but it will be subject to a maximum amount represented by the IRA Cap multiplied by the Issue Price.

F. PARTICIPATION REMUNERATION AMOUNT(S)

The Certificates may provide for the payment of one or more Participation Remuneration Amounts if it results in an amount higher than zero. The Participation Remuneration Amount will consist of an amount determined on the basis of the performance of the Underlying, as specified in the formulas under points below *(A) Long Participation Remuneration Amount*, *(B) Short Participation Remuneration Amount* and *(C) Spread Participation Remuneration Amount*.

The payment of a Participation Remuneration Amount may be unconditional or may depend, if so provided in the applicable Final Terms, upon the occurrence of a Participation Remuneration Event. If this is the case, the Securityholders may receive the Participation Remuneration Amount related to the corresponding Participation Remuneration Event Valuation Period upon occurrence of a Participation Remuneration Event only.

The Participation Remuneration Amount is calculated according to one or more of the formulas described below, which will be specified in the applicable Final Terms for each Participation Remuneration Amount.

(A) Long Participation Remuneration Amount:

- **Long Participation Remuneration Amount Form A:**

  $Issue\ Price\ x\ Max\ \{Floor\ Percentage_t;\ [(RV_t – Strike\ Remuneration\ Percentage_j\ x\ RV_j)/\ RV_j]\ x\ Participation\ Factor_t\}$

  <u>if the relevant Final Terms provide for the application of a CAP:</u>

  $Issue\ Price\ x\ Min\ \{CAP_t;\ Max\ [Floor\ Percentage_t;\ ((RV_t – Strike\ Remuneration\ Percentage_j\ x\ RV_j)/RV_j)\ x\ Participation\ Factor_t]\}$

or

- **Long Participation Remuneration Amount Form B:**

  $Issue\ Price\ x\ Max\ \{Floor\ Percentage_t;\ [Base\ Premium\ Percentage_t\ x\ (1 + Participation\ Remuneration\ Amount\ Gearing_t\ x\ (RV_t – RV_j)\ /\ RV_j)]\}$

  <u>if the relevant Final Terms provide for the application of a CAP:</u>

  $Issue\ Price\ x\ Min\ \{CAP_t;\ Max\ [Floor\ Percentage_t;\ Base\ Premium\ Percentage_t\ x\ (1 + Participation\ Remuneration\ Amount\ Gearing_t\ x\ (RV_t – RV_j)\ /\ RV_j)]\}$

  <u>in relation to Interest Rate Securities only</u>

- **Long Participation Remuneration Amount Form C:**

  $Issue\ Price\ x\ Max\ [Floor\ Percentage_t;\ (RV_t\ x\ Participation\ Factor_t)]$

  or

  $Issue\ Price\ x\ Max\ [Floor\ Percentage_t;\ (RV_t + Margin)\ x\ Participation\ Factor_t]$

  or

  $Issue\ Price\ x\ Max\ [Floor\ Percentage_t;\ (RV_t\ -\ Margin)\ x\ Participation\ Factor_t]$

  <u>*if the relevant Final Terms provide for the application of a CAP:*</u>

  $Issue\ Price\ x\ Min\ \{CAP_t;\ Max\ [Floor\ Percentage_t;\ (RV_t\ x\ Participation\ Factor_t)]\}$

or

Issue Price x Min {CAP_t; Max [Floor Percentage$_t$; (RV_t + Margin) x Participation Factor$_t$]}

or

Issue Price x Min {CAP_t; Max [Floor Percentage$_t$; (RV_t - Margin) x Participation Factor$_t$]}

Where, in relation to each formula:

"**RV_t**" means the Reference Value on the Participation Valuation Date(s) "t" specified in the relevant Final Terms;

"**RV_j**" means the Reference Value on the Participation Valuation Date(s) "j" specified in the relevant Final Terms;

"**Participation Factor$_t$**" means the value expressed as a percentage specified in the applicable Final Terms in relation to the Participation Valuation Date "t";

"**Strike Remuneration Percentage$_j$**" means the value expressed as a percentage, which may also be equal to zero, specified in the relevant Final Terms in relation to the relevant Participation Valuation Date;

"**Floor Percentage$_t$**" means the value expressed as a percentage specified in the relevant Final Terms in relation to the Participation Valuation Date "t". The Floor Percentage will always be equal to or higher than 0 per cent;

"**Base Premium Percentage**$_t$" means the value expressed as a percentage specified in the relevant Final Terms in relation to the Participation Valuation Date "t";

"**Participation Remuneration Amount Gearing**$_t$" means the value specified in the relevant Final Terms in relation to the Participation Valuation Date "t";

"**CAP**$_t$" means the value expressed as a percentage specified in the relevant Final Terms in relation to the Participation Valuation Date "t";

"**Margin**" means the value expressed as a percentage specified in the relevant Final Terms.

The applicable Final Terms will specify whether the Participation Remuneration Amount is Long Participation Remuneration Amount (and, in this case, whether it is Long Participation Remuneration Amount Form A or Long Participation Remuneration Amount Form B or Long Participation Remuneration Amount Form C (applicable only in relation to Interest Rate Securities)) or Short Participation Remuneration Amount.

If so specified in the applicable Final Terms, both the Long Participation Remuneration Amount and Short Participation Remuneration Amount may apply in relation to the same Participation Valuation Dates;

and/or

(B) Short Participation Remuneration Amount:

- Short Participation Remuneration Amount Form A:

Issue Price x Max [Floor Percentage$_t$*; ((Strike Remuneration Percentage*$_j$ *x RV*$_j$ *- RV*$_t$*)/RV*$_j$*) x Participation Factor*$_t$*]*

<u>if the relevant Final Terms provide for the application of a CAP:</u>

Issue Price x Min {CAP$_t$*; Max [Floor Percentage*$_t$*; ((Strike Remuneration Percentage*$_j$ *x RV*$_j$ *- RV*$_t$*)/RV*$_j$*) x Participation Factor*$_t$*]}*

<u>in relation to Interest Rate Securities only:</u>

- Short Participation Remuneration Amount Form B:

Issue Price x Max [Floor Percentage$_t$*; (Strike Remuneration Percentage*$_j$ *x RV*$_j$ *– RV*$_t$*) x Participation Factor*$_t$*]*

or

Issue Price x Max [Floor Percentage$_t$*; (Strike Remuneration Percentage*$_j$ *x RV*$_j$ *- (RV*$_t$ *- Margin*$_t$*)) x Participation Factor*$_t$*]*

or

Issue Price x Max [Floor Percentage$_t$*; (Strike Remuneration Percentage*$_j$ *x RV*$_j$ *- (RV*$_t$ *+ Margin*$_t$*)) x Participation Factor*$_t$*]*

<u>*if the relevant Final Terms provide for the application of a CAP:*</u>

Issue Price x Min {CAP$_t$*; Max [Floor Percentage*$_t$*; (Strike Remuneration Percentage*$_j$ *x RV*$_j$ *– RV*$_t$*) x Participation Factor*$_t$*]}*

or

Issue Price x Min {CAP$_t$*; Max [Floor Percentage*$_t$*; (Strike Remuneration Percentage*$_j$ *x RV*$_j$ *– (RV*$_t$ *- Margin*$_t$*)) x Participation Factor*$_t$*]}*

or

Issue Price x Min {CAP$_t$*; Max [Floor Percentage*$_t$*; (Strike Remuneration Percentage*$_j$ *x RV*$_j$ *– (RV*$_t$ *+ Margin*$_t$*)) x Participation Factor*$_t$*]}*

Where, in relation to each formula:

"**RV**$_t$" means Reference Value on the Participation Valuation Date(s) "t" specified in the relevant Final Terms;

"**RV**$_j$" means the Reference Value on the Participation Valuation Date(s) "j" specified in the relevant Final Terms;

"**Participation Factor**$_t$" means the value expressed as a percentage specified in the applicable Final Terms in relation to the Participation Valuation Date "t";

"**Strike Remuneration Percentage$_j$**" means the value expressed as a percentage, which may also be equal to zero, specified in the relevant Final Terms in relation to the relevant Participation Valuation Date;

"**Floor Percentage$_t$**" means the value expressed as a percentage specified in the relevant Final Terms in relation to the Participation Valuation Date "t". The Floor Percentage will always be equal to or higher than 0 per cent;

"**Margin$_t$**" means the value expressed as percentage, which may also be equal to zero, specified in the relevant Final Terms in relation to the relevant Participation Valuation Date "t";

"**CAP$_t$**" means the value expressed as a percentage specified in the relevant Final Terms in relation to the Participation Valuation Date "t".

The applicable Final Terms will specify whether the Participation Remuneration Amount is Long Participation Remuneration Amount (and, in this case, whether it is Long Participation Remuneration Amount Form A or Long Participation Remuneration Amount Form B or Long Participation Remuneration Amount Form C (applicable only in relation to Interest Rate Securities)) or Short Participation Remuneration Amount.

If so specified in the applicable Final Terms, both the Long Participation Remuneration Amount and Short Participation Remuneration Amount may apply in relation to the same Participation Valuation Dates;

and/or

(C) Spread Participation Remuneration Amount:

If the Participation Remuneration Amount is specified as *Spread Participation Remuneration Amount*, for the purposes of determining the Spread Participation Remuneration Amount, reference will be made to the Spread (as defined in Condition 3 (*Definitions*)). The Spread Participation Remuneration Amount will be calculated according to one of the following formulas:

Issue Price x [Participation Factor$_t$ x Max (0; Spread)]

<u>*if the relevant Final Terms provide for the application of a Margin:*</u>

Issue Price x [Participation Factor$_t$ x Max (0; Spread + Margin$_t$)]

or

Issue Price x [Participation Factor$_t$ x Max (0; Spread - Margin$_t$)]

<u>*if the relevant Final Terms provide for the application of a Spread Leverage and a Margin:*</u>

Issue Price x [Participation Factor$_t$ x Max (0; Spread x Spread Leverage + Margin$_t$)]

or

Issue Price x [Participation Factor$_t$ x Max (0; Spread x Spread Leverage - Margin$_t$)]

<u>if the relevant Final Terms provide for the application of a CAP</u>:

Issue Price x Min {CAP$_t$; [Participation Factor$_t$ x Max (0; Spread)]}

<u>if the relevant Final Terms provide for the application of a CAP and a Margin:</u>

Issue Price x Min {CAP$_t$; [Participation Factor$_t$ x Max (0; Spread + Margin$_t$)]}

or

Issue Price x Min {CAP$_t$; [Participation Factor$_t$ x Max (0; Spread - Margin$_t$)]}

<u>if the relevant Final Terms provide for the application of a CAP, a Spread Leverage and a Margin:</u>

Issue Price x Min {CAP$_t$; [Participation Factor$_t$ x Max (0; Spread x Spread Leverage + Margin$_t$)]}

or

Issue Price x Min {CAP$_t$; [Participation Factor$_t$ x Max (0; Spread x Spread Leverage - Margin$_t$)]}

"**Participation Factor$_t$**" means the value expressed as a percentage specified in the applicable Final Terms in relation to the Participation Valuation Date "t";

"Spread Leverage" means, in relation to a Spread Participation Remuneration Amount, the value expressed as a percentage specified in the applicable Final Terms;

"**Margin$_t$**" means the value expressed as percentage, which may also be equal to zero, specified in the relevant Final Terms in relation to the relevant Participation Valuation Date "t";

"**CAP$_t$**" means the value expressed as a percentage specified in the relevant Final Terms in relation to the Participation Valuation Date "t".

Specific features in relation to the Participation Remuneration Amount

<u>Participation Rebate Feature</u>

If the Participation Rebate Feature is specified in the relevant Final Terms as applicable, the Participation Remuneration Amount potentially payable depends on the occurrence of the relevant Participation Rebate Event. If a Participation Rebate Event has not occurred during the relevant Participation Rebate Valuation Period the Certificates will pay, on the relevant payment date, a Participation Remuneration Amount as specified in the applicable Final Terms. Otherwise, if during such Participation Rebate Valuation Period, a Participation Rebate Event has occurred the Certificates will pay a Participation Rebate Amount, on the relevant payment date, specified in the relevant Final Terms. If the Participation Rebate Event has occurred, the Securityholders will receive, instead of the Participation Remuneration Amount, the specified Participation Rebate Amount on the relevant payment date following the Participation Rebate Valuation Period in which the Participation Rebate Event has occurred.

Securityholders will be notified of the occurrence of a Participation Rebate Event by means of a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com.

Net Profit Feature

If the Net Profit Feature is specified in the relevant Final Terms as applicable, the Remuneration Sum will be deducted from the above amounts, provided that the resulting amount cannot be lower than zero.

Tarn Feature

If the Tarn Feature is specified in the relevant Final Terms as applicable, and the Remuneration Sum exceeds the Tarn Amount, such event will be considered as an Early Redemption Event and, therefore, the Certificates are deemed to be early redeemed and the Securityholders are entitled to receive the payment of the relevant Early Redemption Amount on the relevant Early Payment Date.

Consolidation Effect

If the payment of the Participation Remuneration Amount depends upon the occurrence of a Participation Remuneration Event, the Certificates, if so specified in the relevant Final Terms, may provide for an automatic activation option of the following Participation Remuneration Amounts eventually payable during the life of the Certificates.

In particular, if several Participation Remuneration Event Valuation Periods have been provided and the Consolidation Effect occurs, the Participation Remuneration Event will automatically occur without further determinations for all the Participation Remuneration Event Valuation Periods following such Consolidation Valuation Period and, therefore, the Securityholders will receive all the relevant Participation Remuneration Amounts.

If the Consolidation Effect has occurred, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com.

Memory Effect

If the payment of the Participation Remuneration Amount depends upon the occurrence of a Participation Remuneration Event, the Certificates, if so specified in the relevant Final Terms, may provide for an automatic activation option of the Participation Remuneration Amounts that were not due because of the non-occurrence of the relevant Participation Remuneration Events or the non-occurrence of the Memory Effect in a previous Memory Valuation Period.

In particular, if several Participation Remuneration Event Valuation Periods have been provided and the Memory Effect occurs, the Securityholders will receive the Participation Remuneration Amount(s) which is/are not due, except where such Participation Remuneration Amounts were already due following the occurrence of the relevant Participation Remuneration Event or following the occurrence of the Memory Effect in a previous Memory Valuation Period.

If the Memory Effect has occurred, the Securityholders will be notified through a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com.

G. PREMIUM GAP AMOUNT(S)

Gap Certificates, if so specified by the Issuer in the relevant Final Terms, may provide for the payment of a Premium Gap Amount that will depend on the Premium Determination Method specified by the Issuer in the relevant Final Terms and on whether a Barrier Gap Event has occurred.

A Barrier Gap Event will occur if, during the Barrier Gap Observation Period, the Gap Daily Performance of the relevant Underlying is lower or equal to or higher than the Barrier Gap Level.

In relation to the Premium Gap Amounts, if the Barrier Gap Event has occurred:

(i) the Premium Gap Amount will be determined on the basis of the actual number of days within the relevant Premium Gap Observation Period and not on the basis of all the days of the relevant Premium Determination Period; and

(ii) after the payment of the Premium Gap Amount that will be paid on the first Premium Payment Date following the Barrier Gap Event Date on which a Barrier Gap Event has occurred, no further Premium Gap Amount will be paid to the Securityholders.

Determination Methods

The Issuer will specify in the relevant Final Terms the Premium Determination Method that applies in relation to each Premium Determination Period. In any case, the Premium Gap Amount will not result in an amount lower than zero.

The Premium Gap Amount will be determined, depending on the applicable Determination Method, according to one of the following formulas:

(i) **Floating Premium:**

Issue Price x (Premium Percentage x Reference Rate + Premium Margin) x Day Count Fraction

or

Issue Price x (Premium Percentage x Reference Rate - Premium Margin) x Day Count Fraction

(ii) **Fixed Premium:**

Issue Price x Premium Percentage x Day Count Fraction

(iii) **Difference in Rates:**

Issue Price x [Premium Percentage x (Reference Rate 1 - Reference Rate 2) + Premium Margin] x Day Count Fraction

or

Issue Price x [Premium Percentage x (Reference Rate 1 - Reference Rate 2) - Premium Margin] x Day Count Fraction

The Day Count Fraction will depend on the number of days in the relevant Premium Gap

Observation Period that will be composed by:

a) **If a Barrier Gap Event has not occurred**, the same number of days comprised in the relevant Premium Determination Period;

b) **If a Barrier Gap Event has occurred**, the number of days from the initial day of the relevant Premium Determination Period to the day on which the Barrier Gap Event has occurred, i.e. the Barrier Gap Event Date.

Difference in Rates

Where Difference in Rates is specified in the applicable Final Terms as the manner in which the Premium Gap Amount is to be determined, the rate of interest for each Premium Determination Period will, subject as provided below, be the Difference in Rates multiplied by the relevant Premium Percentage, if any, all as determined by the Calculation Agent and provided that the rate of interest may not be less than zero.

Difference in Rates means an amount equal to Rate 2 minus Rate 1, provided that if such amount is less than zero, it shall be deemed to be zero.

Rate 1 and Rate 2 shall have the meanings given to those terms in the applicable Final Terms, and each shall be determined as specified in the applicable Final Terms.

Determination of the rate of interest and calculation of Premium Gap Amounts

In the case of Floating Premium, 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 Premium Determination Period.

The Calculation Agent will calculate the amount of interest in relation to the Floating Premium for the relevant Premium Determination Period by applying the Interest Rate specified in the applicable Final Terms to:

(A) in the case Securities with Floating Premium which are represented by a Global Security, the aggregate outstanding nominal amount of the Securities represented by such Global Security; or

(B) in the case of Securities in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure 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.

Notifications of rate of interest and Premium Gap Amounts

The Calculation Agent will cause the rate of interest and each Premium Gap Amount for each Premium Determination Period and the relevant Premium Payment Date to be notified to the Issuer and any stock exchange on which the relevant Securities are for the time being listed and notice thereof to be published in accordance with Condition 9 (*Notices*) as soon as possible after their determination but in no event later than the fourth Business Day thereafter. Each Premium Gap Amount and Premium 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 Premium Determination Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Securities are for the time being listed and to the holders in accordance with Condition 9 (*Notices*).

Certifications to be final

All certifications, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 23 by the Calculation Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, the Principal Security Agent (or any other paying agent specified in the applicable Final Terms) and all Securityholder and (in the absence of wilful default or bad faith) no liability to the Issuer, the Securityholder shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

H. FLOATING AMOUNT(S)

Interest Rate Warrants provide for the payment of one or more Floating Amounts that will depend on the difference between the Reference Rate and the Interest Cap, and on the Notional Amount specified for each Floating Amount Determination Period, all as specified in the applicable Final Terms and according to the following formula:

[Max (0; Reference Rate – Interest Cap) x Notional Amount$_t$] x Day Count Fraction

Where:

"***Notional Amount$_t$***" means the Notional Amount relating to each Floating Amount Determination Period (t=1,2,3,…n). The Notional Amount may also be equal in relation to each Floating Amount Determination Period, and in such case it will be referred to as Notional Amount.

The Floating Amount will be determined by the Calculation Agent on the relevant Floating Amount Determination Date and will be paid on the relevant Floating Amount Payment Date, all as specified in the applicable Final Terms.

I. CUMULATED BONUS AMOUNT

In relation to Multiple Strike Certificates, Securityholders may be entitled to receive, on each Bonus Payment Date specified in the applicable Final Terms, the relevant Cumulated Bonus Amount. Each Cumulated Bonus Amount will be determined by the Calculation Agent in accordance with the following formula:

Cumulated Bonus Amount = Issue Price x (Bonus$_t$ - Bonus$_{t-1}$)

Where:

"**t**" means each Bonus Observation Date;

"**Bonus$_t$**" means, in relation to each Bonus Observation Date, the value calculated as follows, considering that at t =1, the Bonus$_{t-1}$ is equal to zero:

$$Bonus\ Percentage\ x\ \sum_{i=1}^{n} Multiple\ Participation\ Factor_i\ x\ \frac{Bonus\ Period_i}{360}$$

Where:

"**Bonus Percentage**" means the percentage specified in the applicable Final Terms;

"**n**" means the number of Multiple Participation Factor;

"**Multiple Participation Factor$_i$**" means each percentage specified in the applicable Final Terms in relation to each Multiple Strike Event$_i$;

"**Bonus Period$_i$**" means, in relation to each Bonus Observation Date and Multiple Participation Factor$_i$, the number of calendar days from (but excluding) the Determination Date to (and including) the earlier of the relevant Bonus Observation Date and the Exchange Business Day (if any) on which a Multiple Strike Event$_i$ occurs.

J. DISCRETIONARY PAYMENT AMOUNT

In relation to Discretionary Payment Certificates, upon exercise of the Discretionary Payment Option, the Securityholders will receive the Discretionary Payment Amount determined as follows:

(i) on the Discretionary Payment Amount Payment Date related to the Discretionary Payment Exercise Date$_t$ on which the option has been exercised the Securityholders will receive:

Discretionary Payment Amount$_j$ x n

Where:

"**Discretionary Payment Amount$_j$**" means the amount specified in the relevant Final Terms related to the Discretionary Payment Exercise Date$_t$ on which the option has been exercised;

"**n**" means the number specified in the relevant Final Terms in relation to the Discretionary Payment Exercise Date$_t$ on which the option has been exercised;

and

(ii) on the following Discretionary Payment Amount Payment Date(s) the Securityholders will receive:

Discretionary Payment Amount$_j$

Where:

"**Discretionary Payment Amount$_j$**" means the amount specified in the relevant Final Terms related to the Discretionary Payment Exercise Date$_t$ on which the option has been exercised.

The Discretionary Payment Option can be exercised only once and in respect of all the outstanding Certificates with effect from (and including) the Discretionary Payment Exercise Date$_t$ to (and including) the Settlement Date.

The exercise of the Discretionary Payment Option on the Discretionary Payment Exercise Date$_t$ shall be notified by the Issuer on or prior to the Discretionary Payment Notice Date.

****

EARLY REDEMPTION AMOUNT(S)

The Securities, if so specified by the Issuer in the relevant Final Terms, may provide the possibility of an automatic early redemption if an Early Redemption Event has occurred. If an Early Redemption Event has occurred the Securities will be automatically exercised and the Securityholder:

(i) in case of Certificates other than Turbo Certificates, will receive the payment of the relevant Early Redemption Amount on the relevant Early Payment Date; or

(ii) in case of Turbo Certificates, will not receive any amount and the Early Redemption Amount will be always equal to 0 (zero);

(iii) in case of Warrants (only applicable to Warrants to be admitted to listing and/or trading without prior offer), will not receive any amount and the Early Redemption Amount will be always equal to 0 (zero).

In relation to Certificates (other than Turbo Certificates), the Early Redemption Amount may be a predetermined amount specified in the applicable Final Terms or may be an amount determined on the basis of the performance of the Underlying specified in the applicable Final Terms on the relevant Early Redemption Valuation Period or in the valuation date(s) specified in the applicable Final Terms and paid on the Early Payment Date, all as specified in the applicable Final Terms.

The Early Redemption Amount is calculated according to one or more of the formulas described below, which will be specified in the applicable Final Terms for each Early Redemption Valuation Period.

(iii) **Long Early Redemption Amount:**

{[Initial Reference Value + Early Participation Factor$_t$ x (Reference Value – Initial Reference Value)] x Multiplier} x Minimum Exercise Amount

Where:

"**Early Participation Factor$_t$**" means the value expressed as a percentage specified in the relevant Final Terms at time "*t*" specified in the applicable Final Terms.

(iv) **Long Cap Early Redemption Amount:**

{Min [Early Cap Level; (Initial Reference Value + Early Participation Factor$_t$ x (Reference Value – Initial Reference Value))] x Multiplier} x Minimum Exercise Amount

Where:

"**Early Participation Factor$_t$**" means the value expressed as a percentage specified in the relevant Final Terms at time "*t*" specified in the applicable Final Terms;

"**Early Cap Level**" means the value specified in the relevant Final Terms, expressed as either (i) the product between the Early Cap Percentage and the Initial Reference Value, or (ii) a value predetermined by the Issuer, specified in the relevant Final Terms;

"**Early Cap Percentage**" means the value expressed as a percentage specified in the relevant Final Terms.

(v) **Short Early Redemption Amount:**

{[Initial Reference Value + Early Participation Factor$_t$ *x (Initial Reference Value - Reference Value)] x Multiplier} x Minimum Exercise Amount*

Where:

"**Early Participation Factor**$_t$" means the value expressed as a percentage specified in the relevant Final Terms at time "*t*" specified in the applicable Final Terms.

(vi) **Short Cap Early Redemption Amount:**

{Min [Early Cap Amount; (Initial Reference Value + Early Participation Factor$_t$ *x (Initial Reference Value - Reference Value)) x Multiplier]} x Minimum Exercise Amount*

Where:

"**Early Participation Factor**$_t$" means the value expressed as a percentage specified in the relevant Final Terms at time "*t*" specified in the applicable Final Terms;

"**Early Cap Amount**" means the amount specified in the relevant Final Terms.

In case of more than one Underlying or in case of a Basket, the applicable Final Terms will also specify whether, for the purpose of the determination of the relevant Early Redemption Event, at least one, any or all the Underlyings or Basket Constituents will be considered. In this case, the Early Redemption Level will be specified for each Underlying or Basket Constituent.

The applicable Final Terms may provide for one or more Accumulating Autocallable Trigger. In such case, an Early Redemption Event occurs if, on the Accumulated Valuation Date, the Calculation Agent determines that the relevant Accumulated Amount payable to the Securityholders is lower than, equal to or higher than, as specified in the applicable Final Terms, the relevant Accumulating Autocallable Trigger.

The applicable Final Terms may provide for the Tarn Amount. In such case, an Early Redemption Event occurs if, on a Participation Performance Period, the Calculation Agent determines that the Remuneration Sum exceeds the Tarn Amount.

The applicable Final Terms may provide for an Early Partial Capital Payment. In such case, the Early Redemption Amount to be paid at Early Payment Date, if Early Redemption Event has occurred, will be adjusted relative to the Outstanding Amount after the Early Partial Capital Payment Date, as specified in the applicable Final Terms.

If the Worst Of Feature is applicable, the relevant Final Terms may provide for the Magnet Feature. In such case, an Early Redemption Event occurs if the Magnet Worst Of Performance is equal to, higher than or lower than the relevant Magnet Performance.

If the Worst Of Feature is applicable, the relevant Final Terms may provide for the Click-on Effect. In such case, after the occurrence of the Click-on Effect in relation to one or more Underlyings, the Underlying(s) that will be considered for the purpose of the determination of the Worst of Underlying, will be only the one(s) for which the Click-on Effect has not been occurred in all the Click-on Valuation Periods. If during the life of the Certificates, the Click-on Effect has occurred for all the Underlyings (i.e. all the Underlyings have been, at the least once, higher than the relevant Click-on Level), the Certificates will be early redeemed.

***

CORRIDOR EARLY AMOUNT

In relation to Corridor Warrants only, if a Barrier Event has occurred, the Corridor Warrants will be automatically early redeemed and the Securityholder will either (i) not receive any amount (i.e. the Securityholders will be exposed to the total loss of the capital invested) or (ii) receive the payment of the Corridor Early Amount on the relevant Corridor Early Payment Date, as specified in the applicable Final Terms.

Securityholders will be notified in the event of the early redemption of the Corridor Warrants (and, if this is the case, the payment of the Corridor Early Amount) by means of a notice published on the website of the Issuer www.prodottiequotazioni.intesasanpaolo.com.

***

EARLY PARTIAL CAPITAL PAYMENT

The Certificates, if so specified by the Issuer in the relevant Final Terms, may provide an automatic early repayment of part of the invested capital, regardless of the performance of the Underlying. In particular, the Securityholder will receive the Early Partial Capital Payment Amount on the Early Partial Capital Payment Date, as specified in the applicable Final Terms.

In this case, after the Early Partial Capital Payment Date, the Cash Settlement Amount to be determined pursuant to the relevant Final Terms will be adjusted relative to the Outstanding Amount.

If applicable, also the Early Redemption Amount specified in the applicable Final Terms will be adjusted relative to the Outstanding Amount.

****

SETTLEMENT AMOUNT

The Securityholder will receive on the Settlement Date for each Minimum Exercise Amount the payment of the Cash Settlement Amount, if it results in an amount higher than zero.

In relation to Certificates providing an Early Partial Capital Payment, the Cash Settlement Amount to be paid on the Settlement Date will be adjusted relative to the Outstanding Amount after the Early Partial Capital Payment Date. Accordingly, the Multiplier will be calculated on the basis of a percentage of the Issue Price, as specified in the applicable Final Terms, in order to reflect the Outstanding Amount.

In any case, the Cash Settlement Amount will not result in an amount lower than zero.

The determination of the Settlement Amount as described within such Condition is without prejudice to the provisions relating to the calculation of the Early Termination Amount, which may be paid in substitution of the Settlement Amount, and to the provisions of Condition 15 (*Market Disruption Events and Adjustment Events*) relating to Market Disruption Events and Adjustment Events.

In relation to the Settlement Amount, the following scenarios may occur in relation to the structure and the pay-out provided by the Issuer in the relevant Final Terms according to the following formulas (provided that, if more than one formula is applicable in relation to the same Typology of Certificates, the relevant Final Terms will indicate the applicable one for the relevant issue):

CALCULATION METHOD IN THE CASE OF POSITIVE AND NEGATIVE PERFORMANCE OF THE UNDERLYING – <u>(BARRIER EVENT/BARRIER GAP EVENT NOT OCCURRED, IF APPLICABLE)</u>

A. STANDARD LONG CERTIFICATES / STANDARD SHORT CERTIFICATES

(Initial Percentage x Initial Reference Value x Multiplier) x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount (if more than zero) per Minimum Exercise Amount equal to the product of (i) the Initial Percentage, (ii) the Initial Reference Value and (iii) the Multiplier.

or

(Issue Price x Initial Percentage) x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount (if more than zero) per Minimum Exercise Amount equal to the product of (i) the Issue Price and (ii) the Initial Percentage.

B. MAX CERTIFICATES

***MAX LONG CERTIFICATES* and *MAX CONSOLIDATION LONG CERTIFICATES* if the Consolidation Floor Event has not occurred**

{Max [Initial Percentage x Initial Reference Value; (Initial Reference Value + Participation Factor x (Final Reference Value – Initial Reference Value))] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the higher between (1) the Initial Percentage multiplied by the Initial Reference Value and (2) the sum of (i) the Initial Reference Value and (ii) the difference between the Final Reference Value and the Initial Reference Value, such difference multiplied by the Participation Factor.

If the relevant Final Terms provide a Cap Level:

{Min [Cap Level; Max [Initial Percentage x Initial Reference Value; (Initial Reference Value + Participation Factor x (Final Reference Value – Initial Reference Value))]] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the higher between (1) the Initial Percentage multiplied by the Initial Reference Value and (2) the sum of (i) the Initial Reference Value and (ii) the difference between the Final Reference Value and the Initial Reference Value, such difference multiplied by the Participation Factor. However, such Cash Settlement Amount will not exceed the Cap Level multiplied by the Multiplier.

***MAX CONSOLIDATION LONG CERTIFICATES* if the Consolidation Floor Event has occurred**

[Max (Consolidation Floor Level; Final Reference Value) x Multiplier] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the higher between (1) the Consolidation Floor Level and (2) the Final Reference Value.

or

(Consolidation Floor Level x Multiplier) x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Consolidation Floor Level and (B) the Multiplier.

or

{Max [Consolidation Floor Level; (Initial Reference Value + Consolidation Participation Factor x (Final Reference Value – Initial Reference Value))] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the higher between (1) the Consolidation Floor Level and (2) the sum of (i) the Initial Reference Value and (ii) the difference between the Final Reference Value and the Initial Reference Value, such difference multiplied by the Consolidation Participation Factor.

<u>If the relevant Final Terms provide a Cap Consolidation Amount:</u>

Min {Cap Consolidation Amount; [Max (Consolidation Floor Level; Final Reference Value) x Multiplier]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Consolidation Amount and (B) the product of (1) the Multiplier and (2) the higher between (i) the Consolidation Floor Level and (ii) the Final Reference Value.

or

Min {Cap Consolidation Amount; Max [Consolidation Floor Level; (Initial Reference Value + Consolidation Participation Factor x (Final Reference Value – Initial Reference Value))] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Consolidation Amount and (B) the product of (1) the Multiplier and (2) the higher between (i) the Consolidation Floor Level and (ii) the sum of the Initial Reference Value and the difference between the Final Reference Value and the Initial Reference Value, such difference multiplied by the Consolidation Participation Factor.

MAX SHORT CERTIFICATES

{Max [Initial Percentage x Initial Reference Value; (Initial Reference Value + Participation Factor x (Initial Reference Value – Final Reference Value))] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the higher between (1) the Initial Percentage multiplied by the Initial Reference Value and (2) the sum of (i) the Initial Reference Value and (ii) the difference between the Initial Reference Value and the Final Reference Value, such difference multiplied by the Participation Factor.

<u>If the relevant Final Terms provide a Cap Level:</u>

{Max [Initial Percentage x Initial Reference Value; Min (Cap Level; (Initial Reference Value + Participation Factor x (Initial Reference Value – Final Reference Value)))] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the higher between (1) the Initial Percentage multiplied by the Initial Reference Value and (2) the lower between the Cap Level and the sum of (i) the Initial Reference Value and (ii) the difference between the Initial Reference Value and the Final Reference Value, such difference multiplied by the Participation Factor.

C. SPREAD CERTIFICATES

TYPE A SPREAD CERTIFICATES

[(Initial Percentage x Initial Reference Value$_A$ x Multiplier$_A$) + (Initial Percentage x Initial Reference Value$_B$ x Multiplier$_B$)] / 2 x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the average between (1) the product of (i) the Initial Percentage, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (2) the product of (i) the Initial Percentage, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier B.

TYPE B SPREAD CERTIFICATES

{[(Initial Percentage x Initial Reference Value$_A$ x Multiplier$_A$) + (Initial Percentage x Initial Reference Value$_B$ x Multiplier$_B$)] / 2 x [1 + Participation Factor x Max (0; Spread + Margin)]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the average between (1) the product of (i) the Initial Percentage, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (2) the product of (i) the Initial Percentage, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (B) 1 plus the Participation Factor multiplied by the higher between (i) 0 and (ii) the Spread (plus the Margin).

or

{[(Initial Percentage x Initial Reference Value$_A$ x Multiplier$_A$) + (Initial Percentage x Initial Reference Value$_B$ x Multiplier$_B$)] / 2 x [1 + Participation Factor x Max (0; Spread – Margin)]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the average between (1) the product of (i) the Initial Percentage, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (2) the product of (i) the Initial Percentage, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (B) 1 plus the Participation Factor multiplied by the higher between (i) 0 and (ii) the Spread (minus the Margin).

<u>If the relevant Final Terms provide a CAP:</u>

{[(Initial Percentage x Initial Reference Value$_A$ x Multiplier$_A$) + (Initial Percentage x Initial

Reference Value$_B$ x Multiplier$_B$)] / 2 x [1 + Participation Factor x Min (CAP; Max (0; Spread + Margin))]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the average between (1) the product of (i) the Initial Percentage, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (2) the product of (i) the Initial Percentage, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (B) 1 plus the Participation Factor multiplied by the lower between (1) the CAP and (2) the higher between (i) 0 and (ii) the Spread (plus the Margin).

or

{[(Initial Percentage x Initial Reference Value$_A$ x Multiplier$_A$) + (Initial Percentage x Initial Reference Value$_B$ x Multiplier$_B$)] / 2 x [1 + Participation Factor x Min (CAP; Max (0; Spread - Margin))]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the average between (1) the product of (i) the Initial Percentage, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (2) the product of (i) the Initial Percentage, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (B) 1 plus the Participation Factor multiplied by the lower between (1) the CAP and (2) the higher between (i) 0 and (ii) the Spread (minus the Margin).

TYPE C SPREAD CERTIFICATES

a. If the Spread (+ Margin or - Margin) is higher than or equal to 0:

Issue Price x Max [0; (1 + Participation Factor x (Spread + Margin))] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the Participation Factor multiplied by the Spread (plus the Margin).

or

Issue Price x Max [0; (1 + Participation Factor x (Spread - Margin))] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the Participation Factor multiplied by the Spread (minus the Margin).

If the relevant Final Terms provide a Spread Leverage:

Issue Price x Max [0; (1 + Participation Factor x (Spread x Spread Leverage + Margin))] x Minimum Exercise Amount

In such case, the Settlement Amount per Minimum Exercise Amount is equal to the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the product between (x) the Participation Factor and (y) the Spread multiplied by the Spread Leverage (plus the Margin).

or

Issue Price x Max [0; (1 + Participation Factor x (Spread x Spread Leverage - Margin))] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount is equal to the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the product between (x) the Participation Factor and (y) the Spread multiplied by the Spread Leverage (minus the Margin).

<u>If the relevant Final Terms provide a Cap Amount:</u>

Min {Cap Amount; Issue Price x Max [0; (1 + Participation Factor x (Spread + Margin))]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the Participation Factor multiplied by the Spread (plus the Margin).

or

Min {Cap Amount; Issue Price x Max [0; (1 + Participation Factor x (Spread - Margin))]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the Participation Factor multiplied by the Spread (minus the Margin).

<u>If the relevant Final Terms provide a Cap Amount and a Spread Leverage:</u>

Min {Cap Amount; Issue Price x Max [0; (1 + Participation Factor x (Spread x Spread Leverage +Margin))]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the product between (x) the Participation Factor and (y) the Spread multiplied by the Spread Leverage (plus the Margin).

or

Min {Cap Amount; Issue Price x Max [0; (1 + Participation Factor x (Spread x Spread Leverage - Margin))]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the product between (x) the Participation Factor and (y) the Spread multiplied by the Spread Leverage (minus the Margin).

b. If the Spread (+ Margin or - Margin) is lower than 0:

Issue Price x Max [0; (1 + Down Participation Factor x (Spread + Margin))] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (1) the Issue Price and

(2) the higher between (i) 0 and (ii) 1 plus the Down Participation Factor multiplied by the Spread (plus the Margin).

or

Issue Price x Max [0; (1 + Down Participation Factor x (Spread - Margin))] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the Down Participation Factor multiplied by the Spread (minus the Margin).

If the relevant Final Terms provide a Spread Leverage:

Issue Price x Max [0; (1 + Down Participation Factor x (Spread x Spread Leverage + Margin))] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the product between (x) the Down Participation Factor (y) the Spread multiplied by the Spread Leverage (plus the Margin).

or

Issue Price x Max [0; (1 + Down Participation Factor x (Spread x Spread Leverage - Margin))] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the product between (x) the Down Participation Factor (y) the Spread multiplied by the Spread Leverage (minus the Margin).

<u>If the relevant Final Terms provide a Protection Amount:</u>

Max {Protection Amount; Issue Price x Max [0; (1 + Down Participation Factor x (Spread + Margin))]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Protection Amount and (B) the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the Down Participation Factor multiplied by the Spread (plus the Margin).

or

Max {Protection Amount; Issue Price x Max [0; (1 + Down Participation Factor x (Spread - Margin))]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Protection Amount and (B) the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the Down Participation Factor multiplied by the Spread (minus the Margin).

<u>If the relevant Final Terms provide a Protection Amount and a Spread Leverage:</u>

Max {Protection Amount; Issue Price x Max [0; (1 + Down Participation Factor x (Spread x Spread Leverage + Margin))]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Protection Amount and (B) the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the product between (x) the Down Participation Factor and (y) the Spread multiplied by the Spread Leverage (plus the Margin).

or

Max {Protection Amount; Issue Price x Max [0; (1 + Down Participation Factor x (Spread x Spread Leverage - Margin))]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Protection Amount and (B) the product of (1) the Issue Price and (2) the higher between (i) 0 and (ii) 1 plus the product between (x) the Down Participation Factor (y) Spread multiplied by the Spread Leverage (minus the Margin).

TYPE D SPREAD CERTIFICATES

Max [0; (Spread + Margin) x Multiplier] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (1) 0 and (2) the product of (i) the Spread (plus the Margin) and (ii) the Multiplier.

or

Max [0; (Spread - Margin) x Multiplier] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (1) 0 and (2) the product of (i) the Spread (minus the Margin) and (ii) the Multiplier.

<u>If the relevant Final Terms provide a Spread Leverage:</u>

Max [0; (Spread x Spread Leverage + Margin) x Multiplier] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (1) 0 and (2) the product between (i) the Spread multiplied by the Spread Leverage (plus the Margin) and (ii) the Multiplier.

or

Max [0; (Spread x Spread Leverage - Margin) x Multiplier] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (1) 0 and (2) the product between (i) the Spread multiplied by the Spread Leverage (minus the Margin) and (ii) the Multiplier.

<u>If the relevant Final Terms provide a Cap Amount:</u>

Min {Cap Amount; Max [0; (Spread + Margin) x Multiplier]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the higher between (1) 0 and (2) the product of (i) the Spread (plus the Margin) and (ii) the

Multiplier.

or

Min {Cap Amount; Max [0; (Spread - Margin) x Multiplier]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the higher between (1) 0 and (2) the product of (i) the Spread (minus the Margin) and (ii) the Multiplier.

If the relevant Final Terms provide a Cap Amount and a Spread Leverage:

Min {Cap Amount; Max [0; (Spread x Spread Leverage + Margin) x Multiplier]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the higher between (1) 0 and (2) the product between (i) the Spread multiplied by the Spread Leverage (plus the Margin) and (ii) the Multiplier.

or

Min {Cap Amount; Max [0; (Spread x Spread Leverage - Margin) x Multiplier]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the higher between (1) 0 and (2) the product between (i) the Spread multiplied by the Spread Leverage (minus the Margin) and (ii) the Multiplier.

D. TWIN WIN CERTIFICATES

TWIN WIN LONG CERTIFICATES

a. If the Final Reference Value is higher than, or equal to, the Initial Reference Value multiplied by the Strike Percentage:

[Initial Reference Value x Strike Percentage + Participation Factor x (Final Reference Value – Initial Reference Value x Strike Percentage)] x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value multiplied by Strike Percentage and (2) the difference between the Final Reference Value and the Initial Reference Value multiplied by the Strike Percentage, such difference multiplied by the Participation Factor.

If the relevant Final Terms provide a Cap Level:

Min {Cap Level; [Initial Reference Value x Strike Percentage + Participation Factor x (Final Reference Value – Initial Reference Value x Strike Percentage)]} x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and

(B) the lower between (1) the Cap Level and (2) the sum of (i) the Initial Reference Value multiplied by Strike Percentage and (ii) the difference between the Final Reference Value and the Initial Reference Value multiplied by the Strike Percentage, such difference multiplied by the Participation Factor.

b. If the Final Reference Value is lower than the Initial Reference Value multiplied by the Strike Percentage (and the Barrier Event, if applicable, has not occurred):

[Initial Reference Value x Strike Percentage + Down Participation Factor x (Initial Reference Value x Strike Percentage – Final Reference Value)] x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value multiplied by Strike Percentage and (2) the difference between the Initial Reference Value multiplied by the Strike Percentage and the Final Reference Value, such difference multiplied by the Down Participation Factor.

<u>If the relevant Final Terms provide a Cap Down Amount:</u>

Min {[Initial Reference Value x Strike Percentage + Down Participation Factor x (Initial Reference Value x Strike Percentage – Final Reference Value)] x Multiplier; Cap Down Amount} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Down Amount and (B) the product of (1) the Multiplier and (2) the sum of (i) the Initial Reference Value multiplied by Strike Percentage and (ii) the difference between the Initial Reference Value multiplied by the Strike Percentage and the Final Reference Value, such difference multiplied by the Down Participation Factor.

TWIN WIN SHORT CERTIFICATES

a. If the Final Reference Value is higher than, or equal to, the Initial Reference Value multiplied by the Strike Percentage:

[Initial Reference Value x Strike Percentage + Participation Factor x (Final Reference Value – Initial Reference Value x Strike Percentage)] x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value multiplied by Strike Percentage and (2) the difference between the Final Reference Value and the Initial Reference Value multiplied by the Strike Percentage, such difference multiplied by the Participation Factor.

<u>If the relevant Final Terms provide a Cap Level:</u>

Min {Cap Level; [Initial Reference Value x Strike Percentage + Participation Factor x (Final Reference Value – Initial Reference Value x Strike Percentage)]} x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the lower between (1) the Cap Level and (2) the sum of (i) the Initial Reference Value multiplied by Strike Percentage and (ii) the difference between the Final Reference Value and the Initial Reference Value multiplied by the Strike Percentage, such difference multiplied by the Participation Factor.

b. **If the Final Reference Value is lower than the Initial Reference Value multiplied by the Strike Percentage:**

[Initial Reference Value x Strike Percentage + Down Participation Factor x (Initial Reference Value x Strike Percentage – Final Reference Value)] x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value multiplied by Strike Percentage and (2) the difference between the Initial Reference Value multiplied by the Strike Percentage and the Final Reference Value, such difference multiplied by the Down Participation Factor.

<u>If the relevant Final Terms provide a Cap Down Amount:</u>

Min {[Initial Reference Value x Strike Percentage + Down Participation Factor x (Initial Reference Value x Strike Percentage – Final Reference Value)] x Multiplier; Cap Down Amount} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Down Amount and (B) the product of (1) the Multiplier and (2) the sum of (i) the Initial Reference Value multiplied by Strike Percentage and (ii) the difference between the Initial Reference Value multiplied by the Strike Percentage and the Final Reference Value, such difference multiplied by the Down Participation Factor.

E. <u>BENCHMARK CERTIFICATES</u>

LONG BENCHMARK CERTIFICATES

(i) WITHOUT ANNUAL MANAGEMENT FEE1/ANNUAL MANAGEMENT FEE2 AND VARIABLE MANAGEMENT FEE:

Final Reference Value x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Final Reference Value and (ii) the Multiplier. Therefore, Securityholders will be exposed to the performance of the Underlying.

<u>If the relevant Final Terms provide an Annual Margin:</u>

(Final Reference Value + Annual Margin x Initial Reference Value) x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement

Amount per Minimum Exercise Amount equal to the product of (i) the sum between (1) the Final Reference Value and (2) the product of the Annual Margin multiplied by the Initial Reference Value and (ii) the Multiplier. Therefore, Securityholders will be exposed to the performance of the Underlying.

(ii) WITH ANNUAL MANAGEMENT FEE1 OR ANNUAL MANAGEMENT FEE2:

Final Reference Value x Annual Management Fee1 x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Final Reference Value, (ii) the Multiplier and (iii) the Annual Management Fee1. Therefore, Securityholders will be exposed to the performance of the Underlying.

or

(Final Reference Value – Annual Management Fee2 x Initial Reference Value) x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the difference between (1) the Final Reference Value and (2) the product of the Annual Management Fee2 multiplied by the Initial Reference Value and (ii) the Multiplier. Therefore, Securityholders will be exposed to the performance of the Underlying.

<u>If the relevant Final Terms provide an Annual Margin:</u>

(Final Reference Value – Annual Management Fee2 x Initial Reference Value + Annual Margin x Initial Reference Value) x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the difference between (1) the Final Reference Value and (2) the sum between (A) the Annual Management Fee2 multiplied by the Initial Reference Value and (B) the Annual Margin multiplied by the Initial Reference Value and (ii) the Multiplier. Therefore, Securityholders will be exposed to the performance of the Underlying.

(iii) WITH VARIABLE MANAGEMENT FEE:

Final Reference Value x Multiplier x Variable Management Fee x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Final Reference Value, (ii) the Multiplier and (iii) the Variable Management Fee. Therefore, Securityholders will be exposed to the performance of the Underlying.

SHORT BENCHMARK CERTIFICATES

(i) WITHOUT ANNUAL MANAGEMENT FEE1 AND VARIABLE MANAGEMENT FEE:

Max [0; (Strike Price – Final Reference Value) x Multiplier] x Minimum Exercise

Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (1) 0 and (2) the product of (i) the difference between the Strike Price and the Final Reference Value and (ii) the Multiplier. Therefore, the exposure of Securityholders will be inversely proportioned to the performance of the Underlying.

(ii) WITH ANNUAL MANAGEMENT FEE1:

Max [0; (Strike Price – Final Reference Value) x Multiplier x Annual Management Fee1] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (1) 0 and (2) the product of (i) the difference between the Strike Price and the Final Reference Value, (ii) the Multiplier and (iii) the Annual Management Fee1. Therefore, the exposure of the Securityholders will be inversely proportioned to the performance of the Underlying.

(iii) WITH VARIABLE MANAGEMENT FEE:

Max [0; (Strike Price – Final Reference Value) x Multiplier x Variable Management Fee] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (1) 0 and (2) the product of (i) the difference between the Strike Price and the Final Reference Value, (ii) the Multiplier and (iii) the Variable Management Fee. Therefore, the exposure of the Securityholders will be inversely proportioned to the performance of the Underlying.

F. TURBO CERTIFICATES

LONG TURBO CERTIFICATES

Max [0; (Final Reference Value – Strike Price)] x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (1) 0 and (2) the product of (i) the difference between the Final Reference Value and the Strike Price and (ii) the Multiplier. Therefore, the Securityholders will be exposed to the performance of the Underlying.

SHORT TURBO CERTIFICATES

Max [0; (Strike Price – Final Reference Value)] x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (1) 0 and (2) the product of (i) the difference between the Strike Price and the Final Reference Value and (ii) the Multiplier. Therefore, the exposure of the Securityholders will be inversely proportioned to the performance of the Underlying.

G. OUTPERFORMANCE CERTIFICATES

LONG OUTPERFORMANCE CERTIFICATES

a. ***If the Final Reference Value is equal to or higher than the Initial Reference Value:***

{[Initial Reference Value + Up Participation Factor x (Final Reference Value – Initial Reference Value)] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value and (2) the difference between the Final Reference Value and the Initial Reference Value, such difference multiplied by the Up Participation Factor.

If the relevant Final Terms provide a Cap Level:

{{Min [(Initial Reference Value + Up Participation Factor x (Final Reference Value – Initial Reference Value)); Cap Level]} x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the lower between (1) the sum of (i) the Initial Reference Value and (ii) the difference between the Final Reference Value and the Initial Reference Value, such difference multiplied by the Up Participation Factor and (2) the Cap Level.

b. ***If the Final Reference Value is lower than the Initial Reference Value:***

{[Initial Reference Value + Down Participation Factor x (Final Reference Value – Initial Reference Value)] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value and (2) the difference between the Final Reference Value and the Initial Reference Value, such difference multiplied by the Down Participation Factor.

SHORT OUTPERFORMANCE CERTIFICATES

a. ***If the Final Reference Value is equal to or lower than the Initial Reference Value:***

{[Initial Reference Value + Down Participation Factor x (Initial Reference Value – Final Reference Value)] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value and (2) the difference between the Initial Reference Value and the Final Reference Value, such difference multiplied by the Down Participation Factor.

If the relevant Final Terms provide a Cap Level:

{{Min [(Initial Reference Value + Down Participation Factor x (Initial Reference Value – Final Reference Value)); Cap Level]} x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the lower between (1) the sum of (i) the Initial Reference Value and (ii) the difference between the Initial Reference Value and the Final Reference Value, such difference multiplied by the Down Participation Factor and (2) the Cap Level.

b. ***If the Final Reference Value is higher than the Initial Reference Value:***

{Max [0; [Initial Reference Value + Up Participation Factor x (Initial Reference Value – Final Reference Value)]] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) 0 and (B) the product of (1) the Multiplier and (2) the sum of (i) the Initial Reference Value and (ii) the difference between the Initial Reference Value and the Final Reference Value, such difference multiplied by the Up Participation Factor.

H. BUFFER PROTECTION CERTIFICATES

In relation to such type, the formula for the calculation of the Cash Settlement Amount will depend on whether a Buffer Event has occurred. In particular:

a. **If the Buffer Event has not occurred:**

(Initial Percentage x Initial Reference Value x Multiplier) x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Initial Percentage, (ii) the Initial Reference Value and (iii) the Multiplier.

b. **If the Buffer Event has occurred:**

Max {Protection Percentage x Issue Price; Issue Price x [1 + (Performance Sum – Buffer Percentage)]}

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Protection Percentage multiplied by the Issue Price and (B) the Issue Price multiplied by the sum of (1) 1 and (2) the difference between (i) the Performance Sum and (ii) the Buffer Percentage.

I. GLOBAL PERFORMANCE CERTIFICATES

Max [Protection Percentage x Issue Price; Issue Price x (1 + Global Performance)]

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Protection Percentage multiplied by the Issue Price and (B) the Issue Price multiplied by the sum of (i) 1 and (ii) the Global Performance.

or

Max {Protection Percentage x Issue Price; [Issue Price x (Initial Percentage + Global Performance)]}

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Protection Percentage multiplied by the Issue Price and (B) the Issue Price multiplied by the sum of (i) the Initial Percentage and (ii) the Global Performance.

<u>If the relevant Final Terms provide a Cap Amount:</u>

Min {Cap Amount; Max [Protection Percentage x Issue Price; Issue Price x (1 + Global Performance)]}

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the higher between (1) the Protection Percentage multiplied by the Issue Price and (2) the product of (i) the Issue Price and (ii) 1 plus the Global Performance.

J. DROPDOWN PROTECTION CERTIFICATES

LONG DROPDOWN PROTECTION CERTIFICATES

a. If the Final Reference Value is equal to or higher than the Initial Reference Value:

[Initial Reference Value + Participation Factor x (Final Reference Value – Initial Reference Value)] x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value and (2) the difference between the Final Reference Value and the Initial Reference Value, such difference multiplied by the Participation Factor.

or

(Initial Percentage x Initial Reference Value x Multiplier) x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Initial Percentage, (ii) the Initial Reference Value and (iii) the Multiplier.

b. If the Final Reference Value is lower than the Initial Reference Value:

Max {Dropdown Protection Level; Min [Initial Reference Value; Initial Reference Value + Final Leverage x (Final Reference Value – Initial Reference Value)]} x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of the Multiplier and the higher between (A) the Dropdown Protection Level and (B) the lower between (1) the Initial Reference Value and (2) the sum of (i) the Initial Reference Value and (ii) the Final Leverage multiplied by the difference between the Final Reference Value and the Initial Reference Value.

SHORT DROPDOWN PROTECTION CERTIFICATES

a. *If the Final Reference Value is equal to or lower than the Initial Reference Value:*

[Initial Reference Value + Participation Factor x (Initial Reference Value – Final Reference Value)] x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value and (2) the product of (i) the Participation Factor and (ii) the difference between the Initial Reference Value and the Final Reference Value.

or

(Initial Percentage x Initial Reference Value x Multiplier) x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Initial Percentage, (ii) the Initial Reference Value and (iii) the Multiplier.

b. If the Final Reference Value is higher than the Initial Reference Value:

Max {Dropdown Protection Amount; Min [Initial Reference Value; Initial Reference Value + Final Leverage x (Initial Reference Value – Final Reference Value)] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Dropdown Protection Amount and (B) the product of the Multiplier and the lower between (1) the Initial Reference Value and (2) the sum of (i) the Initial Reference Value and (ii) the Final Leverage multiplied by the difference between the Initial Reference Value and the Final Reference Value.

K. DYNAMIC PROTECTION CERTIFICATES

LONG DYNAMIC PROTECTION CERTIFICATES

a. If the Final Reference Value is equal to or higher than the Initial Reference Value:

[Initial Reference Value + Participation Factor x (Final Reference Value – Initial Reference Value)] x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value and (2) the Participation Factor multiplied by the difference between the Final Reference Value and the Initial Reference Value.

or

(Initial Percentage x Initial Reference Value x Multiplier) x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Initial Percentage, (ii) the Initial Reference Value and (iii) the Multiplier.

b. If the Final Reference Value is lower than the Initial Reference Value but equal to or higher than the Dynamic Protection Level:

{Initial Reference Value + [(Initial Gearing – Final Gearing) x (Final Reference Value – Initial Reference Value)]} x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value and (2) the product of (i) the difference between the Initial Gearing and the Final Gearing and (ii) the difference between the Final Reference Value and the Initial Reference Value.

c. If the Final Reference Value is lower than the Dynamic Protection Level:

[Protection Amount + (Step Up Amount x number of Gearing Events)] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the sum of (A) the Protection Amount and (B) the Step Up Amount multiplied by the number of Gearing Events.

SHORT DYNAMIC PROTECTION CERTIFICATES

a. If the Final Reference Value is equal to or lower than the Initial Reference Value:

[Initial Reference Value + Participation Factor x (Initial Reference Value – Final Reference Value)] x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value and (2) the Participation Factor multiplied by the difference between the Initial Reference Value and the Final Reference Value.

or

(Initial Percentage x Initial Reference Value x Multiplier) x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Initial Percentage, (ii) the Initial Reference Value and (iii) the Multiplier.

b. If the Final Reference Value is higher than the Initial Reference Value but equal to or lower than the Protection Level:

{Initial Reference Value + [(Initial Gearing – Final Gearing) x (Initial Reference Value – Final Reference Value)]} x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value and (2) the product of (i) the difference between the Initial Gearing and the Final Gearing and (ii) the difference between the Initial Reference Value and the Final Reference Value.

c. If the Final Reference Value is higher than the Dynamic Protection Level:

[Protection Amount + (Step Up Amount x number of Gearing Events)] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the sum of (A) the Protection Amount and (B) the Step Up Amount multiplied by the number of Gearing Events.

L. CURRENCY CERTIFICATES

$$\sum_{i=1}^{N}[w_i \ x \ (\frac{Initial \ Reference \ Value_{\ i}}{Final \ Reference \ Value_{\ i}})] \ x \ Issue \ Price]$$

Where:

"N" means the number of Underlyings specified in the applicable Final Terms;

"i" means the i-th exchange rate Underlying; and

"w_i" is the Exchange Rate Weight in respect of the i-th exchange rate Underlying.

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to a percentage of the Issue Price, which depends on the weighted sum of the performances of the Underlyings. The Issuer will indicate in the applicable Final Terms: (i) the relevant exchange rate Underlying and (ii) the Exchange Rates Weights.

If the relevant Final Terms provide a Protection Percentage:

$$\sum_{i=1}^{N}[w_i \ x \ Max \ [\ Protection \ Percentage_i; \ (\frac{Initial \ Reference \ Value_{\ i}}{Final \ Reference \ Value_{\ i}})]] \ x \ Issue \ Price$$

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount that is at least equal to the Protection Percentage, multiplied by the Issue Price.

M. MULTIPERFORMANCE CERTIFICATES

MULTIPERFORMANCE LONG CERTIFICATES / MULTIPERFORMANCE SHORT CERTIFICATES

Initial Percentage x Issue Price x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the Initial Percentage multiplied by the Issue Price.

MULTIPERFORMANCE MAX LONG CERTIFICATES

Max {Initial Percentage x Issue Price; Issue Price x [1 + (Up Participation Factor x Cumulated Performance)]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Initial Percentage multiplied by the Issue Price and (B) the Issue Price multiplied by the sum of (i) 1 and (ii) the Up Participation Factor multiplied by the Cumulated Performance.

If the relevant Final Terms provide a Cap Amount:

Min {Cap Amount; Max [Initial Percentage x Issue Price; Issue Price x [1 + (Up Participation Factor x Cumulated Performance)]]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the higher between (1) the Initial Percentage multiplied by the Issue Price and (2) the Issue Price multiplied by the sum of (i) 1 and (ii) the Up Participation Factor multiplied by the Cumulated Performance.

MULTIPERFORMANCE MAX SHORT CERTIFICATES

Max {Initial Percentage x Issue Price; Issue Price x [1 - (Up Participation Factor x Cumulated Performance)]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Initial Percentage multiplied by the Issue Price and (B) the Issue Price multiplied by the difference between (i) 1 and (ii) the Up Participation Factor multiplied by the Cumulated Performance.

<u>If the relevant Final Terms provide a Cap Amount:</u>

Min {Cap Amount; Max [Initial Percentage x Issue Price; Issue Price x [1 - (Up Participation Factor x Cumulated Performance)]]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the higher between (1) the Initial Percentage multiplied by the Issue Price and (2) the Issue Price multiplied by the difference between (i) 1 and (ii) the Up Participation Factor multiplied by the Cumulated Performance.

N. LONG DUAL CURRENCY FX CERTIFICATES / SHORT DUAL CURRENCY FX CERTIFICATES

Initial Percentage x Initial Reference Value x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Initial Percentage, (ii) the Initial Reference Value and (iii) the Multiplier. In relation to such Typology, the Underlying will be an Exchange Rate.

O. GAP LONG CERTIFICATES / GAP SHORT CERTIFICATES

Initial Percentage x Issue Price x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount in the Issue Currency equal to the Initial Percentage multiplied by the Issue Price.

P. CALENDAR CERTIFICATES

Max {Protection Amount; [Issue Price x ((Final Reference Value / Initial Reference Value) + Calendar Performance)]}

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Protection Amount and (B) the Issue Price multiplied by the sum of (i) the ratio between the Final Reference Value and the Initial Reference Value and (ii) the Calendar Performance.

<u>If the relevant Final Terms provide a Cap Amount:</u>

Min {Cap Amount; Max {Protection Amount; [Issue Price x ((Final Reference Value / Initial Reference Value) + Calendar Performance)]}}

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the higher between (1) the Protection Amount and (2) the Issue Price multiplied by the sum of (i) the ratio between the Final Reference Value and the Initial Reference Value and (ii) the Calendar Performance.

Q. <u>ONE STAR CERTIFICATES</u>

a. If the One Star Event has not occurred

In such case, the Cash Settlement Amount will be calculated in accordance with one of the payout formulas set out in this Condition 23, specified in the applicable Final Terms.

b. If the One Star Event has occurred

(One Star Percentage x Initial Reference Value x Multiplier) x Minimum Exercise Amount

In such case, the Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the One Star Percentage, (ii) the Initial Reference Value and (iii) the Multiplier.

R. <u>SWITCH CERTIFICATES</u>

a. If the Switch Event has not occurred

In such case, the Cash Settlement Amount will be calculated in accordance with one of the payout formulas set out in this Condition 23, specified in the applicable Final Terms.

b. If the Switch Event has occurred

In such case, the Cash Settlement Amount will be calculated in accordance with either:

(i) one of the payout formulas set out in this Condition 23 for another Typology; or

(ii) one of the formulas set out in this Condition 23 for the same Typology, but with different Settlement Characteristic; or

(iii) one of the formulas set out in this Condition 23 for another or the same Typology, but with different values assigned to the relevant Settlement Characteristic(s); or

(iv) the same formula that applies if the Switch Event has not occurred, but with different values assigned to the relevant Settlement Characteristic(s);

as specified in the applicable Final Terms.

S. <u>CALL CERTIFICATES</u>[11]

Issue Price x Max [0%; (Final Reference Value – Strike Percentage x Initial Reference Value) / Initial Reference Value]

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the Issue Price multiplied by the maximum between (1) 0% and (2) the difference between (i) the Final Reference Value and (ii) the Initial Reference Value multiplied by the Strike Percentage, such difference divided by Initial Reference Value.

<u>If the relevant Final Terms provide a Cap Amount:</u>

Min {Cap Amount; Issue Price x Max [0%; (Final Reference Value – Strike Percentage x Initial Reference Value) / Initial Reference Value]}

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Amount and (B) the Issue Price multiplied by the maximum between (1) 0% and (2) the difference between (i) the Final Reference Value and (ii) the Initial Reference Value multiplied by the Strike Percentage, such difference divided by Initial Reference Value.

T. <u>DIGITAL CERTIFICATES</u>[12]

a. If the Final Reference Value is higher than, or equal to, the Settlement Level (i.e. a Settlement Event has occurred):

Issue Price x Digital Percentage x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the Digital Percentage multiplied by the Issue Price.

b. If the Final Reference Value is lower than the Settlement Level (i.e. a Settlement Event has not occurred):

0

In such case, Securityholders will not receive any amount on the Settlement Date and, therefore, will be exposed to the total loss of the capital invested.

U. <u>DISCOUNT CERTIFICATES</u>

a. If the Final Reference Value is higher than, or equal to, the Cap Level:

Cap Level x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the Cap Level multiplied by the Multiplier.

[11] The Barrier Level will never be applicable in relation to Call Certificates.
[12] The Barrier Level will never be applicable in relation to Digital Certificates.

b. If the Final Reference Value is lower than the Cap Level:

Final Reference Value x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the Final Reference Value multiplied by the Multiplier.

V. <u>COMBINED AMOUNT CERTIFICATES</u>

Combined Amount x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the Combined Amount.

W. <u>LONG OUTPERFORMANCE COMBINED CERTIFICATES</u>

Final Reference Value x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the Final Reference Value multiplied by the Multiplier. Therefore, Securityholders will be exposed to the performance of the Underlying.

X. <u>REVERSE BUTTERFLY CERTIFICATES</u>

{Max [(Initial Percentage x Initial Reference Value); (Initial Reference Value + Participation Factor x (Final Reference Value – Initial Reference Value))] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the higher between (1) the Initial Percentage multiplied by the Initial Reference Value and (2) the Initial Reference Value plus the Participation Factor multiplied by the difference between the Final Reference Value and the Initial Reference Value.

<u>If the relevant Final Terms provide a Cap Level:</u>

{Min [Cap Level; Max [(Initial Percentage x Initial Reference Value); (Initial Reference Value + Participation Factor x (Final Reference Value – Initial Reference Value))]] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the lower between (1) the Cap Level and (2) the higher between (i) the Initial Percentage multiplied by the Initial Reference Value and (ii) the Initial Reference Value plus the Participation Factor multiplied by the difference between the Final Reference Value and the Initial Reference Value.

Y. <u>MULTIPLE STRIKE CERTIFICATES</u>

$$Issue\ Price\ x\ Participation\ Factor\ x\ \frac{Final\ Reference\ Value}{Initial\ Reference\ Value} + \sum_{i=1}^{n} Multiple\ Amount_i$$

Where:

"**n**" means the number of Multiple Participation Factor;

"**Multiple Amount$_i$**" means, in relation to Multiple Strike Certificates, the amount calculated as follows:

(i) if a Multiple Strike Event$_i$ has occurred, in accordance with the following formula:

$$Issue\ Price\ x\ Multiple\ Participation\ Factor_i\ x\ \frac{Final\ Reference\ Value}{Reference\ Value_i}$$

Where:

"**Reference Value$_i$**" means the Value of the Underlying that has caused the occurrence of the Multiple Strike Event$_i$;

(ii) if a Multiple Strike Event$_i$ has not occurred, in accordance with the following formula:

$$Issue\ Price\ x\ Multiple\ Participation\ Factor_i$$

Where:

"**Multiple Participation Factor$_i$**" means each percentage specified in the applicable Final Terms in relation to each Multiple Strike Event$_i$.

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the sum of (A) the product of (1) the Issue Price, (2) the Participation Factor and (3) the ratio between the Final Reference Value and the Initial Reference Value and (B) all the Multiple Amount$_i$ for the dates specified in the applicable Final Terms.

Z. <u>DISCRETIONARY PAYMENT CERTIFICATE</u>

a. If the Issuer exercises the Discretionary Payment Option

In such case, the Settlement Amount will be calculated in accordance with one of the payout formulas set out in this Condition 23, specified in the applicable Final Terms.

b. If the Issuer does not exercise the Discretionary Payment Option

In such case, the Settlement Amount will be calculated in accordance with one of the payout formulas set out in this Condition 23, specified in the applicable Final Terms.

AA. <u>CONSTANT LEVERAGE CERTIFICATES</u>

TYPE A LONG CONSTANT LEVERAGE CERTIFICATES

Final Reference Value x Multiplier x Variable Management Fee x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Final Reference Value, (ii) the Multiplier and (iii) the Variable Management Fee. Therefore, Securityholders will be exposed to the performance of the Underlying.

TYPE A SHORT CONSTANT LEVERAGE CERTIFICATES

Max [0; (Strike Price – Final Reference Value) x Multiplier x Variable Management Fee] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (1) 0 and (2) the product of (i) the difference between the Strike Price and the Final Reference Value, (ii) the Multiplier and (iii) the Variable Management Fee. Therefore, the exposure of the Securityholders will be inversely proportioned to the performance of the Underlying.

TYPE B LONG CONSTANT LEVERAGE CERTIFICATES *(Type B Long Constant Leverage Certificates may have as Underlying only Index or Share)*

$PAVL_t$ x Multiplier x Variable Management Fee x Minimum Exercise Amount

Where:

"**PAVL**" means the Payout Value Long on Exchange Business Day "t";

"**t**" means either the Valuation Date or, if the Call Option is exercised by the Issuer, the Call Valuation Period.

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Payout Value Long, (ii) the Multiplier and (iii) the Variable Management Fee. Therefore, the Securityholders will be exposed to the performance of the Underlying.

TYPE B SHORT CONSTANT LEVERAGE CERTIFICATES *(Type B Short Constant Leverage Certificates may have as Underlying only Index or Share)*

$PAVS_t$ x Multiplier x Variable Management Fee x Minimum Exercise Amount

Where:

"**PAVS**" means the Payout Value Short on Exchange Business Day "t";

"**t**" means either the Valuation Date or, if the Call Option is exercised by the Issuer, the Call Valuation Period.

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Payout Value Short, (ii) the Multiplier and (iii) the Variable Management Fee. Therefore, the Securityholders will be exposed to the performance of the Underlying.

BB. WARRANTS

CALL WARRANTS

Notional Amount x Max [0%; (Final Reference Value – Strike Percentage x Initial Reference Value) / Initial Reference Value]

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount equal to the Notional Amount multiplied by the higher between (1) 0% and (2) the ratio between (i) the difference between the Final Reference Value and the Initial Reference Value multiplied by the Strike Percentage and (ii) the Initial Reference Value.

CALL COVERED WARRANTS

Max [0; (Final Reference Value – Exercise Price)] x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the higher between (i) 0 and (ii) the difference between the Final Reference Value and the Exercise Price.

CALL SPREAD WARRANTS

Notional Amount x Min {CAP; Max [0%; (Final Reference Value – Strike Percentage x Initial Reference Value) / Initial Reference Value]}

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount equal to Notional Amount multiplied by the lower between (A) the CAP and (B) the higher between (1) 0% and (2) ratio between (i) the difference between the Final Reference Value and the Initial Reference Value multiplied by the Strike Percentage and (ii) the Initial Reference Value.

PUT WARRANTS

Notional Amount x Max [0%; (Strike Percentage x Initial Reference Value - Final Reference Value) / Initial Reference Value]

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount equal to the Notional Amount multiplied by the higher between (1) 0% and (2) the ratio between (i) the difference between the Initial Reference Value multiplied by the Strike Percentage and the Final Reference Value and (ii) the Initial Reference Value.

PUT COVERED WARRANTS

Max [0; (Exercise Price – Final Reference Value)] x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the higher between (i) 0 and (ii) the Exercise Price less the Final Reference Value.

PUT SPREAD WARRANTS

Notional Amount x Min {CAP; Max [0%; (Strike Percentage x Initial Reference Value - Final Reference Value) / Initial Reference Value]}

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount equal to the Notional Amount multiplied by the higher between (A) the CAP and (B) the higher between (1) 0% and (2) the ratio between (i) the difference between the Initial Reference Value multiplied by the Strike Percentage and the Final Reference Value and (ii) the Initial Reference Value.

INTEREST RATE WARRANTS

[Max (0; Reference Rate - Interest Cap) x Final Notional Amount] x Day Count Fraction

In such case, Securityholders will receive a Cash Settlement Amount determined by the Calculation Agent on the Settlement Determination Date relating to the Settlement Determination Period and will be equal to the product between: (i) the difference of the

Reference Rate less the Interest Cap, (ii) the Final Notional Amount and (iii) the applicable Day Count Fraction.

CORRIDOR WARRANTS

If a Barrier Event has not occurred, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount predetermined by the Issuer and specified in the applicable Final Terms.

***

CALCULATION METHOD IF A BARRIER EVENT OR A BARRIER GAP EVENT (in the case of Gap Certificates) IS INDICATED AS APPLICABLE IN THE RELEVANT FINAL TERMS AND IS OCCURRED:

(1) <u>BARRIER EVENT IN THE CASE OF STANDARD LONG CERTIFICATES, MAX LONG CERTIFICATES AND TWIN WIN LONG CERTIFICATES</u>

(i) WITHOUT PROTECTION LEVEL, PROTECTION PERCENTAGE, AIR BAG FACTOR, SIGMA AMOUNT, PREDETERMINED LOSS PERCENTAGE:

Final Reference Value x Multiplier x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of the Final Reference Value and the Multiplier.

<u>If the applicable Final Terms provide a Cap Barrier Amount:</u>

Min [Cap Barrier Amount; (Final Reference Value x Multiplier)] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (i) the Cap Barrier Amount and (ii) the product of the Final Reference Value and the Multiplier.

(ii) WITH THE PROTECTION LEVEL:

a) *[Max (Final Reference Value; Protection Level) x Multiplier] x Minimum Exercise Amount*

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the higher between (i) the Final Reference Value and (ii) the Protection Level.

<u>If the applicable Final Terms provide a Cap Barrier Amount:</u>

Min [Cap Barrier Amount; Max (Final Reference Value; Protection Level) x Multiplier] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (1) the Cap Barrier Amount and (2) the product of (i) the Multiplier and (ii) the higher between the Final Reference Value and the Protection Level.

or

b) *(Protection Level x Multiplier) x Minimum Exercise Amount*

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of the Protection Level and the Multiplier.

(iii) WITH THE AIR BAG FACTOR:

[(Final Reference Value x Air Bag Factor) x Multiplier] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Final Reference Value, (ii) the Air Bag Factor and (iii) the Multiplier.

<u>If the applicable Final Terms provide a Cap Barrier Amount:</u>

Min [Cap Barrier Amount; (Final Reference Value x Air Bag Factor) x Multiplier] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (1) the Cap Barrier Amount and (2) the product of (i) the Final Reference Value, (ii) the Air Bag Factor and (iii) the Multiplier.

(iv) WITH THE AIR BAG FACTOR AND WITH THE PROTECTION PERCENTAGE:

Max [Protection Percentage x Issue Price; (Final Reference Value x Air Bag Factor) x Multiplier] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Protection Percentage multiplied by the Issue Price and (B) the product of (i) the Final Reference Value, (ii) the Air Bag Factor and (iii) the Multiplier.

<u>If the applicable Final Terms provide a Cap Barrier Amount:</u>

Min {Cap Barrier Amount; Max [Protection Percentage x Issue Price; (Final Reference Value x Air Bag Factor) x Multiplier]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (1) the Cap Barrier Amount and (2) the higher between (A) the Protection Percentage multiplied by the Issue Price and (B) the product of (i) the Final Reference Value, (ii) the Air Bag Factor and (iii) the Multiplier.

(v) WITH THE SIGMA AMOUNT:

[(Final Reference Value x Multiplier) + Sigma Amount] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the sum of (A) the Final Reference Value multiplied by the Multiplier and (B) the Sigma Amount.

<u>If the applicable Final Terms provide a Cap Barrier Amount:</u>

Min [Cap Barrier Amount; (Final Reference Value x Multiplier) + Sigma Amount] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Barrier Amount and (B) the sum of (1) the Final Reference Value multiplied by the Multiplier and (2) the Sigma Amount.

(vi) WITH THE SIGMA AMOUNT AND WITH THE PROTECTION PERCENTAGE:

Max [Protection Percentage x Issue Price; (Final Reference Value x Multiplier) + Sigma Amount] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Protection Percentage multiplied by the Issue Price and (B) the sum of (1) the Final Reference Value multiplied by the Multiplier and (2) the Sigma Amount.

<u>If the applicable Final Terms provide a Cap Barrier Amount:</u>

Min {Cap Barrier Amount; Max [Protection Percentage x Issue Price; (Final Reference Value x Multiplier) + Sigma Amount]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Barrier Amount and (B) the higher between (1) the Protection Percentage multiplied by the Issue Price and (2) the sum of (i) the Final Reference Value multiplied by the Multiplier and (ii) the Sigma Amount.

(vii) WITH THE PREDETERMINED LOSS PERCENTAGE:

[(Initial Reference Value x Predetermined Loss Percentage) x Multiplier] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Initial Reference Value, (ii) the Predetermined Loss Percentage and (iii) the Multiplier.

(viii) WITH THE DOWN PARTICIPATION FACTOR:

{[Initial Reference Value + Down Participation Factor x (Final Reference Value – Initial Reference Value)] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Multiplier and (B) the sum of (1) the Initial Reference Value and (2) the Down Participation Factor multiplied by the difference between the Final Reference Value and the Initial Reference Value.

(ix) WITH THE STRIKE PERCENTAGE AND THE DOWN PARTICIPATION FACTOR:

Max {0; Issue Price – [Down Participation Factor x Issue Price x [(Strike Percentage x Initial Reference Value – Final Reference Value) / Final Reference Value]]}

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) 0 and (B) the difference between (1) the Issue Price and (2) the Down Participation Factor multiplied by the Issue Price and multiplied by the ratio of (i) the Strike Percentage multiplied by the Final Reference Value minus the Final Reference Value and (ii) the Final Reference Value.

(x) WITH THE STRIKE PERCENTAGE AND WITH THE GEARING FACTOR:

Max {0; Initial Reference Value x {Initial Percentage - [(Strike Percentage – Final Reference Value / Initial Reference Value) x Gearing Factor]} x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the maximum between (i) 0 and (ii) the Multiplier multiplied by the Initial Reference Value multiplied by the difference between (a) the Initial Percentage and (b) the difference between the Strike Percentage and Final Reference Value divided by the Initial Reference Value, multiplied by the Gearing Factor.

(2) <u>BARRIER EVENT IN THE CASE OF STANDARD SHORT CERTIFICATES, MAX SHORT CERTIFICATES AND TWIN WIN SHORT CERTIFICATES</u>

(i) WITHOUT SHORT PROTECTION AND PREDETERMINED LOSS PERCENTAGE:

Max {0; [Initial Reference Value + (Initial Reference Value - Final Reference Value)] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) 0 and (B) the product of (1) the Multiplier and (2) the sum of (i) the Initial Reference Value and (ii) the difference between the Initial Reference Value and the Final Reference Value.

<u>If the applicable Final Terms provide a Cap Barrier Amount:</u>

Min {Cap Barrier Amount; Max {0; [Initial Reference Value + (Initial Reference Value – Final Reference Value)] x Multiplier}} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Barrier Amount and (B) the higher between (1) 0 and (2) the product of (i) the Multiplier and (ii) the sum of the Initial Reference Value and the difference between the Initial Reference Value and the Final Reference Value.

(ii) WITH THE SHORT PROTECTION:

Max {Short Protection; [Initial Reference Value + (Initial Reference Value - Final Reference Value)] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Short Protection and (B) the product of (1) the Multiplier and (2) the sum of (i) the Initial Reference Value and (ii) the difference between the Initial Reference Value and the Final Reference Value.

If the applicable Final Terms provide a Cap Barrier Amount:

Min {Cap Barrier Amount; Max {Short Protection; [Initial Reference Value + (Initial Reference Value – Final Reference Value)] x Multiplier}} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Barrier Amount and (B) the higher between (1) the Short Protection and (2) the product of (i) the Multiplier and (ii) the sum of the Initial Reference Value and the difference between the Initial Reference Value and the Final Reference Value.

or

Short Protection x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the Short Protection.

(iii) WITH THE PREDETERMINED LOSS PERCENTAGE:

[(Initial Reference Value x Predetermined Loss Percentage) x Multiplier] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (i) the Initial Reference Value, (ii) the Predetermined Loss Percentage and (iii) the Multiplier.

(iv) WITH THE DOWN PARTICIPATION FACTOR:

Max {0; [Initial Reference Value + Down Participation Factor x (Initial Reference Value – Final Reference Value)] x Multiplier} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) 0 and (B) the product of (i) the Multiplier and (ii) the sum of the Initial Reference Value and the difference between the Initial Reference Value and the Final Reference Value, such difference multiplied by the Down Participation Factor.

(v) WITH THE STRIKE PERCENTAGE AND THE DOWN PARTICIPATION FACTOR:

Max {0; Issue Price – [(Final Reference Value – Strike Percentage x Initial Reference Value) / Final Reference Value] x Down Participation Factor x Issue Price}

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the maximum between (i) 0 and (ii) the difference between the (a) the Issue Price and (b) the product of (1) the difference between Final Reference Value and Strike Percentage multiplied by Initial Reference Value, divided by Final Reference Value, (2) the Down Participation Factor and (3) the Issue Price.

(3) <u>BARRIER EVENT IN THE CASE OF SPREAD CERTIFICATES</u>

(i) WITH THE PREDETERMINED LOSS PERCENTAGE

$$\{\{[(Initial\ Percentage_A \times Initial\ Reference\ Value_A \times Multiplier_A) + (Initial\ Percentage_B \times Initial\ Reference\ Value_B \times Multiplier_B)] / 2\} \times Predetermined\ Loss\ Percentage\} \times Minimum\ Exercise\ Amount$$

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the average between (1) the product of (i) the Initial Percentage of the Underlying A, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (2) the product of (i) the Initial Percentage of the Underlying B, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (B) the Predetermined Loss Percentage.

(ii) WITH THE SPREAD PROTECTION

$$\{\{[(Initial\ Percentage_A \times Initial\ Reference\ Value_A \times Multiplier_A) + (Initial\ Percentage_B \times Initial\ Reference\ Value_B \times Multiplier_B)] / 2\} \times [1 + Max\ (Spread\ Protection;\ Spread + Margin)]\} \times Minimum\ Exercise\ Amount$$

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the average between (1) the product of (i) the Initial Percentage of the Underlying A, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (2) the product of (i) the Initial Percentage of the Underlying B, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (B) the sum of (i) 1 and (ii) the higher between the Spread Protection and the Spread (plus the Margin).

or

$$\{\{[(Initial\ Percentage_A \times Initial\ Reference\ Value_A \times Multiplier_A) + (Initial\ Percentage_B \times Initial\ Reference\ Value_B \times Multiplier_B)] / 2\} \times [1 + Max\ (Spread\ Protection;\ Spread - Margin)]\} \times Minimum\ Exercise\ Amount$$

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the average between (1) the product of (i) the Initial Percentage of the Underlying A, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (2) the product of (i) the Initial Percentage of the Underlying B, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (B) the sum of (i) 1 and (ii) the higher between the Spread Protection and the Spread (minus the Margin).

<u>If the applicable Final Terms provide a Cap Barrier Amount:</u>

Min {Cap Barrier Amount; {{[(Initial Percentage$_A$ x Initial Reference Value$_A$ x Multiplier$_A$) + (Initial Percentage$_B$ x Initial Reference Value$_B$ x Multiplier$_B$)] / 2} x [1 + Max (Spread Protection; Spread + Margin)]}} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Barrier Amount and (B) the product of (1) the average between (x) the product of (i) the Initial Percentage of the Underlying A, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (y) the product of (i) the Initial Percentage of the Underlying B, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (2) the sum of (i) 1 and (ii) the higher between the Spread Protection and the Spread (plus the Margin).

or

Min {Cap Barrier Amount; {{[(Initial Percentage$_A$ x Initial Reference Value$_A$ x Multiplier$_A$) + (Initial Percentage$_B$ x Initial Reference Value$_B$ x Multiplier$_B$)] / 2} x [1 + Max (Spread Protection; Spread - Margin)]}} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Barrier Amount and (B) the product of (1) the average between (x) the product of (i) the Initial Percentage of the Underlying A, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (y) the product of (i) the Initial Percentage of the Underlying B, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (2) the sum of (i) 1 and (ii) the higher between the Spread Protection and the Spread (minus the Margin).

(iii) WITHOUT THE PREDETERMINED LOSS PERCENTAGE OR THE SPREAD PROTECTION

The Cash Settlement Amount will be calculated pursuant to one of the following formulas and in accordance with the relevant Final Terms:

a) Amount linked to the Spread

{{[(Initial Percentage$_A$ x Initial Reference Value$_A$ x Multiplier$_A$) + (Initial Percentage$_B$ x Initial Reference Value$_B$ x Multiplier$_B$)] / 2} x Max [0; (1 + Participation Factor x (Spread + Margin))]}} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the average between (1) the product of (i) the Initial Percentage of the Underlying A, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (2) the product of (i) the Initial Percentage of the Underlying B, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (B) the higher between (i) 0 and (ii) the sum of 1 and the Participation Factor multiplied by the Spread (plus the Margin).

or

{{[(Initial Percentage$_A$ x Initial Reference Value$_A$ x Multiplier$_A$) + (Initial Percentage$_B$ x Initial Reference Value$_B$ x Multiplier$_B$)] / 2} x Max [0; (1 +

Participation Factor x (Spread - Margin))]} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the average between (1) the product of (i) the Initial Percentage of the Underlying A, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (2) the product of (i) the Initial Percentage of the Underlying B, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (B) the higher between (i) 0 and (ii) the sum of 1 and the Participation Factor multiplied by the Spread (minus the Margin).

<u>If the applicable Final Terms provide a Cap Barrier Amount:</u>

Min {Cap Barrier Amount; {[(Initial Percentage$_A$ x Initial Reference Value$_A$ x Multiplier$_A$) + (Initial Percentage$_B$ x Initial Reference Value$_B$ x Multiplier$_B$)] / 2} x Max [0;(1 +Participation Factor x (Spread + Margin))]}} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between the Cap Barrier Amount and the product of (A) the average between (1) the product of (i) the Initial Percentage of the Underlying A, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (2) the product of (i) the Initial Percentage of the Underlying B, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (B) the higher between (i) 0 and (ii) the sum of 1 and the Participation Factor multiplied by the Spread (plus the Margin).

or

Min {Cap Barrier Amount; {[(Initial Percentage$_A$ x Initial Reference Value$_A$ x Multiplier$_A$) + (Initial Percentage$_B$ x Initial Reference Value$_B$ x Multiplier$_B$)] / 2} x Max [0;(1 +Participation Factor x (Spread - Margin))]}} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between the Cap Barrier Amount and the product of (A) the average between (1) the product of (i) the Initial Percentage of the Underlying A, (ii) the Initial Reference Value of the Underlying A and (iii) the Multiplier of the Underlying A and (2) the product of (i) the Initial Percentage of the Underlying B, (ii) the Initial Reference Value of the Underlying B and (iii) the Multiplier of the Underlying B and (B) the higher between (i) 0 and (ii) the sum of 1 and the Participation Factor multiplied by the Spread (minus the Margin).

or

b) Amount linked to the performance of the Underlying A

Final Reference Value$_A$ x Multiplier$_A$ x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of the Final Reference Value of the Underlying A and the Multiplier of the Underlying A.

<u>If the applicable Final Terms provide a Cap Barrier Amount:</u>

Min [Cap Barrier Amount; (Final Reference Value$_A$ *x Multiplier*$_A$*)] x Minimum Exercise Amount*

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Barrier Amount and (B) the product of the Final Reference Value of the Underlying A and the Multiplier of the Underlying A.

or

c) Amount linked to the performance of the Underlying B

Final Reference Value$_B$ *x Multiplier*$_B$ *x Minimum Exercise Amount*

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of the Final Reference Value of the Underlying B and the Multiplier of the Underlying B.

<u>If the applicable Final Terms provide a Cap Barrier Amount:</u>

Min [Cap Barrier Amount; (Final Reference Value$_B$ *x Multiplier*$_B$*)] x Minimum Exercise Amount*

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Cap Barrier Amount and (B) the product of the Final Reference Value of the Underlying B and the Multiplier of the Underlying B.

(4) <u>BARRIER EVENT IN THE CASE OF MULTIPERFORMANCE LONG CERTIFICATES AND MULTIPERFORMANCE MAX LONG CERTIFICATES</u>

(i) WITHOUT THE PROTECTION AMOUNT:

Issue Price x (1 + Down Participation Factor x Cumulated Performance) x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Issue Price and (B) the sum of (i) 1 and the Down Participation Factor multiplied by the Cumulated Performance.

(ii) WITH THE PROTECTION AMOUNT:

Max [Protection Amount; Issue Price x (1 + Down Participation Factor x Cumulated Performance)] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher of (A) the Protection Amount and (B) the product of (1) the Issue Price and (2) the sum of (i) 1 and (ii) the

Down Participation Factor multiplied by the Cumulated Performance.

(5) BARRIER EVENT IN THE CASE OF MULTIPERFORMANCE SHORT CERTIFICATES AND MULTIPERFORMANCE MAX SHORT CERTIFICATES

(i) WITHOUT THE PROTECTION AMOUNT:

Issue Price x Max [0; (1- Down Participation Factor x Cumulated Performance)] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Issue Price and (B) the higher between (i) 0 and (ii) 1 minus the product of the Down Participation Factor and the Cumulated Performance.

(ii) WITH THE PROTECTION AMOUNT:

Max [Protection Amount; Issue Price x (1- Down Participation Factor x Cumulated Performance)] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) the Protection Amount and (B) the product of (1) the Issue Price and (2) 1 minus the product of the Down Participation Factor and the Cumulated Performance.

(6) BARRIER GAP EVENT IN THE CASE OF GAP LONG CERTIFICATES

Issue Price x Max [0; 100% + Barrier Gap Leverage x (Gap Daily Performance - Barrier Gap Level)] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Issue Price and (B) the higher between (i) 0 and (ii) 100% plus the Barrier Gap Leverage multiplied by the difference between the (a) Gap Daily Performance and (b) the Barrier Gap Level.

(7) BARRIER GAP EVENT IN THE CASE OF GAP SHORT CERTIFICATES

Issue Price x Max [0; 100% + Barrier Gap Leverage x (Barrier Gap Level - Gap Daily Performance)] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the product of (A) the Issue Price and (B) the higher between (i) 0 and (ii) 100% plus the Barrier Gap Leverage multiplied by the difference between (a) the Barrier Gap Level and (b) the Gap Daily Performance.

(8) BARRIER EVENT IN THE CASE OF LONG DUAL CURRENCY FX CERTIFICATES AND SHORT DUAL CURRENCY FX CERTIFICATES

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount in the Settlement Currency per Minimum Exercise Amount, which may be the Issue Currency or the Dual Currency, depending on the Final Reference Value of the Underlying (which will be an exchange rate), and it will be calculated pursuant to one of the following formulas:

a. If the Barrier Event depends on the Final Reference Value:

[(Initial Percentage x Initial Reference Value x Multiplier) x Conversion Rate] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount in the Dual Currency per Minimum Exercise Amount equal to the product of (A) the product of (i) the Initial Percentage, (ii) the Initial Reference Value and (iii) the Multiplier and (B) the Conversion Rate.

b. If the Barrier Event depends on the Reference Value:

(i) If the Final Reference Value is equal to or higher than (in case of Dual Currency FX Long Certificates) or is equal to or lower than (in case of Dual Currency FX Short Certificates) the Strike Level:

(Initial Percentage x Initial Reference Value x Multiplier) x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount in the Issue Currency per Minimum Exercise Amount equal to the Initial Percentage multiplied by the Multiplier.

(ii) If the Final Reference Value is lower than (in case of Dual Currency FX Long Certificates) or higher than (in case of Dual Currency FX Short Certificates) the Strike Level:

[(Initial Percentage x Initial Reference Value x Multiplier) x Conversion Rate] x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount in the Dual Currency per Minimum Exercise Amount equal to the product of (A) the product of (i) the Initial Percentage, (ii) the Initial Reference Value and (iii) the Multiplier and (B) the Conversion Rate.

(9) <u>BARRIER EVENT IN THE CASE OF COMBINED AMOUNT CERTIFICATES</u>

Max {0; Issue Price x Participation Factor x Min [0; (Final Reference Value / Initial Reference Value – 1)] + Combined Amount} x Minimum Exercise Amount

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) 0 and (B) the sum of (a) the product of (1) the Issue Price, (2) the Participation Factor and (3) the lower between (i) 0 and (ii) the ratio between the Final Reference Value and the Initial Reference Value minus 1 and (b) the Combined Amount.

(10) <u>BARRIER EVENT IN THE CASE OF LONG OUTPERFORMANCE COMBINED CERTIFICATES</u>

a) *Max [0; (Final Reference Value – Initial Reference Value x Predetermined Loss Percentage) x Multiplier] x Minimum Exercise Amount*

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) 0 and (B) the product of (1) the Final Reference Value less the Initial Reference Value multiplied by the Predetermined Loss Percentage and (2) the Multiplier.

or

b) *Max [0; Predetermined Loss Amount + (Final Reference Value x Multiplier)] x Minimum Exercise Amount*

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the higher between (A) 0 and (B) the sum of (1) the Predetermined Loss Percentage and (2) the Final Reference Value multiplied by the Multiplier.

(11) <u>BARRIER EVENT IN THE CASE OF REVERSE BUTTERFLY CERTIFICATES</u>

Min {Issue Price; [Max (Protection Percentage x Issue Price; Final Reference Value x Multiplier) + Max (0; Butterfly Level – Final Reference Value) x Multiplier]}

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount per Minimum Exercise Amount equal to the lower between (A) the Issue Price and (B) the higher between (1) the Protection Percentage multiplied by the Issue Price and (2) the Final Reference Value multiplied by the Multiplier plus an amount (which may not be lower than 0) that is equal to the Butterfly Level minus the Final Reference Value, multiplied by the Multiplier.

(12) <u>BARRIER EVENT IN CASE OF WARRANTS (CALL WARRANTS, CALL COVERED WARRANTS, CALL SPREAD WARRANTS, PUT WARRANTS, PUT COVERED WARRANTS, PUT SPREAD WARRANTS, INTEREST RATE WARRANTS)</u>

In such case, Securityholders will receive, on the Settlement Date, a Cash Settlement Amount in the Settlement Currency per Minimum Exercise Amount predetermined by the Issuer and specified in the applicable Final Terms (which could also be equal to zero).

****

In relation to the Remuneration Amounts, the Early Redemption Amount and the Cash Settlement Amount, the following options concerning the underlying assets may be applicable, as specified from time to time in the relevant Final Terms:

Best Of Feature

For the determination of (i) the relevant Remuneration Amount and/or the occurrence of the event that triggers such Remuneration Amount; and/or (ii) the Early Redemption Amount and/or the occurrence of the Early Redemption Event; and/or (iii) the Settlement Amount and/or the occurrence of any event(s) on which depends the calculation of such Settlement Amount; and/or (iv) the occurrence of the Barrier Event or any other event or effect, as specified in the relevant Final Terms and in relation to any or all the relevant valuation periods, the Calculation Agent selects the Best Of Underlying which is the Underlying with the first, second or third (and so on, depending on the number of the Underlyings and as specified in the applicable Final Terms) best Performance compared with the other Underlying(s).

Worst Of Feature

For the determination of (i) the relevant Remuneration Amount and/or the occurrence of the event that triggers such Remuneration Amount; and/or (ii) the Early Redemption Amount and/or the occurrence of the Early Redemption Event; and/or (iii) the Settlement Amount and/or the occurrence of any event(s) on which depends the calculation of such Settlement Amount; and/or (iv) the occurrence of the Barrier Event or any other event or effect, as specified in the relevant Final Terms and in relation to any or all the relevant valuation periods, the Calculation Agent selects the Worst Of Underlying which is the Underlying with the first, second or third (and so on, on the basis of the number of the Underlyings and as specified in the applicable Final Terms) worst Performance compared with the other Underlying(s).

Darwin Feature

For the determination of (i) the relevant Remuneration Amount and/or the occurrence of the event that triggers such Remuneration Amount; and/or (ii) the Early Redemption Amount and/or the occurrence of the Early Redemption Event; and/or (iii) the Settlement Amount and/or the occurrence of any event(s) on which depends the calculation of such Settlement Amount; and/or (iv) the occurrence of the Barrier Event or any other event or effect, as specified in the relevant Final Terms, the Calculation Agent selects, in relation to each valuation period of each event and/or in relation to each amount to be paid, the Underlying value to be considered (i.e. Best of Underlying, Worst of Underlying, Basket Value or as otherwise specified in the applicable Final Terms).

Cash Settlement Amount Combo Feature

The Cash Settlement Amount will be determined by the Calculation Agent, as specified in the applicable Final Terms, as (i) the arithmetic mean of the Cash Settlement Amounts due in relation to each Underlying or (ii) the weighted average of the Cash Settlement Amounts due in relation to each Underlying or (iii) the sum (as specified in the applicable Final Terms) of the Cash Settlement Amounts due in relation to each Underlying. In these cases, for each Underlying the applicable Final Terms will specify the relevant payout formula among those set out in Condition 23 and all the relevant details for its determination (e.g. Barrier Level, Multiplier, Initial Reference Value, Final Reference Value, etc.).

Digital Combo Feature

For the calculation of the Digital Amount(s), the Calculation Agent will determine whether a Digital Event has occurred (and may also determine the Consolidation Level, the Memory Level, the Knock-out Level, the Knock-in Level) in relation to each Underlying. Therefore, the Digital Amount in relation to the Digital Valuation Period(s) specified in the applicable Final Terms will be equal to, as specified in the applicable Final Terms, (i) the arithmetic mean of the Digital Amounts due in relation to each Underlying for which the relevant Digital Event has occurred, or (ii) the weighted average of the Digital Amounts due in relation to each Underlying for which the relevant Digital Event has occurred, or (iii) the sum of the Digital Amounts due in relation to each Underlying for which the relevant Digital Event has occurred. In this case, for each Underlying the applicable Final Terms will specify the relevant Digital Level.

Participation Combo Feature

For the calculation of the Participation Remuneration Amount(s) linked to more Underlyings, the Calculation Agent will determine the Participation Remuneration Amount in relation to the Participation Remuneration Event Valuation Period(s) specified in the applicable Final Terms as (i) the arithmetic mean of the Participation Remuneration Amounts due in relation to each Underlying, or (ii) the weighted average of the Participation Remuneration Amounts due in relation to each Underlying, or (iii) the sum of the Participation Remuneration Amounts due in relation to each Underlying, as specified in the applicable Final Terms. In this case, for each Underlying the applicable Final Terms may specify (if any) the relevant CAP, Floor Percentage, Participation Factor, Strike Remuneration Percentage, Base Premium Percentage and Participation Remuneration Amount Gearing.

Rainbow Feature

The Issuer will indicate in the applicable Final Terms: (i) the financial activities which represent the Basket Constituents, (ii) the relative weighting within the Basket without any preliminary reference to specific financial activities and (iii) the objective criteria pursuant to which the weight will be allocated by the Calculation Agent (for instance, in a Basket constituted by three financial activities, the Basket would be weighted as follows: 50% for the Basket Constituent with the best performance; 30% for the Basket Constituent with the worst performance; and 20% for a Basket Constituent with the second best performance).

For each determination (during the life of the Certificates and at the date of their redemption), the Calculation Agent will weigh the relevant Basket Constituents on the basis of the performance registered on such Determination Date and pursuant to the objective criteria provided under the Final Terms. The allocation of the weights within a Basket may result differently on each Determination Date and depending on the performance of the Basket Constituents.

The Calculation Agent will then calculate the total amount of the Basket pursuant to the methods applied to the instruments normally linked to the Basket. Such feature shall not apply to the Spread Certificates.

24. Reverse Split of Turbo Certificates, Benchmark Certificates and Constant Leverage Certificates

In relation to Turbo Certificates, Benchmark Certificates and Constant Leverage Certificates only, if "Reverse Split" is specified as applicable in the applicable Final Terms the Issuer may, at its option, effect a Reverse Split of the relevant Series of such Certificates. In such event, the Issuer may give the Reverse Split Trigger Notice to Securityholders within a number of days equal to the Reverse Split Notice Period informing them of its intention to effect a Reverse Split with respect to the relevant Certificates. After the giving of such Reverse Split Trigger Notice, with effect from the relevant Reverse Split Effective Date and without the consent of the Securityholders, the number of Certificates before the Reverse Split (the Pre-Conversion Certificates) held by each Securityholder (the "**Existing Holding**") will be aggregated and such Certificates will be converted into a smaller number of Certificates (Converted Certificates and the aggregate holding of such Converted Certificates including the Unconverted Certificates (if any and as defined below) by a Securityholder, the "**Revised Holding**") calculated by dividing the number of Pre-Conversion Certificates by the Reverse Split Ratio.

If, after the application of the Reverse Split Ratio to the Pre-Conversion Certificates held by each Securityholder:

- the aggregate number of the Certificates held by any Securityholder is lower than the applicable Reverse Split Ratio; or

- the aggregate number of Certificates held by any Securityholder divided by the applicable Reverse Split Ratio does not result in an integer number;

the number of the Certificates which cannot be replaced by one Converted Certificates (in each case the "**Unconverted Certificates**") will be bought back by the Issuer at the Reverse Split Cash Settlement Price. The Securityholders of Unconverted Certificates shall receive a cash amount on the Reverse Split Settlement Date equal to the Reverse Split Cash Settlement Amount.

Upon conversion of Pre-Conversion Certificates into Converted Certificates, the applicable Final Terms shall be deemed to be amended to set out the changes to be made to the terms of the Converted Certificates provided that, as a result of such changes the market value of the Revised Holding calculated immediately after the Reverse Split is the same as the market value of the Existing Holding calculated immediately before the Reverse Split.

Following the conversion of Pre-Conversion Certificates into Converted Certificates, all references in these Terms and Conditions to Turbo Certificates, Benchmark Certificates or Constant Leverage Certificates (as the case may be), shall be deemed to be references to the Converted Certificates.

ANNEX 1 TO THE TERMS AND CONDITIONS OF THE SECURITIES - DESCRIPTION OF THE PROPRIETARY INDICES

The amounts in respect of Proprietary Index Securities will be calculated by reference to a Proprietary Index, which is an Index composed, calculated and managed by the Issuer or by any legal entity belonging to the same group and composed by the Reference Underlying(s).

The Proprietary Index that may constitute the Underlying in the case of Proprietary Index Securities are described in the following paragraphs and may be of the following types:

(A) Fixed Percentage Decrement Proprietary Index
(B) Fixed Point Decrement Proprietary Index
(C) Target Volatility Fund Proprietary Index
(D) Target Volatility Proprietary Index and Target Volatility Basket Proprietary Index

The Issuer will publish the Proprietary Index Level (rounded as specified in the Proprietary Index Sponsor website) on each Calculation Date t on its website, https://www.prodottiequotazioni.intesasanpaolo.com/, at the page specified in the relevant Final Terms, on the Business Day after each Calculation Date. Other method of publication of the Proprietary Index Level may be specified from time to time in the applicable Final Terms.

With reference to the Target Volatility Fund Proprietary Index only, the Proprietary Index Level will be published by the Issuer, at the earliest, on the second Business Day following the Calculation Date t. This delay depends on the fact that typically the Fund Manager publishes the Fund Interest unit value as of any Scheduled Fund Valuation Date on the afternoon of the Business Day immediately following such date; therefore, such information can be known and used by the Proprietary Index Sponsor only on the morning of the second Business Day the Calculation Date t.

In addition, other methods of publication of the Proprietary Index Level may be specified from time to time in the applicable Final Terms.

For the purposes of this Annex 1 to the Terms and Conditions of the Securities – Description of the Proprietary Indices, capitalised terms used but not otherwise defined herein shall have the meanings given to them in Condition 3 (*Definitions*) of the Terms and Conditions.

A. FIXED PERCENTAGE DECREMENT PROPRIETARY INDEX

A.1 Definitions

Base Calculation Date means the date specified in the relevant Final Terms;

Calculation Date means any Exchange Business Day from and excluding the Base Calculation Date;

Day Count Fraction means the day count fraction determined as $\left(\frac{t-(t-1)}{365}\right)$ or different Day Count Fraction, as specified in the relevant Final Terms;

Proprietary Index Level or **I** means the level of the Proprietary Index calculated by the Proprietary Index Sponsor in accordance with paragraph A.3 (*Method and formulas of calculation*) below on each Calculation Date;

Proprietary Index Sponsor means Intesa Sanpaolo S.p.A. or any other legal entity belonging to the same group, specified in the relevant Final Terms;

Reference Underlying means:

(i) a financial asset listed in the definition of "Underlying" in Condition 3 (*Definitions*) above, as specified in the applicable Final Terms; or

(ii) a Basket composed of two or more financial assets listed in the definition of "Underlying" in Condition 3 (*Definitions*) above (each a Basket Constituent as indicated from time to time in the relevant Final Terms).

A.2 Strategy

The Fixed Percentage Decrement Proprietary Index replicates the performance of the Reference Underlying, specified in the relevant Final Terms, while assuming a constant dividend markdown. Over the course of a year a constant dividend markdown expressed in percentage (the "**Decrement%**") is gradually subtracted according to the corresponding Day Count Fraction. As a result, the Fixed Percentage Decrement Proprietary Index will underperform compared to the Reference Underlying.

A.3 Method and formulas of calculation

The Proprietary Index Level in respect of the Fixed Percentage Decrement Proprietary Index, will be calculated by the Proprietary Index Sponsor, on any Calculation Date t, according to the following formula:

$$I_t = I_{t-1} \times \left[\left(\frac{RefUL_t}{RefUL_{t-1}} \right) - Decrement\%\ x\ DCF \right]$$

Where:

"**t**" means any Exchange Business Day on which the Proprietary Index Level is calculated by the Proprietary Index Sponsor;

"**t-1**" means the Calculation Date immediately preceding the Calculation Date t;

"$\mathbf{I_t}$" means the Proprietary Index Level on the Calculation Date t;

"$\mathbf{I_{t-1}}$" means the Proprietary Index Level on the Calculation Date immediately preceding the Calculation Date t (unrounded value used);

"$\mathbf{RefUL_t}$" means the Value of the Reference Underlying on the date t;

"$\mathbf{RefUL_{t-1}}$" means the Value of the Reference Underlying on the date t-1;

"**Decrement%**" means the value expressed as a percentage specified in the relevant Final Terms;

"**DCF**" means the Day Count Fraction specified in the applicable Final Terms.

B. FIXED POINT DECREMENT PROPRIETARY INDEX

B.1 Definitions

Base Calculation Date means the date specified in the relevant Final Terms;

Calculation Date means any Exchange Business Day from and excluding the Base Calculation Date;

Day Count Fraction means the day count fraction determined as $\left(\frac{t-(t-1)}{365}\right)$, or different Day Count Fraction, specified in the relevant Final Terms;

Proprietary Index Level or **I** means the level of the Proprietary Index calculated by the Proprietary Index Sponsor in accordance with paragraph B.3 (*Method and formulas of calculation*) below on each Calculation Date;

Proprietary Index Sponsor means Intesa Sanpaolo S.p.A. or any other legal entity belonging to the same group, specified in the relevant Final Terms;

Reference Underlying means:

(i) a financial asset listed in the definition of "Underlying" in Condition 3 (*Definitions*) above, as specified in the applicable Final Terms; or

(ii) a Basket composed of two or more financial assets listed in the definition of "Underlying" in Condition 3 (*Definitions*) above (each a Basket Constituent as indicated from time to time in the relevant Final Terms).

B.2 Strategy

The Fixed Point Decrement Proprietary Index replicates the performance of the gross return version of the Reference Underlying assuming a constant dividend markdown expressed in index points (the "**Decrement**") that are deducted on an accrued basis. Consequently, due to the index points being subtracted, the Fixed Point Decrement Proprietary Index is underperforming the standard gross return index that includes a full dividend investment.

B.3 Method and formulas of calculation

The Proprietary Index Level in respect of the Fixed Point Decrement Proprietary Index, will be calculated by the Proprietary Index Sponsor, on any Calculation Date t, according to the following formula:

$$I_t = \left[I_{t-1} \times \left(\frac{RefUL_t}{RefUL_{t-1}}\right)\right] - Decrement \text{ x } DCF$$

Where:

"**t**" means any Exchange Business Day on which the Proprietary Index Level is calculated by the Proprietary Index Sponsor;

"**t-1**" means the Calculation Date immediately preceding the Calculation Date t;

"$\mathbf{I_t}$" means the Proprietary Index Level on the Calculation Date t;

"$\mathbf{I_{t-1}}$" means the Proprietary Index Level on the Calculation Date immediately preceding the Calculation Date t (unrounded value used);

"**$RefUL_t$**" means the Value of the Reference Underlying on the date t;

"**$RefUL_{t-1}$**" means the Value of the Reference Underlying on the date t-1;

"**Decrement**" means the value expressed as index point specified in the relevant Final Terms;

"**DCF**" is the Day Count Fraction specified in the applicable Final Terms.

C. TARGET VOLATILITY FUND PROPRIETARY INDEX

C.1 Definitions

Annual Percentage Fees or **%Fees** means, if applicable, a fee charged by the Issuer to the Securityholders which will be indicated in the relevant Final Terms;

Base Calculation Date means the date specified in the relevant Final Terms;

Calculation Date means any Exchange Business Day from and excluding the Base Calculation Date;

Day Count Fraction means the day count fraction determined as specified in the relevant Final Terms;

Effective Risky Component Weight or **%RAeff** means the effective exposure to the Risky Component determined according to the formula set out under paragraph C.6 (*Weights Determination Methodology*) below;

Execution Delay or **D** means, for a Fund composing a Proprietary Index, the number of Exchange Business Days specified in the relevant Final Terms that, according to the Fund documentation, have to pass before a duly completed and timely submitted notice of a Hypothetical Investor requesting a subscription or redemption is processed and executed on a Fund Valuation Date at the relevant Net Asset Value;

Fund Exposure Event means the event that occurs if the Proprietary Index Sponsor determines that the Issuer holds more than a percentage, as specified in the relevant Final Terms, of the Net Asset Value of the Reference Underlying;

Fund Exposure Event Date means the date on which the Proprietary Index Sponsor determines that the Fund Exposure Event has occurred;

Fund Interest means an interest held by a Hypothetical Investor in a Fund. The elected Fund Interest units must be denominated in EUR;

Fund Substitution Date means the first Calculation Date following the Fund Exposure Event Date that is not a Disrupted Day for both the Substituted Fund and the Substitutive Fund;

Fund Valuation Date means, with respect to any Fund Interest, the date as of which the related Fund (or its Fund Manager that generally determines such value) determines the Net Asset Value of such Fund Interest;

Hypothetical Investor means a hypothetical investor in Fund Interests which is deemed to have the benefits and obligations, as provided in the relevant Fund documents, of an investor holding such Fund Interests at the relevant time;

Lower Bound means the value specified in the relevant Final Terms;

NAV Lag or **L** means, for a Fund composing a Proprietary Index, the number of Exchange Business Days specified in the relevant Final Terms on which the NAV is available to the public;

Non-Risky Component means the Reference Underlying constituted by the daily compounding of the Interest Rate;

Non-Risky Component Level or **RF** means the Non-Risky Component Level determined by the Proprietary Index Sponsor as follows:

(i) in relation to the Base Calculation Date (t=0), will be a value determined as specified in the relevant Final Terms; and

(ii) on any other Calculation Date t, including the Valuation Date, the Proprietary Index Level, will be determined by the Proprietary Index Sponsor according to the following formula, rounded off the third decimal:

$RF_t = RF_{t-1} \times (1 + IR_{t-1} \times DCF)$

Where:

"$\mathbf{RF_t}$" means the Non-Risky Component Level on the Calculation Date t;

"$\mathbf{RF_{t-1}}$" means the Non-Risky Component Level on the last date prior to the Calculation Date t on which the level of the Interest Rate has been published;

"$\mathbf{IR_{t-1}}$" means the value of Interest Rate, representing the Reference Underlying of the Non-Risky Component as of the last date prior to the Calculation Date t on which the Interest Rate has been published by the relevant Calculation Entity;

"**DCF**" means the Day Count Fraction specified in the applicable Final Terms;

Non-Risky Component Weight means the weight of the Non-Risky Component determined according to the formula set out under paragraph C.6 (*Weights Determination Methodology*);

Optimal Risky Component Weight or **%RA** means the optimal exposure to the Risky Component determined according to the formula set out under paragraph C.6 (*Weights Determination Methodology*) below;

Proprietary Index Level or **I** means the level of the Proprietary Index calculated by the Proprietary Index Sponsor in accordance with paragraph C.5 (*Method and formulas of calculation*) below on each Calculation Date;

Proprietary Index Sponsor means Intesa Sanpaolo S.p.A. or any other legal entity belonging to the same group, specified in the relevant Final Terms;

Rebalancing Date means:

(i) the Base Calculation Date (t=0); or

(ii) any other Calculation Date t, which falls after the Base Calculation Date but before the Calculation Date falling (L + D) Exchange Business Days before the Valuation Date (where L is the NAV Lag and D is the Execution Delay), on which all the rebalancing conditions are met; or

(iii) a Fund Substitution Date;

Rebalancing means that the allocation, between a Risky Component and a Non-Risky Component, shall change with a new allocation targeting the predefined level of volatility of the Proprietary Index if the conditions set out in paragraph C.6 (*Weights Determination Methodology*) below are met on a Rebalancing Date;

Reference Underlying means a financial asset selected from the following:

(i) Fund, in respect of the Risky Component; or

(ii) Interest Rate, in respect of the Non-Risky Component;

Risky Component means the Reference Underlying elected from time to time among the Funds as indicated in the relevant Final Terms. The Risky Component, at the Base Calculation Date, will be the Fund A;

Risky Component Volatility or σ_t means the annualized volatility of the Risky Component, calculated as the historical volatility of the Risky Component, according to the formula set out under paragraph C.6 (*Weights Determination Methodology*) below;

Scheduled Fund Valuation Date means, with respect to any Fund Interest, a date on which the related Reference Underlying (or its Fund Manager that generally determines the value) is scheduled, according to the Fund documentation (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the value of such Fund Interest or of its aggregate Net Asset Value;

Scheduled Redemption Valuation Date means, with respect to any Fund Interest, the date as of which the Fund (or its Fund Manager that generally determines the value) is scheduled, according to its Fund documentation (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests) to determine the Net Asset Value of such Fund Interest for purposes of calculating the redemption proceeds to be paid to a Hypothetical Investor;

Substituted Fund means the Reference Underlying that on the Fund Exposure Event Date is replaced by the Substitutive Fund;

Substitutive Fund means the Fund selected, among the list specified in the relevant Final Terms, after the occurrence of a Fund Exposure Event;

Target Volatility Level means the level specified in the relevant Final Terms;

Upper Bound means the value specified in the relevant Final Terms;

Volatility Date(s) means, for each Calculation Date t, the n+1 Fund Valuation Dates immediately preceding the relevant Volatility Limit Date;

Volatility Limit Date means, for each Calculation Date t the (L + D - 1)-th Fund Valuation Date preceding t (where L is the NAV Lag and D is the Execution Delay).

C.2 Strategy

The Target Volatility Fund Proprietary Index is a price return index. The investment strategy is based on the allocation between a Risky Component and a Non-Risky Component, based on a rule which aims to achieve a stable predefined realized volatility of the strategy itself. The targeted level of volatility is the driving element of the allocation rule.

C.3 Composition

The Risky Component is composed by the Reference Underlying elected among the Funds listed in the relevant Final Terms. The value of the Reference Underlying is represented by the reported value (subject to certain adjustments by the Proprietary Index Sponsor) of its units as identified by the specified ISIN code. The value of the Risky Component depends therefore on the results of a hypothetical investment in the Reference Underlying and it is subject to all the events that would affect such investment by a Hypothetical Investor in the Reference Underlying. The units of the Reference Underlying included in the Risky Component distribute no dividend.

The Non-Risky Component has, as Reference Underlying, the daily compounding of the Interest Rate.

C.4 Fund selection and substitution

In relation to the Target Volatility Fund Proprietary Index, the relevant Final Terms will list a minimum number of two Funds. The relevant Final Terms will assign to each Fund the relevant label (Fund A, Fund B, etc.). For each of the labelled Funds, the applicable Final Terms will specify the details. Among those Funds, the Fund A will be elected as Reference Underlying at the Base Calculation Date. The other Fund(s) of the list may then be elected as Reference Underlying following a Fund Exposure Event.

If the Proprietary Index Sponsor determines that a Fund Exposure Event has occurred on the Fund Exposure Event Date, the Reference Underlying will become the Substituted Fund and another Fund listed in the Final Terms will become the Substitutive Fund.

Following a Fund Exposure Event, the Fund Substitution Date shall be deemed to be a Rebalancing Date and, therefore, a Rebalancing will take place.

For the purposes of such Rebalancing:

(i) the Proprietary Index Level is obtained using the Relevant Price of the Substituted Fund;

(ii) the Risky Component Volatility is obtained using the Relevant Prices of the Substitutive Fund.

Starting from the first Calculation Date following the Fund Substitution Date, the Risky Component is solely comprised of the Substitutive Fund, which will become the Reference Underlying.

C.5 Method and formulas of calculation

The Proprietary Index Level in respect of the Target Volatility Fund Proprietary Index, will be calculated by the Proprietary Index Sponsor, on any Calculation Date t, according to the following formula:

$$I_t = I_y \times \left(1 + \%RAeff_y \times \left(\frac{NAV_t}{NAV_y} - 1\right) + \%RF_y \times \left(\frac{RF_t}{RF_y} - 1\right)\right) - Fees_t$$

With:

$$Fees_t = I_0 \times \%Fees \times DCF$$

Where:

"**t**" means any Exchange Business Day on which the Proprietary Index Level is calculated by the Proprietary Index Sponsor;

"**y**" means the Rebalancing Date immediately preceding the Calculation Date t;

"I_t" means the Proprietary Index Level on the Calculation Date t;

"I_y" means the Proprietary Index Level on the Rebalancing Date immediately preceding the Calculation Date t;

"NAV_t" means the Relevant Price of the Reference Underlying on the Calculation Date t;

"NAV_y" means the Relevant Price of the Reference Underlying on the Rebalancing Date immediately preceding the Calculation Date t;

"$\%RAeff_y$" means the Effective Risky Component Weight as determined on the Rebalancing Date immediately preceding the Calculation Date t;

"RF_t" means the Non-Risky Component Level on the Calculation Date t;

"RF_y" means the Non-Risky Component Level on the Rebalancing Date immediately preceding the Calculation Date t;

"$\%RF_y$" means the Non-Risky Component Weight as determined on the Rebalancing Date immediately preceding the Calculation Date t;

"**%Fees**" means the Annual Percentage Fees as specified in the relevant Final Terms;

"**DCF**" is the Day Count Fraction specified in the applicable Final Terms.

C.6 Weights Determination Methodology

On each Calculation Date t, the portion of the Proprietary Index Level of the Target Volatility Fund Proprietary Index that is invested in the Reference Underlying (i.e. the Risky Component) is represented by a certain number of Reference Underlying share valued at the relevant NAV. Such number of shares is constant between two consecutive Rebalancing Dates and it changes on each Rebalancing Date: when a Rebalancing occurs a certain number of new shares is added to the previous number of shares (old shares). In particular, when the Rebalancing requires to increase the exposure to the Risky Component, the number of new shares is positive. Conversely, when the Rebalancing requires to reduce such exposure the new shares number is negative. The new shares due to a certain Rebalancing are invested/disinvested at the Relevant Price as of the corresponding Rebalancing Date.

In order to determine whether Calculation Date t is a Rebalancing Date, it is necessary to compare the optimal exposure to the Risky Component with the effective exposure to the Risky Component and the calculation of the optimal exposure to the Risky Component is based on the volatility of the Risky Component (given by the annualized standard deviation of its daily returns). If the Calculation Date t is a Rebalancing Date new shares will be added to/subtracted from the Risky Component due to such a Rebalancing.

Based on the shares (old and new) on each Calculation Date t it is possible to determine the Effective Risky Component Weight (the $\%RAeff_t$) on the basis of the following formula:

$$\%RAeff_t = \frac{(OS_t + NS_t) \times NAV_t}{I_t}$$

Where:

"$\mathbf{OS_t}$" means the number of old shares determined as follows:

$$OS_t = \begin{cases} 0 & \text{if } t = t_0 \\ OS_{t-1} + NS_{t-1} & \text{if } t > t_0 \end{cases}$$

Where:

"$\mathbf{t_0}$" means the Base Calculation Date; and

"$\mathbf{NS_t}$" means the number of new shares determined as follows:

$$NS_t = \begin{cases} \dfrac{I_0 \times \%RA_t}{NAV_t} & \text{if } t = t_0 \\ 0 & \text{if } t > t_0 \text{ and } t \text{ is not a Rebalancing Date} \\ \dfrac{I_{t-D-L} \times \left(\%RA_t - \%RAeff_y\right)}{NAV_t} & \text{if } t > t_0 \text{ and } t \text{ is a Rebalancing Date} \end{cases}$$

Where:

"$\mathbf{\%RA_t}$" means the Optimal Risky Component Weight on each Calculation Date t, which shall be calculated according to the following formula:

$$\%RA_t = Max\left(0; Min\left(100\%; \frac{TV}{\sigma_t}\right)\right)$$

Where:

"**TV**" means the Target Volatility Level;

"$\boldsymbol{\sigma_t}$" is the Risky Component Volatility, which shall be calculated according to the following formula:

$$\sigma_t = \sqrt{\frac{\sum_{s=t-(n+L+D)}^{t-(L+D)} \left[ln\left(\frac{NAV_s}{NAV_{s-1}}\right)\right]^2}{n} \times 252}$$

Where:

"**D**" means the Execution Delay specified in the relevant Final Terms;

"**L**" means the NAV Lag specified in the relevant Final Terms;

"**s**" means from t - (n+L+D) to t - (L+D), each of the n+1 Volatility Dates immediately preceding the Calculation Date (t - D - L + 1);

"**n**" means the number of Volatility Dates specified in the relevant Final Terms;

"**NAV_s**" means the Relevant Price of the Reference Underlying on the Exchange Business Day which is "s" Exchange Business Days prior to Calculation Date t;

"**NAV_{s-1}**" means the Relevant Price of the Reference Underlying on the Exchange Business Day which is "s-1" Exchange Business Days prior to Calculation Date t.

On each Calculation Date t before the (L + D)-th Calculation Date preceding the Valuation Date a check is performed in order to determine whether the actual allocation should change or not. In particular, based on the current Optimal Risky Component Weight or %RA and on the Effective Risky Component Weight or %RAeff as of the latest Rebalancing Date, the allocation shall change only if both the following conditions are met:

(i) $\frac{\%RAeff_y}{\%RA_t} > UB$ or $\frac{\%RAeff_y}{\%RA_t} < LB$

(ii) none of the Calculation Dates from [t – (D + L)] (excluded) to (t – 1) (included) is a Rebalancing Date.

Where:

"**y**" means the Rebalancing Date immediately preceding the Calculation Date t;

"**$\%RA_t$**" means the Optimal Risky Component Weight calculated on Calculation Date t;

"**$\%RAeff_y$**" means the Effective Risky Component Weight calculated on the Rebalancing Date immediately preceding the Calculation Date t;

"**UB**" is the Upper Bound as specified in the relevant Final Terms;

"**LB**" is the Lower Bound as specified in the relevant Final Terms.

Once the above conditions are satisfied, a Rebalancing takes place on such Rebalancing Date with a new allocation targeting the predefined level of volatility of the Target Volatility Fund Proprietary Index.

On each Calculation Date t, the Non-Risky Component Weight (the $\%RF_t$) is determined according to the following formula:

$\%RF_t = (100\% - \%RAeff_y)$.

Where:

"**$\%RAeff_y$**" means the Effective Risky Component Weight calculated on the Rebalancing Date immediately preceding the Calculation Date t.

D. TARGET VOLATILITY PROPRIETARY INDEX AND TARGET VOLATILITY BASKET PROPRIETARY INDEX

D.1 Definitions

Annual Percentage Fees or **%Fees** means, if applicable, a fee charged by the Issuer to the Securityholders which will be indicated in the relevant Final Terms;

Base Calculation Date means the date specified in the relevant Final Terms;

Calculation Date means any Exchange Business Day from and excluding the Base Calculation Date;

Day Count Fraction means the day count fraction determined as specified in the relevant Final Terms;

Effective Risky Component Weight or **%RAeff** means the effective exposure to the Risky Component determined according to the formula set out under paragraph D.5 (*Weights Determination Methodology*) below;

Hypothetical Investor means a hypothetical investor in the Reference Underlying which is deemed to have the benefits and obligations of an investor holding such Reference Underlying at the relevant time;

Lower Bound means the value specified in the relevant Final Terms;

Non-Risky Component means the Reference Underlying constituted by the daily compounding of the Interest Rate;

Non-Risky Component Level or **RF** means the Non-Risky Component Level calculated by the Proprietary Index Sponsor, on any Calculation Date t, according to the following formula:

$$RF_t = RF_{t-1} \times (1 + IR_{t-1} \times DCF)$$

Where:

"**RF_t**" means the Non-Risky Component Level on the Calculation Date t;

"**RF_{t-1}**" means the Non-Risky Component Level on the last date prior to the Calculation Date t on which the level of the Interest Rate has been published;

"**IR_{t-1}**" means the value of the Interest Rate, representing the Reference Underlying of the Non-Risky Component as of the last date prior to the Calculation Date t on which the Interest Rate has been published by the relevant Calculation Entity;

"**DCF**" means the Day Count Fraction specified in the applicable Final Terms;

Non-Risky Component Weight means the weight of the Non-Risky Component determined according to the formula set out under paragraph D.5 (*Weights Determination Methodology*);

Optimal Risky Component Weight or **%RA** means the optimal exposure to the Risky Component determined according to the formula set out under paragraph D.5 (*Weights Determination Methodology*) below;

Price Rebalancing Condition means the condition described under paragraph D.5 (*Weights Determination Methodology*) below;

Proprietary Index Level or **I** means the level of the Proprietary Index calculated by the Proprietary Index Sponsor in accordance with paragraph D.4 (*Method and formulas of calculation*) below on each Calculation Date;

Proprietary Index Sponsor means Intesa Sanpaolo S.p.A. or any other legal entity belonging to the same group, specified in the relevant Final Terms;

Rebalancing Date means any Calculation Date t following the Determination Date and up to the Valuation Date on which all the rebalancing conditions (the Volatility Rebalancing Condition and the Price Rebalancing Condition) are met;

Rebalancing means that the allocation, between a Risky Component and a Non-Risky Component, shall change with a new allocation if the conditions set out in paragraph D.5 (*Weights Determination Methodology*) below are met on a Rebalancing Date;

Reference Underlying means a financial asset selected from the following:

(i) in respect of the Risky Component:

- a financial asset listed in the definition of "Underlying" in Condition 3 (*Definitions*) above, as specified in the applicable Final Terms; or

- a Basket composed of two or more financial assets listed in the definition of "Underlying" in Condition 3 (*Definitions*) above (each a Basket Constituent as indicated from time to time in the relevant Final Terms);

or

(ii) in respect of the Non-Risky Component, Interest Rate;

Risky Component means the Reference Underlying indicated in the relevant Final Terms;

Risky Component Volatility or σ_t means the annualized volatility of the Risky Component, calculated as the historical volatility on the preceding n-days of the Risky Component, according to the formula set out under paragraph D.5 (*Weights Determination Methodology*) below;

Target Volatility Level means the level specified in the relevant Final Terms;

Upper Bound means the value specified in the relevant Final Terms;

Volatility Date(s) means, for each Calculation Date t, the n+1 Fund Valuation Dates immediately preceding the relevant Volatility Limit Date;

Volatility Rebalancing Condition means the condition described under paragraph D.5 (*Weights Determination Methodology*) below.

D.2 Strategy

The Target Volatility Proprietary Index and the Target Volatility Basket Proprietary Index are price return indices. The investment strategy is based on the allocation between a Risky Component and a Non-Risky Component, based on a rule which aims to achieve a stable predefined realized volatility of the strategy itself. The targeted level of volatility is the driving element of the allocation rule.

D.3 Composition

The Risky Component is composed by:

- in case of Target Volatility Proprietary Index, the Reference Underlying specified in the relevant Final Terms; or

- in case of Target Volatility Basket Proprietary Index, the Basket that may be composed of two or more Basket Constituents specified in the relevant Final Terms (together with relevant details and weights).

At t_0 the Risky Component is a value specified in the relevant Final Terms as determined by the Proprietary Index Sponsor.

The value of the Risky Component depends therefore on the results of a hypothetical investment in the Reference Underlying and it is subject to all the events that would affect such investment by a Hypothetical Investor in the Reference Underlying.

The Non-Risky Component has, as Reference Underlying, the daily compounding of the Interest Rate and on t_0 is equal to the value specified in the relevant Final Terms.

D.4 Method and formulas of calculation

The Proprietary Index Level in respect of the Target Volatility Proprietary Index and the Target Volatility Basket Proprietary Index will be calculated by the Proprietary Index Sponsor, on any Calculation Date t, according to the following formula:

(a) in case of Target Volatility Proprietary Index:

$$I_t = I_y \times \left(1 + \%RAeff_y \times \left(\frac{UL_t}{UL_y} - 1\right) + \%RF_y \times \left(\frac{RF_t}{RF_y} - 1\right)\right) - Fees_t$$

or

(b) in case of Target Volatility Basket Proprietary Index:

$$I_t = I_y \times \left(1 + \%RAeff_y \times \left(\frac{Basket_t}{Basket_y} - 1\right) + \%RF_y \times \left(\frac{RF_t}{RF_y} - 1\right)\right) - Fees_t$$

With (for both formulas):

$$Fees_t = I_0 \times \%Fees \times DCF$$

Where (for both formulas, if applicable):

"**t**" means any Exchange Business Day on which the Proprietary Index Level is calculated by the Proprietary Index Sponsor;

"**y**" means the Rebalancing Date immediately preceding the Calculation Date t;

"$\mathbf{I_t}$" means the Proprietary Index Level on the Calculation Date t;

"$\mathbf{I_y}$" means the Proprietary Index Level on the Rebalancing Date immediately preceding the Calculation Date t;

"$\mathbf{Basket_t}$" means the Basket Value on the Calculation Date t;

"$\mathbf{Basket_y}$" means the Basket Value on the Rebalancing Date immediately preceding the Calculation Date t;

"$\mathbf{UL_t}$" means the Value of the Reference Underlying on the Calculation Date t;

"$\mathbf{UL_y}$" means the Value of the Reference Underlying on the Rebalancing Date immediately preceding the Calculation Date t;

"$\mathbf{\%RAeff_y}$" means the Effective Risky Component Weight determined on the Rebalancing Date immediately preceding the Calculation Date t;

"$\mathbf{RF_t}$" means the Non-Risky Component Level on the Calculation Date t;

"$\mathbf{RF_y}$" means the Non-Risky Component Level on the Rebalancing Date immediately preceding the Calculation Date t;

"$\mathbf{\%RF_y}$" means the Non-Risky Component Weight as determined on the Rebalancing Date immediately preceding the Calculation Date t;

"**%Fees**" means the Annual Percentage Fees as specified in the applicable Final Terms;

"**DCF**" is the Day Count Fraction specified in the applicable Final Terms.

D.5 Weights Determination Methodology

Through Rebalancing, the portion of the Risky Component and of the Non-Risky Component are redefined, in compliance with the principle of financial equivalence between the value of the index calculated before the Rebalancing and the value of the index calculated after.

In order to determine whether Calculation Date t is a Rebalancing Date, it is necessary to compare the optimal exposure to the Risky Component with the effective exposure to the Risky Component, where the calculation of the optimal exposure to the Risky Component is based on the volatility of the Risky Component (given by the annualized standard deviation of its daily returns).

On the Rebalancing Date, when the optimal exposure to the Risky Component is equal to the effective exposure to the Risky Component, the index value is first calculated and then rebalanced. After Rebalancing, the index value, if recalculated on the same day, must be the same.

On any Calculation Date t following the Determination Date and up to the Valuation Date, a check is performed in order to determine whether the actual allocation should change or not. In particular, a Rebalancing will take place if both the following conditions are met:

1) Volatility Rebalancing Condition; and

2) Price Rebalancing Condition.

1) The Volatility Rebalancing Condition means:

$\frac{\%RAeff_y}{\%RA_t} > UB$ or $\frac{\%RAeff_y}{\%RA_t} < LB$

Where:

"**y**" means the Rebalancing Date immediately preceding the Calculation Date t;

"**%RA$_t$**" means the Risky Component Weight calculated on the Calculation Date t;

"**%RAeff$_y$**" means the Effective Risky Component Weight calculated on the Rebalancing Date immediately preceding the Calculation Date t;

"**UB**" is the Upper Bound;

"**LB**" is the Lower Bound.

2) The Price Rebalancing Condition means:

ABS ($\%RAeff_t - \%RA_t$) > B%

Where:

"**ABS**" means the absolute value;

"**B%**" means the bound expressed as a percentage specified in the relevant Final Terms;

"**%RAeff$_t$**" means for a Calculation Date t

(a) in case of Target Volatility Proprietary Index, the Effective Risky Component Weight and accounts for changes in prices or levels of the Reference Underlying since the Rebalancing Date immediately preceding that Calculation Date t, determined by the Calculation Agent in accordance with the following formula:

$$RAeff_t = \frac{Q\_RA_y \ x \ UL_t}{I_t}$$

Where:

"Q_RA_y" means the weight of the Reference Underlying on the Rebalancing Date y immediately preceding that Calculation Date t.

"**y**" means the Rebalancing Date immediately preceding the Calculation Date t;

"UL_t" means the value of the Reference Underlying on the Calculation Date t

or

(b) in case of Target Volatility Basket Proprietary Index, the Effective Risky Component Weight and accounts for changes in prices or levels of all the Basket Constituents since the Rebalancing Date immediately preceding that Calculation Date t, determined by the Calculation Agent in accordance with the following formula:

$$RAeff_t = \frac{\sum_{i=1}^{k}(Q\_RA_y^i \ x \ C_t^i \ )}{I_t}$$

Where:

$$Q\_RA_y^i = \frac{I_t \ x \ \%RA_y^i \ x\%RAeff_y}{C_y^i}$$

Where (for both formulas, if applicable):

"**y**" means the Rebalancing Date immediately preceding the Calculation Date t;

"**%RAeff**$_y$" means the Effective Risky Component Weight as determined on the Rebalancing Date y immediately preceding that Calculation Date t;

"$\boldsymbol{Q\_RA_y^i}$" means the weight, of the Basket Constituent i, expressed as quantity on the Rebalancing Date y immediately preceding that Calculation Date t;

"$\boldsymbol{RA_y^i}$" means the percentage exposure of the Risky Basket as determined on the Rebalancing Datey immediately preceding that Calculation Date t;

"C_y^i " means the weight of each Risky Basket Component on the Rebalancing Date$_y$ immediately preceding the Calculation Date t.

Once the above conditions are satisfied, a Rebalancing takes place on such Rebalancing Date.

On each Calculation Date t the Risky Component Weight or %RA_t shall be calculated according to the following formula:

$$\%RA_t = Max\left(0; Min\left(100\%; \frac{TV}{\sigma_t}\right)\right)$$

Where:

"**TV**" means the Target Volatility Level;

"$\boldsymbol{\sigma_t}$" means the Risky Component Volatility, which shall be calculated according to the following formula:

(a) in case of Target Volatility Proprietary Index:

$$\sigma_t = \sqrt{\frac{\sum_{s=t-n}^{t-1}\left[ln\left(\frac{UL_{t-s}}{UL_{t-s-1}}\right)\right]^2}{n-1} \times 252}$$

Where:

"**s**" means from t-n to t-1, each of the n Volatility Dates immediately preceding the Calculation Date t;

"**n**" means the number of Volatility Dates as specified in the applicable Final Terms;

"UL_{t-s}" means the value of the Reference Underlying on the Business Day which is "s" Business Days prior to Calculation Date t;

"UL_{t-s-1}" means the the value of the Reference Underlying on the Business Day which is "s-1" Business Days prior to Calculation Date t

or

(b) in case of Target Volatility Basket Proprietary Index, can be determined using one of the following formulas, as specified in the applicable Final Terms:

i) $\sigma_t = \sqrt{\frac{\sum_{s=t-n}^{t-1}\left[ln\left(\frac{Basket_{t-s}}{Basket_{t-s-1}}\right)\right]^2}{n-1} \times 252}$

Where:

"**s**" means from t-n to t-1, each of the n Volatility Dates immediately preceding the Calculation Date t;

"**n**" means the number of Volatility Dates as specified in the applicable Final Terms;

"$\boldsymbol{Basket}_{\mathbf{t-s}}$" means the Basket Value on the Business Day which is "s" Business Days prior to Calculation Date t;

"$\boldsymbol{Basket}_{\mathbf{t-s-1}}$" means the Basket Value on the Business Day which is "s-1" Business Days prior to Calculation Date t.

ii) $\sigma_t = max$ (σ_{tn}, σ_{tz})

Where:

"σ_{tn}" means the n day Target Volatility Basket Proprietary Index;

"σ_{tz}" means the y day Target Volatility Basket Proprietary Index.

On each Calculation Date t, the Non-Risky Component Weight (the $\%RF_t$) is determined according to the following formula:

$\%RF_t = (100\% - \%RAeff_y)$.

Where:

"**%RAeffy**" means the Effective Risky Component Weight calculated on the Rebalancing Date immediately preceding the Calculation Date t.

ANNEX 2 TO THE TERMS AND CONDITIONS OF THE SECURITIES - FORM OF PHYSICAL DELIVERY CONFIRMATION NOTICE

Intesa Sanpaolo S.p.A. (the **Issuer**)

[**Details of issue**]

(the **Securities**)

When completed this Physical Delivery Confirmation Notice should be sent by authenticated swift message (to be confirmed in writing) to whichever of Euroclear or Clearstream, Luxembourg records or will record on its books ownership of the Securities being exercised, with a copy to the Principal Security Agent [and to the Issuer] or, if the Physical Delivery Confirmation Notice relates to Securities represented by Definitive Securities, should be delivered along with the Securities to the Issuer with a copy to the Principal Security Agent. The Issuer will not in any circumstances be liable to the Securityholder or any other person for any loss or damage to any Definitive Securities deposited with it, unless such loss or damage was caused by the fraud or negligence of the Issuer or its directors, officers or employees.

To:

[Euroclear Bank S.A./N.V.
1 Boulevard du Roi Albert II
B–1210 Brussels
Belgium]

or: [Clearstream Banking, S.A.
42 Avenue JF Kennedy
L-1855 Luxembourg]*[13]

or: [Intesa Sanpaolo S.p.A.
Piazza San Carlo, 156
10121 Turin
Italy]*

cc: BNP Paribas, Luxembourg Branch
60 avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

[Intesa Sanpaolo S.p.A.
Piazza San Carlo, 156
10121 Turin
Italy]*

[13] *Delete as applicable

If this Physical Delivery Confirmation Notice is determined to be incomplete or not in proper form (in the determination of the Principal Security Agent), or is not copied to the Principal Security Agent and the Issuer immediately after being delivered or sent to Euroclear or Clearstream, Luxembourg (or, in the case of Definitive Securities, is not delivered to the Issuer and copied to the Principal Security Agent), it will be treated as null and void.

If this Physical Delivery Confirmation Notice is subsequently corrected to the satisfaction of Euroclear or Clearstream, Luxembourg, in consultation with the Issuer and the Principal Security Agent (or, in the case of Definitive Securities, to the satisfaction of the Issuer in consultation with the Principal Security Agent), it will be deemed to be a new Physical Delivery Confirmation Notice submitted at the time such correction was delivered to Euroclear or Clearstream, Luxembourg and copied to the Issuer and the Principal Security Agent (or, in the case of Definitive Securities, to the Issuer and copied to the Principal Security Agent).

This Physical Delivery Confirmation Notice should be completed and delivered as provided in the terms and conditions of the Securities as amended and/or supplemented by the relevant provisions of the applicable Final Terms (the Conditions). Expressions defined in such Conditions shall bear the same meanings herein.

This Physical Delivery Confirmation Notice will be null and void unless the beneficial owner certifies on the date of exercise that such owner is not a "U.S. person" as such term may be defined in Regulation S under the United States Securities Act of 1933, as amended (the Securities Act), and no securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with this Physical Delivery Confirmation Notice.

PLEASE USE BLOCK CAPITALS

1. Name(s) and Address(es) of Securityholders:

Name

Address

2. Series Number and Number of Securities

The series number of Securities the subject of this notice is:

The number of Securities the subject of this notice is as follows:

Securities [ ]

3. Account details:

[I/We* hereby irrevocably instruct Euroclear/Clearstream, Luxembourg* to debit on or before the Settlement Date my/our* Securities Account specified below with the number of Securities the subject of this notice.]* I/We* hereby undertake to pay any applicable Expenses and I/we* hereby irrevocably instruct Euroclear/Clearstream, Luxembourg/the Principal Security Agent* to debit my/our* Cash Account specified below with an amount or amounts in respect thereof and to pay such Expenses to the extent of such amount or amounts].

My/Our* account details are as follows:

[Securities Account with Euroclear/Clearstream, Luxembourg*

No.:

Name:]

Cash Account with Euroclear/Clearstream, Luxembourg

No.:

Name: *

4. Settlement

4.1 Not applicable for Currency Certificates

Insert details (as detailed in the applicable Final Terms) as to how the Deliverable Asset constituting part or all of the Entitlement is to be delivered:

Any cash payable (either in the event of any Residual Amount constituting the Entitlement or any dividends relating to the Deliverable Asset or as a result of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity occurring and the Issuer electing to pay the Settlement Disruption Amount or the Failure to Deliver Settlement Price) should be credited to my/our Cash Account specified in paragraph 3.

4.2 Applicable to Currency Certificates Only

My/Our Cash Account to be credited with the amount due to me/us* in respect of the Certificates the subject of this notice are set out in paragraph 3.

5. Certification of Non-U.S. beneficial ownership

The undersigned hereby certify/ies that as of the date hereof none of the Certificates exercised hereby is or will be beneficially owned, directly or indirectly, by a "U.S. person" as such term may be defined in Regulation S under the Securities Act and no securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with this Physical Delivery Confirmation Notice.

I/We understand that certain portions of this Physical Delivery Confirmation Notice are required in connection with certain tax, securities and other laws of the United States. If administrative or legal proceedings are commenced or threatened in connection with which this Physical Delivery Confirmation Notice is or would be relevant, I/we irrevocably authorise you to produce this Physical Delivery Confirmation Notice to any interested party in such proceedings.

Terms used herein and not otherwise defined shall have the meaning ascribed to them in the Terms and Conditions of the Securities.

Name(s) of Securityholder(s):

Signed/By:

Dated:

[N.B. If the provisions of Condition 4(C) (Issuer's Option to vary Settlement) apply then amendment will need to be made to this form of Physical Delivery Confirmation Notice to reflect such option.]

USE OF PROCEEDS

General Funding

The Issuer intends to use the net proceeds from each issue of Securities 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 Securities.

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 name was changed to Banca Intesa. Then, in 2001, Banca Commerciale Italiana S.p.A. was merged into Banca Intesa and the 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 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:

– A (low) by DBRS Ratings GmbH ("**Morningstar DBRS**"), Stable Trend;

– A- by Fitch Ratings Ireland Limited ("**Fitch Ratings**"), Stable Outlook;

– A3 by Moody's France SAS ("**Moody's**"), Stable Outlook; and

– BBB+ by S&P Global Ratings Europe Limited ("**S&P Global Ratings**"), Positive Outlook.

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/credit-rating-agencies/cra-authorisation.

Share Capital

As at 12 May 2026 the subscribed and paid-in share capital of Intesa Sanpaolo amounted to €10,408,491,333.68, divided into 17,479,423,619 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 2025, 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 2025, 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 €214 billion as at 31 December 2025 (€207 billion at the end of 2024). The loan to deposit ratio at the end of December 2025, calculated as the ratio between loans to customers and direct deposits from banking business, came to 70.8% (72.1% at the end of 2024). The participation of the Intesa Sanpaolo Group to the TLTRO funding transactions with the ECB was totally repaid during the first nine months of 2024 (with the last tranche, of nominal €60 million, repaid on 25 September 2024).

Organisational Structure of the Divisions

INTESA SANPAOLO

Organisation chart of the Divisions

MANAGING DIRECTOR AND CEO
CARLO MESSINA

WEALTH MANAGEMENT DIVISIONS
T. CORCOS

BANCA DEI TERRITORI DIVISION (*)
S. BARRESE

- Intesa Sanpaolo
- Isybank

IMI CORPORATE & INVESTMENT BANKING DIVISION
M. MICILLO

- Intesa Sanpaolo Bank Luxembourg
- Intesa Sanpaolo Brasil

INTERNATIONAL BANKS DIVISION
P. PAPANICOLAOU

- Banca Intesa Beograd
- Bank of Alexandria
- CIB Bank
- Eximbank
- Intesa Sanpaolo Bank (**)
- Intesa Sanpaolo Bank Albania
- Intesa Sanpaolo Bank Romania
- Intesa Sanpaolo Banka Bosna i Hercegovina
- Pravex Bank
- Privredna Banka Zagreb
- VUB Banka

PRIVATE BANKING DIVISION
L. MAINOLFI

- Fideuram -Intesa Sanpaolo Private Banking
- Fideuram Asset Management Ireland
- Intesa Sanpaolo Private Banking
- Intesa Sanpaolo Wealth Management
- Reyl Intesa Sanpaolo
- SIREF Fiduciaria

ASSET MANAGEMENT DIVISION
M. L. GOTA

- Eurizon Asset Management Croatia
- Eurizon Asset Management Hungary
- Eurizon Asset Management Slovakia
- Eurizon Capital
- Eurizon Capital Asia Limited
- Eurizon Capital Real Asset SGR
- Eurizon SLJ Capital Ltd

INSURANCE DIVISION
V. BORLA

- Fideuram Vita
- InSalute Servizi
- Intesa Sanpaolo Assicurazioni
- Intesa Sanpaolo Insurance Agency
- Intesa Sanpaolo Protezione

(*) Domestic Commercial Banking
(**) Slovenia

The Intesa Sanpaolo Group is one of the top banking groups in Europe, has a well-diversified and resilient business model, holds a world-class position in Social Impact, supports clients in the sustainable transition, is committed to decarbonisation and promotes culture and innovation.

The Intesa Sanpaolo Group is a banking group in Italy with approximately 14 million customers and over 2,600 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 approximately 7.4 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, third in Slovenia, fourth in Albania, sixth in Bosnia and Herzegovina and Egypt and seventh in Moldova and Hungary.

As at 31 March 2026, the Intesa Sanpaolo Group had total assets of €968,065 million, customer loans of €429,832 million, direct deposits from banking business of €600,243 million and direct deposits from insurance business of €178,728 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 23 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 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 7,051 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 Capital SGR and its subsidiaries, with overall €346 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 €179 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 2024 – Highlights

Isybank

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.

On 12 June 2024 the Italian Antitrust Authority "*Autorità Garante della Concorrenza e del Mercato*" ("**AGCM**") 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.

For further developments please see "*Transfer of business units to Isybank – Proceedings of the Italian Personal Data Protection Authority*".

Other highlights

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 the 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; and

– 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, identified based on their type and the related strategy for optimising their value.

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)[14]. Also taking into account the interim dividend paid in November 2023, amounting to €2,628,985,341.02[15] (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 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 Financial Services Act, 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 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.

The execution of the programme of purchase of own shares for annulment (buyback) – which was authorised by the ECB with decision notified on 11 March 2024 – began on 3 June 2024 in the manner and within the terms approved by the above described Shareholders’ Meeting of Intesa Sanpaolo of 24 April 2024 and ended on 18 October 2024[16]. During the period, a total of 479,128,488 shares were purchased, equal to around 2.62% of the 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 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

[14] 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, corresponding to €15.20 cents for each of the 18,265,201,540 ordinary shares without nominal value outstanding on the record date (thus excluding the 17,597,449 own shares held by the Bank on the same date, to which no dividends are due, for an amount of € 2,674,812.25 that was allocated to the Extraordinary Reserve).

[15] 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.

[16] The purchases were suspended during the three days (from 9 to 11 September 2024) of execution of the share buyback programme relating to plans of assignment, free of charge, of Intesa Sanpaolo ordinary shares to the employees and the financial advisors of the Group.

involvement of the Intesa Sanpaolo Group.

The annulment of the shares took place on 23 October 2024. While the share capital remained unchanged at €10,368,870,930.08, 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 and registered on 30 October 2024.

During the period from 9 September to 11 September 2024 an Intesa Sanpaolo ordinary share buyback programme was also implemented to service plans for the assignment of shares, free of charge, 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"17, for those who are paid a "particularly high" amount18 and for those who, among Middle Managers or Professionals that are not Risk Takers, accrue a bonus exceeding both the so-called "materiality threshold"19 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 shares approved by their respective corporate bodies within their remits and analogous to the programme approved by the Parent Company Shareholders' Meeting.

In the three days during which the programme was executed, 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 outstanding at the end of the programme. The average 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 price of €3.7146 per share, for a countervalue of €38,265,555.39.

On 31 May 2024, after obtaining the necessary approvals from the various supervisory authorities, Intesa Sanpaolo completed the acquisition of 99.98% of the shares of the Romanian bank First Bank S.A. held by JCF IV Tiger Holdings S.A.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 Intesa Sanpaolo Group 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 ten 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

[17] Equal to 50 thousand euro or one third of the total remuneration (unless otherwise provided for by specific local regulations).

[18] Pursuant to the Group Remuneration and Incentive Policies, for the three-year period 2022-2024 a variable remuneration exceeding 400 thousand euro constitutes a "particularly high" amount.

[19] Pursuant to the Group Remuneration and Incentive Policies, for Middle Managers and Professionals who are not Risk Takers, the materiality threshold is generally equal to 80 thousand euro (unless otherwise provided for by specific local regulations). This threshold is increased to 150 thousand euro in order to significantly reduce the potential competitive disadvantage in the attraction and the retention of the best staff members in countries other than the Group's domestic market and in businesses in which there is a high competitive pressure on the staff (i.e. high cost of living, intense compensation dynamics and high resignation rate) and, outside the EU, in which the regulatory framework concerning the materiality threshold is less strict (or absent).

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, which was recognised as negative goodwill within the positive items in the consolidated income statement.

On 8 August 2024, after having received the ECB and FINMA authorisations (issued on 3 June and 12 July respectively), 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 IAS28. 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[20]. 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, 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

[20] Following the finalisation of: (i) the first tranche of CHF 25 million of a new capital increase of Alpian in June 2025, and (ii) the second tranche of CHF 15 million in November 2025, both fully subscribed by Fideuram - Intesa Sanpaolo Private Banking, including the portion of unsubscribed shares attributable to Reyl & Cie and other shareholders, the Group's direct percentage stake in the company rose to 70.828%, of which 62.884% held by Fideuram - Intesa Sanpaolo Private Banking and 7.944% by Reyl & Cie.

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[21].

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[22] 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.

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 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 of 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).

Intesa *Sanpaolo* in 2025 – Highlights

[21] 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.

[22] 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 military conflict between Russia and Ukraine

The Intesa Sanpaolo 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 16 branches and 672 staff. The Group's presence in Russia dates back around 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.

– Pravex Bank Joint-Stock Company, 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 530 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 Section 5 – Other Aspects of Part A of the Notes to the 2025 consolidated financial statements, still apply, to which readers are therefore referred for details.

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 and operations with the Russian Federation have decreased significantly over the past three years, as required by the European regulators and the ECB requirements/recommendations, the latest of which was issued in December 2024.

Risk management

In light of the continuing military conflict between Russia and Ukraine, the Group has not relaxed the safeguards put in place and described in the previous disclosures. 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 credit risk control, there were no significant changes to report. In light of the further progressive tightening of the already severe sanctions imposed on Russia by Western countries, particularly within Europe, 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 based on the restrictions established by the European regulations, and identifying and blocking financial instruments subject to sanctions. As at 31 December 2025, the exposure to Russian counterparties included in the OFAC (Office of Foreign Assets Control) SDN and/or EU asset freeze lists amounted to €276,2 million, compared to €219,5 million at the end of 2024. Despite several repayments relating to existing exposures, the aggregate still showed an increase in the number of individual exposures during the year, due to the addition of new sanctioned persons and entities as a result of the application of the OFAC, measures and the new packages decided by the European Union, the nineteenth of which was approved on 23 October 2025[23].

Particular attention is given to the geopolitical context, the issues arising from it and their developments, in order to identify the main phenomena that could have an international impact and significantly alter

[23] The sixteenth package on 24 February 2025, the seventeenth on 20 May 2025, the eighteenth on 18 July 2025 and the nineteenth on 23 October 2025

the Group's risk profile and influence its operations. Specific scenario and stress analyses are therefore conducted, also in relation to the Russia-Ukraine conflict, to assess the potential impacts in terms of profitability and capital adequacy.

The Operational Resilience Task Force

With regard to business continuity in Ukraine, during the year operations were continually ensured thanks to all the of solutions gradually adopted to guarantee normal functioning in the event of interruptions to essential services. Specifically: i) to overcome electricity supply issues, power banks were provided to head offices and personnel with critical and strategic roles, while branches were equipped with inverter generators, which can be easily and promptly used by branch personnel; and ii) data connection was ensured through the installation of satellite devices. These measures continue to ensure the provision of services without significant interruptions despite ongoing blackouts, also thanks to the increase in the number of inverter generators installed at the branches. The repeated attacks suffered by the country did not cause any problems to the bank's buildings, except for one branch, which suffered slight damage but nevertheless remained operational. In 2025, the number of branches open daily stabilised at the total number of available branches. 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, while always taking staff safety into account.

From the third quarter, in response to the intensification of the conflict, continuous monitoring of the evolution of the geopolitical situation was implemented and analysis began of new initiatives to be adopted in the event of a further deterioration of the situation. At Banca Intesa Russia, on the other hand, the systems have continually functioned without any operational problems since the beginning of the conflict.

The review is also continuing 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 continued, alongside the continued strengthening of the cybersecurity controls throughout the Intesa Sanpaolo Group. Within the threat intelligence activities aimed at preventing possible cyber threats to Pravex, the containment measures have so far enabled the management of the attacks, 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

This paragraph summarises main accounting issues arising from the ongoing conflict between the Russian Federation and Ukraine and the Intesa Sanpaolo Group's approach to addressing them. 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 activities have therefore focused on reducing these exposures, and this activity has continued in 2025. In particular, the business conducted in the Russian Federation has been decreasing for many years now, as also requested by the European regulators. Total gross exposures (customers, banks and securities) as at 31 December 2025 to counterparties resident in Russia and Ukraine amounted to just €792 million (€546 million after adjustments), a decrease of €833 million or -51% (-€875 million in net values, -62%) compared with 31 December 2024, when the gross exposure stood at €1,625 million (€1,421 million in net values). The decrease mainly relates to the reduction in amounts due from banks of Banca Intesa Russia (-€708 million in gross values) and, in particular, to term deposits with the Russian Central Bank, which were converted into cash and cash equivalents (amounting to €1,049 million as at 31 December 2025, up €756 million compared to December 2024). More specifically, as at 31 December 2025, the remaining exposures to customers amounted, in terms of gross values, to €71 million (€16 million net) for Banca Intesa Russia, with its non-performing component fully written down as of 31 March 2025, and €335 million (€198 million net) for cross-border exposures to customers resident in Russia (net of ECA guarantees). These amounts are in addition to the gross exposures to Russian banks totalling €51 million (€48 million net) after the above-mentioned decrease in Banca Intesa Russia's term deposits with central banks. There are no longer any exposures in securities (€1 million gross value and nil net value at the end of 2024)[24]. The amounts of the gross exposures to customers resident in Ukraine are small (as in previous years). Specifically, they amounted to €148 million (€103 million net), of which €44 million (zero book value in net terms) related to the subsidiary Pravex (figures as at 30 September 2025, as described below)[25], in addition to exposures to banks and short-term government bonds totalling €187 million gross (€181 million net).

That said, the situation as at 31 December 2025 is essentially the same as that described in the Annual Report as at 31 December 2024 and the interim reports of 2025. In particular, 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. For Banca Intesa Russia, in line with the guidelines issued by Intesa Sanpaolo, the gradual and orderly implementation of the wind-down plan requested by the ECB is under way, aimed at further reducing the bank's operations.

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 2024 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 2025. More specifically, 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 2025), 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 consolidate the figures of the Ukrainian bank using an accounting situation as at 30 September 2025, translated at the exchange rate of 31 December 2025.

The accounting figures[26] of Pravex have therefore been 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, 2023 and 2024 Annual Reports. However, it is worth recalling here that the 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 2025 do not show any significant differences – in the total aggregates – compared to those at the end of September.With

[24] There were also €5 million (gross and net) in gross off-balance sheet exposures to customers at Banca Intesa Russia and €21 million (€9 million net) in cross-border off-balance sheet exposures to customers resident in Russia (net of ECA). Lastly, there were €20 million (gross and net values) of cross-border positions with Russian resident banks.

[25] The cross-border exposures to customers resident in Ukraine are, for the corporate part, backed by guarantees provided by European persons, while, for the household part, these mainly relate to exposures disbursed by the subsidiary VUB to Ukrainian families with permanent residence in Slovakia.

[26] The consolidation of Pravex concerned the balance sheet figures as at 30 September 2025 and the income statement figures for the first nine months of 2025.

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 2025, as in the 2024 consolidated financial statements, it was again 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. For Banca Intesa Russia, the classification and measurement approach for performing loans used in previous years was maintained. Therefore, as was already the case in the 2024 Annual Report, the assessments carried out as at 31 December 2025 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 these valuations, the total coverage of performing loans of the Russian subsidiary amounted to around 60% of their gross value, up on 36% in December 2024. In addition, as already mentioned, the remaining non-performing loans of Banca Intesa Russia were fully written down already as of 31 March 2025.

In addition, the orderly progress of the wind-down process (based on specific indications from the Regulator) led to a sharp reduction in the risk profile of Banca Intesa Russia, whose assets are now increasingly concentrated in on-demand deposits at the Russian Central Bank. Consequently, as a result of the change in the subsidiary's risk profile and income forecasts which, although progressively declining, are still at positive levels, it was decided in 2025 to review the valuation of the investment in Banca Intesa Russia in the consolidated financial statements, maintaining the subsidiary's 2025 net income of €139 million in the consolidated results. Given the assumption, as at 31 December 2025, of a positive value for Banca Intesa Russia in terms of contribution to Intesa Sanpaolo's consolidated financial statements, it was necessary to subject this value to an impairment test, which was carried out on the basis of a specific appraisal commissioned from an independent advisor, the results of which confirmed the valuation adopted.

The Allowance for Risks and Charges (amounting to €438 million at the end of 2025), funded up to 31 December 2024 and aimed at fully writing down the equity value of Banca Intesa Russia at that date, remained substantially unchanged.

The significant adjustments on the credit exposures of Banca Intesa Russia and Pravex, made on a prudential basis, reflect the evolution of the conflict up to 31 December 2025, which requires careful consideration of the above-mentioned country risk for Russia and Ukraine, 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 remaining 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.

With regard to the profit and loss impacts, as at 31 December 2025 the Group did not record any significant overall profit and loss impacts in relation to the exposures to Russian and Ukrainian counterparties, apart from the already mentioned €139 million contribution to the 2025 consolidated result from Banca Intesa Russia. For the full year 2024, the Group had recorded a negative profit and loss impact, before tax, of €273 million, mainly related to the inclusion, amounting to €263 million, of the provision made upon consolidation of Banca Intesa Russia, aimed at writing off its equity contribution to the consolidated financial statements (inclusion for 2024 corresponding to the income recorded by the bank). The other effects relating to collections and valuations of other positions with Russian or Ukrainian counterparties substantially offset each other, resulting in a total of -€10 million.

The situation as at 31 March 2026 is essentially the same as described above.

Other highlights

The other significant events that occurred in 2025, as well as some updates since the end of the year, are described below.

On 28 January 2025, Intesa Sanpaolo announced the signing of an industrial partnership in the operational leasing of capital goods with Grenke AG, a company listed on the Frankfurt Stock Exchange and a market leader in Italy through its subsidiary Grenke Locazione S.r.l. This type of product strategically complements the traditional financial offering by allowing companies (i) to renew their operating equipment without weighing on their financial structure and (ii) the total tax deductibility of expenses incurred.

The partnership, approved by the Board of Directors of Intesa Sanpaolo on 17 January 2025 and signed by the parties on 28 January 2025, is aimed at strengthening the Intesa Sanpaolo Group's strategic positioning in operational leasing through the creation of a new market-leading player, leveraging the branch network and customer base of Intesa Sanpaolo together with Grenke's strong competitive positioning.

With legal and accounting effect from 1 June 2025, Intesa Sanpaolo contributed its entire holding (equal to 100% of the share capital) in Intesa Sanpaolo Rent Foryou S.p.A., previously recapitalised in the amount of 12 million euro, to Grenke Locazione, with a subsequent merger by incorporation envisaged[27]. Following the contribution, Intesa Sanpaolo acquired a 17% interest in Grenke Locazione S.r.l., which, from 1 June 2025, was converted into a joint-stock company and changed its name to Grenke Italia S.p.A.. The remaining 83% of the company's share capital remained with Grenke AG. The fairness of the values transacted was certified by a specific fairness opinion issued by an independent third party.

In accordance with the specific governance provisions set out in the agreements signed by the parties, the investment in Grenke Italia has been classified under interests subject to significant influence in accordance with IAS 28.

In 2025, a project was substantially completed for the evolution of Wealth Management, aimed at optimising the operations of the product factories through the reorganisation and restructuring of collective and asset management activities. The ultimate goal is the simplification of the Group's corporate and organisational structure, increased specialisation of the product factories by creating specialist centres of excellence, and improved coordination between the factories and distribution networks.

This project included the following:

– on 19 February 2025, the deed was executed for the merger by incorporation of Epsilon SGR S.p.A. into its parent company Eurizon Capital SGR S.p.A., in turn wholly owned by Intesa Sanpaolo. The transaction, which took statutory effect from 1 March 2025, with accounting and tax effects from 1 January 2025, was authorised by the Bank of Italy by order dated 27 January 2025, which also approved the amendments to the rules of the funds managed by Epsilon SGR. As a merger involving a wholly owned company, it was carried out in the simplified manner provided for in Article 2505 of the Italian Civil Code.

  The merger was carried out on the basis of a merger plan filed by the two companies on 27 January 2025 and registered with the Company Register, Milan Monza Brianza Lodi office, on 28 and 29 January. The resolution approving the transaction by the Extraordinary Shareholders' Meetings of

[27] The merger took place on 30 September 2025.

the two companies was passed on 29 January, with registration in the above-mentioned Register on 31 January 2025;

– through orders dated 24 January 2025 and 5 March 2025, respectively from the European Central Bank and the Bank of Italy, the following corporate transactions were authorised:

  - o the total demerger of Fideuram Asset Management SGR S.p.A., wholly owned by Fideuram - Intesa Sanpaolo Private Banking S.p.A., in favour of Eurizon Capital SGR (business line organised for collective asset management – UCITS and AIFs) and Fideuram - Intesa Sanpaolo Private Banking (set of assets, liabilities, rights, and legal and economic relationships not pertaining to collective asset management, and therefore not assigned to Eurizon Capital SGR);
  - o the partial demerger of Eurizon Capital SGR in favour of Fideuram - Intesa Sanpaolo Private Banking of the business line comprising the portfolio management schemes distributed by the Private Banking Division;
  - o the approval of the amendments to the rules of the funds managed by Fideuram Asset Management SGR.

  On 16 June 2025, in execution of the shareholders' meeting resolutions of 15 May 2025, the deed was signed for the total demerger of Fideuram Asset Management SGR, which took statutory, accounting and tax effects from 1 July 2025. Following the demerger, which concerned the entire scope of operations of the company, Fideuram Asset Management SGR was dissolved.

  To service the total demerger, on 1 July 2025 Eurizon Capital SGR increased its share capital by an amount equal to the net value of the business line assigned from Fideuram Asset Management SGR, issuing new shares allocated to Fideuram - Intesa Sanpaolo Private Banking, as sole shareholder of the demerged company. On 7 July, these shares were purchased by Intesa Sanpaolo at a market-consistent price determined with the aid of an independent expert, in order to restore full control over Eurizon Capital SGR.

  On 17 September 2025, the deed was signed for the partial demerger of Eurizon Capital SGR in favour of Fideuram - Intesa Sanpaolo Private Banking of the business line comprising the portfolio management schemes distributed by the Private Banking Division. The partial demerger of Eurizon Capital SGR took statutory, accounting and tax effects on 1 October 2025.

Additionally, under the above project, in 2025 the streamlining was initiated of the English registered companies within the Wealth Management Division, which led, in November, to the transfer of the entire business of Fideuram Asset Management UK Ltd to Eurizon Slj Capital Ltd. The liquidity required to complete the transaction was provided to Eurizon Slj Capital by its 65% parent company, Eurizon Capital SGR, through the subscription and payment of a share capital increase with the issuance and allocation of new shares and the consequent increase to 85% of the investment held. The streamlining will be completed in 2026 with the liquidation of Fideuram Asset Management UK.

At the meeting held on 27 March 2025, the Board of Directors of Intesa Sanpaolo gave its approval to the following corporate transactions:

– the merger by incorporation of First Bank S.A., the Romanian bank acquired in 2024 and 99.98% owned by Intesa Sanpaolo, into Banca Comerciala Intesa Sanpaolo Romania S.A. (Intesa Sanpaolo Bank Romania), the subsidiary through which the Group has operated in Romania since 2001, and which is 99.73% owned by Intesa Sanpaolo and 0.27% by Intesa Sanpaolo Holding International S.A. (Luxembourg). On 28 March, the Boards of Directors of the two banks approved the merger plan, which was registered with the Company Register in the days that followed.

  After the period granted by law for any creditor opposition had expired, the Shareholders' Meetings of the two banks approved the merger plan on 12 May 2025. On 16 June, the request was submitted to the National Bank of Romania, which notified its authorisation on 13 October. The transaction became legally effective on 31 October 2025, following the official registration in the Trade Register, and the accounting and tax effects commenced on the same date. First Bank was consequently dissolved without liquidation and was removed from the Trade Register and the Register of Banks at the Central Bank of Romania. Intesa Sanpaolo Bank Romania carried out a capital increase through the issuance of new shares allocated to Intesa Sanpaolo and the minority shareholders of First Bank. Following the merger, the share capital of the absorbing company is held 99.84% by Intesa Sanpaolo, 0.15% by Intesa Sanpaolo Holding International and 0.01% by minority shareholders.

The merger will enable the implementation of a unified business strategy based on multi-channelling, the streamlining of the branch network, and the achievement of significant cost synergies, also through the simplification of governance;

– the cross-border merger of Intesa Sanpaolo Bank Ireland Plc (wholly owned by Intesa Sanpaolo) into Intesa Sanpaolo Bank Luxembourg S.A. (wholly owned by Intesa Sanpaolo Holding International). On 15 May 2025, the Boards of Directors of both banks approved the merger plan. The extraordinary shareholders' meetings approving the merger plan were held on 30 June 2025 for Intesa Sanpaolo Bank Ireland and on 26 September 2025 for Intesa Sanpaolo Bank Luxembourg.

  The merger took legal effect from 17 November 2025, upon publication in the Luxembourg Company Register. The accounting effects of the transaction began on 1 January 2025, while the tax effects commenced on 17 November 2025.

  Because both banks were wholly owned by the Parent Company, it was possible to use a simplified merger procedure, as envisaged by both legal systems, which allowed the transaction to be completed without the need for a dedicated capital increase by the absorbing company. The merger will simplify the international network of the IMI Corporate & Investment Banking Division, strengthening the Bank's role in Luxembourg, which will centralise the activities previously carried out by the Irish subsidiary, also generating cost synergies.

With regard to the 22.5% stake in Cronos Vita Assicurazioni – acquired by Intesa Sanpaolo Assicurazioni (formerly Intesa Sanpaolo Vita) within the industry-wide transaction carried out in 2023 to protect policyholders of Eurovita and involving the five main Italian insurance companies – from December 2023 this stake was classified under assets held for sale given the shareholder companies' clear intention from the outset to hold the investment for a limited period.

Between late March and early April of 2025, the five shareholder companies, together with Cronos Vita Assicurazioni, approved, for matters within their competence, the total non-proportional demerger plan for the company, with statutory, accounting and tax effects from the same date, set as 1 October 2025, following completion of the legal procedures. On 7 April 2025, the same parties submitted their application to IVASS, which granted the necessary authorisations by order no. 0098642 of 14 May 2025.

The deed of demerger was consequently signed on 26 September and, as stated above, became effective on 1 October 2025, on which date Cronos Vita Assicurazioni was dissolved without liquidation.

With regard to the Intesa Sanpaolo Group, on 27 March 2025, the Board of Directors of Intesa Sanpaolo granted prior approval of the plan, designating Fideuram Vita as the beneficiary of the demerger, in view of the nature of the portfolio transferred to the Intesa Sanpaolo Group, mainly consisting of policies no longer being distributed, entered into with customers of Fideuram - Intesa Sanpaolo Private Banking. On the basis of the above-mentioned prior approval, on 31 March 2025 and 3 April 2025, respectively, the Boards of Directors of Intesa Sanpaolo Assicurazioni and Fideuram Vita approved, for matters within their competence, the Demerger Plan which included, inter alia, a capital increase by Fideuram Vita to service the demerger for an amount equal to the carrying amount of the investment in Cronos Vita Assicurazioni, with the issuance of new shares in favour of Intesa Sanpaolo Assicurazioni and the related amendment to the company's Articles of Association (authorised by IVASS under the above-mentioned order of 14 May 2025). The shareholders' meeting of Fideuram Vita on 20 June 2025 approved the Demerger Plan and the related capital increase, as well as the amendment to the articles of association. The capital increase was completed on 1 October 2025, changing the shareholding structure of Fideuram Vita, which is now 77.5% held by Intesa Sanpaolo, 19.4% by Fideuram - Intesa Sanpaolo Private Banking, and the remaining 3.1% by Intesa Sanpaolo Assicurazioni. Because Fideuram Vita acquired control of a specific business unit (consisting of an insurance portfolio and additional legal relationships, assets and liabilities), the demerger qualified as a business combination in accordance with IFRS 3, with the consequent line-by-line consolidation of the acquired unit from the acquisition date and the simultaneous derecognition of the equity investment in Cronos Vita Assicurazioni. The Purchase Price Allocation (PPA) process was finally completed in the fourth quarter.

The Shareholders' Meeting of Intesa Sanpaolo was held on 29 April 2025. The Meeting was validly constituted, on single call, to pass resolutions as those in attendance through the appointed 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, the effects of which were extended by Law no. 15 dated 21 February 2025) counted 4,356 holders of voting rights attached to 10,867,347,981 ordinary shares without nominal value representing 61.03993% of the share capital. The Shareholders' Meeting voted in favour of all the items on the agenda (see the press release published on the Group's official website, for details of the individual resolutions and the respective majorities of votes).

In the ordinary part, the resolutions concerned:

– *the approval of the 2024 financial statements of the Parent Company Intesa Sanpaolo 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 €3,044,427,655.67 (corresponding to €17.10 cents for each of the 17,803,670,501 ordinary shares) was approved, of which €2,252,164,318.38 as dividends from the net income for the year (corresponding to €12.65 cents per share) and €792,263,337.29 as assignment of reserves drawn on the Share premium reserve (corresponding to €4.45 cents per share). The dividend distribution took place from 21 May 2025 (with coupon presentation on 19 May and record date on 20 May). The remaining dividend paid amounted to €3,042,652,586.92, net of €1,775,068.75, relating to the 10,380,519 own shares held by the Bank at the record date, which was allocated to the Extraordinary Reserve. Also taking into account the interim dividend paid in November 2024, amounting to €3,022,396,312.63[28], corresponding to €17 cents per share, the total interim and remaining dividends distributed for the year 2024 amounted to €6,065,048,899.55, corresponding to a 70% payout of the consolidated net income;

– *the determination of the number of Board Directors for the financial years 2025/2026/2027, the appointment of Board Directors and members of the Management Control Committee for the financial years 2025/2026/2027, on the basis of slates of candidates submitted by shareholders, and the election of the Chair and one or more Deputy Chairs of the Board of Directors for the financial years 2025/2026/2027*. The Shareholders' Meeting set the number of Board Directors at 19, appointing them based on the votes received from the two slates presented and in compliance with regulatory provisions concerning gender balance, and appointed Gian Maria Gros-Pietro as Chair and Paola Tagliavini as Deputy Chair;

– *the remuneration policies and incentive plans*. In particular, the Shareholders' Meeting (i) approved the remuneration policies in respect of Board Directors in accordance with the terms described in Section I, point 2 of the Report on remuneration policy and compensation paid; (ii) set the gross annual remuneration of Board Directors for the entire term of office, pursuant to Articles 16.2 and 16.3 of the Articles of Association; (iii) approved the remuneration and incentive policies for 2025,

[28] Interim dividends are considered net of the portion not distributed to the 24,868,662 own shares held by the Bank at the record date, amounting to €4,227,672.54.

and the procedures used to adopt and implement them, as described respectively in chapters 4 and 1 of Section I of the above-mentioned Report; (iv) passed a resolution agreeing on the disclosure on compensation paid in the financial year 2024, as described in Section II of the same Report; and (v) approved the 2025 Annual Incentive Plan, which involves 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, even partially and/or in tranches, of Intesa Sanpaolo shares for a maximum overall outlay of 2 billion euro and not exceeding 1,000,000,000 shares – in line with the authorisation in this regard received from the European Central Bank – with execution by 24 October 2025; (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 purchase price may not be more than 10% below or above the reference price of the Intesa Sanpaolo shares registered 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 line 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, which may delegate this power to the Managing Director and CEO, to carry out the purchases using the Extraordinary Reserve and/or the Share Premium Reserve;

– *the authorisation to purchase and dispose of own shares to serve the incentive plans and for trading purposes*.

In the extraordinary part, the Shareholders' Meeting approved the proposal to annul Intesa Sanpaolo's own shares purchased and held by the Company by virtue of the authorisation from the Shareholders' Meeting in the ordinary part, 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 accordingly. With regard to the statutory changes approved by the Shareholders' Meeting, the required authorisation was issued on 5 March 2025 by the Supervisory Authority.

At its first meeting held on 29 April, the new Board of Directors of Intesa Sanpaolo unanimously appointed Carlo Messina as Managing Director and CEO, conferring on him the powers necessary and appropriate to ensure consistent management of the Company.

On 6 May 2025 the Board, with a unanimous resolution – without the participation of the members involved – established the Nomination Committee, the Remuneration Committee, the Risks and Sustainability Committee, the Committee for Transactions with Related Parties, and the Governance Committee as internal committees, whose powers and responsibilities are in accordance with the provisions of the Articles of Association and supervisory regulations in force. The names of the members and the related information are available in the Governance section, Committees of the Board of Directors, of the Group's website.

During the second quarter, the programme of purchase of own shares for annulment (buyback), approved by the above described Shareholders' Meeting of Intesa Sanpaolo of 29 April 2025, was launched and subsequently completed.

The programme, which had started on 2 June, ended on 17 October 2025[29]. During the period, a total of 390,280,888 shares were purchased, equal to around 2.19% of the share capital, at an average purchase price of €5.1245 per share, for a total amount of €1,999,999,997.95.

[29] The purchases were suspended during the days (from 8 to 15 September 2025) of execution of the share buyback programme relating to plans of assignment, free of charge, of Intesa Sanpaolo ordinary shares to the employees and the financial advisors of the Group.

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 accordance with the terms and conditions approved by the Shareholders' Meeting of 29 April 2025.

The annulment of the shares took place on 22 October 2025. While the share capital remained unchanged at 10,368,870,930.08 euro, the number of ordinary shares without nominal value decreased from 17,803,670,501 to 17,413,389,613.

The Articles of Association amended to reflect said annulment were respectively filed and recorded in the Turin Company Register on 27 and 29 October 2025.

In the days from 8 September to 15 September 2025 an Intesa Sanpaolo ordinary share buyback programme was also implemented to service plans for the assignment of shares, free of charge, to the employees and the Financial Advisors of the Group, in relation to (i) mainly, the Intesa Sanpaolo Group share-based incentive system for 2024 and 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 2024; and (ii) for a smaller proportion, the completion of the implementation of the 2023 Incentive Plans of the Intesa Sanpaolo Group and its subsidiaries mentioned above. These incentive systems are reserved for Risk Takers who accrue a bonus in excess of the so called "materiality threshold"[30], for those who are paid a "particularly high" amount[31] and for those who, among Middle Managers or Professionals that are not Risk Takers, accrue a bonus exceeding both the so called "materiality threshold"[32] 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 29 April 2025, also on behalf of the subsidiaries that had approved similar programmes on the ordinary shares of the Parent Company.

In the six days during which the programme was executed, a total of 23,800,000 Intesa Sanpaolo ordinary shares (of which 17,400,000 shares to service the 2024 Plans as well as any severance payments due, and 6,400,000 shares to service the 2023 Plans), representing around 0.13% of the share capital, were purchased through the IMI Corporate & Investment Banking Division, tasked with executing the programme, at an average price of €5.4349 per share, for a total amount of €129,350,330.52. The Parent Company purchased 16,545,236 shares at an average price of €5.4347 per share, for a total amount of €89,918,725.76. The transactions were executed in compliance with provisions included in Articles 2357 et seq., and 2359-bis et seq. of the Italian Civil Code, within the limits set in the resolutions passed by the competent corporate bodies. Pursuant to Article 132 of the Consolidated Law on Finance and Article 144-bis, paragraph 1, letter b) 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.

The execution procedures also complied with the conditions and restrictions under Article 5 of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014, and Articles 2, 3 and 4 of the Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016, and

30 Equal to €50 thousand or one third of the total remuneration (unless otherwise provided for by specific local regulations).

31 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.

32 Pursuant to the Group Remuneration and Incentive Policies, for Middle Managers and Professionals who are not Risk Takers, the materiality threshold is generally equal to €80 thousand (unless otherwise provided for by specific local regulations). This threshold is increased to €150 thousand in order to significantly reduce the potential competitive disadvantage in the attraction and the retention of the best staff members in countries other than the Group's domestic market and in businesses in which there is a high competitive pressure on the staff (i.e. high cost of living, intense compensation dynamics and high resignation rate) and, outside the EU, in which the regulatory framework concerning the materiality threshold is less strict (or absent).

subsequent amendments pursuant to Regulation (EU) 2024/2809 of the European Parliament and of the Council of 23 October 2024.

The number of shares purchased daily did not exceed 25% of the daily average volume of the Intesa Sanpaolo ordinary shares traded in August 2025, which was equal to 53.7 million shares, as well as the additional limit, to the above-mentioned regulatory conditions and restrictions, of 15% of the volume traded on the Euronext Milan market on each of the days when purchases were executed. Note that, pursuant to Article 2357-ter of the Italian Civil Code, the Intesa Sanpaolo Shareholders' Meeting authorised the disposal on the regulated market of own ordinary shares exceeding the actual requirement, under the same conditions as those applied to the purchases, and at a price of no less than the reference price recorded by the share in the stock market session on the day prior to each single disposal transaction, less 10%. Alternatively, these shares may be retained for any different incentive plans and/or remuneration payable upon early termination of employment relationship (Severance). Following an assessment process launched in 2024, aimed at optimising the business providing integrated solutions for the custody, administration and management of financial assets (Custody) for institutional investors – both third-party or Group companies – on 31 October 2025, effective from 1 November, Intesa Sanpaolo completed the disposal to State Street Bank International GmbH, already a long-standing strategic partner of the Intesa Sanpaolo Group in securities services, of an IT business line supporting the custody operations, including the dedicated applications and IT resources. The sale had been approved by the Parent Company's Board of Directors on 27 March 2025, with the signing of the binding agreements on 11 May. At the same time as the disposal, an outsourcing contract was signed for a maximum term of 15 years, for the provision by the purchaser of IT and back-office services supporting Intesa Sanpaolo's custody operations.

On 31 October 2025, Intesa Sanpaolo also 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 2026, following the results of the Supervisory Review and Evaluation Process (SREP). The overall capital requirement to be met in terms of Common Equity Tier 1 ratio is currently 9.96%. This is the result of:

– a SREP requirement in terms of Total Capital ratio of 9.65% comprising a minimum Pillar 1 capital requirement of 8%, of which 4.5% is Common Equity Tier 1 ratio, and an additional Pillar 2 capital requirement of 1.65%, of which 0.93% is Common Equity Tier 1 ratio applying the regulatory amendment introduced by the ECB and effective from 12 March 2020;
– additional requirements, entirely in terms of Common Equity Tier 1 ratio, relating to:
    - a Capital Conservation Buffer of 2.5%,
    - an O-SII Buffer (Other Systemically Important Institutions Buffer) of 1.25%,
    - a Countercyclical Capital Buffer of 0.35%[33],
    - Systemic Risk Buffer of 0.43%[34].

On 26 November 2025 (with coupon presentation on 24 November and record date on 25 November), interim dividends were paid out from 2025 results, as resolved by the Intesa Sanpaolo Board of Directors on 31 October 2025, in compliance with the provisions set out in Article 2433-bis, paragraph 4 of the Italian Civil Code. The interim dividend of €18.60 cents per share was paid on the 17,386,262,670 ordinary shares outstanding on the record date for a total of €3,233,844,856.62 (net of an undistributed amount of €5,045,611.40 relating to 27,126,943 own shares held at the record date).

---

[33] Calculated taking into account the exposure as at 31 March 2026 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 2027, 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 2026).

[34] Calculated taking into account the exposure as at 31 March 2026 to residents in Italy.

The merger by incorporation of the Luxembourg-based management company Eurizon Capital S.A. into its wholly owned parent company Eurizon Capital SGR, in accordance with the deed signed on 20 November 2025, became legally effective on 1 December 2025, with accounting and tax effects starting on the same date. The merger was approved by the extraordinary shareholders' meetings of Eurizon Capital SGR on 3 November 2025[35] and of Eurizon Capital S.A. on the same day. The merger, which received the non-objection notification from the Commission de Surveillance du Secteur Financier (CSSF) on 18 September and the authorisation from the Bank of Italy on 29 September 2025, had previously been approved by the Board of Directors of Intesa Sanpaolo on 22 May, adding to the Group's corporate streamlining operations already authorised by the Parent Company at its meeting of 27 March.

The combination led to the closure of the branches of the merged company and the simultaneous opening of new branches by the absorbing company in Luxembourg, Paris, Madrid and Frankfurt to ensure continuity in the management of customer relations, products and employees. The combination is expected to generate benefits in terms of (i) simplification of the corporate and organisational structure of the Asset Management Division, (ii) unified operational control and direct management by Eurizon Capital SGR of the risk profile of the Luxembourg-based operations, and (iii) cost synergies.

On 16 December 2025, the Board of Directors of Intesa Sanpaolo, after receiving the favourable opinion of the Committee for transactions with related parties, granted approval to Fideuram - Intesa Sanpaolo Private Banking to purchase the shares of Reyl & Cie S.A. held by the minority shareholders (24%), with the aim of achieving total control of the Swiss bank and further accelerating the Group's expansion in Switzerland.

Following the approval on 18 December 2025 by the Board of Directors of Fideuram - Intesa Sanpaolo Private Banking, with the favourable opinion of its Committee for transactions with related parties, and the authorisation by FINMA (the Swiss regulator) on 30 December 2025, the purchase of 21% of the Reyl & Cie S.A. shares held by Reyl Holding S.A. was completed on 16 January 2026. The purchase of the remaining 3% held by three private shareholders took place on 30 January 2026. As a result, the direct holding of Fideuram - Intesa Sanpaolo Private Banking increased from 46% to 70%, in addition to the 30% indirect holding through the wholly-owned subsidiary RB Participations S.A.

With regard to the *restructuring transaction for Banca Progetto,* on 28 January 2026, Intesa Sanpaolo, together with the National Interbank Deposit Guarantee Fund, Banca Monte dei Paschi di Siena, Banco BPM, BPER Banca, UniCredit and Banca Progetto under Extraordinary Administration, executed a new binding term sheet for the completion of the system-wide intervention. The transaction, qualifying as a preventive intervention pursuant to the statute of the National Interbank Deposit Guarantee Fund and whose execution was completed between the end of March (with the closure of the bank's extraordinary administration procedure) and the beginning of April, consisted of the following components:

- recapitalisation of Banca Progetto by the National Interbank Deposit Guarantee Fund for a total of €750 million and subsequent sale by the Fund to the five banks – through a company equally owned by them called BP Holding – of 90% plus one share of Banca Progetto's share capital for a total consideration of €40 million, with the Fund retaining a 9.9% stake in the bank. The stake in BP Holding subscribed by Intesa Sanpaolo was recognised as an interest in entities subject to significant influence in accordance with IAS 28;
- repayment of the securitisations for funding purposes that the Bank already had in place; and participation and financing by the five banks, together with other institutional investors, in the new securitisations of Banca Progetto's performing loans, with the provision of guarantees by the National Interbank Deposit Guarantee Fund;

[35] In addition, and unrelated to the merger, the above-mentioned Shareholders' Meeting of Eurizon Capital SGR resolved to amend Article 3 of its Articlesof Association to extend the company's duration until 2100, aligning it with that of the Parent Company. This amendment took effect from 1 January 2026.

- participation by the five banks in the de-risking of Banca Progetto's non-performing loans, through the sale of a non-performing loan portfolio to a newly established Alternative Investment Fund (AIF), with the provision of guarantees by the National Interbank Deposit Guarantee Fund.

With regard to the changes introduced by Law No. 199 of 30 December 2025 (2026 Budget Act) to the rules governing the "One-off tax calculated on the increase in net interest income" established by Article 26 of Decree Law No. 104 of 10 August 2023, converted, with amendments, by Law No. 136 of 9 October 2023, the following is noted.

This provision had introduced a tax on the increase in net interest income recorded by banks in 2023 compared with 2021, granting the option, instead of paying the tax, of allocating an amount to a specific non-distributable reserve of not less than two and a half times the tax due. In exercising this option, the banks of the Intesa Sanpaolo Group subject to this legislation resolved – at the time of approval of the 2023 Financial statements and allocation of the net income for that year – to allocate a total of €2,068.8 million to the above-mentioned non-distributable reserve (of which €1,991.4 million related to the Parent Company), equal to 2.5 times the total tax of €827.5 million.

In summary, the 2026 Budget Act established:

- that, irrespective of the resolution of the shareholders' meeting, distributions of dividends or reserves by Italian banks starting from the financial year beginning after 1 January 2028 (therefore from 1 January 2029) shall be deemed to be made prioritising the use of the above-mentioned reserve, resulting in the obligation to pay the tax at a rate of 40%, plus interest calculated from 30 June 2024;
- the option, until 31 December 2028, to make the reserve subject to a one-off levy at the following rates:
  - 27.5% for the existing reserve in the financial statements as at 31 December 2025;
  - 33% for the existing reserve in the financial statements as at 31 December 2026.

From an accounting perspective, the provisions of the 2026 Budget Act represent a new liability, separate from the previous one, which was extinguished through the establishment of the reserve. The liability introduced by the 2026 Budget Act must therefore be understood as a new and separate liability from the previous one, the purpose of which is considered to be aimed at providing for the payment of an equity contribution resulting from future distributions of dividends or reserves starting from the year 2029. In the absence of specific provisions under the IAS/IFRS19[36], in accordance with the guidance in IAS 8, the Group decided to refer to IAS 12 which, in paragraph 61A, requires that taxation be recognised consistently with the item on which the tax is calculated.

Based on the above, at its meeting held on 2 February 2026, the Board of Directors of Intesa Sanpaolo resolved (i) to exercise the option to pay the one-off levy at a rate of 27.5% of the "Net income reserve pursuant to Law 136 of 9/10/2023", by allocating the corresponding amount of €547.6 million to the Share premium reserve, with an offsetting entry in "Current tax liabilities" in the Financial statements as at 31 December 2025, and (ii) to propose to the Shareholders' Meeting approving the 2025 Financial statements the approval of that allocation to the Share premium reserve, together with the allocation – effective from the payment of the aforementioned levy in the income tax return for the tax period in relation to which it is applied – of the entire amount recorded in the "Net income reserve pursuant to Law 136 of 9/10/2023" to the Extraordinary reserve, with consequent elimination of the "Net income reserve pursuant to Law 136 of 9/10/2023", because it is freed from any obligations.

[36] This case is not considered to fall within:
– the scope of IFRIC 21 "Levies", since payment of the charge within the year 2028 would result from an autonomous decision of the bank, taken within its own powers, and would therefore not constitute a levy imposed by the general government; or
– the scope of IAS 12 "Income Taxes", as it does not represent a tax on income.

Under instruction from the Parent Company, similar resolutions regarding the exercise of the option to pay the one-off levy were also adopted by the Boards of Directors of the subsidiary banks concerned by the measure: Fideuram - Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Banking and Isybank, for a total one-off Group levy of around 570 million euro.

On 2 February 2026, at the meeting held for the approval of the Parent company and consolidated results as at 31 December 2025, the Board of Directors of Intesa Sanpaolo:

- resolved to submit a proposal to the Ordinary Shareholders' Meeting of 30 April 2026 for a purchase of own shares for annulment (buyback) for 2.3 billion euro, already authorised by the ECB, to be launched in July 2026, subject to approval of the Shareholders' Meeting;
- approved the 2026-2029 Business Plan, which was presented to the financial community on the same day. The Plan is briefly described in a specific section below and the related documents (press release and presentation) are available on the Group's website, in the Investor Relations section;
- in order to enhance the Group employees' role as key enablers in the achievement of the Plan's objectives, also resolved to propose at the Shareholders' Meeting of 30 April 2026 (i) capital increases to serve two 2026-2029 *long-term incentive plans*, based on financial instruments of Intesa Sanpaolo S.p.A. and reserved for all Group employees, as well as (ii) an update of the maximum number of shares as provided in the delegation of powers granted to the Board of Directors on 29 April 2022 by the Extraordinary Shareholders' Meeting to carry out a share capital increase without payment to serve the *2022-2025 Performance Share Plan* long-term incentive plan based on financial instruments.

  The following long-term incentive plans were approved:

  - the 2026-2029 Performance Share Plan, reserved for Risk Takers and Middle Managers, which provides for the assignment of Performance Shares, that is Intesa Sanpaolo ordinary shares subject to the achievement of specific performance conditions over the period of the Plan. The shares, up to a maximum of 62,000,000, will be issued against a share capital increase without payment;
  - the 2026-2029 Leveraged Employee Co-Investment Plan (2026-2029 LECOIP), reserved for all the other Group employees in Italy, which provides for (i) the assignment of newly issued ordinary shares of Intesa Sanpaolo deriving from a share capital increase without payment, and (ii) the opportunity to subscribe to an Investment Plan in a certain proportion to the number of shares received free of charge. This plan is based on newly issued Intesa Sanpaolo ordinary shares deriving from a capital increase reserved for employees, at a discounted issue price compared with market value. Assuming all employees subscribe to the 2026-2029 LECOIP, the maximum number of ordinary shares to be issued in the share capital increase without payment and in the share capital increase with payment is equal to 246,000,000 (76,000,000 and 170,000,000, respectively).

  With regard to the 2022-2025 Performance Share Plan, the update of the maximum number of ordinary shares to be issued in the share capital increase without payment to serve the 2022-2025 Plan results in the issuance of maximum 40,000,000 shares, in addition to the amount resolved by the Extraordinary Shareholders' Meeting in 2022.

  The share capital increases to serve the incentive plans are subject to the authorisations being received from the competent authorities.

For completeness of disclosure, the following should also be noted.

On 1 August 2025, the results of the 2025 EU-Wide Stress Test were announced. The test was conducted by the European Banking Authority (EBA), in cooperation with the Single Supervisory Mechanism

(SSM), the Bank of Italy, the European Central Bank (ECB) and the European Systemic Risk Board (ESRB) and involved also Intesa Sanpaolo for the scope of consolidation.

The reference scenario covered a three-year horizon (2025-2027). The stress test was carried out applying a static balance sheet assumption as of December 2024 and therefore did 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 CET1 ratio resulting from the stress test for 2027, the final year considered in the exercise, stood at 13.95% under the baseline scenario and 11.78% under the adverse scenario, compared to 12.40% restated consistently for CRR3 (former effective 13.26%) on 31 December 2024. 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.

On 4 December 2025, Intesa Sanpaolo noted the announcements made by the European Banking Authority regarding the information of the 2025 EU-wide Transparency Exercise, conducted annually on the basis of the decision of the EBA Board of Supervisors and published along with the Risk Assessment Report (RAR). The exercise, based solely on COREP/FINREP data, involved 119 banks from 25 countries of the European Union and the European Economic Area. The templates were centrally filled in by the EBA and sent afterwards for verification by banks and supervisors. Banks had the chance to correct any errors detected and to resubmit correct data through the regular supervisory reporting channels, and to add specific information as required to further clarify individual data.

With regard to the situation affecting the Milan real estate sector following investigations initiated by the Public Prosecutor’s Office of the Court of Milan, as reported by the national press in late July, in September the Court of Review annulled the interim measures against the main suspects. Intesa Sanpaolo is monitoring developments, also in order to assess possible implications for commercial relations with the sector.

The voluntary exits plan in accordance with the Trade Union Agreement of 23 October 2024 was initiated on 1 January 2025[37].

During the year, the voluntary exits totalled 2,534 (76 in the fourth quarter, 492 in the third quarter, of which 454 effective from 1 July, 67 in the second quarter, and 1,899 in the first quarter, of which 966 effective from 1 January), against the 4,000 planned by the end of 2027. A further 375 exits took place with effect from 1 January 2026.

In 2025, the hires connected to the provisions of that agreement totalled 1,290 (of which 740 as Global Advisors for the Network commercial activities), with a target of 3,500 (of which 1,500 Global Advisors) by the first half of 2028.

With regard to the actions on natural turnover also announced to the market on 23 October 2024, at the end of 2025 there had been around 850 exits in Italy (3,000 envisaged by 2027, of which 1,000 by 2025) and around 800 net exits for the head office structures of the international banks (2,000 net exits envisaged by 2027, of which 500 by 2025).

The following were provided for through an additional Agreement with the Trade Unions, signed on 10 December 2025:

– for around 450 employees still in service who had joined the 2024 Agreement, voluntary exit through access to the Solidarity Fund on 31 January 2026, or 28 February 2026 for part-time employees, with a total of 378 voluntary exits already completed by the end of January 2026;
– the willingness to allow new incentivised retirements for employees who had already met the eligibility requirements at the date of the Agreement or who will become eligible by 31 December

[37] The remaining exits and hires of the plan established with the Trade Union Agreement of 16 November 2021 were also completed on 31 March 2025, while the plan for hires and exits resulting from the 2020 Agreement had been completed in 2024.

2026 and who had not joined the 2024 Agreement, with exits starting from 28 February 2026. Around 140 employees have signed up. In relation to the exits due to new retirements, new hires will be made with the same care and in the same proportions established by the Agreement of 23 October 2024, with particular attention to women victims of violence included in the "protection programmes" under Article 1 of the National Protocol for the Banking Industry of 24 November 2025.

On 24 December 2025, Intesa Sanpaolo and the Group Trade Union Delegations reached an agreement on certain aspects of the Group Second-Level Collective Agreement, identifying the regulatory framework that will apply to the Group's employees from 1 January 2026 to 31 December 2029.

While maintaining the structured system of measures already implemented over time for the Group's employees and their families, significant new initiatives have been introduced aimed at supporting work-life balance – with particular attention to the needs of parents and caregivers, and with the goal of fostering cohesion and solidarity among generations within the company – as well as regarding supplementary pension schemes and meal vouchers. The remaining aspects that make up the Second-Level Collective Agreement will be discussed by the first half of 2026.

With regard to the *Next Way of Working project* – aimed at implementing a new working model based on strengthening individual responsibility and improving work-life balance – in this last year of the 2022-2025 Business Plan, further real estate and technological interventions were completed, aimed at constructing new workspaces designed to enhance the moments of presence in the office.

In 2025, the work was completed at the Cuneo office in Via Teatro Toselli, which was initiated in the first quarter, and at the Florence, Forlì, and Venice-Mestre offices, which were initiated in July. In the last three months of the year, the improvements in Via del Corso in Rome were also completed, finishing the redesign of the workspaces at that site as part of the Next Way of Working initiative. As always, the extension of the model was accompanied by the implementation of technological tools (release of the space booking function in the planning and reservation tool), together with specific targeted communication campaigns.

Under the Next Way of Working initiative, the implementation continued of the plan to expand alternative workspaces to the main office (Flexible Working HUB), with new bookable workstations being progressively made available to staff in the Network and governance structures authorised for flexible work. At the end of 2025, the number of these workstations had risen to over 1,400 (from around 1,200 at the beginning of the year), strengthening their presence across all the Italian regions.

At the end of the 2022-2025 Business Plan, the Next Way of Working project can be considered completed, having achieved the goals set. The model introduced is now firmly embedded and represents the guiding framework for the organisation of work and the development of company spaces, integrated into the ordinary real estate planning and management processes.

Lastly, as part of the Energy Management strategies, and in particular as part of the initiatives aimed at improving ESG performance, during August 2025 and the Christmas period (24 December 2025 - 5 January 2026), continuing on from the successful trials in previous years, several head offices were temporarily closed, with other company spaces in nearby areas made available, by reservation, to ensure the possibility of working on-site during the closure period, as an alternative to voluntary remote working.

Recent Events

The Intesa Sanpaolo Group's exposures to the countries of the Middle East

In the context of the new Middle East conflict, the qualitative and quantitative aspects of the Intesa Sanpaolo Group's exposures to the countries of the Middle East are set out below, in accordance with the scope consistent with the definition of Middle East contained in the EBA Transparency Exercise.[38]

As at 31 March 2026, the Group's exposures to counterparties resident in the above-mentioned countries amounted to around €17.9 billion in gross value, of which €10.5 billion of on-balance sheet exposures and €7.3 billion of off-balance sheet exposures.

The on-balance sheet exposures mainly included €6.6 billion of loans to customers, concentrated with general governments and non-financial companies, and €1.9 billion of exposures to banks.

The off-balance sheet exposures included irrevocable commitments amounting to €3.8 billion.

Around €1 billion of the loans to customers was backed by ECA guarantees.

The on-balance sheet exposures, consisting entirely of performing exposures, were concentrated on counterparties with high credit quality, with a clear predominance, for customers, of exposures to central governments, in particular Qatar, Saudi Arabia, and the United Arab Emirates, all with investment grade ratings recognised by the main international agencies. Exposures to other counterparties were mainly concentrated in the United Arab Emirates and also included corporate customers with registered office in that country but belonging to international or Italian groups of high standing.

With regard to banks, these were predominantly short-term exposures largely connected to trade export financing in support of Italian and international corporate customers. The largest on-balance sheet exposures related to the main commercial banks in Saudi Arabia and Qatar, all with investment grade ratings.

More generally, the operations originated by the Parent Company's IMI C&IB Division with both corporate and institutional customers consisted primarily of international business, also carried out outside the Middle East area, largely linked to major Sovereign Wealth Funds for strategic projects mainly involving infrastructure and energy in Europe and the rest of the world.

In addition to the credit quality of the counterparties, the measurement of these exposures took into account the specific attributes of the conflict, which, at present, is assumed to be of short duration and with limited and temporary effects on the macroeconomic variables. As a result, as at 31 March 2026, the Intesa Sanpaolo Group did not identify the conditions for adopting different measurement practices from those ordinarily applied.

The new 2026-2029 Business Plan

In recent years, the Intesa Sanpaolo Group has demonstrated its ability to generate sustainable value for stakeholders, delivering excellent results, despite a complex macroeconomic environment, marked by geopolitical tensions and inflationary pressures.

This has allowed Intesa Sanpaolo to consolidate its status as a leader in the European banking sector and strengthen its resilience through a process supported by a growing focus on fees and an ever broader, personalised and innovative range of products and services.

Thanks to the results achieved and the capital strength, the Intesa Sanpaolo Group is well-placed to effectively seize opportunities and face future challenges, while maintaining sector-leading sustainable profitability and its Zero-NPL Bank status, through a strategy underpinned by fees and technology.

With the new Business Plan, Intesa Sanpaolo aims to further strengthen its leadership in Wealth Management, Protection and Advisory, through three key pillars:

1. structural Cost reduction, benefitting from strong tech investments already deployed;

---

[38] The scope of the countries included in the definition of "Middle East" contained in the EBA Transparency Exercise includes: Saudi Arabia, Bahrain, United Arab Emirates, Djibouti, Jordan, Iran, Iraq, Kuwait, Lebanon, Libya, Oman, Qatar, Syria, Sudan, and Yemen.

2. Revenue growth, fuelled by Wealth Management, Protection and Advisory leadership;

3. low Cost of risk, thanks to the Zero-NPL Bank status and high-quality origination.

This process will be achieved through the contribution from our People, who have always been the Group's most important asset.

The pillar 1 will enable Intesa Sanpaolo to achieve a structural Cost reduction, delivering a 1.8% saving in 2029 compared to 2025, benefiting from the investments already made since 2018. The Plan provides for:

– extension of the cloud-native digital platform isytech, enabling Cost reduction and process streamlining;
– Artificial Intelligence (AI/GenAI and Agentic AI) evolution for end-to-end process redesign and to improve productivity, commercial efficiency and risk control;
– acceleration of generational change, enabled by technological transformation and the recruitment of young talent to support growth and innovation (e.g., Global Advisors);
– strategic insourcing at scale and internalisation of key skills to deliver external cost savings;
– proactive management of administrative Costs, also through a Total Cost of Ownership approach to support cost control in Procurement and IT with advanced digital tools and the rationalisation of real estate and legal entities.

The pillar 2 will enable Revenue growth with a CAGR of +3.0% from 2025 to 2029, driven by strong growth in fees and customer financial assets, through targeted plan initiatives, including:

– scaling up the Global Advisor network, targeting around 4,200 Global Advisors by 2029 (from 1,850 as at 31 December 2025), unlocking the full potential of Banca dei Territori's Exclusive customers;
– strengthening of Private Banking leadership, through continuous development of the domestic commercial offering, enhancing the Lifecycle and Longevity solutions to meet new customer needs, and expanding international operations;
– enhancing the Asset Management and Insurance product factories, by improving the product range and service model, while broadening the Protection range for Banca dei Territori Individual customers, Private Banking and Corporate/SMEs;
– driving growth with Corporate and Institutional customers by scaling up dedicated platforms, strengthening the offering in high-growth value chains (e.g., Space and Defence, Data Centres, Health, Climate Transition, Blue Economy and seabed), expanding international operations, developing the Global Markets platform, strengthening transaction banking, and launching the Private Markets platform;
– evolving the Italian SME service model to address emerging needs, further strengthening the value proposition by leveraging IMI C&IB synergies;
– strengthening Consumer Credit, with enhancement of the offering of personal loans and salary-backed solutions, building on the Group's distinctive capabilities including unrivalled customer knowledge, the leading credit agent network for salary - backed solutions (i.e., Prestitalia), and an omnichannel offering enabled by the isytech platform;
– launching isybank 2.0, with a target of acquiring 1 million new customers, maximising their full potential, improving the product offering with high value-added solutions (e.g., securities trading, savings plans), and strengthening the customer acquisition engine;
– expanding the International Banks Division operations by evolving the business model, leveraging Group best practices and creating a new "Fideuram-style" network of financial agents, strengthening

advisory capabilities, boosting digital competencies and launching a next-generation customer acquisition platform;

– launching isywealth Europe and expanding in the major European markets already covered (France, Germany and Spain), leveraging the leadership in Wealth Management, prior technology investments and significant international presence to develop integrated international Hubs and serve diverse customer segments through a mix of innovative and traditional channels.

The pillar 3 aims to consolidate the leadership in credit management and the Bank's Zero-NPL status, with a net NPL ratio below 1.0% and cost of risk at 25-30 basis points over the Plan period, by:

– leveraging benefits from the elimination of bad loans, through the de-risking actions defined in the fourth quarter of 2025, to reinforce future profitability;

– active loan portfolio management, with improved management practices, broader portfolio clusters covered by underwriting guidelines, and strengthened credit governance, also through data analytics solutions (e.g., systematic portfolio scanning) to optimise the risk-return profile;

– applying a forward-looking approach to underwriting and credit management (e.g., improved rating analysis with forward-looking outlooks by sector), with full data analytics integration to simplify credit processes and develop thematic expertise for deeper knowledge of sectors and counterparties;

– holistic management of all risks, with further reinforcement of the risk control and management framework (e.g., isycontrols powered by isytech), focus on emerging risks (e.g., geopolitical risk, cybersecurity), and a strong security culture.

Our People will continue to be the most important asset for success in the new Business Plan and the Group is committed to investing in its talent by:

– strengthening the skills development engine through the expansion of the Group Corporate Academy, the launch of new Graduate programmes and next-generation training programmes, the development of AI skills supported by collaborations with top universities, business partnerships and professional development initiatives;

– enhancing integration and connectivity within the Group, by expanding the Global Career programme (including the new career website), and integrating global HR models and processes to ensure alignment and disseminate best practices;

– strengthening the Group culture, by further enhancing managerial role modelling, introducing new incentive schemes and promoting a Group Culture Code to ensure complete alignment of internal processes with Group values;

– focusing on strengthening Group-level welfare, with further improvement of work-life balance through innovative work organisation solutions and extension of the CareLab Ecosystem platform to all geographical areas.

The Plan confirms the Group's position as a global leader in social impact, supporting customers along the sustainable transition and continuing to invest in strategic priorities through dedicated initiatives, including:

– the contribution of around €1 billion between 2026 and 2029 to fight poverty, reduce inequalities and promote financial inclusion;

– supporting customers in the sustainable transition, targeting around €112 billion in new sustainable lending, representing around 30% of new medium/long-term loans;

– reaffirming the decarbonisation commitment and 2030 targets for financed emissions, asset management, insurance and own emissions;

– continued commitment to culture (e.g., further technology enhancements at the Gallerie d'Italia) and innovation (e.g., strengthening services for startups and scaleups).

Based on the 2026-2029 Business Plan guidelines and strategic pillars, Intesa Sanpaolo's targets for 2029 include:

– net income above €11.5 billion (27% ROTE);

– operating income of 30.7 billion euro;

– sector-leading cost/income of 36.8%;

– cost of credit at 25-30 basis points;

– net NPL ratio below 1%;

– highly solid capital position, with CET1 ratio above 12.5% and leverage ratio of 5.6%;

– distribution for each year of the Plan of 95% of consolidated net income, of which 75% through cash dividends and 20% through share buybacks.

Over the 2026-2029 Plan period, Intesa Sanpaolo will continue to deliver value for all stakeholders and in particular for:

– shareholders, with around €50 billion distributed from 2025 to 2029 (annual payout ratio of 95% for 2026-2029 period: 75% through cash dividends and 20% through share buybacks);

– employees, with renewal of the commitment to around 90 thousand families (around €28 billion in Personnel expenses over the Plan period);

– the nation as a whole, with an ongoing commitment of the Group to generating value for the economy and society through around €374 billion (of which around €260 billion in Italy) of new credit granted to the real economy for households and businesses, around €17 billion of purchases and investments with Intesa Sanpaolo suppliers, around €26 billion to the public sector, 30% of the new medium/long-term loans dedicated to sustainable lending and a contribution of around 1€ billion to fighting poverty and reducing inequalities.

Information on crucial intangible resources

The Group's strategy outlined in the new 2026-2029 Business Plan, as in the now concluded 2022-2025 Plan, recognises that: (i) intellectual capital, comprising organisational capital and the value of knowledge; (ii) human capital, representing the collective skills, abilities, experiences, and innovation drive of our people; and (iii) social and relational capital, which includes our interactions with diverse stakeholders and information exchange capabilities, are unique intangible resources that are crucial to achieving the goals set.

These resources are described in this Report on operations and in particular in the Consolidated Sustainability Statement to highlight their fundamental contribution to the corporate strategies and their ability to serve as a source of value creation for the business.

For further recent events on Intesa Sanpaolo and the Group please see the consolidated financial statements as at 31 December 2025 incorporated by reference into this Base Prospectus.

Sovereign risk exposure

As at 31 December 2025 Intesa Sanpaolo Group's exposure in securities to Italian sovereign debt – excluding the insurance business – amounted to €32 billion (around €21 billion at 31 December 2024), in addition to around €9 billion represented by loans (around €8 billion at the end of 2024).

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, 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 Bending Spoons S.p.A.
		Director of Dexelance S.p.A.
Carlo Messina (*)	Managing Director and CEO	None
Maria Angela Zappia(##)	Director	Director of Brightstar Plc
Franco Ceruti	Director	Chair of Intesa Sanpaolo Expo Institutional Contact S.r.l.
		Director of Intesa Sanpaolo Private Banking S.p.A.
Paolo Maria Vittorio Grandi	Director	Director of Camfin S.p.A.
		Director of Intesa Sanpaolo Wealth Management Lux
		Chair of Fideuram - Intesa Sanpaolo Private Banking S.p.A.
		Chair of Intesa Sanpaolo Private Banking S.p.A.
		Director of Istituto Europeo di Oncologia S.r.l.
Luciano Nebbia	Director	Deputy Chair of Equiter S.p.A.
Liana Logiurato (##)	Director	None
Pietro Previtali(##)	Director	Director of IED - Istituto Europeo di Design S.p.A.
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	Director of Obsidian Capital SGR S.p.A.
		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.

Member of the Board of Directors	Position	Principal activities performed outside Intesa Sanpaolo, where significant with respect to the Issuer's activities
		Chair of the Board of Statutory Auditors of DiaSorin Italia S.p.A.
Mariella Tagliabue(#) (##)	Director and Member of the Management Control Committee	None
Maura Campra(#) (##)	Director and Member of the Management Control Committee	Standing Statutory Auditors of Pirelli & C S.p.A. Sole Statutory Auditor of Cogefa Partecipazioni S.r.l.
Roberto Franchini (1)(#) (##)	Chair of the Management Control Committee	None
Riccardo Secondo Carlo Motta(1) (#) (##)	Director and Member of the Management Control Committee	None

(*) Was appointed Managing Director and CEO by the Board of Directors on 29 April 2025. He is the only executive director on the Board.

(#) Is 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 Article 13.4.3 of the Articles of Association, the Corporate Governance Code, M.D. 169/2020 and Article 148, paragraph 3, of the Legislative Decree 24 February 1998 no. 58 (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 18 May 2026, 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	6.602%
Fondazione Cariplo	961,333,900	5.500%

(*) 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 Financial Services Act) 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 Banking Act, 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 Financial Services Act 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 dispute has for years made up a significant portion of the civil litigation brought against the Italian banking system. In 2025, for the Italian Group Companies the disputes, including mediations, with possible or likely risk numbered around 2,500, with a total claim of €500 million (of which around 1,900 with likely risk with a total claim amount of €349 million and provisions of €126 million), with a gradual reduction compared to the previous year both in number and in total value.

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.

Disputes relating to investment services

There was a total of around 740 disputes with possible or likely risk relating to investment services with a total claim amount of €320 million. The positions considered at likely risk numbered 500 for a total claim amount of around €240 million, with provisions of €66 million, and the most significant subgroup was disputes concerning derivatives. We also note 19 disputes with a claim of approximately €82 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, deemed to be of remote 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 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.

Disputes 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, 9 disputes are pending with local authorities, with possible or likely risk, for total claims of €25 million, and 2 disputes with subsidiaries of public entities, with total claims of €14 million. Disputes with individuals, assessed as having possible or likely risk, total 119, and of these, 36 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 €70 million.

A summary of the developments in the dispute concerning the Municipality of Turin is provided below:

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 claims:

- 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;
- 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.

In July 2025, the dispute was concluded through a settlement agreement.

Disputes regarding Euribor Manipulation

By two decisions, in 2013 and 2016, the European Commission Antitrust established the existence of a cartel between a number of European banking groups (Barclays, Deutsche Bank, Société Générale, The Royal Bank of Scotland, Crédit Agricole, HSBC and JPMorgan Chase) in the period between 29 September 2005 and 30 May 2008 aimed at manipulating Euribor. In Italy, a dispute arose in which customers claim the nullity of the Euribor indexation clause included in the contracts, even where, as in the case of Intesa Sanpaolo, the lending bank did not participate in the cartel. To date, this phenomenon has had a limited impact in terms of volume; the lower courts have mainly ruled in the Banks' favour. In July 2024, in the context of a dispute brought against a credit intermediary, the matter was referred to the Joint Divisions to resolve the conflict that had emerged between the First and Third Divisions of the Court of Cassation on the perimeter of the contracts potentially affected by the cartel ("downstream contracts") and on the potential remedies available to customers to challenge their validity. In his conclusions in the proceedings before the Joint Divisions, the Public Prosecutor's office requested the rejection of the clients' claim, noting the absence of an objective connection between the cartel and the "downstream" mortgage loan contracts at issue in the dispute. In the first quarter of 2025, as part of a dispute brought against Intesa Sanpaolo on a securitised bad loan deriving from a mortgage loan contract, the Cagliari Court of Appeal made a reference for a preliminary ruling to the European Court of Justice (CJEU) to verify the possible impact of Euribor manipulations on "downstream" contracts concluded between banks and their clients. The questions put to the Court were: – whether the evidence of manipulation established by the European Commission is binding on national courts; and – whether the anti-competitive cartel constitutes a prohibited agreement solely in the derivatives market (where it took place) or in any market which used the manipulated Euribor benchmark, such as the mortgage loan market. In the light of the reference for a preliminary ruling made by the Court of Cagliari, the Joint Divisions of the Court of Cassation decided to handle the action as a new case. As part of the proceedings before the CJEU, the Bank submitted its written observations during the first half of 2025.

In the third quarter of 2025, the Registry of the CJEU notified the filing of the European Commission's observations, which noted that, in the context of European Union law, evidence of Euribor manipulation can only be considered established in respect of legal relationships arising within the markets covered by the decisions of 2013 and 2016 (derivatives – EIRD) and of the other parties. No European State submitted observations. In the fourth quarter of 2025, the Registry of the Court announced that the decision would be taken without the scheduling of a hearing, assigning the case to the Second Chamber. The Advocate General is required to submit their conclusions to the Court by March 2026.

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 made it possible to significantly limit the risk of proliferation of disputes regarding objections to fixed instalment repayment methods. The Court of Cassation issued a further ruling on the matter by Order no. 7382 of 19 March 2025 (and by order no. 8322 of 29 March 2025). It found that the principles upheld by the Joint Divisions in their judgment of May 2024 with regard to fixed-rate mortgage loans should also be extended to floating-rate mortgage loans having an annexed amortisation plan.

Disputes relating to CHF loans against the Croatian subsidiary Privredna Banka Zagreb Dd

As noted in the previous financial statements, following an action brought in the past by a local consumer protection association against the subsidiary Privredna Banka Zagreb ("PBZ") and other Croatian banks, the contractual clauses included in loan agreements denominated in, or indexed to, Swiss francs regarding interest rates and the denomination/indexation to the foreign currency, which had been used by the banks in the past, were declared invalid. The former because they allowed a unilateral change in the interest rate and the latter because the banks allegedly failed to properly inform consumers of the potential risks before signing.

As a result of this, over the years, 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.

In 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 subsequent years the number of new cases decreased significantly.

At the end of 2025, the total pending cases amounted to a few thousand. The evolution of case law, which is not uniform, is being continuously monitored.

Disputes against the foreign subsidiary Banca Intesa Beograd (Serbia)

1. Processing Fees

This line of legal disputes involved the entire Serbian banking system, 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 2025, Banca Intesa Beograd had been summoned in around 9,000 lawsuits deemed as having a likely risk (at the end of 2024, these amounted to around 11,000); the related total amounts of principal requested to be repaid by the Bank came to around €0.6 million. 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 2025, 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.

Over time, there has been a significant decrease in these cases. At the end of 2023, the number of pending cases amounted to 1,155, which fell to around 1,000 at the end of 2024, and had decreased even further at the end of 2025 to around 800 lawsuits considered at possible or likely risk; the related total amounts of principal requested to be repaid by the Bank came to around €0.8 million. 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 last year were either won by the Bank or abandoned by the plaintiffs.

During 2026, the situation will continue to be closely monitored, also to assess its significance for periodic disclosure purposes.

Transfer of business units to Isybank – Proceedings of the *Italian Personal Data Protection Authority*

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.

On 3 March 2025, the Bank filed its defence submissions with the Data Protection Authority.

By decision dated 12 March 2026, the Data Protection Authority announced that it had identified breaches of certain GDPR provisions, imposing an administrative fine of €17,628,000 on the Bank, but without ordering the application of corrective measures. On 10 April 2026, the Bank lodged an appeal with the Court of Turin, seeking, in particular, the annulment of the penalty measure on procedural and substantive grounds, and, on an interim basis, the suspension of its enforceability and/or execution.

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. By order of 27 May 2025, the Authority, having concluded the investigation phase, notified the Bank of the breaches of personal data protection regulations that it considers to have been committed in connection with the matter, and further communicated the initiation of proceedings for the adoption of corrective measures and, if deemed applicable, of the penalties under those regulations. In its order, the Authority also acknowledged that the Bank duly complied with the requirements set out in the order of 2 November 2024. The Bank submitted its defence brief on 10 July 2025. The decision of the Authority is being awaited.

Italian Antitrust Authority (AGCM) proceedings against Intesa Sanpaolo RBM Salute (ISP RBM) - 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 its judgments of 30 January 2025, the Court of Justice of the European Union issued its preliminary ruling, where it held that the peremptory 90-day time limit, under Law no. 689/1981, by which the Authority must notify the company concerned of the proceedings against it, is incompatible with EU consumer law. The breach of said time limit was one of the grounds for the Lazio Regional Administrative Court's decision to annul the AGCM's measure. Following the resumption of the proceedings at the request of the AGCM, by order dated 21 October 2025, the Council of State again suspended the proceedings pending the ruling of the Court of Justice of the European Union on two additional preliminary questions raised within other cases, both relating to the 90-day time limit established by Law no. 689/1981. After the Court of Justice's decision on one of the two preliminary questions, and following the AGCM's request to resume the proceedings, the Council of State scheduled a new public hearing to discuss the merits on 15 October 2026.

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.

On 19 July 2024, ISP RBM submitted an appeal to the Lazio Regional Administrative Court, requesting the annulment of the administrative fine.

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. The proceedings before the Lazio Regional Administrative Court are still ongoing and there were no procedural developments during 2025.

Auditors Italiana S.r.l. in compulsory administrative liquidation

In October 2023, 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[39]) before the Court of Rome for alleged damages of over €32 million. 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.

In its defence statement, the Bank raised the preliminary objections, among other things, of its lack of standing to be sued and the expiry of the limitation period, in addition to submitting a series of defence arguments on the merits. Following the filing of the court-appointed expert's report in 2025, a hearing was set in March 2026 for the submission for decision.

Disputes arising from the acquisition of certain assets, liabilities and legal relationships of Banca Popolare di Vicenza S.p.A. in compulsory administrative liquidation and Veneto Banca S.p.A. in compulsory administrative liquidation

By orders issued between June and August 2025, the First Division of the Court of Cassation, upholding the Bank's arguments, ruled favourably in the disputes concerning cases pending as at the date of the transfer (26 June 2017) and involving relationships terminated at that date and non-performing loans, ruling that those disputes come under the "Excluded Disputes", for which Intesa Sanpaolo bears no liability and lacks capacity to be sued.

During the same period, through a further three orders, the Court of Cassation confirmed that the Bank bears no liability and lacks capacity to be sued with regard to disputes concerning the mis-selling of shares/subordinated bonds carried out by the two Veneto Parent Banks.

However, the First Division of the Court of Cassation ruled unfavourably in two cases concerning so-called "linked transactions" brought against Intesa Sanpaolo seeking a declaration of non-existence of the credit transferred to the Bank and relating to the loan "used" to subscribe/purchase shares of the Veneto Banks. The Court adopted an exclusively literal and partial interpretation of certain provisions of Decree Law no. 99/2017, failing to consider the wider legislative and contractual framework, including EU law. Intesa Sanpaolo will continue to assert its lack of capacity to be sued in these disputes, also highlighting the conflict with European Union law (in particular the BRRD directive) and the European Union decisions authorising the operation involving the Veneto banks.

Deiulemar

The Bankruptcy Trustees of Deiulemar Compagnia di Navigazione S.p.A. separately brought proceedings before the Court of Torre Annunziata in 2017 against several banks, including the former Banco di Napoli and the former Banca Intesa (whose proceedings were subsequently consolidated) and UBI Banca. The claims seek to establish alleged liability attributable to failure to comply with anti-money laundering regulations and the principles of professional diligence in the unlawful so-called "irregular bearer bond" transaction.

The sole Director of Deiulemar issued bonds, drawn on personal current accounts held with the banks, that were not approved by the company and therefore not recorded in the financial statements, raising funds from private individuals. According to the counterparty, the banks, in allowing these operations, caused damage to Deiulemar, quantified – with regard to the former Banco di Napoli and the former Banca Intesa – at a total of €36.8 million plus interest. The court-appointed technical expert assessment is currently underway in these proceedings.

In the last quarter of 2025, the Court of Torre Annunziata unexpectedly upheld the claims of the Deiulemar Bankruptcy and ruled on two proceedings brought against another bank and Intesa Sanpaolo

[39] 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.

as successor of UBI Banca concerning relationships transferred to another intermediary before the merger into Intesa Sanpaolo. Despite having applied to be removed from the proceedings and being of the opinion, based on the agreements with the transferee, that it should be indemnified against any charges arising from such a ruling, Intesa Sanpaolo has, on a precautionary basis, lodged an appeal against the ruling before the Court of Appeal of Naples.

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 Proceedings.

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, which were settled through favourable settlement agreements between 2024 and 2025.

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. 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 counterparty has resumed the proceedings. In a ruling issued in January 2026, the Naples Court of Appeal fully rejected the compensation claim lodged by Azzurro 2000 S.a.s., finding that there was no evidence of the alleged damage resulting from the reporting to the Central Credit Register, and jointly ordered all the plaintiffs to pay the costs of all levels of proceedings.

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, 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. At the end of 2025, Azienda Agricola Turelli and Laura Turelli filed a request for interruption of the proceedings in light of the death of one of the parties. At present, the Court of Appeal has not yet issued any measure in this regard.

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, 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.

In 2024, 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, 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.

Following the preliminary hearing in February 2026, the judge took the case under advisement.

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. 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 is still awaiting judgement.

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 the action against the two companies having regard to the different roles played by each in the management of the investment funds: (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 1 November 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, plus interest and costs.

SGR and ECRA rejected all the plaintiffs'arguments, including their calculation of damages, and asked the court to reject all the plaintiffs' claims, on grounds considered valid in fact and in law in support of the termination of the agreements by SGR.

The latter 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. After a lengthy adjournment ordered by the court, at the first hearing held in January 2026 the court invited the parties to settle the dispute by proposing a settlement arrangement providing for payment by SGR and ECRA of an amount corresponding to the total costs incurred in both levels of proceedings.

Iter Capital Partners S.r.l. and its Professionals did not consider it appropriate to accept the settlement proposal put forward by SGR and ECRA. The court then reserved the right to issue a decision concerning the continuation of the proceedings.

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. The proceedings also involve the Swiss bank Cramer & Cie. Neither Fideuram ISPB nor ISP were 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.

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 preliminary investigation judge (GIP) 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.

By judgement of 13 March 2025, the preliminary investigation judge (GIP) of the Court of Milan, accepting the plea bargain request submitted by Reyl, imposed a fine of €267,000 and ordered the confiscation of €722,802.40.

The Court of Milan authorised the release of the amounts seized from Reyl, and by order dated 25 November 2025 the Public Prosecutor of the Canton of Ticino ordered the lifting of the seizure of those amounts.

IMI/SIR

Following the final judgment in 2006 establishing the criminal liability of the corrupt judge Metta (and his accomplices 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 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 the point above, 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 in December 2022 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 2023 ruling. The Prime Minister's Office and Giovanni Acampora filed an appearance in the review proceedings, responding to the arguments submitted by the Bank. The case was adjourned to September 2026 for the closing arguments.

At the end of 2023, the Bank brought proceedings before the Tax Court to demand the refund of €33.2 million 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 2024, as at 31 December 2025 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

At Group level (considering the subsidiaries consolidated on a line-by-line basis), the total value of the claims for tax disputes (taxes, penalties and interest) was €138 million at the end of 2025, down by €17 million on €155 million in 2024. The Group's tax litigation risks are covered by adequate provisions to the allowances for risks and charges of €55 million in 2025 (€51 million in 2024).

The Parent Company had 386 pending litigation proceedings (429 as at 31 December 2024) for a total amount claimed (taxes, penalties and interest) of €77.7 million (€107.9 million as at 31 December 2024), considering both administrative and judicial proceedings at various instances.

In relation to these disputes, the actual risks were quantified at €37.4 million as at 31 December 2025 (€40.4 million as at 31 December 2024).

Compared to 31 December 2024, for the Parent Company, the main events that gave rise to significant changes in the amounts claimed (-€30.2 million) include:

– an increase (around €4.9 million) attributable to:
  - €2.7 million for new disputes concerning municipal property tax (IMU) on both terminated and current lease contracts;
  - €0.6 million relating to new disputes concerning mortgage and land registry taxes;
  - €0.6 million for new disputes concerning registration tax, of which €0.4 million for registration

tax on judicial documents;

- €0.5 million concerning the long-standing claim by the Portuguese tax authority on the discontinued Sanpaolo IMI Bank International S.A. (based in Madeira). The increase in the claim amount was due to the accrual of interest at the rate established under Portuguese law on the principal amount of the tax claim (the alleged omitted withholding taxes);
- €0.4 million for additional interest accrued on outstanding disputes;
- €0.1 million for additional new residual cases;

– a decrease (around €35.1 million) attributable to:

- €14.8 million due to the favourable conclusion of a dispute concerning the registration tax arising from the reclassification of a transfer of a business to Cariparma, followed by the transfer of the shareholding to Credit Agricole, as a sale of a business, of which €9.9 million for tax and the remainder for interest;
- €6.5 million in relation to the Banco Sudameris Brasil - Direct taxes year 1995 case, due to the reduction of the claim amount (security deposit made in Brazilian real as required by the Brazilian regulations) as a result of the depreciation of the Brazilian real against the euro;
- €5.5 million relating to the dispute concerning the former Leasint – VAT on reclassification of nautical lease contracts – years 2005 and 2006;
- €4.8 million due to the closure of disputes regarding registration tax on: judicial documents (€2.2 million); real estate sales (€0.6 million); the reclassification into a business sale of a business contribution followed by the sale of the equity investment (€0.2 million); higher business sale value (€1.7 million); and declaration of deeds (€0.1 million);
- €2.9 million due to closures of disputes concerning IMU on both terminated and current lease contracts;
- €0.5 million in relation to the inspection concerning the former UBI Management Company;
- €0.1 million for the closing of additional cases with a low individual amount.

Again with respect to 31 December 2024, for the Parent Company, the main changes in the allowance for risks and charges including legal expenses (-€3 million) were:

– an increase (around €7.6 million) attributable to:

- €5.5 million relating to the Banco Sudameris Brasil – direct taxes for the year 1995 case, as a supplementary provision to fully cover the risk of an adverse outcome in respect of taxes, penalties and collection charges;
- €0.6 million for new disputes concerning mortgage and land registry taxes;
- €0.5 million to cover the increase in the claim amount relating to the dispute with the Portuguese tax authorities concerning the discontinued Sanpaolo IMI Bank International S.A. (based in Madeira);
- €0.5 million for disputes concerning IMU on both terminated and current lease contracts;
- €0.5 million for legal expenses and additional interest accrued on outstanding disputes;

– a decrease (around €10.6 million) attributable to:

- uses (around €1.1 million) of which:
    - €0.6 million for closure of dispute concerning the former Leasint – VAT on reclassification of nautical lease contracts – years 2005 and 2006;

    - €0.4 million for payment of defence fees (legal expenses);
    - €0.1 million for closure of disputes concerning IMU on terminated lease contracts;
  - releases of provisions to the income statement (around €9.5 million) of which:
    - €5.0 million relating to the dispute concerning the former Leasint – VAT on reclassification of nautical lease contracts – years 2005 and 2006;
    - €2.4 million for closures of disputes concerning IMU on both terminated and current lease contracts;
    - €1.7 million for closure of disputes concerning registration tax on higher value for business transfers;
    - €0.2 million for closure of disputes regarding registration tax on reclassification into business sale of a business contribution followed by the sale of the equity investment;
    - €0.1 million for closure of disputes regarding registration tax on real estate sales;
    - €0.1 million for defence fees not due.

At the other Italian Group Companies, tax disputes totalled €38.2 million as at 31 December 2025 (€38.7 million as at 31 December 2024), covered by specific provisions amounting to €12.3 million (€5.3 million as at 31 December 2024).

The change in the claim amount compared to 31 December 2024, amounting to an overall decrease of €0.5 million (an increase of €9.3 million and a decrease of €9.8 million), was attributable to:

- +€0.4 million for a new dispute involving Intesa Sanpaolo Protezione (as the absorbing company of Intesa Sanpaolo RBM Salute) for the year 2023, regarding the insurance tax on policies covering the risk of “loss of employment”;
- +€1.5 million for new claims against Intesa Sanpaolo Assicurazioni (as the absorbing company of Intesa Sanpaolo Life DAC) for the years 2019 to 2022 regarding tax monitoring obligations on life insurance policies;
- +€7.4 million for new disputes involving Eurizon Capital SGR for the year 2019 (draft deeds) and prospective disputes for the years 2020 to 2025;
- -€9.6 million for the Cargeas dispute regarding the insurance tax on insurance policies covering the “loss of employment” risk, closed through settlement agreements in 2025;
- -€0.2 million for a tax assessment notice served on Intesa Sanpaolo Assicurazioni for withholding taxes (and related penalties and interest) for the year 2020 regarding the absorbed company Bancassurance Popolari (BAP), almost entirely subject to cancellation.

The change in the provision with respect to 31 December 2024, with an overall increase of €7 million, refers to:

- +€0.1 million for the claim against Intesa Sanpaolo Assicurazioni (as the absorbing company of Intesa Sanpaolo Life DAC) for the year 2018 regarding tax monitoring obligations on life insurance policies;
- +€0.2 million for the dispute concerning the failure to withhold 27% of the interest accrued in 2014 and 2015 on foreign bank accounts held at Fideuram Bank (Luxembourg) by two “historical” Luxembourg mutual funds;
- +€6.7 million for new claims against Eurizon Capital for the year 2019 (draft notices) and prospective claims for the years from 2020 to 2025.

The tax disputes as at 31 December 2025 for the international companies amounted to a total claim amount of €22.1 million (€8.3 million as at 31 December 2024), covered by provisions of €6.5 million (€5.9 million as at 31 December 2024).

The increase in the claim amount (€13.8 million) was mainly attributable (€12.8 million) to a dispute concerning First Bank (formerly Piraeus Bank Romania), merged into Intesa Sanpaolo Bank Romania in 2025; see below for details.

The provision remained substantially stable (up by €0.6 million).

Information is provided below on the most significant disputes currently pending or closed during the year, as well as other significant administrative measures served or issued during the year.

Parent Company

Banco Sudameris Brasil - Direct taxes year 1995 (PDD1 dispute)

With regard to the dispute with the Brazilian tax authorities (value of around €35 million), concerning taxes on income and social security contributions for the year 1995 for the company Banco Sudameris Brasil (now Banco Santander Brasil) – better known as the "PDD1 dispute" – the proceedings are pending in second instance. The proceedings were adjourned several times.

As disclosed in the notes to previous financial statements, the dispute originated from the deduction of write-downs of bad loans by the former subsidiary Banco Sudameris Brasil (now Banco Santander Brasil – hereinafter also referred to as "the company" or "the Brazilian bank") in its 1995 tax return. Specifically, the matter concerns the right to deduct the "PDD" write -downs (Bad Debt Provisions) for IRPJ (Corporate Income Tax) and CSLL (Social Contribution on Net Income) tax purposes, in accordance with the tax rules introduced in 1990, rather than under the more onerous rules in force from 1995 onwards.

The tax assessment notice served by the Brazilian tax authorities in 1997 was appealed (upon payment of a judicial deposit of BRL 74 million) and gave rise to the first administrative proceedings concerning the deductibility of the write-downs. While the proceedings were ongoing, and in order to resolve the dispute, in 1999 the Brazilian bank, in agreement with the Brazilian tax authorities, entered into a tax settlement agreement ("REFIS" under Article 17 of Brazilian Law 9779 of 1999), which provided for payment of just the tax, without penalties or interest.

However, in 2001, the local tax administration declared the settlement ineffective through a further assessment notice, due to an alleged shortfall in tax paid. As a result, the company was again deemed liable for the amount originally assessed in 1997 (net of the amount settled under the tax settlement agreement), including penalties and interest (totalling BRL 32 million). The Brazilian tax administration argued that the calculation of the tax under the 1995 settlement had not taken into account that the correct CSLL rate applicable to banks was 30% (and not 10%, as argued by the company) and that the CSLL could not be deducted from the IRPJ taxable base. The Brazilian bank also appealed this notice to challenge the unlawful disallowance of the tax settlement agreement. Following this challenge, the Brazilian tax authorities retained BRL 15 million of the original judicial deposit of BRL 74 million.

The first set of proceedings concluded with a ruling by the administrative court of second instance (CARF). The court held that it was required to rule solely on whether default interest was due in the case of a judicial deposit by the taxpayer and acknowledged the existence of the deposit, ruling that no interest was payable. It did not rule on the merits. In the second set of proceedings, the CARF again upheld the Brazilian bank's appeal, confirming the validity of the tax settlement agreement and therefore ruling that the claim by the tax authorities was entirely unfounded both in respect of the principal (IRPJ and CSLL) and penalties and default interest.

Those decisions were not appealed by the Brazilian tax authorities. However, in 2011, they issued a payment order against the bank for tax, interest and penalties totalling BRL 157 million. In order to avoid enforcement proceedings and bring the matter before the civil courts, the Brazilian bank paid the full amount in dispute by way of a judicial deposit (currently standing at BRL 281 million, prudently recognised in ISP's accounts at BRL 216 million as at 31 December 2020, equivalent to €35 million as at December 2025). This sum was advanced by Intesa Sanpaolo to Santander Brasil and, under the most recent settlement agreement, has been recognised as due to the Parent Company if and to the extent the tax litigation is decided in the taxpayer's favour.

The above-mentioned payment order gave rise to ordinary civil litigation that is currently pending before the Court of Appeal, following an appeal lodged by the Brazilian bank on 10 May 2021 against the ruling of the court of first instance, which was almost entirely unfavourable (reducing the assessment from BRL 32 million to BRL 27 million in tax, plus penalties and interest now totalling BRL 164 million).

The main grounds of appeal against the first instance decision are the following:

a. the Brazilian bank and the tax authorities entered into a tax settlement agreement in respect of the claim for 1995 and, as a result, no further claims may be made in this regard. According to the tax authorities, the settlement could be reopened in light of a newly discovered fact that was not known at the time of the agreement, namely that the Brazilian bank, instead of rectifying 1995 directly, had carried forward the PDD write-downs for taxation in 1997, when it posted a loss. However, as observed by the bank, the adjustment for 1997 was known to the tax administration and, therefore, the additional claim after the settlement agreement was not due to a factual error but a legal error on the part of the tax authorities, which is inadmissible under Brazilian law;

b. the court failed to take account of the res judicata effect of the favourable CARF ruling in the first set of administrative proceedings, which held that the Brazilian tax authorities' claim was no longer valid;

c. furthermore, the court failed to recognise the binding effect of the CARF ruling in the second set of administrative proceedings, which expressly ruled that default interest was not due. According to the civil court, the second set of proceedings concerned only the tax payable determined in 1997, partially covered by a judicial deposit by the Brazilian bank, and not the interest accrued in connection with the increased claim arising from the 2001 assessment. Moreover, on the basis that the CARF decision was not sufficiently detailed or reasoned, the court held that the lack of an appeal by the Brazilian tax authorities did not prejudice the public interest in collecting the assessed amount;

d. on a strictly subsidiary basis, the calculation of additional taxes, interest and penalties payable, as determined in the first instance decision, is flawed in that it did not properly take account of the residual judicial deposit of BRL 15 million made by the Brazilian bank in 1997. The court erroneously identified October 2009 as the date for offsetting the deposit against the liability to the tax authorities, on the basis that it was only from that date that the deposit came under the management of the Italian Treasury. The Brazilian bank instead considers that the appropriate reference is 2000, when the Federal Savings Bank formally acknowledged the existence of the deposit. As a result, no interest (or default charges) should accrue from that date, since the existence of the deposit excludes their accrual by law. The Brazilian bank also contests the method for updating the deposit, maintaining that a more favourable rate than that proposed by the Brazilian tax authorities and accepted by the court should be applied.

Finally, in 2022 an opinion was issued by Professor Tercio Sampaio Ferraz, a lawyer, emeritus professor at the University of São Paulo and renowned Brazilian constitutional law expert, confirming both the definitive nature of the 1995 tax settlement agreement and the final and unchallengeable status of the administrative dispute decided in favour of the taxpayer by the two CARF rulings.

For this position, in the fourth quarter of 2025, an additional provision of €5.5 million was recognised (compared to €8 million as at 31 December 2024), fully covering the value of the guarantee deposit corresponding to the assessed higher taxes, penalties and enforcement costs. Based on the above analysis of the merits, and notwithstanding the complexity of the dispute and the Brazilian judicial system, the risk of non-recoverability of the guarantee deposit appears significantly lower in respect of default interest, compared to the other elements of the assessment, due to the existence of two administrative rulings in favour of the bank, including one specifically concerning interest. For tax, penalties and enforcement charges, the risk has prudently been assessed as likely (and accordingly fully provisioned based on the December 2025 exchange rate), given the fewer supporting legal arguments available, the protracted duration of the proceedings (now spanning almost thirty years), as well as the failure of alternative dispute resolution measures, which had seemed imminent at the start of 2025, to materialise.

Former Sanpaolo IMI Bank International S.A. (Madeira – Portugal) – Withholding taxes for the years 2002 to 2004

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 €14.3 million). Originally, the disputed amounts totalled €28 million, which were reduced during the course of the proceedings.

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.

The dispute is currently pending at first instance for the years 2002 and 2004, following the referral by the Portuguese Supreme Administrative Court for the re-examination of the evidence submitted by ISP in the proceedings and not duly taken into consideration. The case for the year 2003 is still pending before that Supreme Court.

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.

Intesa Sanpaolo – Registration tax on sale of a business unit to Banca Popolare di Puglia e Basilicata (BPPB)

This dispute concerns the assessment of a higher registration tax (claim amount of €1.8 million plus interest), for the value of the business unit (17 former UBI Banca branches) sold by Intesa Sanpaolo to BPPB in 2021. At second instance, the Tax Court upheld the Italian Revenue Agency – Milan II Provincial Directorate's appeal and overturned the lower court ruling in favour of BPPB and Intesa Sanpaolo. On 29 August 2025, a payment notice was served for provisional collection of the remaining amount due following the second instance ruling, for a total of €1.58 million (€592 thousand for taxes, the same amount for penalties and the remainder for interest), of which €1.22 million is payable by BPPB, under the contractual agreements. Accordingly, Intesa Sanpaolo paid the notice on 24 October 2025, receiving a credit from BPPB for its share on 28 October 2025. Both banks have filed an appeal with the Court of Cassation.

No provision has been made for this position as the risk of liability has been assessed as possible, also in light of the opinion issued by the counsel appointed by Intesa Sanpaolo to appear before the Court of Cassation, who noted that the reasoning of the appellate ruling is, on the one hand, contradictory (it admits the existence of negative goodwill, as the difference between the transferred net assets and the market value of the business unit, but nonetheless upholds the Italian Revenue Agency's appeal) and, on the other hand, questionable for having endorsed the valuation of the business based on coefficients applied by the Agency to the direct and indirect deposits of the transferred branches, a methodology no longer appropriate to the changed economic conditions in 2021.

Intesa Sanpaolo – Mortgage and land registry taxes on sale of property in Cosenza

On 3 February 2025, the Italian Revenue Agency – Provincial Directorate of Cosenza issued an enforcement order concerning a notice of assessment for mortgage and land registry taxes (claim of €0.6

million) on the sale to third parties of the property located in Cosenza, Viale Crati (the headquarters of the former Banca Carime), adjusting the sale value.

Intesa Sanpaolo challenged the payment notice containing the enforcement order before the First Instance Tax Court of Cosenza, requesting its joint examination with appeal against the original notice of assessment. By rulings filed on 23 September 2025, the notice of assessment and, consequently, the payment notice were annulled. The Agency lodged an appeal against the ruling concerning the payment notice, in relation to which ISP filed its own counterarguments on 27 December 2025 with the Second Instance Tax Court of Calabria.

Given that this is a dispute concerning technical and valuation issues (higher market value of the property compared to the sale price, used as the taxable base for the taxes), in which the Agency used a comparative approach with transactions involving offices in the same area and period, and for which expert valuations exist indicating that the value of the property is lower than the amount assessed but higher than the purchase price, any estimate regarding a positive outcome of the dispute is considered uncertain. Accordingly, on a prudent basis, the risk of liability has been assessed as likely and therefore the claim amount has been fully provisioned.

Intesa Sanpaolo – Registration tax on the decree of the Civil Court of Milan

On 24 January 2024, the Italian Revenue Agency – Provincial Directorate of Milan issued a payment notice for registration tax of €0.6 million relating to a Court of Milan decree admitting Intesa Sanpaolo as a creditor in the insolvency of a company under extraordinary administration for a principal amount of €200 million, plus compensatory and default interest. The Agency quantified the latter at €59 million and, based on this, determined a 1% registration tax (judicial acts recognising property rights) of €0.6 million. Intesa Sanpaolo challenged the notice by appeal filed on 2 April 2024 at the Milan First Instance Tax Court. The Court rejected the appeal by ruling filed on 4 November 2024, against which the Bank lodged an appeal on 28 January 2025 with the Lombardy Second Instance Tax Court. The Italian Revenue Agency has filed its own counter-appeal.

No provision has been made for this position as the related payment has already been expensed in the income statement.

Intesa Sanpaolo – Registration tax on the judgment of the Civil Court of Lecco

On 4 December 2023, the Italian Revenue Agency – Provincial Directorate of Lecco issued a notice of assessment for registration tax (claim of €0.5 million) relating to a 2022 injunction issued by the Civil Court of Lecco ordering an industrial company to pay Intesa Sanpaolo – as assignee of the receivable for (non-financial) lease payments on the building where the company has its production plant – a total of €13.2 million plus VAT and interest on arrears. The notice was challenged within the legal deadlines by objecting, inter alia, to the proportional 3% registration tax on the lease payment order, for infringement of the principle that VAT and registration tax are mutually alternative taxes.

By judgment filed on 14 June 2024, the first instance Tax Court of Lecco upheld the Bank’s action, fully annulling the challenged notice and ordering the Agency to pay the costs. The Agency lodged an appeal with the Second Instance Tax Court of Lombardy, which dismissed it by ruling filed on 31 March 2025, upholding the first instance decision. The Italian Revenue Agency, through the State Attorney’s Office, filed an appeal with the Court of Cassation on 28 May 2025, to which Intesa Sanpaolo responded with its defence statement filed on 7 July 2025.

No provision has been made for this position as the related payment has already been expensed in the income statement.

The following Parent Company disputes were settled in 2025.

Former Cariparma – Registration tax on reclassification as a sale of the transfer of a banking business and subsequent sale of equity investments to Credit Agricole.

On 6 March 2014, the Italian Revenue Agency – Provincial Directorate II of Milan served a payment notice for registration tax (claim amount of €14.8 million, of which €9.9 million for tax and €4.9 million for interest) reclassifying the transfer of the business line (bank branches), from ISP to Cassa di Risparmio di Parma e Piacenza on 13 May 2011 and the subsequent sale of the shares issued in return for the contribution from ISP to Credit Agricole, as a sale of a business unit.

Intesa Sanpaolo obtained favourable rulings both at first and second instance in 2016 and 2018, respectively. Following the Agency's appeal to the Court of Cassation, the Court issued a proposal for settlement of the dispute under Article 380-bis of the Italian Code of Civil Procedure, rejecting the Agency’s appeal as unfounded in light of consistent case law holding that, for registration tax purposes, deeds may only be interpreted based on their content, without reference to external acts or factors.

The Agency raised no objection, thereby waiving the appeal, and, consequently, by decree filed on 26 June 2025, the Court of Cassation declared the proceedings closed.

There were no profit or loss impacts, because no provision had been made to the allowance for risks and the amount paid on a provisional basis in April 2014 had already been reimbursed in October 2019.

Former Leasint – VAT on reclassification of nautical lease contracts – Tax years 2005 and 2006

This dispute concerns two VAT assessments for the years 2005 and 2006 (initial claim of €10 million for tax, penalties and interest, later reduced to the current €6 million after the Italian Revenue Agency waived some claims during the proceedings), notified to Leasint S.p.A. (later Mediocredito Italiano S.p.A. – MCI). The Agency reclassified several nautical finance lease contracts as transfers of goods for tax purposes only. The first instance proceedings concluded in 2013 with a ruling in favour of MCI, reversed by the appellate court in 2014, which thus confirmed the assessments. Most recently, the Court of Cassation upheld the appeal by MCI, remanding the case to a different section of the Lombardy Tax Court for a new examination of the merits of the entire dispute. In March 2025, the case was resumed before the Tax Court, which invited the parties to attempt conciliation.

On 14 November 2025, an out-of-court settlement was signed which reduced the claim from 5.5 million to €0.6 million. As a result, the Lombardy Tax Court declared the proceedings closed by ruling of 26 November 2025.

The position had been fully provisioned and, as a consequence of the settlement, around €5 million was released to the income statement.

Registration tax on sale of business unit to former Banca Carige

On 12 March 2010, a notice of assessment for registration tax was served regarding a business unit (bank branches) sold by Intesa Sanpaolo to Banca Carige, for a total of €3.2 million. Pending the legal proceedings, the Bank paid two-thirds of the tax (€2 million), plus interest, on a provisional basis. Following the adverse outcome of the dispute, the remaining amount (€1 million for tax, plus interest) was prudently provisioned. This amount is now no longer payable due to the ten-year statutory limitation and has therefore been released.

Former Banca Apulia – Registration tax on ruling of the Civil Court of Bari

Regarding the payment notice served on 8 August 2024 for registration tax of €1.1 million relating to a 2023 ruling of the Court of Bari, which was appealed at first instance, Intesa Sanpaolo subsequently accepted a settlement proposal from the Italian Revenue Agency, which recognised that the assessed tax had been unduly charged, limited to the amount of €262 thousand. As a result, the proceedings were declared terminated by ruling of 11 February 2025 by the First Instance Tax Court of Bari, which became final on 11 September 2025.

The remaining claim amount, with respect to one cancelled during the conciliation process, represents a receivable from the former Veneto Banca in compulsory administrative liquidation, as the case is fully indemnifiable under the compulsory administrative liquidation procedure.

With regard to Intesa Sanpaolo's international branches, the following is noted.

Concerning the audit initiated following the questionnaire received on 4 January 2023 by the London branch from the UK Revenue Agency regarding the 2020 tax year, in its latest request in February 2025 – answered on 25 April 2025 – the HMRC narrowed its investigation to the provision of services/transfer of goods between the London branch of Intesa Sanpaolo and other Group entities and to the level of the branch's own funds. With exclusive reference to this last aspect, in June the HMRC challenged the allegedly excessive size of the branch's endowment fund, resulting in the undue tax deduction of "notional" interest for the years 2020 to 2022 (estimated higher taxes of around €2.8 million). On 11 July, the branch replied to the observations made by the local authority, indicating its willingness to consider settling the potential dispute without the application of penalties and by offsetting previous taxes paid in excess. The HMRC replied by communication of 3 December 2025 accepting the proposal for additional tax of around €2.8 million plus interest, with no penalties.

With regard to the New York branch, the audit, notified in July 2021, conducted by the City of New York, with regard to the tax periods 2018 and 2019, closed without any claims.

A claim was also brought against the former New York representative office of CR Firenze for failure to file a tax return for tax year 2015 (estimated charge of approximately €1,600). Since the representative office was closed down in 2010, the New York branch of ISP submitted a reply on 19 December 2024 to the State of New York to have the claim cancelled, to which the US authority has not yet responded.

The tax audit initiated in 2021 on the Munich branch of UBI Banca for the years 2015 to 2018 was closed in February 2025 without any findings for the years 2015 to 2017. In March 2025, the Munich Tax Office requested details and documentation on VAT for the year 2018, which the Bank delivered between the end of March and the beginning of April.

No claims have been made for the time being.

The tax audit of the Frankfurt branch for the year 2019, concerning income tax, which started in June 2024, was closed without any findings in February 2025. In March 2025, the Frankfurt branch underwent a new tax audit in connection with income taxes relating to the tax years 2020-2022: no findings have been reported at this stage.

In August 2024, a tax audit was launched for tax periods 2021-2023 on the Shanghai branch. The branch settled the findings with a total outlay of €44 thousand for minor irregularities relating to VAT and individual income tax on health benefits provided to employees of the branch.

In May 2024, a tax audit was initiated for tax periods 2019/2020, 2020/2021 and 2021/2022 on the Hong Kong branch. The local tax authorities analysed the methods used to determine the branch's taxable income following the implementation of the "Authorized OECD Approach" (AOA), which provides a systematic methodology for attributing profits to a permanent establishment under Article 7 of the OECD Model Tax Convention. The audit concluded with a challenge concerning part of the interest expense deducted by the branch. For the three years in question, additional tax of around €1.7 million was assessed, which has been fully provisioned, as the branch is considering settling the potential dispute with the local tax authorities without the application of penalties and interest.

Italian Group Companies

Intesa Sanpaolo Private Banking – IRES (corporate income tax) and IRAP (regional production tax) on the tax deductibility of amortisation of realigned goodwill – Tax years 2012, 2016 and 2020

With regard to the Intesa Sanpaolo Private Banking ("**ISPB**") dispute relating to the notice of IRES (corporate income tax) and IRAP (regional production tax) tax assessment (also notified to Intesa Sanpaolo 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 Intesa Sanpaolo and ISPB) against the unfavourable first instance ruling (higher taxes of €4 million, plus penalties of the same amount and interest). The judgement has been appealed by means of a notice of appeal to the Court of Cassation served on 4 March 2025.

The same dispute is ongoing for the year 2012 (higher taxes of €3.9 million, 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), on the other hand, disputes were settled with the procedure under Law no. 197 of 29 December 2022 ("**2023 Budget Law**"), known as “tax truce”.

No provision has been made for pending disputes, based on the opinion issued by the advisor appointed, which assessed the risk of an adverse outcome as being possible, but not likely, due to the lawfulness of realigning the tax value of the goodwill newly generated for the transferee, which was expressly acknowledged by the Italian Revenue Agency in Circular no. 8/E of 2010 and is consistent with the provisions of Article 15, paragraph 10 of Decree Law no. 185/2008.

On 18 September 2025, ISPB received notices of proposed assessment for IRES (corporate income tax) and IRAP (regional production tax) regarding the tax deductibility of amortisation of the realigned goodwill for the year 2020, which quantified a higher taxable amount of €1.1 million, resulting in IRES (corporate income tax) and related surcharges of €0.3 million and IRAP (regional production tax) of €0.1 million (plus penalties and interest). ISPB considered it unnecessary to make observations (pursuant to Article 6-bis of Law 212/2000) on the draft assessments, as the issue is already well known and the positions of the Italian Revenue Agency and the Bank are clear. Future assessment notices will therefore be challenged once they have been served.

In relation to the same issue, on 23 December 2025 ISPB, together with ISP as consolidating entity, submitted a claim to the Italian Revenue Agency for a refund for IRES (corporate income tax) for the year 2024 of €1.1 million, as well as separately for additional IRES (corporate income tax) and IRAP (regional production tax) of a further €0.4 million, regarding the share of amortisation of realigned goodwill not deducted in that period. Since 2024 these amounts have no longer been deducted, thereby giving rise to refund claims for the excess tax paid.

Fideuram Intesa Sanpaolo Private Banking – Withholding tax on interest on foreign bank accounts – Tax years 2009, 2010 and 2011

For Fideuram – Intesa Sanpaolo Private Banking (hereinafter Banca Fideuram), on 3 June 2025 the hearing was held at the Court of Cassation concerning the three pending lawsuits regarding 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 “historical” Luxembourg mutual funds (Fonditalia and Interfund SICAV), for which Banca Fideuram was only the placement bank and correspondent bank in the years under tax assessment (total value of the disputes of €9.3 million). By rulings filed on 4 August 2025, the Court of

Cassation upheld two appeals relating to the 2009 and 2010 tax years, referring the cases back to the court of appeal, before which Banca Fideuram will appear within the statutory deadline.

With regard to these disputes, the provision of €5 million previously made (plus €0.2 million for interest) has been prudently maintained, as the Court of Cassation ruled on certain points of law but remitted to the lower court the determination of Banca Fideuram's actual involvement in the placement of the mutual funds, which will determine the outcome of the dispute.

Fideuram Intesa Sanpaolo Private Banking (Banca Fideuram) – Waste Tax (TARI) and Environmental Services Tax (TEFA) – Tax years 2019/2024

On 24 October 2025, the Municipality of Rome served Banca Fideuram with two tax assessment notices regarding the waste tax (TARI) and environmental services tax (TEFA), for a total amount of €0.6 million (plus interest and penalties), alleging failure to file the TARI declaration and non-payment of the tax for the years from 2019 to 2024.

Banca Fideuram initially (on 31 October 2025) submitted requests for annulment in self-defence (autotutela), pointing out that the properties were recorded in the systems of the Rome Administration, as evidenced by payment reminders received, demonstrating that the alleged TARI declaration omissions did not occur. Having received no response, Banca Fideuram filed appeals against the two notices on 19 December 2025, pointing out, among other things, that the tax for the contested years

had been paid by the Parent Company, where the Municipality – at the time of the establishment of the Intesa Sanpaolo VAT

Group on 1 January 2019, of which Banca Fideuram is also a member – probably mistakenly replaced Banca Fideuram with the Parent Company Intesa Sanpaolo as the TARI taxpayer.

No provision has been made in relation to this dispute as the risk of an adverse outcome is considered possible but not likely, because the assessed tax was paid by the Parent Company under the existing service arrangement with Banca Fideuram.

Cargeas Assicurazioni – Tax on insurance policies covering the risk of loss of employment – Tax years 2010/2018

Cargeas Assicurazioni – merged into Intesa Sanpaolo Assicura, now 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 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%. The disputes, for a total claim amount of €9.6 million (tax €2.8 million, interest €1.1 million, and penalties €5.7 million) were settled during the year through settlement agreements with a total outlay of €0.7 million.

Intesa Sanpaolo Assicura – Tax on insurance policies covering the risk of loss of employment – Tax year 2012

Regarding the same matter concerning Cargeas Assicurazioni described above, in May 2023 the Italian Revenue Agency notified a tax assessment for the year 2012 to Intesa Sanpaolo Protezione (formerly Intesa Sanpaolo Assicura) for a claim amount of €1.2 million (tax €0.3 million, penalties €0.8 million, plus interest of €0.1 million). The assessment was appealed in September 2023, which was accepted by ruling in 2024 of the First Instance Tax Court of Turin. The Italian Revenue Agency filed an appeal served on 20 February 2025, which Intesa Sanpaolo Protezione responded to with counterarguments on 10 April 2025.

No provision has been made for this dispute, based on the opinion of the advisor, who considers the risk of an adverse outcome to be possible but not likely.

Intesa Sanpaolo RBM Salute – Underpayment of insurance tax – Tax year 2023

In addition, on 3 March 2025, Intesa Sanpaolo Protezione (as the absorbing company of Intesa Sanpaolo RBM Salute) received a payment notice for the 2023 tax year (penalty of €0.4 million and interest of €37 thousand) for the alleged underpayment of the advance on the insurance tax for employment risk coverage. The company’s appeal was upheld by the First Instance Tax Court with a ruling issued on 19 December 2025, and the time limit for an appeal by the Italian Revenue Agency has not yet expired.

No provision has been made for this dispute, as the risk of an adverse outcome is considered possible but not likely.

Intesa Sanpaolo Life DAC – Tax monitoring – Tax years 2018/2022

As already reported in the Notes to the consolidated financial statements as at 31 December 2023 and 2024, on 29 November 2023, the former Intesa Sanpaolo Life DAC – an insurance company incorporated under Irish law (hereafter ISL) absorbed by Intesa Sanpaolo Vita, now Intesa Sanpaolo Assicurazioni – received a summons from the Guardia di Finanza (Italian Tax Police) to provide clarifications regarding tax monitoring requirements. Following the merger, this notice was renewed for the absorbing company Intesa Sanpaolo Vita (now Intesa Sanpaolo Assicurazioni) for the years 2018-2022.

Through a brief dated 25 January 2024 and in subsequent meetings with the auditors, the company reiterated all the reasons why ISL should not be considered subject to the compulsory tax monitoring obligations.

On 13 December 2024, the Italian Revenue Agency – Provincial Directorate I of Milan issued a first tax assessment notice for the year 2018 for alleged violation of the above-mentioned tax monitoring obligations by ISL, quantifying a penalty of €0.6 million, against which Intesa Sanpaolo Assicurazioni submitted its defence pleadings on 11 February 2025.

On 12 November 2025, a further 4 tax assessment notices were served for the years from 2019 to 2022, quantifying a total penalty of €1.6 million (€0.5 million for 2019, €0.5 million for 2020, €0.3 million for 2021 and €0.3 million for 2022). Intesa Sanpaolo Vita will submit specific defensive submissions against these notices within the statutory time limit. No provision has been made in respect of these latest tax assessment notices, as the risk of an adverse outcome is considered possible, but not likely.

Eurizon Capital SGR – transfer pricing – Tax year 2019

On 16 and 17 December 2025, the Italian Revenue Agency – Regional Directorate of Lombardy served two draft tax assessment notices on Eurizon Capital SGR for IRAP (regional production tax) relating to the merged Epsilon SGR for a total of €1.4 million and, together with the consolidating company ISP, two draft notices for IRES (corporate income tax) relating to Eurizon Capital and Epsilon for a total of €6 million.

The higher IRES and IRAP assessed in the draft tax assessment notices refer to the 2019 tax year and relate to alignment with the arm’s length values of the transaction concerning the service – provided by Eurizon Capital SGR and Epsilon – of delegated management of several UCIs (Undertakings for Collective Investment) established by the former Luxembourg subsidiary Eurizon Capital S.A. and, for Eurizon alone, of several unit-linked policies established by Intesa Sanpaolo Life DAC (Ireland) and delegated by the latter to Eurizon Capital S.A., which in turn had sub-delegated the management to Eurizon Capital SGR.

These draft notices follow questionnaires served by the Regional Directorate of Lombardy on 11 July 2025 to which Eurizon Capital SGR responded within the established time limit.

As previously reported, for the 2018 tax year the same issue was settled by the signing of agreements to the IRES and IRAP assessments on 24 April 2024 (see the notes to the 2024 consolidated financial statements), according to an approach which, if applied to the 2019 tax year, would result in additional IRES and IRAP totalling €2.5 million compared with the abovementioned total of €7.4 million. Consequently, Eurizon Capital SGR will propose to the Regional Directorate of Lombardy that the 2019 tax year be settled on the same conditions as 2018 and consequently to eliminate/reduce the double taxation by initiating a mutual agreement procedure in accordance with Article 3 of Legislative Decree 49 of 2020 regarding tax dispute resolution mechanisms within the European Union, in line with the procedure already adopted for the 2016-2018 tax years in accordance with Article 26 of the double taxation agreement between Italy and Luxembourg, which was the only procedure available up to the 2018 tax year.

With regard to the years from 2019 to 2025, Eurizon Capital SGR has made provisions of €6.7 million for higher tax and interest, already net of the recovery of the double taxation in Luxembourg, of which €0.9 million relates to the above-mentioned 2019 draft tax assessment notices, with the remainder as an estimate of €5.8 million for the 2020-2025 tax years for disputes that may be settled under conditions consistent with those of the 2018 and 2019 tax years.

International Group Companies

Intesa Sanpaolo Bank Albania

The bank is involved in the following disputes, for which the claim amounts have been fully provisioned: (i) assessment served in 2007 concerning income tax (deduction of cancellation of non-performing loans), arising from a tax audit for the years 2003-2007 on the former Banca Italo Albanese, for €1.5 million, currently pending before the Supreme Court of Albania; (ii) assessment served in 2016 concerning income tax, as a result of a tax audit for the years 2012-2015 on the former Veneto Banka, for €40 thousand, currently pending before the Supreme Court of Albania; (iii) two assessments served in 2023 regarding withholding taxes for 2019: the first for €13 thousand, with an appeal pending before the Court of First Instance – Tax Section, and the second for €154 thousand, with an appeal pending at administrative level; and (iv) assessment served in 2024 regarding withholding taxes for 2019 for €149 thousand, subject of an appeal pending at administrative level.

Intesa Sanpaolo Brasil S.A. – Banco Multiplo

The bank was audited by Receita Federal do Brasil (RFB). The audit was followed by a notice of assessment for direct taxes for the years 2015 and 2016. This dispute mainly concerns the improper use of tax losses carried forward pertaining to Indosuez W.I. Carr Securities Brazil Distribuidora de Titulos e Valores Mobiliarios S.A., which in the opinion of the Brazilian tax authorities could not be used, because they were generated before the reorganisation of Intesa Sanpaolo Brasil S.A. - Banco Multiplo (from broker/dealer of financial products to universal bank), which would have modified both the business activities carried out and the corporate structure. The tax assessment by RFB amounts (at the updated Euro/Real exchange rate) to a total of €2.5 million (principal and interest), for which the company has not made any provision, as it considers the risk of an adverse outcome to be remote, also based on the local counsel's opinion. The first instance administrative proceedings ended unfavourably for the Bank, which appealed to the second instance administrative authority on 14 December 2020. In the event of an adverse outcome, an appeal can be lodged with the judicial authorities.

The Brazilian company also underwent a tax audit by the Sao Paulo City Municipality, which resulted in tax assessments for Imposto Sobre Servicos (ISS) for the years 2016-2021. The total claim amount is

€294 thousand of principal (€146 thousand as at 31 December 2024), plus €29 thousand of interest (15 thousand as at 31 December 2024) – with increases due to two additional assessment notices on 6 May 2025 for the years 2020 and 2021, as well as the EUR/BRL exchange rate effect – against which the company has not made any provision, given that the risk of an adverse outcome is considered to be low, based on the opinion of the local counsel and the circumstance that an independent consultant appointed by the court of first instance has considered the tax treatment applied by the company to be lawful. The company's appeal was upheld by ruling of 11 June 2025, and the time limit for a possible appeal by the Sao Paulo City Municipality has not yet expired.

Alexbank

With regard to Alexbank (Bank of Alexandria), the corporate income tax audit, concerning the 2018 and 2019 tax periods, was settled with the payment of €0.2 million.

In addition, there is a pending dispute at first instance concerning the non-payment of stamp duty for a total amount (at the updated exchange rate) of €0.8 million for the tax periods 1984 – 2006. This potential liability has been fully provisioned.

Intesa Sanpaolo Banka D.D. Bosnia and Herzegovina

The bank underwent an audit by the Indirect taxes BiH office, which was followed by a VAT assessment notice for the period 1 April 2013 - 31 March 2018, served on 11 October 2018. The assessment concerns certain services that according to the tax authority are not VAT-exempt because they are non-financial: i) international services rendered by VISA; ii) services rendered to customers in connection with financial products (e.g. current account balances); and iii) legal services rendered by foreign suppliers. The dispute totals €0.1 million for VAT, penalties and interest, which has been fully provisioned. Intesa Sanpaolo Banka filed an appeal against the notice of assessment on 30 October 2018, which was rejected by the local tax authority. An appeal against the first instance decision was filed in March 2019. In 2021, the first instance tax authority rejected the bank's appeal and the bank appealed to the second instance tax authority, which was rejected by decision in February 2022. The bank filed a complaint with the director of the tax authority in February 2022, which was rejected by a decision of 23 May 2024. The bank lodged an appeal against this decision on 19 July 2024 with the Court of First Instance, which rejected it by ruling of 22 October 2025. The bank lodged a further appeal against this decision on 27 October 2025 with the Court of Appeal, both on the merits and concerning certain procedural defects. The appeal hearing is currently pending.

In addition, the Bank has two other Corporate Income Tax disputes pending for tax years 2004 - 2006, both of which are pending at second instance (the first instance in both cases ended unfavourably for the Bank). Contingent liabilities of €0.3 million arising from the second instance cases have been fully provisioned.

In October 2021, the Bank underwent a new VAT tax audit for tax periods 2018-2021 concerning certain services rendered by Mastercard and Visa in the payment card segment to banks based in Bosnia and Herzegovina, including our Group's bank, which had previously been considered, according to local law and practice, as financial services and consequently VAT exempt.

During the audit, the Bosnian tax authority considered that the services in question could not be classified as financial services and were therefore to be fully taxed for VAT purposes. As a result of this decision, in May 2023 Intesa Sanpaolo Banka received a tax assessment of approximately €0.9 million for additional VAT for the period from April 2018 to August 2021, without default interest. In June 2023, the bank filed an appeal, which was rejected by the same authority in the following August, and received a demand for payment of €0.4 million in default interest, which it promptly paid. The bank appealed to the higher tax authority against the tax assessment of May 2023 and the demand for interest payment of

August 2023. The disputed amounts (€0.9 million for VAT and €0.4 million for interest) have been provisioned.

In light of the position taken by the Bosnian tax authority on the issue, in December 2023 the Board of Directors of Intesa Sanpaolo Banka resolved to set aside €1 million by way of additional VAT for the period from September 2021 to September 2023, plus default interest, and to allocate monthly provisions corresponding to the VAT accrued on services provided in the cards segment by Mastercard and Visa.

As a result, the updated provision totalled €3.3 million, of which €2.7 million for VAT and €0.6 million for interest.

Pravex Bank

The Ukrainian subsidiary has a dispute pending before the Court of Cassation since 2021, after the two lower courts ruled in its favour, concerning the non-recognition of the tax loss of around €4 million carried forward in 2018 from previous years. The tax dispute does not affect the profit and loss account because the company had not recognised deferred tax assets at the time.

First Bank (Intesa Sanpaolo Bank Romania)

With regard to First Bank (formerly Piraeus Bank Romania), merged into Intesa Sanpaolo Bank Romania in 2025, the Romanian tax authority issued a claim against Piraeus Bank Romania in respect of the years 2011-2016 for the improper use of tax losses following a company restructuring in 2013 (claim amount of €7.2 million plus interest) and for adjustments on interest and fees for intragroup transactions allegedly not compliant with local transfer pricing rules (claim amount of €1 million plus interest). In both cases the claims remained confined to the aforementioned tax periods and, therefore, had no consequences for subsequent periods, as they related to (i) extraordinary transactions and (ii) operations subsequently conducted in different ways following changes to the bank's shareholding structure which took place in 2018. The entire claimed amount (€8.2 million for tax and €4.6 million for interest) was paid by the bank in 2018 and subsequently recognised in the income statement, following a 2022 assessment of likely adverse outcome. The dispute is still pending before the Bucharest Court of Appeal, following referral by the local Supreme Court of Justice.

In connection with all the tax disputes outstanding as at 31 December 2025, for a claim, as stated above, of €138 million, of which €77.7 million relating to Intesa Sanpaolo, the Group has recognised receivables of around €42.5 million in its balance sheet assets to account for amounts paid on a provisional basis due to tax assessments, of which €10.6 million related to the Parent Company.

The portion of the allowance for risks, which relates to provisional tax assessments, amounts to around €15 million, of which €6 million for Intesa Sanpaolo.

The provisional payments in question were made in compliance with specific legal provisions, which provide for the mandatory payment based on an automatic mechanism totally independent of whether the related tax claims are actually founded and, thus, irrespective of the higher or lower risk of a negative outcome in the related proceedings. Thus, these payments were made solely because of the enforceable nature of the administrative acts that set forth the related tax claim, which does not lose its effectiveness even in the event of an appeal (no suspensive effect) and has no impact on the assessment of the actual risk of a negative outcome, which is measured using the criterion set forth in IAS 37 for liabilities.

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, together with the CRR II, the "**CRD V Package**") 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, implementing the CRD IV Package and then the CRD V Package, and setting out additional local prudential rules Circular No. 285 has been constantly updated over time, the last updates being the 51th update published on 3 February 2026. 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 second quarter of 2026;

– *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 for 2025 and confirmed that, from 1st January 2026, the Group will be required to maintain an O-SII capital buffer of 1.25%, in line with the buffer level already applicable for 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 SyRB applies to all banks authorised in Italy and is to be applied at the individual and consolidated level.

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. Moreover, on 19 September 2025, Delegated Regulation (EU) 2025/1496 was published in the Official Journal of the European Union, postponing by one additional year – until 1 January 2027 – the date of application of the FRTB. Until then, the current market risk requirements, including the calculation of own funds requirements for market risk, market risk reporting and disclosure requirements, remain applicable.

The main changes CRD VI and CRR III introduce 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.

On 27 August 2025, the Bank of Italy issued the 50th amendment to Circular No. 285, which came into force on 28 August 2025, implementing CRR III into the Italian regulatory framework and containing guidance regarding the exercise of national discretions. Among other things, the Bank of Italy has implemented the discretion provided for in Article 465(5) of the CRR, which allows banks using IRB internal models to temporarily apply - subject to certain regulatory requirements - preferential risk weight factors in calculating the output floor for exposures secured by residential properties. Conversely, it has not exercised the discretion under Article 129(3) of the CRR, pursuant to which competent authorities may allow immovable property to be valued at or at less than the market value, or, in those Member States that have laid down rigorous criteria for the assessment of the mortgage lending value in statutory or regulatory provisions, at the mortgage lending value of that property. As a consequence, new assessment criterion introduced by CRR III will apply.

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.

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 and the Guidelines are applicable from 11 January 2026 to institutions other than small and non-complex institutions, at the latest from 11 January 2027 to small and non-complex institutions.

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. The Securitisation Regulation was subsequently amended by the Regulation (EU) 2021/557 that aimed to extend the European framework for simple, transparent, and standardized securitisations (STS securitisations) to on-balance-sheet synthetic securitisations.

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 systemically 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 26 November 2024, neither the relevant Issuer nor any member of the Intesa Sanpaolo Group has been identified as a G-SIB in the 2024.

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 €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 Securities of a particular Series may be subject to write-down/conversion upon an application of the general bail-in tool while other Series of Securities (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 Securities, 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 Securities 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 Securities, 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 Securities 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 €200,000 for subordinated bonds and other subordinated securities or €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 25 June 2025, the Council and the Parliament reached an agreement on the Commission proposal to review the CMDI package. The reform aims to enhance the ability of resolution authorities to manage the failure of small and medium sized banks by broadening the scope of resolution to include these banks when it serves the public interest. This will enable more banks to undergo an orderly exit, such as a sale to another bank, rather than being liquidated, thereby minimising economic disruption in the event of bank failures. The reform will also strengthen depositor protection across the European Union. The co-legislators are expected to finalise the legal text at technical level before formally adopting the new framework.

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. Directive (EU) 2021/2167 has been implemented in Italy with legislative decree n. 116 of 30 July 2024.

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 2025 and 31 December 2024 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 2025 (the "**2025 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 2024 (the "**2024 Audited Financial Statements**").

Incorporation by Reference

The audited consolidated annual financial statements as at and for the years ended 31 December 2025 and 31 December 2024 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 Standards - 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 2025 – 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 2025.

A summary of the endorsing Regulations in force since 2024 is provided below (for more details please refer to "*Notes to the consolidated financial statements – Part A – Accounting policies*" of the 2024 Annual Report and the 2025 Annual Report).

IFRS endorsed as at 31.12.2024 in force since 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. 262/2005, 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.

IFRS endorsed as at 31.12.2025 in force since 2025:

- **Regulation 2862/2024** of 12 November 2024: this Regulation contains small amendments to IAS 21 specifying when a currency is exchangeable into another currency and how to determine the exchange rate when it is not and the disclosure required. The amendments mainly include the introduction of the definition of "exchangeability" and an application guidance to assist entities in determining when a currency is exchangeable (for example, by clarifying how to assess the time frame to obtain the currency). The amendments do not provide guidance on how to estimate exchange rates when the currency is not exchangeable; instead, detailed disclosure is required to enable readers to understand the methodologies adopted and the impacts on the financial statements.

IFRS endorsed as at 31.12.2025 applicable subsequent to 31.12.2025

- **Regulation no. 1047/2025** of 27 May 2025: the amendments to IFRS 9 and IFRS 7 clarify the classification of financial assets with environmental, social and governance ("**ESG**") and similar features. These amendments also impose disclosure requirements to increase transparency in relation to financial instruments with contingent feature. As set out in the recitals of the Regulation, these amendments should promote loans with ESG-linked features as they should be able to apply either amortised costs or FVOCI, on the basis they meet the Solely Payments of Principal and Interest ("SPPI") test. In this way, financial reporting should support economic transition measures that advance the European Green Deal.

- **Regulation no. 1266/2025** of 30 June 2025: this Regulation amends IFRS 9 and IFRS 7. These amendments help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). At present, the Intesa Sanpaolo Group has entered into a very small number of PPAs that are already classified as "own use" under current legislation and are therefore recognised as energy supply agreements.

- **Regulation no. 1331/2025** of 9 July 2025: this Regulation implements the amendments issued by the IASB on 18 July 2024 in Annual Improvements to IFRS Accounting Standards – Volume 11 in the framework of its regular improvement process. The annual improvements contain narrow scope amendments; for example, they remove areas of inconsistency in IFRS Accounting Standards or clarify wording where required. Given the limited nature of the amendments, these are not particularly relevant to the Intesa Sanpaolo Group.

IFRS not endorsed as at 31.12.2025:

- **IFRS 18 Presentation and Disclosure in Financial Statements**
  IFRS 18 Presentation and Disclosure in Financial Statements was issued by the IASB on 9 April 2024. Its application is mandatory for annual reporting periods starting from 1 January 2027 onwards but earlier application is permitted, subject to the completion of the endorsement process. Comparative information needs to be disclosed in respect of the previous period. The standard will not affect how companies measure their financial performance, but only the presentation. Indeed, the following will be required:

  1. *Introduce defined subtotals in the statement of profit or loss*

Under IFRS 18, entities need to classify items of income and expense in 5 categories: operating, investing and financing - covered by the new definition introduced by IFRS 18 - in addition to income taxes and discontinued operations, which are unchanged. With respect to specific operating segments, such as banking, insurance and financial conglomerates, items of income and expense that would normally be classified in the investing or financing categories contribute to the operating performance since for these entities, investing or financing to customers are the main business activity.

2. Management-defined performance measures (MPMs)

Management-defined performance measures (MPMs) are the subtotals of income and expenses, other than those covered by IFRS 18 or specifically required by other IFRS, that an entity uses in public communications outside financial statements (including, for example, the report on operations and the press releases) to communicate to investors management's view of an aspect of the financial performance of the entity. Under IFRS 18, an entity shall disclose information about its MPMs in a single note to the financial statements, including information that enables users of financial statements to understand them.

3. Grouping (aggregation and disaggregation) of information

IFRS 18 provides application guidance on aggregating information in the primary financial statements and accompanying notes, which have complementary roles. With respect to the expense items to be included in the operating category, under IFRS 18, entities must present these items in a way that provides the most useful structured summary of them, by either the "nature" or "function" of the expense. However, a "mixed" (by both nature and function) presentation is also allowed by disclosing the specific expenses by nature in the notes to the financial statements.

The Intesa Sanpaolo Group has launched a project to analyse the new regulatory provisions and the operational effects of the new standard, also with the aim of gradually adapting its internal procedures and processes. The preliminary stage of these activities, which involved analysing the provisions of the standard and identifying the aspects relevant to the Group, was launched in 2025. In any case, Italian banks will have to wait for the Bank of Italy's initiatives to adapt to the new standard, in particular, with reference to Circular 262/2005, also in order to assess the consequences on application systems.

The 2025 Audited Financial Statements, drawn up in euro as the functional currency, contain the Consolidated balance sheet as at 31 December 2025, 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 2024.

As reported in the 2025 Audited Financial Statements , since the conditions pursuant to IFRS 5 have been met, the reclassified components held for sale as at 31 December 2025 mainly include: (i) properties, including those subject to transfer under the agreement between Intesa Sanpaolo and COIMA, with a total value of around 0.5 billion euro, due to be completed in 2026; and (ii) non-performing loans for €1.9 billion gross, due to be disposed under de-risking transactions.

The audited consolidated annual financial statements as at 31 December 2025 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 2025

The annual financial information below includes comparative figures as at 31 December 2024.

Assets	31.12.2025 Audited	31.12.2024 Audited
	(in millions of €)	
Cash and cash equivalents	37,868	40,533
Financial assets measured at fair value through profit or loss	162,472	150,943
a) financial assets held for trading	46,241	41,439
b) financial assets designated at fair value	4	6
c) other financial assets mandatorily measured at fair value	116,227	109,498
Financial assets measured at fair value through other comprehensive income	163,441	150,269
Financial assets measured at amortised cost	532,710	518,702
a) due from banks	46,005	38,460
b) loans to customers	486,705	480,242
Hedging derivatives	7,372	6,505
Fair value change of financial assets in hedged portfolios (+/-)	-5,982	-3,602
Investments in associates and companies subject to joint control	2,735	3,036
Insurance assets	669	693
a) insurance contracts issued that are assets	477	444
b) reinsurance contracts held that are assets	192	249
Property and equipment	8,645	9,024
Intangible assets	10,003	9,860
of which:		
- goodwill	3,699	3,697
Tax assets	11,591	12,916
a) current	1,112	1,650
b) deferred	10,479	11,266
Non-current assets held for sale and discontinued operations	1,065	667
Other assets	27,298	33,739
Total Assets	**959,887**	**933,285**

INTESA SANPAOLO GROUP
CONSOLIDATED ANNUAL BALANCE SHEET
AS AT 31 DECEMBER 2025

The annual financial information below includes comparative figures as at 31 December 2024.

Liabilities and Shareholders' Equity	31.12.2025 Audited	31.12.2024 Audited
	(in millions of €)	
Financial liabilities measured at amortised cost	623,444	599,620
a) due to banks	57,715	45,794
b) due to customers	466,380	443,457
c) securities issued	99,349	110,369
Financial liabilities held for trading	39,656	42,882
Financial liabilities designated at fair value	76,380	74,083
Hedging derivatives	2,695	4,410
Fair value change of financial liabilities in hedged portfolios (+/-)	-2,923	-1,819
Tax liabilities	2,881	2,097
a) current	865	383
b) deferred	2,016	1,714
Liabilities associated with non-current assets held for sale and discontinued operations	45	5
Other liabilities	14,693	15,014
Employee termination indemnities	614	706
Allowances for risks and charges	4,506	4,885
a) commitments and guarantees given	676	601
b) post-employment benefits	53	98
c) other allowances for risks and charges	3,777	4,186
Insurance liabilities	132,518	126,081
a) insurance contracts issued that are liabilities	132,481	126,013
b) reinsurance contracts held that are liabilities	37	68
Valuation reserves	-1,512	-2,332
Redeemable shares	-	-
Equity instruments	7,704	8,706
Reserves	18,539	15,367
Interim dividend (-)	-3,234	-3,022
Share premium reserve	24,279	27,601
Share capital	10,369	10,369
Treasury shares (-)	-240	-179
Minority interests (+/-)	152	145
Net income (loss) (+/-)	9,321	8,666
Total Liabilities and Shareholders' Equity	**959,887**	**933,285**

INTESA SANPAOLO GROUP
CONSOLIDATED ANNUAL STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

The annual financial information below includes comparative figures for the year ended 2024.

	31.12.2025	31.12.2024
	Audited	Audited
	(in millions of €)	
Interest and similar income	27,758	34,602
of which: interest income calculated using the effective interest rate method	25,117	29,438
Interest and similar expense	-10,448	-16,512
Interest margin	**17,310**	**18,090**
Fee and commission income	11,926	11,392
Fee and commission expense	-2,934	-2,781
Net fee and commission income	**8,992**	**8,611**
Dividend and similar income	1,094	800
Profits (Losses) on trading	1,024	493
Fair value adjustments in hedge accounting	-3	7
Profits (Losses) on disposal or repurchase of:	130	57
a) financial assets measured at amortised cost	208	50
b) financial assets measured at fair value through other comprehensive income	2	10
c) financial liabilities	-80	-3
Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss	1,925	2,635
a) financial assets and liabilities designated at fair value	-2,819	-5,342
b) other financial assets mandatorily measured at fair value	4,744	7,977
Net interest and other banking income	**30,472**	**30,693**
Net losses/recoveries for credit risk associated with:	-1,843	-1,139
a) financial assets measured at amortised cost	-1,769	-1,131
b) financial assets measured at fair value through other comprehensive income	-74	-8
Profits (Losses) on changes in contracts without derecognition	-30	-28
Net income from banking activities	**28,599**	**29,526**
Insurance service result	1,757	1,653
a) insurance revenue arising from insurance contracts issued	3,419	3,169
b) insurance service expenses arising from insurance contracts issued	-1,587	-1,446
c) insurance revenue arising from reinsurance contracts held	70	99
d) insurance service expenses arising from reinsurance contracts held	-145	-169
Balance of financial income and expenses related to insurance operations	-5,306	-5,804
a) net financial expenses/revenue related to insurance contracts issued	-5,307	-5,805
b) net financial expenses/revenue related to reinsurance contracts held	1	1
Net income from banking and insurance activities	**25,050**	**25,375**
Administrative expenses:	-11,364	-11,997
a) personnel expenses	-6,889	-7,422
b) other administrative expenses	-4,475	-4,575
Net provisions for risks and charges	-312	-667
a) commitments and guarantees given	-71	-80
b) other net provisions	-241	-587
Net adjustments to / recoveries on property and equipment	-581	-647
Net adjustments to / recoveries on intangible assets	-1,210	-1,111
Other operating expenses (income)	1,163	1,161
Operating expenses	**-12,304**	**-13,261**
Profits (Losses) on investments in associates and companies subject to joint control	-269	-32
Valuation differences on property, equipment and intangible assets measured at fair value	-21	-23
Goodwill impairment	-	-
Profits (Losses) on disposal of investments	189	-1
Income (Loss) before tax from continuing operations	**12,645**	**12,058**
Taxes on income from continuing operations	-3,304	-3,399
Income (Loss) after tax from continuing operations	**9,341**	**8,659**
Income (Loss) after tax from discontinued operations	-	-
Net income (loss)	**9,341**	**8,659**
Minority interests	-20	7

	31.12.2025	31.12.2024
	Audited	Audited
	(in millions of €)	
Parent Company's net income (loss)	**9,321**	**8,666**
Basic EPS – Euro	**0.53**	**0.48**
Diluted EPS – Euro	**0.53**	**0.48**

OFFERING AND SALE

IMPORTANT INFORMATION RELATING TO OFFERS OF SECURITIES

The Securities may be offered to retail clients, professional clients and other eligible counterparties. No action has been or will be taken by the Issuer that would permit a public offering of any Securities or possession or distribution of any offering material in relation to any Securities in any jurisdiction where action for that purpose is required. No offers, sales, resales or deliveries of any Securities, or distribution of any offering material relating to any Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on the Issuer.

1. PUBLIC OFFER SELLING RESTRICTION UNDER THE PROSPECTUS REGULATION

If the Final Terms in respect of any Securities specifies "Prohibition of Sales to Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area (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 the Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto may not be offered to the public in that Relevant Member State, except that such Securities may be offered to the public in that Relevant Member State:

(a) if the final terms in relation to the Securities specify that an offer of those Securities 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 Securities 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 the prior consent of the relevant Manager(s) nominated by the Issuer for any such offer having been obtained; or

(d) at any time in any other circumstances falling within a Prospectus Exemption (as defined below),

provided that no such offer of Securities referred to in (b) to (d) above shall require the publication by the Issuer or any Manager of a prospectus pursuant to Article 3(1) of the Prospectus Regulation or the supplementing by the Issuer or any Manager of a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an **offer of Securities to the public** in relation to any Securities 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 Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities.

The expression "**Prospectus Exemptions**" means Article 1(4) of the Prospectus Regulation, as applicable, and includes any additional exemptions and implementation measures applicable in the Relevant Member State.

2. UNITED STATES

No Securities of any series nor, in case of Physical Delivery Securities, the Entitlement to be delivered upon the exercise of such Securities, have been, nor will they be registered under the Securities Act or with any securities authority of any State or other jurisdiction of the U.S., and trading in the Securities has not been approved by the CFTC under the Commodity Exchange Act. The Securities and the Entitlements may not be offered, sold, pledged or otherwise transferred, directly or indirectly, within the United States or to a U.S. person unless such offer or sale has been registered under the Securities Act or pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act.

The Securities and the Entitlements are being offered and sold outside the U.S. to persons that are not U.S. persons (as defined in Regulation S) in reliance on Regulation S. No Securities of any series, or interests therein, or Entitlements may at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in or into the United States (as defined in Regulation S) or to, or for the account or benefit of, any U.S. person and any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised.

The Securities and Entitlements may not be legally or beneficially owned by U.S. persons at any time. Each holder and each beneficial owner of a Security or an Entitlement hereby represents, as a condition to purchasing or owning the Security, the Entitlement or any beneficial interest therein, that neither it nor any person for whose account or benefit the Securities or Entitlements are being purchased is located in the United States, is a U.S. person or was solicited to purchase the Securities while present in the United States. Each holder and each beneficial owner of a Security or an Entitlement hereby agrees not to offer, sell or deliver any of the Securities or the Entitlements, at any time, directly or indirectly, in the U.S. or to any U.S. person. The term "U.S. person" has the meaning ascribed to it in Regulation S under the Securities Act.

Each Manager of an issue of Securities will be required to agree that it, its affiliates and any person acting on its or their behalf will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, Securities of such series in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such U.S. person. Each Manager of an issue of Securities will be required to agree that it, its affiliates, and any person acting on its or their behalf will not offer or sell the Securities at any time except in accordance with Rule 903 of Regulation S under the Securities Act, and that neither it, its affiliates, nor any persons acting on its or their behalf will engage in any "directed selling efforts" (as defined in Regulation S of the Securities Act) with respect to the Securities and it and they will comply with the offering restrictions requirements of Regulation S under the Securities Act. The terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Any person purchasing Securities of any series or Entitlements must agree with the Manager or the seller of such Securities that (i) it is not a U.S. person and it is not located in the United States and was not solicited to purchase the Securities while present in the United States, (ii) it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, any Securities of such series so purchased in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of any, U.S. person, (iii) it is not purchasing any Securities of such series or any Entitlement for the account or benefit of any U.S. person and (iv) it will not make offers, sales, resales, trades, pledges, exercises, redemptions, transfers or deliveries of any Securities of such series (otherwise acquired) or Entitlements, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person. Each Manager of an issue of Securities will also be required to agree, and any person purchasing Securities of any series must agree, to send each person who purchases any Securities of such series or Entitlements from it, at or prior to confirmation of sale of any Securities, a written confirmation (which shall include the definitions of "United States" and "U.S. persons" set forth herein) stating that the Securities and Entitlements have not been registered under the Securities Act or any state securities laws, and that trading in the Securities has not been approved by the Commodity Futures Trading Commission under the Commodity Exchange Act and stating that such purchaser agrees that it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver Securities or Entitlements, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person. Prior to the delivery of the Entitlement in respect of a Physical Delivery Security the holder thereof will be required to represent that, inter alia, he is not a U.S. person, the Security was not exercised on behalf of a U.S. person and in the case of Physical Delivery Securities, no securities or other property have been or will be delivered within the United States or to, or the account or benefit of, a U.S. person in connection with any exercise thereof. See Condition 19(A) in respect of Warrants and Condition 21(A) in respect of Certificates.

The Securities are also subject to U.S. tax law requirements and, except in certain transactions permitted by U.S. Treasury regulations, may not be offered, sold or delivered within the United States or its possessions or to United States persons. Terms used in this paragraph have the meanings given to them by the Code and the U.S. Treasury regulations promulgated thereunder.

In July 2010 the Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank**") was enacted, which provides for substantial changes to the regulation of the futures and over-the-counter (OTC) derivative markets. Dodd-Frank requires regulators, including the CFTC, the Securities and Exchange Commission (the "**SEC**"), the Department of the Treasury, the Financial Stability Oversight Council (the FSOC), the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation to adopt regulations to implement many of the requirements of the legislation.

Most of the regulations under Dodd-Frank have been adopted and these legislative and regulatory changes have increased the level of regulation of markets and market participants, and therefore the costs of participating in the commodities, futures and OTC derivative markets. Without limitation, these changes will require many OTC derivative transactions to be executed on regulated exchanges or trading platforms and cleared through regulated clearing houses. Swap dealers are required to be registered, to comply with business conduct standards and to clear certain classes of interest rate and credit default swaps through registered derivatives clearing organizations (unless an exception to clearing applies). The various legislative and regulatory changes, and the resulting increased costs and regulatory oversight requirements, could result in market participants being required to, or deciding to, limit their trading activities, which could cause reductions in market liquidity and increases in market volatility. These consequences could adversely affect the return on and value of the Securities.

US Tax Selling Restrictions

Securities that constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982, the Code, or US Treasury Regulations and are not considered to be in “registered form” for US federal income tax purposes ("**TEFRA 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 compliance with (i) US Treas. Reg. §1.163-5(c)(2)(i)(D) or any successor rules in substantially the same form that are applicable for proposes of Section 4701 of the Code (the "**D Rules**"), or (ii) US Treas. Reg. §1.163-5(c)(2)(i)(C) or any successor rules in substantially the same form that are applicable for proposes of Section 4701 of the Code (the "**C Rules**").

With respect to TEFRA Notes issued in compliance with the D Rules, the Issuer and each Manager has represented and agreed that:

(i) except to the extent permitted under the D Rules, (a) it has not offered or sold, and during the required restricted period it will not offer or sell such TEFRA Notes to a person who is within the United States or its possessions or to a United States person and (b) it has not delivered and agrees that it will not deliver within the United States or its possessions Global Securities that are TEFRA Notes that will be sold during the restricted period;

(ii) it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling such TEFRA Notes are aware that such TEFRA Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person (except to the extent permitted under the D

Rules);

(iii) if it is a United States person, it is acquiring such TEFRA Notes for purposes of resale in connection with their original issuance, and if it retains such TEFRA Notes for its own account, it will do so in accordance with the requirements of the D Rules; and

with respect to each affiliate or distributor that acquires such TEFRA Notes from the Issuer or the Manager for purpose of offering or selling such TEFRA Notes during the restricted period, the Issuer or Dealer either repeats and confirms the representations and agreements contained in Paragraphs (i), (ii) and (iii) above on such affiliate's or distributor's behalf or agrees that it will obtain from such affiliate or distributor for the benefit of the Issuer and each Dealer the representations and agreements contained in such Paragraphs.

With respect to TEFRA Notes issued in compliance with the C Rules, the Issuer and each Manager has represented and agreed that:

(i) it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, such TEFRA Notes within the United States or its possessions in connection with their original issuance; and

(ii) it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if it is within the United States or its possessions or otherwise involve its US office, if any, in the offer or sale of such TEFRA Notes.

Terms used in this Section shall have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, ("**Code**") and the US Treasury Regulations promulgated thereunder, including the C Rules and the D Rules.

The Hiring Incentives to Restore Employment Act of 2010 repealed the C Rules and D Rules for TEFRA Notes issued after 18 March 2012. However, in Notice 2012-20, the US Department of Treasury and the US Internal Revenue Service indicated that they intend to provide in regulations that rules identical to the C Rules and D Rules will apply to non-US issuers of TEFRA Notes for purposes of establishing an exemption from the excise tax imposed by Section 4701 of the Code. (The amount of the excise tax is one per cent of the principal amount of the obligation, multiplied by the number of calendar years until the obligation reaches maturity). Consequently, TEFRA Notes issued in accordance with the C Rules or D Rules should continue to be treated as “foreign targeted obligations” that are exempt from the excise tax.

3. <u>JAPAN</u>

The Securities 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") and, accordingly, each Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Securities in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

4. <u>AUSTRALIA</u>

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the "**Corporations Act**")) in relation to the Programme or any Security has been or will be lodged with the Australian Securities and Investments Commission ("**ASIC**"). Each Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that in connection with the distribution of the Securities it:

a) will not make (directly or indirectly) any offer or invitation in Australia or any offer or invitation which is received in Australia in relation to the issue, sale or purchase of any Securities; and
b) has not distributed or published, and will not distribute or publish, any information memorandum, advertisement, disclosure document or other offering material relating to the Securities in Australia,

unless (i) the aggregate consideration payable by each offeree or invitee is at least A$500,000 for the Securities or its foreign currency equivalent (in either case disregarding moneys, if any, lent by the Issuer or any other person offering the Securities or its associates (within the meaning of those expressions in Part 6D.2 of the Corporations Act)), or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act, (ii) the offer or invitation is not made to a person who is a retail client (as defined in section 761G or 761GA of the Corporations Act), (iii) such action complies with all applicable laws, regulations and directives and (iv) such action does not require any document to be lodged or registered with ASIC.

5. PROHIBITION OF SALES TO RETAIL INVESTORS

Unless the Final Terms in respect of any Securities 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 Securities 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 either in the European Economic Area 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 Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities.

6. SWITZERLAND

Qualification as structured products

If and to the extend the Securities qualify as structured products in Switzerland pursuant to article 70 of the Swiss Financial Services Act ("**FinSA**"), they are neither subject to authorisation nor supervision by the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**"). None of the Securities constitutes a participation in a collective investment scheme within the meaning of the Collective Investment Schemes Act ("**CISA**") and investors do not benefit from the specific investor protection provided under CISA. Investors bear the credit risk of the Issuer.

Restrictions for distribution to Private Clients (as defined below)

Securities may be offered to private clients (*Privatkundinnen und -kunden*) ("**Private Clients**"; see also Opting-in Client defined below) pursuant to article 4 para. 2 FinSA in or from Switzerland only if a key investor document pursuant to article 58 et seqq. FinSA (*Basisinformationsblatt*) ("**KID**") or pursuant to the PRIIPs Regulation ("**PRIIPs-KID**") relating to the Securities has been prepared and provided to Private Clients, unless Private Clients may exclusively purchase Securities under an asset management agreement pursuant to article 58 para. 2 FinSA.

If such disclosure document has not been prepared and provided to Private Clients, the Securities may only be offered in or from Switzerland to Private Clients which exclusively purchase Securities under an asset management agreement pursuant to article 58 para. 2 FinSA, professional clients (*professionelle Kunden*) and institutional clients (*institutionelle Kunden*) ("**Professional and Institutional Clients**") as defined in article 4 para. 3 and 4 and article 5 para. 1 FinSA. In such case, neither this Base Prospectus nor any other documents aimed at marketing specific Securities shall be despatched, copied to or otherwise made available to, and the Securities may not be offered for sale or advertised to any person in Switzerland, except to such Private Clients, Professional and Institutional Clients, i.e. to (a) regulated financial intermediaries pursuant to the Swiss Banking Act, the Swiss Financial Institutions Act and CISA (as currently in force), (b) regulated insurance institutions pursuant to the Swiss Insurance Supervision Act, (c) foreign financial intermediaries subject to a prudential supervision comparable to the one over the persons pursuant to (a) and (b) above, (d) central banks, (e) public entities with professional treasury operations, (f) occupational pension schemes and other institutions whose purpose is to serve occupational pensions with professional treasury operations, (g) undertakings with professional treasury operations, (h) large companies that exceed two of the three relevant thresholds, being (x) balance sheet total of CHF 20 million, (y) turnover of CHF 40 million, and/or (z) equity capital of CHF 2 million, (i) private investment structures for high-net worth individuals with professional treasury operations and (j) Opting-out Clients (as defined below), provided such clients in (a) through (h) are not Oping-in Clients (as defined below).

An "**Opting-in Client**" is a by default Professional or Institutional Client who confirms in writing according to article 5 para. 5 and 6 FinSA, respectively, that it shall be deemed and is forthwith treated as Private Client pursuant to article 4 para. 2 FinSA.

An "**Opting-out Client**" is a private individual or a private investment structure who confirms credibly and in writing (i) that, based on his/her education and his/her professional experience or based on comparable experience in the financial sector, he/she has the necessary knowledge to understand the risks connected with an investment in the Securities and who owns, directly or indirectly, eligible financial assets of at least CHF 500'000, or (ii) that he/she owns, directly or indirectly, eligible financial assets of at least CHF 2 million.

No public offering

Furthermore, this Base Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Securities described herein. The Securities may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the FinSA and neither this Base Prospectus nor any KID, PRIIPs-KID or other offering or marketing material relating to the Securities may be publicly distributed or otherwise made publicly available in Switzerland except if the following prospectus requirements are complied with.

Compliance of this Base Prospectus, the Final Terms and additional offering documents required, if any, with article 40 et seqq. FinSA, approval of this Base Prospectus according to the requirements of the FinSA by a prospectus review body authorized by FINMA for that purpose pursuant to article 51 et seqq. FinSA (the "**Review Body**"), and the registration of the relevant Final Terms with the Review Body according to the requirements of the FinSA, unless an exception from such obligations pursuant to article 36 et seqq. FinSA applies.

7. 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) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Securities 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 Securities 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 Securities 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.

FORM OF FINAL TERMS

[PROHIBITION OF SALES TO RETAIL INVESTORS - The Securities 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: (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 ("**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 Securities 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 Securities or otherwise making them available to any retail investor in [the EEA] [and] [*Insert jurisdiction(s)* [•] [only]] may be unlawful under the PRIIPS Regulation.]

FINAL TERMS

[*Insert date*]

Intesa Sanpaolo S.p.A.

Legal entity identifier (LEI): 2W8N8UU78PMDQKZENC08

[*Title of Warrants or Certificates*]

[[*commercial name*:] [referred to for commercial purposes as**] ["[●]"]**

under the Warrants and Certificates 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 set forth in the Base Prospectus dated 9 June 2026 [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][1]. This document constitutes the Final Terms of the Securities described herein [for the purposes of Article 8(1) of the Prospectus Regulation] [2] and must be read in conjunction with the Base Prospectus [as supplemented]. Full information on the Issuer and the offer of the Securities 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][3]. 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 Securities is annexed to these Final Terms][4]. [In the case of the Securities 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][5].]]

(*The Final Terms relating to each issue of Securities will contain (without limitation) such of the following information as is applicable in respect of such Securities. Any information that is not applicable will be deleted*)

References herein to numbered Conditions are to the terms and conditions of the relevant series of Securities and words and expressions defined in such terms and conditions shall bear the same meaning in these Final Terms insofar as they relate to such series of Securities, save as where otherwise expressly provided.

[1] Delete wording in square brackets where an Exempt Offer of Securities is anticipated.
[2] Delete wording in square brackets where an Exempt Offer of Securities is anticipated.
[3] Delete wording in square brackets in the case of Italian Dematerialised Securities.
[4] This wording in square brackets may be deleted in case of an Exempt Offer of Securities without listing on any regulated markets.
[5] Delete wording in square brackets where an Exempt Offer of Securities is anticipated.

These Final Terms relate to the series of Securities as set out in "Specific Provisions for each Series" below. References herein to "Securities" shall be deemed to be references to the relevant [Warrants/Certificates] that are the subject of these Final Terms and references to "Securities" and "Security" shall be construed accordingly.

(*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 Securities (the "**Conditions**") set forth in the Base Prospectus dated 21 July 2025, which are incorporated by reference in the Base Prospectus dated 9 June 2026. This document constitutes the Final Terms of the Securities described herein for the purposes of Article 8(1) of the Prospectus Regulation and must be read in conjunction with the Base Prospectus dated 9 June 2026 [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 Securities 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 Securities is annexed to these Final Terms.][6]]

1. Specific provisions for each Series:

Series Number	**No. of Securities issued**	**[Issue Price][Indicative Price] per Security**	**[Reduced Initial Listin Price per Security]**
●	●	●	●
●	●	●	●

2.	Tranche Number:	[ ] [Not applicable]
3.	Minimum Exercise [Amount][Number]:	[ ] [Not applicable]
4.	Minimum Trading [Amount][Number]:	[ ] [Not applicable]
5.	Consolidation: *(Only applicable in relation to Securities which are fungible with an existing Series of Securities)*	[The Securities are to be consolidated and form a single series with the [*insert title of relevant Series of Securities*] issued on [*insert issue date*]]. [Not applicable]
6.	Type of Securities and Underlying(s):	(a) The Securities are [Certificates][[Covered] Warrants]. [The Certificates are [Index Securities] [and] [Proprietary Index Securities] [and] [Share Securities] [and] [Exchange Rate Securities] [and] [Interest Rate Securities] [and] [Futures Contract Securities] [and] [Commodity Securities] [and] [Fund Securities] [and] [ETI Securities] [and] [Govies Securities] [and] [Combined Securities].] [The Warrants are [European][American] Style Warrants.] (b) The item(s) to which the Securities relate [is] [are] [*specify the Underlying(s) in relation to the remuneration amounts and the Cash Settlement*

[6] This wording in square brackets may be deleted in case of an Exempt Offer of Securities without listing on any regulated markets.

Amount]

[*if the Underlying is a Share, specify: name of the issuer of the share and ISIN or other identification code*]

[*if the Underlying is an Index specify the name of the Index, and where the composition, set of rules and governing rules may be found. In case of Strategy Index, specify also the Strategy Manager*]

[*if the Underlying is a Fund, specify the name of the Fund and where the set of rules and related information may be found*]

[*if the Underlying is one or more Proprietary Indices (i) specify the website where the Issuer will publish the Proprietary Index Level (and any other methods of publication, if applicable), (ii) insert the relevant Reference Underlying(s) or the Risky Component and the Non-Risky Component and all relevant details required by this item depending on the type of financial asset. If applicable, insert the following table of Funds:*

Fund	**ISIN Code**	**Fund name**	**[Annual Percentage Fees]**	**NAV Lag**	**Execution Delay**
Fund A	[ ]	[ ]	[ ]	[ ]	
Fund B	[ ]	[ ]	[ ]	[ ]	
[ ]	[ ]	[ ]	[ ]	[ ]	

If applicable, insert:

The Annual Percentage Fees are equal to [ ]

The Base Calculation Date is [ ]

The Day Count Fraction is [ ]

The Decrement[%] is [ ]

The Target Volatility Level is equal to [ ]

The Upper Bound is [ ]

The Lower Bound is [ ]

n is [ ]

B% is [ ]]

[*if the Underlying is an Interest Rate, describe the interest rate*]

[*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* [as is not a significant benchmark under Article 24 of that Regulation] *OR* [*specify details*]. [*repeat as necessary*].]

[*if the Underlying is an Exchange Rate, a Commodity, an ADR or GDR, insert description of the Underlying and specify where to obtain information about such Underlying*]

[*if the Underlying is a Futures Contract, insert description of the Underlying, specify if Futures Contract N-th Near-by Feature is applicable (and relevant details) and specify where to obtain information about such Underlying*]

[*if the Underlying is a Commodity, insert description of the Underlying and specify where to obtain information about such Underlying*]

[*if the Underlying is an ETI, insert description of the ETI and the ETI Interests and specify where to obtain information about such Underlying. Specify also the Number of Value Publication Days.*]

[*if the Underlying is a Government Bond, specify: (i) whether the Underlying is the Government Bond or the Yield of Government Bond, (ii) the name of the issuer of the security and (iii) the ISIN or other identification code. Where the Underlying is the Yield of Government Bond, specify also the information source*]

[*Specify where information about the past and the future performance of the Underlying and its volatility can be found*]

[*in case of Basket insert*:

a Basket of [ ] composed as follows:

i	Basket Constituent	[Basket Constituent Weight]	[Cap]
[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]

]

[*In case of a Basket of Baskets insert:*

a Basket of baskets (each a "**Basket Constituent**") composed as follows:

i	Basket Constituent	[Basket Constituent Weight]	[Cap]	t	Financial assets composing the Basket Constituent	Weight of the financial asset composing the Basket Constituent
[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
				[ ]	[ ]	[ ]
				[ ]	[ ]	[ ]
				[ ]	[ ]	[ ]
				[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
				[ ]	[ ]	[ ]
				[ ]	[ ]	[ ]
				[ ]	[ ]	[ ]
				[ ]	[ ]	[ ]
				[ ]	[ ]	[ ]

]

[*in case of Multiperformance Certificates insert*:

the following Underlyings:

i	Underlying
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

]

[*in case of Currency Certificates insert:*

the following exchange rates:

Exchange Rate	**Exchange Rate Weight**
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

]

[*in case of Spread Certificates or if Spread is applicable insert*:

Underlying A: [ ]

Underlying B: [ ]]

[*in case of Combined Securities, specify the applicable information above for each type of Underlyings*]

7. Reference Underlying: *(Delete sub-paragraphs if not applicable)* [ ] [Not applicable]

Trigger Value: [ ] [Not applicable]

8.	Typology:	[Standard Long Certificates] [Standard Short Certificates] [Max Long Certificates] [Max Consolidation Long Certificates] [Max Short Certificates] [Type A Spread Certificates] [Type B Spread Certificates] [Type C Spread Certificates] [Type D Spread Certificates] [Twin Win Long Certificates] [Twin Win Short Certificates] [Long Benchmark Certificates] [Short Benchmark Certificates] [Long Turbo Certificates] [Short Turbo Certificates] [Long Outperformance Certificates] [Short Outperformance Certificates] [Buffer Protection Certificates] [Global Performance Certificates] [Long Dropdown Protection Certificates] [Short Dropdown Protection Certificates] [Long Dynamic Protection Certificates] [Short Dynamic Protection Certificates] [Currency Certificates] [Multiperformance Long Certificates] [Multiperformance Max Long Certificates] [Multiperformance Short Certificates] [Multiperformance Max Short Certificates] [Long Dual Currency FX Certificates] [Short Dual Currency FX Certificates] [Gap Long Certificates / Gap Short Certificates;] [Calendar Certificates] [One Star Certificates] [Switch Certificates] [Call Certificates] [Digital Certificates] [Discount Certificates] [Combined Amount Certificates] [Long Outperformance Combined Certificates] [Reverse Butterfly Certificates] [Multiple Strike Certificates] [Discretionary Payment Certificates] [Type A Long Constant Leverage Certificates] [Type A Short Constant Leverage Certificates] [Type B Long Constant Leverage Certificates] [Type B Short Constant Leverage Certificates] [Call Warrants] [Call Covered Warrants] [Call Spread Warrants] [Put Warrants] [Put Covered Warrants] [Put Spread Warrants] [Interest Rate Warrants] [Corridor Warrants]
9.	Exercise Date: *(Only applicable in relation to Warrants. Delete the sub-paragraph if not applicable)*	[ ] [Not applicable]

	Renouncement Notice:	[Applicable [*Specify the relevant Renouncement Notice Cut-off Time*]] [Not applicable]
10.	Settlement Date:	[ ][Not applicable]
11.	Delivery Date:	[ ][Not applicable]
12.	Issue Date:	[ ]
13.	Issue Currency:	[The Issue Currency is] [ ].
14.	Purchase Price: *(Only applicable in relation to Digital Certificates)*	[ ][Not applicable]
15.	Business Day:	[Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention][ ]
16.	Exchange Business Day:	[Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention][ ]
17.	Settlement Business Day: *(Only applicable in case of Physical Delivery Securities)*	[Settlement Business day means [ ].] [Not applicable]
18.	Settlement:	Settlement will be by way of [cash payment (**Cash Settled Securities**)] [or] [physical delivery (**Physical Delivery Securities**)] (*in case of Physical Delivery Securities, specify if Physical Delivery Confirmation Notice is applicable and/or any other applicable details*).
19.	Exchange Rate:	[The applicable Exchange Rate for conversion of the Underlying Reference Currency into the Settlement Currency, is [*insert rate of exchange and details of how and when such rate is to be ascertained*] [Not applicable].
20.	Settlement Currency:	The Settlement Currency [[for the payment of [the Cash Settlement Amount] (*in the case of Cash Settled Securities*)/[the Settlement Disruption Amount] (*in the case of Physical Delivery Securities*)] [the Early Redemption Amount] [and any other remuneration amount under the Securities]] is [ ]. [*If the Securities are Cash Settled Securities that are Dual Currency Securities*: The Securities are Dual Currency Securities (*For the purposes of Condition 3 and Condition 23 include applicable provisions, such as:* *- the Dual Currency* *- the Exchange Rate/method of calculating the Exchange Rate* *- the party, if any, responsible for calculating the Cash Settlement Amount* *- the provisions applicable where calculation by reference to the Rate of Exchange is impossible or impracticable, including a description of market disruption or settlement disruption events and adjustment provisions* *- person at whose option the Specified Currency(ies) are*

		payable).]
21.	Name and address of Calculation Agent:	The Calculation Agent is [ ]. [*Insert address of Calculation Agent*]
22.	Exchange(s):	[The relevant Exchange[s] [is/are] [ ][in respect of each component security of the Index (each an Index Constituent), [ ] [the principal stock exchange on which such Index Constituent is principally traded, as determined by the Calculation Agent]] [Not applicable]
23.	[Reference Source] [, Index Sponsor] [, Proprietary Index Sponsor] [, Fund Manager] [, Calculation Entity]:	[ ] [Not applicable]
24.	Related Exchange(s):	[Applicable] [The relevant Related Exchange(s) [is/are] [ ]] [Not applicable]
25.	Futures Contract N-th Near-by Feature: *(Only applicable in relation to Futures Contract Securities, delete the sub-paragraphs if not applicable)*	[Applicable [*Specify details*]] [Not applicable]
	Futures Contract N-th Near-by:	[ ]
	N-th Near-by Initial Date: *(Only applicable if the Initial Reference Value is determined on the basis of the Futures Contract N-th Near-by)*	[ ] [Not applicable]
	Rolling:	[Applicable [*Specify details*]] [Not applicable]
	Rollover Date(s):	[ ] [Not applicable]
26.	Open End Feature:	[Applicable][Not applicable]
27.	Put Option: *(Only if Put Option or Open End Feature is specified as applicable. Delete the sub-paragraphs if not applicable)*	[Applicable [*Specify details required to exercise the Put Option*]][Not applicable]
	Put Option Amount:	[Applicable [*Specify details*]][Not applicable]
	Put Valuation Period(s):	[ ] [Not applicable]
	Put Exercise Date:	[ ]
	Put Notice Period:	[from [ ] to [ ]] [ ] [*Specify each period if more than one*]

28.	Call Option: *(Only if Call Option or Open End Feature is specified as applicable. Delete the sub-paragraphs if not applicable)*	[Applicable [*Specify details*]][Not applicable]
	Call Valuation Period(s):	[ ] [Not applicable]
	Call Exercise Date:	[ ]
	Call Notice Period:	[from [ ] to [ ]] [ ] [*Specify each period if more than one*]
29.	Maximum Level:	[Applicable [*Specify level*]] [Not applicable]
30.	Minimum Level: *(Only applicable in relation to Fund Securities)*	[Applicable [*Specify level*]] [Not applicable]
31.	Settlement Amount:	[*Insert details of how Cash Settlement Amount / Physical Delivery is to be calculated pursuant to Condition 23 (Pay-out Provisions)* [ ] [*Specify the Underlying(s) which will be considered for the purposes of the calculation of the Cash Settlement Amount or, if the Combo Feature is applicable, the method of calculation and the payout formula for each Underlying*]
32.	Multiplier:	[The Multiplier to be applied is [ ]][Not applicable]
33.	Relevant Asset(s): (*Only applicable in relation to Physical Delivery Securities*)	[The Relevant Asset to which the Securities relate [is/are] [ ]] [Not applicable]
34.	Entitlement: (*Only applicable in relation to Physical Delivery Securities*)	[Not applicable.] [The Entitlement in relation to each Security is [ ] (*For the purposes of Condition 3 and Condition 22 insert if necessary, details of how the Entitlement will be calculated*). The Entitlement will be evidenced by [*For the purposes of Condition 22 insert details of how the Entitlement will be evidenced*] The Entitlement will be delivered [*For the purposes of Condition 22 insert details of the method of delivery of the Entitlement*].]
35.	AMF[1][2]: *(Only applicable in relation to Benchmark Certificates, delete sub-paragraph if not applicable)*	[Not applicable] [Applicable. [*Specify details*]]
	AMF[1][2] Percentage:	[*Specify details*]

	Annual Margin:	[Not applicable] [Applicable. [*Specify details*]]
	AM Percentage:	[Not applicable] [Applicable. [*Specify details*]]
36.	VMF: *(Only applicable in relation to Benchmark Certificates and Constant Leverage Certificates, delete sub-paragraphs if not applicable)*	[Not applicable] [Applicable. [*Specify details*]]
	VMF Percentage_x:	[*Specify details*]
	AMF Percentage:	[*Specify details*]
37.	Index Leverage Factor:	[ ] [Not applicable]
38.	Constant Leverage Factor: *(Only applicable in relation to Type B Long Constant Leverage Certificates and Type B Short Constant Leverage Certificates, delete sub-paragraphs if not applicable)*	[ ] [Not applicable]
	Trigger Value:	[ ] [Not applicable]
	Reference Rate:	[ ] [Not applicable]
	Cross Currency Rate:	[[ ][*Specify also the relevant source*] [Not applicable]]
	Repo Rate_0:	[ ] [Not applicable]
	Spread Cost_0:	[ ] [Not applicable]
	Tax Adjustment Factor_0:	[ ] [Not applicable]
	Dividend Publication:	[ ] [Not applicable]
39.	Strike Price: *(Only applicable in relation to Short Benchmark Certificates, Type A Short Constant Leverage Certificates and Turbo Certificates, delete sub-paragraphs if not applicable)*	[ ] [Not applicable]
	Dividend Percentage:	[[ ] [subject to adjustment by the Calculation Agent]
	Restrike Cost_t:	[*Specify details*]
40.	Conversion Rate: *(Only applicable in relation to Dual Currency FX Certificates)*	[ ] [Not applicable]
41.	Underlying Reference Currency:	[Applicable. The Underlying Reference Currency is [ ]][Not

		applicable]
42.	Quanto Option:	[Applicable [in relation to [ ]] [Not applicable]
43.	Determination Date(s):	[[ ] / from [ ] to [ ] [*Specify for each Underlying, if more than one*]] [Not applicable]
44.	Valuation Date(s):	[[ ] / from [ ] to [ ] [*Specify for each Underlying, if more than one*]] [Not applicable]
45.	Intraday Value:	[Applicable] [Not applicable]
46.	Reference Value:	[For the purposes of the [determination of the] [Accumulating Event] [Barrier Event] [Barrier Gap Event] [Consolidation Floor Event] [Coupon Event] [Digital Event] [Cliquet Valuation Period] [Early Redemption Event] [Extra Consolidation Digital Event] [Gearing Event] [Knock-in Event] [Knock-out Event] [Multiple Strike $Event_i$] [Participation Rebate Event] [Restrike Event] [Switch Event] [Internal Return Amount] [Participation Remuneration Event] [Participation Remuneration Amount] [Memory Effect] [Consolidation Effect] [Click-on Effect] [One Star Event]] [calculation of the performance in relation to the [Global Performance] [Performance Sum]] the Reference Value [*insert determination or calculation method among those specified within Condition 3, including, if applicable, the Intraday Value details and, in relation to Securities with more than one Underlying, the Underlying(s) to be considered for the determination of the relevant event. In the event that the Adjusted Price applies, specify details (e.g. Dividend Period Start Date, Synthetic Ex-Dividend Date and Synthetic Dividends)*.] [Not applicable]
47.	Initial Reference Value:	[ ] [*insert calculation method of the Initial Reference Value among those specified within Condition 3 and, in relation to Securities with more than one Underlying, the Underlying(s) to be considered or, if applicable, the Intraday Value details for each Underlying*] [Not applicable]
	Initial Reference Value Determination Period(s):	[[ ] / from [ ] to [ ]] [Not applicable]
	[I_0: *(Only applicable in relation to Proprietary Index Securities, delete if not applicable)*]	[ ]
	[RF: *(Only applicable in relation to Proprietary Index Securities, delete if not applicable)*]	[ ]

	[Value of the Risky Component at t_0: *(Only applicable in relation to Proprietary Index Securities, delete if not applicable)*]	[ ]
	[Value of the Non-Risky Component at t_0: *(Only applicable in relation to Proprietary Index Securities, delete if not applicable)*]	[ ]
48.	Final Reference Value:	[ ] [*insert calculation method of the Final Reference Value among those specified within Condition 3 and, in relation to Securities with more than one Underlying, the Underlying(s) to be considered or, if applicable, the Intraday Value details for each Underlying. In the event that the Adjusted Price applies, specify details (e.g. Dividend Period Start Date, Synthetic Ex-Dividend Date and Synthetic Dividends)*] [Not applicable]
	Final Reference Value Determination Period(s):	[[ ] / from [ ] to [ ]][Not applicable]
49.	Best Of Feature:	[Applicable [*Specify details*]] [Not applicable]
50.	Worst Of Feature: (*Delete sub-paragraphs if not applicable*)	[Applicable [*Specify details*]] [Not applicable]
	Click-on Effect:	[Applicable [*Specify details*]] [Not applicable]
	Click-on Level:	[Applicable [*Specify details*]] [Not applicable]
	Click-on Valuation Period:	[Applicable [*Specify details*]] [Not applicable]
	Magnet Feature:	[Applicable [*Specify details*]] [Not applicable]
51.	Rainbow Feature:	[Applicable [*specify details*]] [Not applicable]
52.	Reverse Split: *(Only applicable in relation to Turbo Certificates, Benchmark Certificates and Constant Leverage Certificates, delete the sub-paragraph if not applicable)*	[Applicable [*specify details*]] [Not applicable]
	Reverse Split Notice Period:	[*Specify the Reverse Split Notice Period for the purposes of Condition 24*]

PROVISIONS RELATING TO CERTIFICATES

[Applicable][Not applicable (*if not applicable, delete the entire section and adjust the numbering of the items accordingly*)]

53.	Performance Cap:	[Applicable. Equal to [ ]%] [In relation to Performance of the Underlying A equal to [ ]% and in relation to Performance of

		the Underlying B equal to [ ]%] [Not applicable.]
	Performance Floor:	[Applicable. Equal to [ ]%] [In relation to Performance of the Underlying A equal to [ ]% and in relation to Performance of the Underlying B equal to [ ]%] [Not applicable.]
	Performance Participation Factor:	[[ ]%][Not applicable]
54.	Initial Percentage:	[[ ]%] [*Specify details in case of more than one Initial Percentages*] [Not applicable]
55.	Participation Factor:	[[ ]%][Not applicable]
56.	Down Participation Factor:	[[ ]%][Not applicable]
57.	Up Participation Factor:	[[ ]%][Not applicable]
58.	Initial Leverage: *(Delete sub-paragraph if not applicable)*	[[ ]%] [Not applicable]
	Adjust Factor:	[ ]%
59.	Barrier Event: *(Delete sub-paragraphs if not applicable)*	[Applicable [*Specify details*]] [Not applicable]
	Barrier Event Determination Period(s):	[ ] [from [ ] to [ ]] [Not applicable]
	Barrier Level:	[ ][*Specify the level of the period or the different levels for the same period and for each period if more than one. Specify all the applicable levels if the Restrike Feature applies, for each period if more than one*] [Not applicable]
	Lower Barrier Level:	[ ] [Not applicable]
	Upper Barrier Level:	[ ] [Not applicable]
	Barrier Selection Period:	[ ] [Not applicable]
	Strike Observation Period:	[ ] [Not applicable]
	Air Bag Factor:	[ ] [Not applicable]
	Protection Level:	[ ] [Not applicable]
	Protection Percentage:	[ ]% [Not applicable]
	Spread Protection:	[ ] [Not applicable]
	Protection Amount:	[ ] [Not applicable]

	Dropdown Protection Level:	[ ] [Not applicable]
	Dropdown Protection Amount:	[ ] [Not applicable]
	Dynamic Protection Level: *(Only applicable in relation to Dynamic Protection Certificates)*	[ ] [Not applicable]
	Step Up Amount: *(Only applicable in relation to Dynamic Protection Certificates)*	[ ] [Not applicable]
	Sigma Amount:	[ ] [Not applicable]
	Predetermined Loss Percentage:	[[ ]%] [Not applicable]
	Short Protection: *(Only in case of Standard Short Barrier Protected Certificates and Max Short Barrier Protected Certificates)*	[ ] [Not applicable]
	Butterfly Level: *(Only in case of Reverse Butterfly Certificates)*	[[ ]% of the Initial Reference Value] [Not applicable]
60.	Barrier Gap Event: *(Delete sub-paragraphs if not applicable)*	[Applicable [*Specify details*]] [Not applicable]
	Barrier Gap Observation Period(s):	[ ] [from [ ] to [ ]] *(Specify each period if more than one)*
	Barrier Gap Level:	[[ ]%][Not applicable]
	Barrier Gap Leverage:	[Applicable [*Specify details*]]
61.	Cap Level(s): *(Delete sub-paragraphs if not applicable)*	[Applicable [*Specify details*]] [Not applicable]
	Cap Percentage:	[[ ]%] [*if Spread is applicable specify in case of more than one Cap Percentages*] [Not applicable]
	Cap Amount:	[ ] [Not applicable]
	Cap Style 1: *(Only in case of Restrike Feature)*	[Applicable [*Specify details*]] [Not applicable]
	Cap Style 2: *(Only in case of Restrike Feature)*	[Applicable [*Specify details*]] [Not applicable]
62.	Floor Percentage:	[[ ]%][*if Spread is applicable specify in case of more than one Floor Percentages*] [Not applicable]
63.	Consolidation Floor Event: *(Delete sub-paragraphs if not*	[Applicable [*Specify details*]] [Not applicable]

applicable)

	Consolidation Floor Valuation Period(s):	[ ] [from [ ] to [ ]
	Consolidation Floor Level:	[ ] [*Specify the level both for the purposes of the occurrence of the event and for the Cash Settlement Amount, if different*] [*Specify the level of the period or the different levels for the same period and for each period if more than one. Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]
	Consolidation Participation Factor:	[Applicable. Equal to [ ]%] [Not applicable]
	Cap Consolidation Amount:	[Applicable [*Specify details*]] [Not applicable]
64.	Cap Barrier Amount:	[ ] [Not applicable]
65.	Cap Down Amount:	[ ] [Not applicable]
66.	Strike Percentage:	[[ ]%] [Not applicable]
67.	Calendar Cap Percentage:	[[ ]%] [Not applicable]
68.	Calendar Floor Percentage:	[[ ]%] [Not applicable]
69.	Gearing Factor: *(Only applicable in relation to Standard Long Certificates)*	[[ ]%] [Not applicable]
70.	One Star Event: *(Only applicable in relation to One Star Certificates, delete sub-paragraphs if not applicable)*	[Applicable. [*Specify details*]] [Not applicable]
	One Star Trigger Level:	[ ]% [*Specify for each Underlying or each Basket Constituent*]
	Lower One Star Trigger Level:	[ ] [Not applicable]
	Upper One Star Trigger Level:	[ ] [Not applicable]
	One Star Determination Period:	[ ][ ] / from [ ] to [ ]
	One Star Selection Period:	[ ] [ ] / from [ ] to [ ] [Not applicable]
71.	Switch Event: *(Delete sub-paragraphs if not applicable)*	[Applicable. [*Specify details*]] [Not applicable]
	Switch Level:	[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]

	Switch Valuation Period:	[ ][ ] / from [ ] to [ ]
72.	Multiple Strike Event$_i$: *(Delete sub-paragraphs if not applicable)*	[Applicable. [*Specify details*]] [Not applicable]
	Multiple Strike Level$_i$:	[ ] [*Specify details*]
	Multiple Strike Valuation Period(s):	[[ ] [*Specify each period if more than one*]] [Not applicable]
	Multiple Participation Factor$_i$:	[ ]
	Multiple Amount$_i$:	[Applicable [*Specify details*]] [Not applicable]
73.	Spread: *(Delete sub-paragraph if not applicable)*	[Applicable [*Specify details*]] [Not applicable]
	Margin:	[Applicable. Equal to [ ]] [Not applicable.][ ]
74.	Gearing Event: *(Only applicable in relation to Dynamic Protection Certificates, delete sub-paragraphs if not applicable)*	[Applicable [*Specify details*]] [Not applicable]
	Gearing Level:	[ ]
	Gearing:	[ ]%
	Initial Gearing:	[ ]%
75.	Buffer Event: *(Delete sub- paragraphs if not applicable)*	[Applicable. [*Specify details*]] [Not applicable]
	Buffer Percentage:	[ ] %
	Performance Sum:	[The Performance Sum will be calculated on the Performance Observation Date(s) [*insert calculation method and strategy*].
	Performance Sum Cap:	[Applicable. Equal to [ ]%] [Not applicable.]
	Performance Sum Floor:	[Applicable. Equal to [ ]%] [Not applicable.]
	Protection Percentage:	[ ] %
	Buffer Valuation Period(s):	[ ]
76.	Global Performance: *(Delete sub-paragraphs if not applicable)*	[Applicable] [The Global Performance will be calculated on the Performance Observation Date(s) [*insert calculation method*] [Not applicable]
	Participation Factor:	[ ]%
	Local Floor Percentage:	[ ]%

	Global Strike Percentage:	[ ]%
	Performance Observation Date(s): *(Only applicable in case of Buffer Protection Certificates and Global Performance Certificates)*	[ ] [ ] / from [ ] to [ ]
	Strike Level: *(Only applicable to Dual Currency FX Certificates)*	[[ ]][Not applicable]
77.	Failure to Deliver due to Illiquidity: *(Only applicable in case of Physical Delivery Securities)*	[Not applicable] [Failure to Deliver due to Illiquidity applies to the Securities].
78.	Digital Percentage: *(Only applicable to Digital Certificates)*	[[ ]%][Not applicable]
79.	Settlement Level: *(Only applicable to Digital Certificates)*	[[ ]%][Not applicable]
80.	Combined Amount: *(Only applicable to Combined Amount Certificates. Delete sub-paragraph if not applicable)*	[Applicable] [The Combined Amount will be equal to the product of the Multiplier of the Underlying specified below and the relevant Final Reference Value] [Not applicable]
	Underlying:	[ ] [*specify underlying to be used for the determination of the Combined Amount*]
81.	Darwin Feature:	[Applicable [*Specify details*]] [Not applicable]
82.	Discretionary Payment:	[Applicable [*Specify details*]] [Not applicable]

PROVISIONS RELATING TO REMUNERATION AMOUNTS AND EARLY REDEMPTION AMOUNTS

[Applicable][Not applicable (*if not applicable, delete the entire section and adjust the numbering of the items accordingly*)]

83.	Cliquet Feature: *(Delete sub-paragraph if not applicable)*	[Applicable [*Specify details*]] [Not applicable]
	Cliquet Valuation Period(s):	[Applicable [*Specify details*]] [Not applicable]
84.	Knock-out Feature: *(Delete sub-paragraphs if not applicable)*	[Applicable in relation to [ ] [*Specify for what Remuneration Amount and for what period(s)*]] [Not applicable]
	Knock-out Event:	[ ] [*Specify details for each period if more than one*]
	Knock-out Level:	[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]

	Knock-out Valuation Period(s):	[ ] [*Specify details for each period if more than one*]
85.	Knock-in Feature: *(Delete sub-paragraphs if not applicable)*	[Applicable in relation to [ ] [*Specify for what Remuneration Amount and for what period(s)*]] [Not applicable]
	Knock-in Event:	[ ] [*Specify details for each period if more than one*]
	Knock-in Level:	[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]
	Knock-in Valuation Period(s):	[ ] [*Specify details for each period if more than one*]
86.	Digital Amount(s): *(Delete sub-paragraphs if not applicable)*	[ ] [*Specify details for each level/period if more than one and details of the relevant event*] [Not applicable] [*If Multiple Level Option is applicable*, *specify details and each amount (i.e. the Digital Amount 1, the Digital Amount 2 and so on) and in relation to which Digital Valuation Period(s) or in relation to the same Digital Valuation Period, the Digital Amount A, the Digital Amount B, etc.*]
	Underlying(s):	[[ ] [*Specify Underlying(s) in relation to each Digital Event*]][Not applicable]
	Digital Level(s):	[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*] [Multiple Level Option applicable. [ ] [*Specify details and each level (i.e. the Digital Level 1, the Digital Level 2 and so on) and in relation to which Digital Valuation Period(s)*]]
	Digital Valuation Period(s):	[ ] [*Specify for each period if more than one*]
	Digital Payment Date(s):	[ ] [*Specify for each period if more than one*]
	[Record Date:]	[ ]
	Digital Combo Feature:	[Applicable [*Specify details*]] [Not applicable]
	Consolidation Effect:	[Applicable [*Specify details*]] [Not applicable]
	Consolidation Level:	[[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]] [Not applicable]
	Consolidation Valuation Period(s):	[[ ] [*Specify each period if more than one*]] [Not applicable]
	Extra Consolidation Digital Feature:	[Applicable [*Specify details*]] [Not applicable]
	Extra Consolidation Digital Level:	[[ ] [*Specify for each period if more than one*]] [Not applicable]

	Extra Consolidation Digital Period(s):	[[ ] [*Specify each period if more than one*]] [Not applicable]
	Memory Effect:	[Applicable [*Specify details*]] [Not applicable]
	Memory Level:	[[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]] [Not applicable]
	Memory Valuation Period(s):	[[ ] [*Specify each period if more than one*]] [Not applicable]
	Path Dependency Effect:	[Applicable [*Specify details*]] [Not applicable]
	Path Dependency Amount:	[ ] [Not applicable]
87.	Restrike Feature: *(Delete sub-paragraphs if not applicable)*	[Applicable [*Specify details*]] [Not applicable]
	Restrike Level:	[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level, for each period if more than one*]]
	Restrike Observation Date(s):	[ ] [*Specify each period if more than one*]
	Restrike Percentage:	[ ]% [*Specify for each period if more than one*] [Not applicable]
88.	Plus Amount(s): *(Delete sub-paragraph if not applicable)*	[Applicable [*Specify details*]] [Not applicable]
	Plus Payment Date(s):	[ ] [*Specify each date if more than one*]
	[Record Date:]	[ ]
89.	Accumulated Amount(s): *(Delete sub-paragraph if not applicable)*	[Applicable. The Accumulated Amount is [Accumulated Amount Type A] [and] [Accumulated Amount Type B] [*Specify the determination method in relation to each Accumulated Valuation Date*] [*Specify details*] [*If an Early Redemption Level is applicable, specify whether the payment of the Accumulated Amount is conditional upon occurrence of an Early Redemption Event*]] [Not applicable]
	Accumulating Amount(s):	[ ] [*Specify for each period if more than one*]
	Accumulating Event(s):	[ ] [*Specify details*]
	Underlying(s):	[[ ] [*Specify Underlying(s) in relation to the determination of the Accumulating Event*]] [Not applicable]
	Accumulating Level(s):	[[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]]

		[Not applicable]
	Accumulating Valuation Period(s):	[ ] [*Specify each period if more than one*]
	Accumulated Valuation Date(s):	[ ] [*Specify for each period if more than one*]
	Accumulated Payment Date(s):	[ ] [*Specify for each period if more than one*]
	[Record Date:]	[ ]
	Accumulating Autocallable Trigger Amount(s):	[[ ] [*Specify for each period if more than one*]] [Not applicable]
90.	Early Redemption Amount(s): *(Delete sub-paragraphs if not applicable)*	[Applicable] [ ] [*Specify for each period if more than one*]] [The Early Redemption Amount[s] [is] [are] [Long [Cap] Early Redemption Amount[s]] [and] [Short [Cap] Early Redemption Amount[s]] (*For the purposes of Condition 3 and Condition 23, insert details for each Early Redemption Amount and the valuation date(s) for the determination of the performance of the Underlying if different from the Early Redemption Valuation Period(s))*] [Not applicable]
	Underlying(s):	[[ ] [*Specify Underlying(s) in relation to the calculation of each Early Redemption Amount*]] [Not applicable]
	Early Participation Factor$_t$:	[[ ] [*Specify details*]] [Not applicable]
	Early Cap Level:	[[ ] [*Specify details*]] [Not applicable]
	Early Cap Percentage:	[[ ] [*Specify details*]] [Not applicable]
	Early Cap Amount:	[[ ] [*Specify details*]] [Not applicable]
	Early Redemption Event:	[ ] [*Specify details*]
	Underlying(s):	[[ ] [*Specify Underlying(s) in relation to each Early Redemption Event*]] [Not applicable]
	Early Redemption Level:	[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]
	Early Redemption Valuation Period(s):	[ ] [*Specify each period if more than one*]
	Early Payment Date(s):	[ ] [*Specify for each period if more than one*]
91.	Early Partial Capital Payment Amount: *(Delete sub-paragraphs if not applicable)*	[ ] [Not applicable]
	Early Partial Capital Payment Date:	[ ] [Not applicable]

	[Record Date:]	[ ]
	Outstanding Amount Determination Date(s):	[ ] [Not applicable]
92.	Cumulated Bonus Amount: *(Delete sub-paragraphs if not applicable)*	[Applicable] [Not applicable]
	Bonus Percentage:	[ ]
	Bonus Observation Date(s):	[ ]
	Bonus Payment Date(s):	[ ]
	[Record Date:]	[ ]
93.	Coupon Premium Amount: *(Delete sub-paragraphs if not applicable)*	[Applicable [*Specify details of the relevant event*]] [Not applicable]
	Underlying(s):	[[ ] [*Specify Underlying(s) in relation to each Coupon Event*]] [Not applicable]
	Coupon Premium 1:	[ ] [*Specify for each period if more than one*]
	Coupon Premium 2:	[ ] [*Specify for each period if more than one*]
	Coupon Level(s):	[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]
	Coupon Valuation Period(s):	[ ] [*Specify for each period if more than one*]
	Coupon Payment Date(s):	[ ] [*Specify for each period if more than one*]
	[Record Date:]	[ ]
94.	Internal Return Amount: *(Delete sub-paragraphs if not applicable)*	[Applicable. The Internal Return Amount is [IRA Compound] [IRA Compound Cap] [IRA Simple] [IRA Simple Cap] [*Specify details and the type of Internal Return Amount in relation to each Annual Valuation Period if different*]] [Not applicable]
	Underlying(s):	[[ ] [*Specify Underlying(s) in relation to the calculation of the Internal Return Amount*]] [Not applicable]
	Annual Valuation Period(s):	[ ]
	IRA Cap:	[[ ]% [*Specify in relation to each Annual Valuation Period*]] [Not applicable]
	Annual Remuneration Payment Date(s):	[ ] [*Specify date(s) for each Annual Valuation Period if more than one*]

	[Record Date:]	[ ]
95.	Participation Remuneration Amount: *(Delete sub-paragraphs if not applicable)*	[Applicable. The Participation Remuneration Amount[s] [is] [are] [Long Participation Remuneration Amount[s] Form A] [and] [Long Participation Remuneration Amount[s] Form B] [Short Participation Remuneration Amount[s]] [Spread Participation Remuneration Amount[s]] (*Specify details and each amount (i.e. the Participation Remuneration Amount 1, the Participation Remuneration Amount 2 and so on*)] [Not applicable]
	Underlying(s):	[[ ] [*Specify Underlying(s) in relation to the calculation of each Participation Remuneration Amount*]] [Not applicable]
	Participation Remuneration Payment Date(s):	[ ]
	[Record Date:]	[ ]
	Participation Performance Period(s):	[[ ] [*Specify in relation to each Participation Remuneration Amount if more than one*]] [Not applicable]
	Participation Valuation Date(s)$_j$:	[ ] [Not applicable]
	Participation Valuation Date(s)$_t$:	[ ] [*Specify in relation to each Participation Remuneration Amount if more than one*]
	Strike Remuneration Percentage$_j$:	[[ ] [*Specify in relation to each Participation Remuneration Amount if more than one*]] [Not applicable]
	Floor Percentage$_t$:	[[ ] [*Specify in relation to each Participation Remuneration Amount if more than one*]] [Not applicable]
	Cap$_t$:	[[ ] [*Specify in relation to each Participation Remuneration Amount if more than one*]] [Not applicable]
	Base Premium Percentage$_t$:	[[ ] [*Specify in relation to each Participation Remuneration Amount if more than one*]] [Not applicable]
	Participation Remuneration Amount Gearing$_t$:	[[ ] [*Specify in relation to each Participation Remuneration Amount if more than one*]] [Not applicable]
	Margin$_t$	[[ ] [*Specify in relation to each Participation Remuneration Amount if more than one*]] [Not applicable]
	Spread Leverage:	[[ ] [*Specify in relation to each Participation Remuneration Amount if more than one*]] [Not applicable]
	Net Profit Feature:	[[Applicable [*Specify details. Specify the relevant Participation Remuneration Amount(s) and the relevant Remuneration Payments Date(s) for the calculation of the Remuneration Sum*]] [Not applicable]

	Tarn Feature:	[Applicable [*Specify details. Specify the relevant Participation Remuneration Amount(s) and the relevant Remuneration Payments Date(s) for the calculation of the Remuneration Sum*]] [Not applicable]
	Tarn Amount	[Applicable [*Specify details*] [Not applicable]
	Participation Combo Feature:	[Applicable [*Specify details*]] [Not applicable]
	Participation Factor$_t$:	[[ ] [*Specify in relation to each Participation Remuneration Amount if more than one*]] [Not applicable]
	Participation Remuneration Event:	[Applicable [*Specify details*]] [Not applicable]
	Participation Remuneration Level(s):	[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]
	Participation Remuneration Event Valuation Period(s):	[ ] [*Specify each date if more than one*]
	Consolidation Effect:	[Applicable [*Specify details*]] [Not applicable]
	Consolidation Level:	[[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]] [Not applicable]
	Consolidation Valuation Period(s):	[[ ] [*Specify each period if more than one*]] [Not applicable]
	Memory Effect:	[Applicable [*Specify details*]] [Not applicable]
	Memory Level:	[[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]] [Not applicable]
	Memory Valuation Period(s):	[[ ] [*Specify each period if more than one*]] [Not applicable]
96.	Participation Rebate Feature: *(Delete sub-paragraphs if not applicable)*	[Applicable] [Not applicable]
	Participation Rebate Event:	[ ]
	Participation Rebate Level:	[ ] [*Specify the level and, if a range applies, the Up Range Level/Down Range Level and all the applicable levels if the Restrike Feature applies, for each period if more than one*]
	Participation Rebate Valuation Period(s):	[ ] [*Specify each period if more than one*]
97.	Floating Amount: *(Only applicable in relation to Interest Rate Warrants. Delete the*	[Not applicable] [Applicable]

sub-paragraphs if not applicable)

Floating Amount Determination Period/ Floating Amount Payment Date(s)/ Notional Amount$_t$:

t	**Floating Amount Determination Period$_t$**		**[Notional Amount$_t$]**	**Floating Amount Payment Date**
	from	**to**		
[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]

[The Notional Amount$_t$ is equal to the [Notional Amount] [ ] in relation to all the Floating Amount Determination Periods.]

Floating Amount Determination Date(s): [ ]

Interest Cap: [ ]

Day Count Fraction: [ACT/360] [Actual/Actual] [30/360] [ ] (*Specify details, if applicable*)

[following] [modified following] [adjusted] [unadjusted]

Reference Rate: [ ]

- Manner in which Reference Rate is to be determined: [*Insert relevant provisions for the purposes of Condition 23:*

[ ]

98. Discretionary Payment Amount: *(Only applicable in relation to Discretionary Payment Certificates. Delete sub-paragraphs if not applicable)* — [Applicable.] [*Specify details and each amount in relation to the relevant Discretionary Payment Exercise Date$_t$*] [Not applicable]

Discretionary Payment Amount Payment Date(s): [ ] [*Specify in relation to each Discretionary Payment Exercise Date$_t$ if more than one*]

Discretionary Payment Exercise Date$_t$: [ ]

[Record Date:] [ ]

Discretionary Payment Notice Date: [ ] [Not applicable]

99. Premium Gap Amount: *(Delete the sub-paragraphs if not applicable*): [Not applicable.] [Applicable: [Floating Premium] [and] [Fixed Premium] [and] [Difference in Rates] determined on the basis of the number of days within the [relevant] Premium Gap Observation Period, which is the period that will be composed

	by: i. if a Barrier Gap Event has not occurred, the same number of days comprised in the [relevant] Premium Determination Period; or ii. if a Barrier Gap Event has occurred, the number of days from [and including] [but excluding] the initial day of the [relevant] Premium Determination Period to [and including] [but excluding] the day on which the Barrier Gap Event has occurred and not on the basis of all the days of the [relevant] Premium Determination Period. [If a Barrier Gap Event occurs, after the payment of the Premium Gap Amount that will be paid on the payment date following the Barrier Gap Event Date on which a Barrier Gap Event has occurred, no further Premium Gap Amount will be paid to the Securityholders.]
Fixed Premium: (*Delete the following sub-paragraph if not applicable*)	[Applicable *(Specify in relation to which period if more than one)*][Not applicable]
– Premium Percentage:	[ ]
– Day Count Fraction:	[ACT/360] [Actual/Actual] [30/360] (*Specify details, if applicable*) [following] [modified following] [adjusted] [unadjusted]
– Premium Determination Period:	[from [ ] to [ ]] (*Specify for each period if more than one*)
– Premium Gap Payment Date(s):	[ ] (*Specify for each period if more than one*)
– [Record Date:]	[ ]
Floating Premium: (*Delete the following sub-paragraph if not applicable*):	[Applicable (*Specify in relation to which period if more than one*)] [Not applicable]
– Premium Percentage:	[ ]
– Premium Margin	[Applicable (*Specify details*) [Not applicable] (Please note that *the Premium Margin may be equal to zero if the Issuer decides not to apply it for the calculation of the relevant Premium Gap Amount*)
– Day Count Fraction:	[ACT/360][Actual/Actual] [30/360] (*Specify details, if applicable*) [following] [modified following] [adjusted] [unadjusted]

– Premium Determination Period:	[from [ ] to [ ]] (*Specify for each period if more than one*)
– Premium Gap Payment Date(s):	[ ] (*Specify for each period if more than one*)
– [Record Date:]	[ ]
– Manner in which the rate of interest is to be determined:	[*Insert relevant provisions for the purposes of Condition 23:* [ ]
Difference in Rates: (*Delete the following sub-paragraph if not applicable*):	[Applicable (*Specify in relation to which period if more than one*)] [Not applicable]
– Day Count Fraction:	[ACT/360][Actual/Actual][30/360] (*Specify details, if applicable*) [following] [modified following] [adjusted] [unadjusted]
– Premium Determination Period:	[from [ ] to [ ]] (*Specify for each period if more than one*)
– Premium Gap Payment Date(s):	[ ] (*Specify for each period if more than one*)
– [Record Date:]	[ ]
– Rate 1:	[ ]
(i) Premium Percentage:	[ ]
(ii) Premium Margin:	[Applicable (*Specify details*) [Not applicable] (Please note that *the Premium Margin may be equal to zero if the Issuer decides not to apply it for the calculation of the relevant Premium Gap Amount*)
(iii) Manner in which Rate 1 is to be determined:	[*Insert relevant provisions for the purposes of Condition 23:* [ ]
– Rate 2:	[ ]
(i) Premium Percentage:	[ ]
(ii) Premium Margin:	[Applicable (*Specify details*) [Not applicable] (Please note that *the Premium Margin may be equal to zero if the Issuer decides not to apply it for the calculation of the relevant Premium Gap Amount*)

	(iii) Manner in which Rate 2 is to be determined:	[*Insert relevant provisions for the purposes of Condition 23:* [ ]

PROVISIONS RELATING TO WARRANTS

[Applicable][Not applicable (*if not applicable, delete the entire section and adjust the numbering of the items accordingly*)]

100.	Type of Warrants:	[(i) the Warrants are [European/American] Style Warrants (ii) the Warrants are [Call] [Put] [Corridor][Covered] [Interest Rate] Warrants][Not applicable]
101.	Notional Amount [and Final Notional Amount (*Only applicable in relation to Interest Rate Warrants*)] :	[Not applicable] [ ]
102.	Day Count Fraction:	[Not applicable] [ACT/360] [Actual/Actual] [30/360] (*specify details, if applicable*) [following] [modified following] [adjusted] [unadjusted]
103.	Exercise Price: (*Only applicable for Covered Warrants*)	[Not applicable] [ ]
104.	Premium:	[Not applicable] [[ ] [[being] [ ]% of the Notional Amount]] for each Warrant.]
105.	Barrier Event:	[Applicable (*Specify details*)] [Not applicable]
	Barrier Event Determination Period(s):	[from [ ] to [ ] [Not applicable]
	Barrier Level:	[ ] (*Specify the level for each period if more than one*) [Not applicable]
	Lower Barrier Level:	[ ] (*Specify the level for each period if more than one*) [Not applicable]
	Upper Barrier Level:	[ ] (*Specify the level for each period if more than one*) [Not applicable]
	Corridor Early Amount:	[ ][Not applicable]
	Corridor Early Payment Date:	[ ][Not applicable]
106.	Strike Percentage:	[[ ]%] [Not applicable]
107.	Exercise Period: (*Only applicable for American Style Warrants*)	[Not applicable] [[ ]]
108.	Maximum Exercise Number: (*Not applicable for European Style Warrants*)	[Not applicable] [The maximum number of Warrants that must be exercised on any day by any Securityholder or group of Securityholders is [ ]]

109.	Settlement Determination Period: *(Only applicable for Interest Rate Warrants)*	[from [ ] to [ ]] [Not applicable]
110.	Settlement Determination Date: *(Only applicable for Interest Rate Warrants)*	[[ ]] [Not applicable]

GENERAL

111.	Form of Securities:	[Bearer Securities [Temporary Global Security exchangeable for a Permanent Global Security which is exchangeable for Definitive Securities only in the limited circumstances specified in the Permanent Global Security.] [Temporary Global Security exchangeable for Definitive Securities on or after the Exchange Date.] [Permanent Global Security exchangeable for Definitive Securities only in the limited circumstances specified in the Permanent Global Security.]] [Registered Securities] [Italian Dematerialised Securities]
112.	Prohibition of Sales to Retail Investors:	[Applicable. The Securities 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 Securities 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 Securities clearly do not constitute "packaged" products, "Not applicable" should be specified. If the Securities may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.*)
	[Liability to be counted towards MREL capacity:]	[[Applicable] / [Not applicable]]
	[Capital Protection Percentage:]	[[•]%]
	[Value of the claim in case of insolvency or resolution of the Issuer for Certificates eligible to be counted towards the Issuer's MREL capacity:]	[•]

DISTRIBUTION

113.	Syndication:	[Not applicable.] [The Securities will be distributed on a [non-]syndicated basis.]
	(i) [If syndicated, names and addresses of Managers and underwriting commitments:	[*give names, and addresses and underwriting commitments*] [Not applicable.]] (*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:	[ ] [Not applicable.]]
	(iii) [Stabilisation Manager (if any):	[Not applicable][*give name and address* (*)]]
	[If non-syndicated, name and address of Manager (if not the Issuer):	[*Name and address*] [Not applicable.]]

COMMISSIONS AND/ OR COSTS

114.	[Commissions] [and] [other costs]:	[*Specify the total commissions and/or costs (e.g. placement commissions or – in case the Issuer acts as Distributor – distribution commissions), the single components of commissions and costs, if any, and the elements to be taken into account for the purposes of determining the variable commissions/costs and/or the running commissions/costs, if any, or other structuring fees, the running structuring fees, other structuring costs, if any, etc.*] [Not applicable.]

ADDITIONAL INFORMATION

Example(s) of complex derivatives securities:	[Not applicable] [*Insert, where available, scenarios and simulations of the Certificates, for informative and illustrative purposes only, with a statement that they do not purport either to be comprehensive or anticipate or guarantee future returns.*]

[DISTRIBUTION IN OR FROM SWITZERLAND TO PRIVATE CLIENTS AND PUBLIC OFFER[**]

If and to the extend the Securities qualify as structured products in Switzerland pursuant to article 70 of the Swiss Financial Services Act ("**FinSA**"), they are neither subject to authorisation nor supervision by the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**"). None of the Securities constitutes a participation in a collective investment scheme within the meaning of the Collective Investment Schemes Act of 23 June 2006 ("**CISA**") and investors do not benefit from the specific investor protection provided under CISA. Investors bear the credit risk of the Issuer.

[*If (i) Securities are not distributed in or from Switzerland to Private Clients or (ii) Private Clients in or from Switzerland may exclusively purchase Securities under an asset management agreement pursuant to article 58*

[**] Distribution in or from Switzerland is exempt from the Prospectus Regulation.

para. 2 FinSA, add: The Securities may be distributed in or from Switzerland only to professional and institutional clients and, only under certain conditions, to private clients as defined in article 70 para. 1 FinSA. No KID or PRIIPs-KID in accordance with the requirements of the FinSA is required or has been prepared for the purpose of such distribution.

[*If Securities are distributed in or from Switzerland to Private Clients, unless Private Clients may exclusively purchase Securities under an asset management agreement pursuant to article 58 para. 2 FinSA, add:* The Securities may be distributed in or from Switzerland. A [KID][PRIIPs-KID] has been prepared and made available in accordance with the requirements of FinSA at: [*insert contact details of Issuer*][*if electronic version is retrievable online:* and *[insert URL*]

[*If Securities are publicly offered, directly or indirectly, in Switzerland within the meaning of the FinSA:* The Base Prospectus constitutes a base prospectus within the meaning of the FinSA. It has been approved according to the requirements of the FinSA by a prospectus review body authorized by FINMA for that purpose pursuant to article 51 et seqq. FinSA (the "**Review Body**") and these Final Terms have been registered with the Review Body according to the requirements of the FinSA.**]]**

[THIRD PARTY INFORMATION

[The information relating to ● [and ●] (the "**Reference Information**") contained herein has been accurately [reproduced] [extracted] from [*insert information source(s)*]. As far as the Issuer is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the [reproduced] [extracted] information inaccurate or misleading. The Issuer accepts responsibility for the accuracy of such [extraction][reproduction] but accepts no further or other responsibility in respect of such information.]]

[Signed on behalf of the Issuer:

By: ....

Duly authorised]

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing:	[Application [[has] [may] [will]] [also] [been] [be] made in] [is expected to be made in] [Luxembourg [- Luxembourg Stock Exchange]] [and] [Austria [- Vienna Stock Exchange]] [Belgium [– Brussels Stock Exchange]] [Croatia [- Zagreb Stock Exchange]] [France [- Euronext Paris]] [Greece [- Athens Stock Exchange]] [Hungary [- Budapest Stock Exchange]] [Ireland – Official List of Euronext Dublin]] [Italy [– Euronext Milan]] [Poland [– Warsaw Stock Exchange]] [Portugal – Official List of Euronext Lisbon]] [Slovakia [- Bratislava Stock Exchange]] [Slovenia [- Ljubljana Stock Exchange]] [Spain [- Bolsa de Madrid]] [None]
(ii)	Admission to trading:	[Application [[has] [may] [will]] [also] [been] [be] made][is expected to be made] for the Securities to be admitted to trading on [*specify details of the relevant market/trading venue in Luxembourg/ Austria/ Belgium/ Croatia/ France/ Greece/ Hungary/ Ireland/ Italy/ Poland/ Portugal/ Slovakia/ Slovenia/ Spain 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 to list the Securities on other stock exchanges or regulated markets or to admit to trading on other trading venues as the Issuer may decide.] [Not Applicable.] (*Where documenting a fungible issue need to indicate that original securities are already admitted to trading*) [Only qualified investors, as defined in Article 2 (e) of the Prospectus Regulation, are allowed to purchase the Securities on the [•].]

2. NOTIFICATION

[The CSSF [has been requested to provide/has provided] the [*names of competent authorities of host Member State(s)*] with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Regulation.]

[Not applicable.]

3. 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 Securities 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 "Potential Conflicts of Interest".]

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

[(i)	Reasons for the offer:	[Not applicable.] [ ] (*See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here*)
(ii)	Estimated net proceeds:	[Not applicable.] [ ] (*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.*)
(iii)	Estimated total expenses:	[None.] [ ]. [*Expenses are required to be broken down into each principal intended "use" and presented in order of priority of such "uses".*] (*(i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and where this is the case disclosure of net proceeds and total expenses at (ii) and (iii) above are also required.*)

5. TERMS AND CONDITIONS OF THE OFFER

[Applicable][Not applicable (*if not applicable, delete the entire section*)]

[Non-exempt Offer Jurisdiction(s)]	[Luxembourg] [and] [Austria] [and] [Belgium] [and] [Croatia] [and] [France] [and] [Greece] [and] [Hungary] [and] [Ireland] [and] [Italy] [and] [Poland] [and] [Portugal] [and] [Slovakia] [and] [Slovenia] [and] [Spain] [[The Issuer] [•] intends to publish advertising material in Italy referring to the Securities and the admission to trading of the Securities on the [•], which may be qualified as a public offer of Securities in [Italy] [•] under [Italian law] [•] and this Final Terms are prepared for this purpose.]
[Offer Price:] [[•]:]	[Issue Price][*specify*]
[Conditions to which the offer is subject:]	[Not applicable/*give details*]
[Offer allocation:]	[Not applicable/*give details*]
[The Offer Period, including any possible amendments, during which the offer will be	[Not applicable/*give details*]

open and description of the application process:]	
[Details of the minimum and/or maximum amount of the application:]	[Not applicable/*give details*]
[Description of possibility to reduce subscriptions and manner for refunding amounts paid in excess by applicants:]	[Not applicable/*give details*]
[Details of the method and time limits for paying up and delivering the Securities:]	[Not applicable/*give details*]
[Manner in and date on which results of the offer are to be made public:]	[Not applicable/*give details*]
[Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:]	[Not applicable/*give details*]
[Whether tranche(s) have been reserved for certain countries:]	[Not applicable/*give details*]
[Process for notifying to applicants of the amount allotted and an indication whether dealing may begin before notification is made:]	[Not applicable/*give details*]
[Amount of any expenses and taxes charged to the subscriber or purchaser:]	[Not applicable/*give details*]
[Consent to use of Base Prospectus:]	[Not applicable.] [The Issuer consents to the use of the Base Prospectus in [Luxembourg] [and] [Austria] [and] [Belgium] [and] [Croatia] [and] [France] [and] [Greece] [and] [Hungary] [and] [Ireland] [and] [Italy] [and] [Poland] [and] [Portugal] [and] [Slovakia] [and] [Slovenia] [and] [Spain] by [all financial intermediaries] [the following financial intermediar[y][ies]: [*Insert name[s]] and address[es]*] (the "**Authorised Offeror[s]**").] The consent is subject to the condition that the Authorised Offeror[s] compl[y][ies] with the applicable selling restrictions as well as the other conditions specified under the Base Prospectus. [The consent is also subject to and given under the following additional condition[s]: [•].]

	[The subsequent resale of the Certificates in [Luxembourg] [and] [Austria] [and] [Belgium] [and] [Croatia] [and] [France] [and] [Greece] [and] [Hungary] [and] [Ireland] [and] [Italy] [and] [Poland] [and] [Portugal] [and] [Slovakia] [and] [Slovenia] [and] [Spain] by the Authorised Offeror[s] can be made [as long as the Base Prospectus is valid in accordance with article 12 of the Prospectus Regulation] [*include relevant period if less than 12 months*] [and under the following additional condition[s]: [•]].]]

6. DISTRIBUTION

[Applicable][Not applicable (*if not applicable, delete the entire section*)]

(i)	Name(s) and address(es), to the extent known to the Issuer, of the Managers / Distributors in the various countries where the offer takes place:	[None/*give details*]
(ii)	Name and address of the co-ordinator(s) of the global offer and of single parts of the offer:	[Not applicable] [●]
(iii)	Name and address of any paying agents and depository agents in each country (in addition to the Principal Security Agent):	[Not applicable] [●]
(iv)	Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements:	[Not applicable] [●]
(v)	Date of signing of the [underwriting] / [placement] agreement	[Not applicable] [●]

7. POST-ISSUANCE INFORMATION

The Issuer [intends to provide post-issuance information [*specify what information about the Underlying(s) or the Securities 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].

8. 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. and Clearstream Banking, S.A., relevant address(es), and relevant identification number(s):	[Not applicable/Monte Titoli/*give name(s) and number(s)*]
[(iv)]	Names and addresses of initial Security Agents:	[ ]
[(v)]	[Name(s) and address(es) of Listing Agent(s) *(only applicable for Listing Agent(s) other than the Luxembourg Listing Agent. Delete if not applicable)*:]	[[ ]]

APPLICABLE FINAL TERMS - ISSUE SPECIFIC SUMMARY OF THE SECURITIES

[If applicable, insert the Issue Specific Summary for the Securities]

[ANNEX TO THE FINAL TERMS
(Only applicable in the case of multi-products issuance)]
[*Applicable table in case of Warrants:*

Series Number (Item 1 of Part A [and Section [•] of the Issue Specific Summary (*Delete when Summary is not applicable*)**])**	**Warrants Isin Code [or other security identification code if different from ISIN Code] (Paragraph 8 of Part B [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**Minimum Exercise Amount (Item 3 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**Underlying (Item 6 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**[Settlement Date (Item 10 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])]**	**Exchange (Item 23 of Part A and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**Sponsor of the Index (Item 24 of Part A and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**[Valuation Date (Item 45 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])]**	**Call/ Put/Corridor/Covered/Interest Rate (Item 98 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**Notional Amount (Item 99 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**Strike Percentage (Item 104 of Part A [and Element C.19 of the Summary** (*Delete when Summary is not applicable*)**])**	**[Lower Barrier Level]** (*specify for each period if more than one*) **(Item 103 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**[Upper Barrier Level]** *specify for each period if more than one*) **(Item 103 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**[Exercise Date] [Exercise Period] (Item 9 and 106 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**Corridor Early Amount (Item 103 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**[•]**

]

[*Applicable table in case of Certificates:*

Series Number (Item 1 of Part A [and Section [•] of the Issue Specific Summary (*Delete when Summary is not applicable*)**])**	**Certificates Isin Code [or other security identification code if different from ISIN Code] (Paragraph 8 of Part B) [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**Underlying(s) (Item 6 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**Isin Underlying (Item 6 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**[Settlement Date (Item 10 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])]**	**Exchange (Item 23 of Part A and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**[Reference Source] [Index Sponsor] [Fund Manager] [Calculation Entity]**(**Item 24 of Part A and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**[Valuation Date (Item 45 of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])]**	**[•] Amount** (*specify for each period if more than one*) **(Item [•] of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**[•] Level** (*specify for each period if more than one*) **(Item [•] of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**[•] [Valuation] [Observation] [Determination] [Date/Period] (Item [•] of Part A [and Section [•] of the Issue Specific Summary** (*Delete when Summary is not applicable*)**])**	**[•]**

]

TAXATION

1. GENERAL

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 Securities.

Transactions involving Securities may be subject to stamp taxes and give rise to certain other tax consequences for potential purchasers which may depend, amongst other things, upon the status of the potential purchaser and laws relating to transfer and registration taxes. Paragraphs below summarise, for information purposes only, certain aspects of the tax treatment of transactions involving Securities in Luxembourg, Austria, Belgium, Croatia, France, Greece, Hungary, Ireland, Italy, Poland, Portugal, Slovakia, Slovenia, Spain, Switzerland and United States. However, such transactions may have tax consequences in other jurisdictions. Potential purchasers who are in any doubt about the tax position of any aspect of transactions involving Securities should consult their own tax advisers.

The following general discussion does not take into account taxation which may be imposed by way of withholding or otherwise in Luxembourg, Austria, Belgium, Croatia, France, Greece, Hungary, Ireland, Italy, Poland, Portugal, Slovakia, Slovenia, Spain, Switzerland and United States or in any other jurisdiction, on income and capital gains in any form, on any of the underlying assets to which the Securities may relate.

Condition 10 (*Expenses and Taxation*) should be considered carefully by all potential purchasers of any Securities.

2. 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 Securities. Prospective investors in the Securities 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 Securities.

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 Securities

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 Securities, nor on accrued but unpaid interest in respect of the Securities, nor is any Luxembourg withholding tax payable upon settlement, repurchase or exchange of the Securities held by non-resident holders of Securities.

Resident holders of Securities

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the **Relibi Law**), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Securities, nor on accrued but unpaid interest in respect of

Securities, nor is any Luxembourg withholding tax payable upon settlement, repurchase or exchange of Securities held by Luxembourg resident holders of Securities.

Under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg are at present subject to a withholding tax of 20 per cent. 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 or similar income under the Securities coming within the scope of the Relibi Law will be subject to withholding tax of 20 per cent.

Taxation of Corporate Holders

Luxembourg corporate holders

Holders of Securities who are residents of Luxembourg will not be liable for any Luxembourg income tax on a repayment of principal.

A corporate holder of Securities who is a resident of Luxembourg for tax purposes, or who has a permanent establishment or a fixed place of business in Luxembourg to which the Securities are attributable, is subject to Luxembourg corporation taxes in respect of the interest received or accrued on the Securities as well as on any redemption premium received or issue discount realized.

Gains realized by a corporate holder of Securities who is a resident of Luxembourg for tax purposes or who has a permanent establishment or a fixed place of business in Luxembourg to which the Securities are attributable, on the sale or disposal of their Securities, are subject to Luxembourg corporation taxes.

Non-resident corporate holders not having a permanent establishment or a fixed place of business in Luxembourg

Gains realized by a non-resident corporate holder of Securities who does not have a permanent establishment or a fixed place of business in Luxembourg to which the Securities are attributable, on the sale or disposal of their Securities, are not subject to Luxembourg income tax.

Wealth tax

Under present Luxembourg tax laws, a holder of Securities who is a resident of Luxembourg for tax purposes, or a non-resident holder of Securities who has a permanent establishment or a fixed place of business in Luxembourg to which the Securities are attributable, has to take into account the Securities for purposes of the Luxembourg wealth tax, with the exception of venture capital companies subject to the law dated 15 June 2004, as amended, private wealth management companies subject to the law of 11 May 2007, as amended, regulated investment funds subject to the law of 17 December 2010, specialized investment funds subject to the law of 13 February 2007, as amended, securitization companies subject to the law of 22 March 2004, as amended, professional pension institutions subject to the law dated 13 July 2005, as amended, and reserved alternative investment funds subject to the law dated 23 July 2016, as amended.

Taxation of Individual Holders

Resident individuals

Holders of Securities who are residents of Luxembourg will not be liable for any Luxembourg income tax on a repayment of principal.

An individual holder of Securities managing their private wealth, who is a resident of Luxembourg for tax purposes, is subject to income tax at progressive rates in respect of interest received, redemption premium received or issue discount realized on the Securities, except where (i) such interest has been subject to withholding tax under the Relibi Law, or (ii) the individual holder of the Securities has opted for the application of a 20% tax in full discharge of income tax in accordance with the Relibi Law, which applies if a payment of interest has been made or ascribed by a paying agent established in a EU Member State (other than Luxembourg), or in a Member State of the European Economic Area (other than a EU Member State).

Under Luxembourg tax laws, a gain realized by an individual holder of Securities managing their private wealth and who is a resident of Luxembourg for tax purposes, on the sale or disposal of the Securities is not subject to Luxembourg income tax, provided this sale or disposal took place at least six months after the acquisition of the Securities. An individual holder of Securities, managing their private wealth and who is a resident of Luxembourg for tax purposes, has to further include the portion of their gain corresponding to accrued but unpaid interest income in respect of the Securities in their taxable income, except where such interest has been subject to withholding tax under the Relibi Law.

Gains realized upon the sale or disposal of the Securities by an individual holder of their Securities, managing a professional or business undertaking, who is a resident of Luxembourg for tax purposes or who has a permanent establishment or a fixed place of business in Luxembourg to which the Securities are attributable, are subject to Luxembourg income tax. There is no wealth tax for individuals.

An individual holder of Securities managing a professional or business undertaking must include this interest in their taxable basis. If applicable, the tax levied in accordance with the Relibi Law, will be credited against their final tax liability.

Non-resident individuals

A non-resident holder of Securities, not having a permanent establishment or permanent representative in Luxembourg to which/whom such Securities are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premium received or issue discount realized on the notes or gains realized on the sale or disposal of the Securities.

Indirect Taxes

In principle, neither the issuance nor the transfer, repurchase or redemption of Securities will give rise to any Luxembourg registration tax or similar taxes.

Inheritance and gift taxes

Under present Luxembourg tax laws, in the case where a holder of Securities is a resident for tax purposes of Luxembourg at the time of his death, the Securities are included in his taxable estate for inheritance tax purposes and gift tax may be due on a gift or donation of notes if a deed is registered in Luxembourg.

No stamp duty

A fixed or ad valorem registration duty may be due upon the registration of a document linked to the Securities in Luxembourg in the case where such document is physically attached to a public deed or to any other document subject to mandatory registration, as well as in the case of a registration of such document on a voluntary basis.

3. AUSTRIA

The following is a general discussion of certain Austrian tax consequences of the acquisition, holding and disposal of the Securities. It does not purport to be a comprehensive description of all Austrian tax considerations that may be relevant to a decision to purchase the Securities, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. It is not intended to be, nor should it be construed to be, legal or tax advice.

As each Series or Tranche of Securities may be subject to a different tax treatment due to the specific terms of such Series or Tranche of Securities as set out in the respective Final Terms, the following section only provides some general information on the possible tax treatment of Securities to be considered capital assets (Kapitalvermögen) under Sec 27 Austrian Income Tax Act.

Prospective purchasers of the Securities are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposal of the Securities, including the effect of any state, local or church taxes, under the tax laws of Austria and any country of which they are resident or whose tax laws apply to them for other reasons. This overview is based on Austrian law as in force when drawing up this Base Prospectus. The laws and their interpretation by the tax authorities and tax courts may change and such changes may also have retroactive effect. It cannot be ruled out that the Austrian tax authorities adopt a view different from that outlined below.

Austrian individuals

Realized capital gains (*Einkünfte aus realisierten Wertsteigerungen*) from the Securities whose ongoing payments are considered to be income from the provision of capital (*Einkünfte aus der Überlassung von Kapital*) within the meaning of Sec 27 Para 2 of the Austrian Income Tax Act (*Einkommensteuergesetz*) or income from derivatives (*Einkünfte aus Derivaten*) within the meaning of Sec 27 Para 4 of the Austrian Income Tax Act derived by individuals, whose domicile or habitual abode is in Austria, in general are subject to Austrian income tax at a special rate of 27.5% (depending on the specifics of the respective Security exemptions from this special tax rate may apply and progressive taxation may apply). Realised capital gain (*Einkünfte aus realisierten Wertsteigerungen*) means inter alia any income derived from the sale or redemption of the Securities. The tax base is, in general, the difference between the sale proceeds or the redemption amount and the acquisition costs, in each case including accrued interest. Income from derivatives (*Einkünfte aus Derivaten*) means inter alia any cleared differences (*Differenzausgleich*), writer premiums (*Stillhalterprämie*) and income from the sale or other settlement of derivatives. Expenses which are directly connected with income subject to the special tax rate are not deductible. For Securities held as private assets, the acquisition costs shall not include incidental acquisition costs. The income may in general be subject to withholding tax *(Kapitalertragsteuer)* if the Securities are kept or administrated in a custodial institution (*depotführende Stelle*) or paying agent (*auszahlende Stelle*) in Austria. If the income from the capital gain is not subject to withholding tax deduction, the taxpayer will have to include the income from the capital gain in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act. Generally the possibilities of tax loss offset are limited for capital assets held as private assets.

If ongoing payments of the Securities are considered to be income from the provision of capital (*Einkünfte aus der Überlassung von Kapital*) within the meaning of Sec 27 Para 2 of the Austrian Income Tax Act (*Einkommensteuergesetz*) (e.g. dividend payments, interest payments) this income will in general be subject to Austrian income tax at a special tax rate of 27.5% provided that the income is derived by individuals, whose domicile or habitual abode is in Austria (depending on the specifics of the respective Security exemptions from this special tax rate may apply and progressive taxation may apply) The tax base is, in general, the received payment by the individual. The income may in general be subject to withholding tax *(Kapitalertragsteuer)* if the Securities are kept or administrated in a paying agent (*auszahlende Stelle*) in Austria or if the debtor has its seat, place of management in Austria or is the branch of a foreign credit institute. If the income from the capital gain is not subject to withholding tax deduction, the taxpayer will have to include the income from the capital gain in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act.

The Issuer does not assume any responsibility for Austrian withholding tax (*Kapitalertragsteuer*) at source and is not obliged to make additional payments in case of withholding tax deductions at source.

Austrian corporations

Corporations seated in Austria or whose place of management is in Austria are subject to corporate income tax at a tax rate of 23%. This in general includes ongoing income from Securities and realized capital gains or derivative income from Securities.

Under certain prerequisites, Austrian corporations holding Securities may declare exemption from withholding tax deduction by submitting a corresponding statement (*Befreiungserklärung*) to the Austrian custody bank and competent financial authority. With this statement the Austrian corporation has to declare its identity and has to confirm that the Securities are held as business assets. If such declaration is not submitted all income from the Securities will in general be subject to withholding tax deduction. Such withheld tax may be set off with the corporate income tax.

Again, the Issuer does not assume any responsibility for Austrian withholding tax (*Kapitalertragsteuer*) at source and is not obliged to make additional payments in case of withholding tax deductions at source.

Non-resident taxation

Individuals who do not have their domicile of their habitual abode in Austria are subject to Austrian limited income tax liability (non-resident taxation) with certain types of income. Income derived from the Securities subject to this non-resident taxation may be subject to the special tax rate in the amount of 27.5% (depending on the specifics of the respective Security exemptions from this special tax rate may apply and progressive taxation may apply). The income may be subject to withholding tax *(Kapitalertragsteuer)* or may need to be declared in a respective personal income tax return. The individual may be eligible to apply for a refund to Austrian tax on the basis of applicable double taxation treaties.

Corporations who do not have their seat or place of management in Austria are subject to Austrian limited corporate income tax liability (non-resident taxation) with certain types of income. Income derived from the Securities subject to this non-resident taxation may be subject to withholding tax *(Kapitalertragsteuer)* or may need to be declared in a respective corporate income tax return. The corporation may be eligible to apply for a refund to Austrian tax on the basis of applicable double taxation treaties or Directives of the European Union.

Again, the Issuer does not assume any responsibility for Austrian withholding tax (*Kapitalertragsteuer*) at source and is not obliged to make additional payments in case of withholding tax deductions at source.

4. BELGIUM

Prospective holders of Securities are strongly advised to consult their own advisors as to the tax consequences of the purchase, ownership and disposal of securities, including the effect of any taxes under Belgian law. The characterization of income gathered from Securities as interest or dividend income and the regime applicable thereto for Belgian tax purposes, will depend on the specific type of Security and the specific circumstances in which the income is gathered. The below does not claim nor purport to be a comprehensive description of all tax considerations related to the acquisition, holding and disposal of Securities. It does not take into account the specific circumstances of particular holders of Securities, some of which may be subject to special rules, or the tax laws of any country other than Belgium.

Furthermore, this description is based on current legislation, published case law and other published guidelines and regulations as in force at the date of this document, which are subject to future amendments, which may or may not have retroactive effect. In particular, in the Federal Government Agreement of 31 January 2025, the Belgian Federal Government has expressed its intention to introduce several new tax measures as well as amendments to existing tax regimes. Some of these measures have already been introduced at the date of this document, but other measures are yet to be implemented by later bills (e.g. a reform of the Belgian tax on stock exchange transactions).

Belgian income taxes regarding Securities

For Belgian income tax purposes, interest includes periodic interest income, as well as any amount paid in excess of the initial issue price of debt instruments upon redemption or purchase by the Issuer (whether or not on the maturity date). If the Securities constitute 'fixed income securities' within the meaning of article 2, §1, 8° of the Belgian Income Tax Code 1992, in case of a realisation of the Securities between two interest payment dates, an income equal to the pro rata of accrued interest corresponding to the holding period is also taxable as interest.

For Belgian income tax purposes, dividends include all benefits from shares or other equity instruments attributed to the holders by or on behalf of the company, in any form whatsoever, including liquidation and redemption proceeds. By way of exception, a repayment of capital made in accordance with the legal provisions governing the company shall not be regarded as a dividend distribution, to the extent that such repayment is attributed to the fiscal capital. However, in the case of a capital reduction approved by the shareholders' meeting and executed in compliance with the legal provisions governing the company, the amount of the capital reduction shall be deemed to derive proportionally from the fiscal capital of the company, on the one hand and on the other hand, from certain undistributed reserves. The portion of the capital repayment that is attributed to the undistributed reserves shall be treated as a dividend for Belgian tax purposes.

Belgian resident individual private investor

The following tax treatment applies to individual Belgian residents who are subject to Belgian personal income tax (*Personenbelasting/Impôt des personnes physiques*) and hold Securities as a private investment. Other rules can however apply when Securities are linked to such investor's professional activity or when the individual's transactions with respect to the Securities fall outside the scope of the normal management of his private estate.

If interest or dividend income is paid outside Belgium without the intervention of a Belgian paying agent, the income received (after deduction of any foreign withholding tax) in principle has to be declared in the Belgian investor's personal income tax return and will be taxed at a rate of 30%.

The payment will be subject to Belgian withholding tax of in principle 30%, if it is collected through a Belgian paying agent. Such taxation is normally final and the Belgian individual does not need to report that income in his personal income tax return.

Belgian resident individual private investors may be eligible for a tax exemption with respect to dividends in an amount of up to EUR 833 (amount applicable for income year 2026) per year and per taxpayer.

As regards capital gains, the Belgian Federal Government intends to introduce a new tax for Belgian individuals and Belgian legal entities subject to the legal entities income tax. At the date of this document, the relevant bill has not yet been approved by the Belgian Parliament, but the expectation is that this will take place in the first months of 2026, and that the new tax will apply to capital gains accrued as of 1 January 2026. Moreover, the draft bill is already available and the expectation is that it will only be subject to very limited changes. The key characteristics of the capital gains tax set forth in the draft bill are therefore set out below.

The new tax would generally apply at the rate of 10% on the capital gains on the Securities accrued as of 1 January 2026, except to the extent they qualify as interest. An exemption would be available for the first tranche of 10,000 EUR of capital gains realized by the Belgian individual in each taxable period. The capital gains tax would need to be withheld by the Belgian paying agent, unless the Belgian individual opts out of this automatic withholding regime (in which case this income must be included in his or her personal income tax return). The withholding is in principle final, meaning that the Belgian individual does not need to report the gain in his or her personal income tax return, unless he or she wants to claim the exemption of the first tranche of 10,000 EUR of capital gains in a taxable period.

Note that there would be a transitional regime applicable until the 10th day after the publication of the final bill in the Official Belgian Gazette. From 1 January 2026 until that day, the Belgian investor would be deemed to have opted-out of the automatic withholding regime. For this transitional period, Belgian investors could opt into the automatic withholding regime, by notifying their bank by 30 June 2026.

Capital losses realised upon the disposal of Securities held as non-professional investment are tax deductible from the capital gains realized on securities of the same category in the same year (assuming that all the relevant transactions fall inside the scope of the normal management of the individual's private estate).

Special rules would apply for individual investors immigrating to or emigrating from Belgium.

Foreign sourced income may be subject to withholding tax abroad. Belgian domestic tax law does not provide for a tax credit, but this may be available based on the relevant double tax treaty (it should, however, be assessed on a case-by-case basis whether the double tax treaty provisions can be invoked).

Tax treatment in the hands of Belgian corporations

Belgian corporations that are subject to Belgian Corporate Income Tax (*Vennootschapsbelasting/Impôt des sociétés*) and that do not qualify for a special corporate tax regime (e.g. *Beveks/Sicavs*, *Private privaks/Pricafs privées*, *Organismen voor de Financiering van Pensioenen/Organismes de financement de pensions*) are subject to the following tax treatment with respect to the Securities.

Income derived by Belgian corporate investors on the Securities and capital gains on the Securities will generally be subject to Belgian corporate income tax of in principle 25%. Furthermore, subject to certain conditions, small and medium-sized companies are taxable at the reduced corporate income tax rate of 20% for the first income band of EUR 100,000. Capital losses on the Securities will be non-deductible, except to the extent the loss relates to paid-up fiscal capital.

Belgian resident companies may (subject to certain limitations) be able to deduct 100% of gross dividends received (dividends received deduction) or of capital gains realised (capital gains exemption) from their taxable income, provided that certain subject-to-tax and holding conditions are met. These holding conditions have recently been tightened by the Belgian Federal Government, such that Belgian resident companies holding a participation of less than 10% but with an acquisition value of at least 2,500,000 EUR in another company, must in addition demonstrate that their participation qualifies as a "fixed financial asset".

As a general rule, Belgian withholding tax is due by the Belgian paying agent (if any), e.g. a Belgian bank which acts as an intermediary during the pay-out of the income. A number of exemptions are available. When Belgian withholding tax is levied, such withholding tax is creditable against the corporate income tax due and reimbursable provided that the legal requirements for creditability are met.

Foreign sourced income may be subject to withholding tax abroad. In the case of interest, Belgian corporations may be eligible for a (partial or full) Belgian Foreign Tax Credit, provided that certain conditions are met. For dividends, Belgian domestic tax law does not provide for a similar foreign tax credit, but this may be available based on the relevant double tax treaty (it should, however, be assessed on a case-by-case basis whether the double tax treaty provisions can be invoked).

Other legal entities

Legal entities that are Belgian residents for tax purposes and that are subject to Belgian tax on legal entities (*Rechtspersonenbelasting/impôt des personnes morales*) are subject to the following tax treatment with respect to the Securities.

Payments of income on the Securities made through a paying agent in Belgium will in principle be subject to a 30% withholding tax in Belgium. If Belgian withholding tax has been withheld, the income will in principle not be taxed further. If the interest payment is collected abroad without Belgian withholding tax, the investor is required to declare this income and to pay 30% income tax on their own initiative.

As regards capital gains, the Belgian Federal Government intends to introduce a new tax for Belgian individuals and Belgian legal entities subject to the legal entities income tax. At the date of this document, the relevant bill has not yet been approved by the Belgian Parliament, but the expectation is that this will take place in the first months of 2026, and that the new tax will apply to capital gains accrued as of 1 January 2026. Moreover, the draft bill is already available and the expectation is that it will only be subject to very limited changes. The key characteristics of the capital gains tax set forth in the draft bill are therefore set out below.

The new tax would generally apply at the rate of 10% on the capital gains on the Securities accrued as of 1 January 2026, except to the extent they qualify as interest. An exemption would be available for the first tranche of 10,000 EUR of capital gains realized by the Belgian legal entity (subject to legal entities income tax) in each taxable period. The capital gains tax would need to be withheld by the Belgian paying agent, unless the Belgian legal entity opts out of this automatic withholding regime (in which case this income must be included in his or her legal entities income tax return). The withholding is in principle final, meaning that the Belgian legal entity does not need to report the gain in its legal entities income tax return, unless it wants to claim the exemption of the first tranche of 10,000 EUR of capital gains in a taxable period.

Note that there would be a transitional regime applicable until the 10th day after the publication of the final bill in the Official Belgian Gazette. From 1 January 2026 until that day, the Belgian legal entity would be deemed to have opted-out of the automatic withholding regime. For this transitional period, Belgian investors could opt into the automatic withholding regime, by notifying their bank by 30 June 2026.

Capital losses realised upon the disposal of Securities held as non-professional investment are tax deductible from the capital gains realized on securities of the same category in the same year (assuming that all the relevant transactions fall inside the scope of the normal management of the private estate).

Foreign sourced income may be subject to withholding tax abroad. Belgian domestic tax law does not provide for a tax credit, but this may be available based on the relevant double tax treaty (it should, however, be assessed on a case-by-case basis whether the double tax treaty provisions can be invoked).

Special tax regimes

Under Belgian tax law, a number of entities such as qualifying pension funds and qualifying investment companies enjoy a special tax regime, whereby income out of investments (such as interest income and capital gains) is not taken into account for determining the taxable basis.

Non-resident investors

Investors who are non-residents of Belgium for Belgian tax purposes, are not holding the Securities through a Belgian establishment, and do not invest the Securities in the course of their Belgian professional activity, will in principle not incur or become liable for any Belgian tax on income or capital gains (save as the case may be, in the form of a 30% withholding tax for dividends and interests, subject to such relief as may be available under applicable domestic and tax treaty provisions).

Where the withholding tax for dividends and interests is due, it is due by the Belgian company attributing the relevant income, or in the absence thereof, a Belgian paying agent (e.g. Belgian bank) provided it acts as an intermediary during the pay-out of the income. Certain exemptions may however apply. If the income is not attributed by a Belgian company, and it is not collected through a financial institution or other intermediary established in Belgium, no Belgian withholding tax should be due.

Capital gains realized by non-resident investors are not taxable (assuming, in the case of individuals and legal entities, that all the relevant transactions fall inside the scope of the normal management of their private estate). Belgian paying agents should not apply withholding tax to the capital gain payments, provided that they are aware that the beneficiary is a non-resident investor.

The non-resident companies or professionals who use the Securities to exercise a professional activity in Belgium through a permanent establishment are subject to the same tax rules as the Belgian resident companies or Belgian professionals.

Tax on Stock Exchange Transactions

The Belgian Tax on Stock Exchange Transactions is only due on transactions relating to existing Securities (secondary market transactions). No such tax is due upon the issuance of new Securities (primary market transactions).

The attribution of already existing Securities to the investors or the transfer for consideration of Securities on the secondary market may trigger the Tax on Stock Exchange Transactions if (i) it is executed in Belgium through a professional intermediary, or (ii) if it is deemed to be executed in Belgium, which is the case if the order is, directly or indirectly, made to a professional intermediary established outside of Belgium, either by private individuals with habitual residence in Belgium, or by legal entities for the account of their head office or establishment in Belgium.

Depending on the characteristics of the Security, the tax will be due on each sale and acquisition separately at the rate of 0.12% (capped at EUR 1.300), 0,35% (capped at EUR 1.600) or 1,32% (capped at EUR 4.000). The Tax on Stock Exchange Transactions is due by each party to the transaction and both taxes are collected by the professional intermediary. However, if the intermediary is established outside of Belgium, the tax will in principle be due by the instructing private individual or legal entity, unless that individual or entity can demonstrate that the tax has already been paid.

Alternatively, professional intermediaries established outside of Belgium can, subject to certain conditions and formalities, appoint a Belgian representative for tax purposes, which will be liable for the payment of the Tax on Stock Exchange Transactions in respect of the transactions executed through the professional intermediary.

The Tax on Stock Exchange Transactions will not be payable by exempt persons acting for their own account. This includes non-resident holders of Securities - provided that they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status - and certain Belgian institutional investors as defined in article 126/1, 2° of the Code of miscellaneous taxes and duties.

Tax on securities accounts

A 0.15% annual subscription tax is due on a securities account if the average value of the taxable securities (all types of financial securities are in scope, as well as the cash held on such account) held in the securities account amounts to more than euro 1.000.000 during a reference period ("**Tax on Securities Accounts**"). The reference period is a period of 12 consecutive months starting on 1 October and ending on 30 September of the following year. The euro 1.000.000 threshold is in principle assessed on the average value of the assets in the securities account at four reference points within the reference period (31 December, 31 March, 30 June and 30 September).

Note that the Belgian Federal Government indicated its intention to increase the tax rate to 0.30% as of 2026. This legislative amendment remains to be adopted by the Belgian Parliament.

The subscription tax may apply to a securities account held by a resident or non-resident investor, irrespective of the capacity of the account holder (individual, company,…). For Belgian resident investors, all securities accounts with taxable securities that meet the threshold are in scope, irrespective of where the financial intermediary is located, while securities accounts held by non-resident investors will only be subject to the tax in case these securities accounts are held with financial intermediaries incorporated or established in Belgium or with a branch in Belgium.

If the securities accounts are held with financial intermediaries incorporated or established in Belgium or with foreign financial intermediaries which have appointed a responsible representative in Belgium, the financial intermediary or responsible representative will be obliged to file the annual subscription tax return on behalf of the investors and will be liable towards the Belgian Treasury to pay the tax due on the securities accounts. If the foreign intermediary did not appoint a representative in Belgium, the investors must submit their own subscription tax return and will thus be liable for the payment of the tax due.

Financial Transactions Tax

The European Commission has published a proposal for a Directive for a common financial transactions tax ("**FTT**"). The proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax. For Belgium, the Tax on Stock Exchange transactions should thus be abolished once the FTT enters into force. The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.

Note that the European Commission has indicated that this FTT proposal will be withdrawn in 2026.

Gift tax and inheritance tax

Belgian tax legislation provides both gift tax and inheritance tax.

The applicable rules vary depending on the Region in which the donator or the deceased has/had his residence (Brussels Region, Flemish Region, Walloon Region).

5. FRANCE

The following is a general discussion of certain French taxation matters and is (i) based on the laws and practice in force as of the date of this Base Prospectus and subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect and (ii) prepared on the assumption that the Issuer is not a French resident for French tax purposes and is not acting from a French branch or permanent establishment in connection with the Securities. In this respect, please note that the statements below have been prepared before the adoption of the French Finance Law for 2026. Investors should be aware that the statements below are of a general nature and addressed to French investors excluding those who invest on a regular basis under the same conditions as stock exchange professional investors. They do not constitute legal or tax advice and should not be understood as such. Prospective investors should consult their professional advisers so as to determine, in the light of their individual situation, the tax consequences of the purchase, holding, redemption or sale of the Securities.

Automatic exchange of information in tax matters

Following the introduction of FATCA, the OECD introduced a global standard for the automatic exchange of financial account information (**Common Reporting Standard** or **CRS**). CRS requires financial institutions to identify and disclose information on those account holders that are tax resident in a Reportable Jurisdiction. The Council of the European Union adopted EU Council Directive 2014/107/EU amending EU Council Directive 2011/16/EU which effectively incorporated CRS by extending the cooperation between EU tax authorities to automatically exchange financial account information (commonly referred to as "DAC"). CRS has been implemented into French law as at 1 January 2016 onwards. These provisions impose on certain qualifying financial institutions as defined by CRS to disclose to the competent tax authorities certain information on the financial accounts held by their clients.

Transfer tax and other taxes

The following rules are applicable to the disposal of French shares:

- The disposal for consideration of French shares is, in principle, subject to a 0.1 per cent transfer tax (the **Transfer Tax**), provided in the case of shares listed on a recognised stock exchange that the transfer is evidenced by a deed or agreement.

- A financial transaction tax in France (the French **Financial Transaction Tax**) is imposed on certain acquisitions of French shares (or certain assimilated securities) which are listed on a recognized stock exchange where the relevant issuer's stock market capitalisation exceeds €1 billion (on 1 December of the previous calendar year). Since 1 April 2025, the French Financial Transaction Tax rate is 0.4 per cent of the acquisition price of the transaction.

- If the French Financial Transaction Tax applies to a transaction, an exemption in respect of the Transfer Tax would be applicable.

For further information about the EU Financial Transaction Tax please refer to paragraph "*European Financial Transaction Tax*" below.

French tax implications for the French resident holders of Securities

(i) With respect to French individual tax residents

Subject to the application of the relevant double tax treaty, income and gains realised in respect of the Securities by a French individual tax resident, as the case may be, (assuming that such payments would not be attributable to an enterprise carried on by the French income tax resident subject to French individual income tax) should be deemed as income from movable capital and subject to a 12.8 per cent flat tax (with respect to dividends payments, the 12.8 per cent flat tax is due at the time where the income is paid and deemed as an advance payment made in respect of their personal income tax and deductible from their personal income tax liability in respect of the year in which payment has been made). Social contributions are also applicable at an overall rate of 18.6 per cent on income from movable capital received by French individual tax residents (with respect to dividend payments, the social contributions are also levied at the time where the income is paid). In addition, an exceptional contribution to income tax may be assessed in respect of individuals with taxable income over €250,000 for single taxpayers and €500,000 for taxable households. Finally, individuals with adjusted taxable income over €250,000 for single taxpayers and €500,000 for taxable households may be subject to a differential contribution aiming to ensure that they are taxed at a minimum of 20% on their income. This differential contribution has been introduced by the 2025 Finance Law and is supposed to apply only for fiscal year 2025. However, this contribution may be extended to subsequent fiscal years. French resident individuals should seek tax advice from their professional adviser in particular as regards the precise timing and collection process for income tax purposes of the income and gains mentioned above.

(ii) With respect to French corporate tax residents

Income and capital gains realised by a French corporate tax resident on the Securities, as applicable, would be subject to (i) French corporate income tax at the normal rate of 25 per cent and (ii) a social surcharge levied at 3.3 per cent of the French corporate income tax rate on any corporation tax exceeding €763,000. Finally, the Finance Act for 2025 introduced an exceptional surcharge on corporate income tax of 20.6% or 41.2% for the first fiscal year ending on or after 31 December 2025 and applicable to companies subject to French corporate income tax and having a turnover in France exceeding € 1 billion. Please note that this contribution may be extended to subsequent fiscal years (under the same or different conditions). French corporate tax residents should seek tax advice from their professional adviser in particular as regards the precise timing and computation for corporate tax purposes of the income and capital gains mentioned above.

6. CROATIA

The statements herein regarding taxation are based on the laws in force in Croatia as of the date of this Base Prospectus and are subject to any changes in law and/or entry into force of any relevant law occurring after such date, which changes could be made on a retroactive basis. The following overview 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 Securities 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 Securities are advised to consult their own tax advisers concerning the overall tax consequences of their interest in the Securities.

Taxation of individuals

Tax obligor is a natural person - income earner and heir to all tax obligations arising from income earned by the decedent until his death. The heir is at the same time tax obligor to income accrued from inherited sources of income.

Taxable sources of income are:

(i) income from salaried employment,
(ii) income from self-employment,
(iii) income from property and property rights,
(iv) income from capital,
(v) other income.

Resident is a natural person whose residence or habitual abode is in the Republic of Croatia. Resident is also a natural person not having the place of residence or habitual abode in the Republic of Croatia and is employed with a governmental office of the Republic of Croatia and receives salary on that basis.

Non-resident is a natural person not having the place of residence or habitual abode in the Republic of Croatia and earning income in the Republic of Croatia which is taxable according to the Croatian Income Tax Act.

Taxable basis i.e. tax base:

a. for a resident is the total amount of income gained from salaried employment, self-employment, property and property rights, capital and other income gained by the resident in the country and abroad (world income principle) less resident's personal allowance,
b. for a non-resident is the total amount of income from salaried employment, self-employment, property and property rights, capital and other income gained by the non-resident in the country (domicile land principle) less non-resident's personal allowance.

With respect to income gained by non-resident natural persons in capacity of performers (artists, entertainers, athletes), there is no obligation to charge, withhold and pay income tax advance or income tax when compensation for their performances is paid to a foreign person, which is not a legal person, pursuant to an agreement with such foreign person, i.e. such compensation is taxable according to withholding tax provisions.

Income from capital are deemed receipts from interests, withdrawals of assets and use of services charged against income of the current period, capital gains and shares in profit realised from allocation or option purchase of treasury shares, which are realised in the tax period, including dividends and shares in profit on the basis of shares in capital.

Croatian Income Tax Act provides a wide list of earnings from interests being subject to taxation (at applicable rate as provided for in the Croatian Income Tax Act), including those realized under a) interests payable on securities (*vrijednosni papiri*), b) interest on EUR and foreign savings, c) interests realized on the basis of granted loans and facilities and d) revenues realized based on division of income of an investment fund in form of interest, if they are not taxed as profit shares on the basis of distribution of profit or income of an investment fund. However, the Croatian Income Tax Act provides for explicit statutory exemption, among others in case of default interest and interest realised through investment in the notes (being *obveznice* under applicable Croatian laws), regardless of the issuer and type of notes as well as in debt securities and money market instruments issued by the Republic of Croatia and local and regional self-government units. As no guidance has been published by the Croatian Tax Authorities, potential interpretation of the said provisions by the Croatian Tax Authorities cannot be assessed.

Pursuant to the Croatian Income Tax Act, capital income on the basis of capital gain represents a difference between the agreed selling price, i.e. revenue determined based on the market value of financial assets being disposed of and the purchase value.

Within the meaning of the foregoing paragraph, the following revenues are considered as revenues realized by disposal of financial assets (financial instruments and structured products), i.e. receipts from: (i) transferable securities (vrijednosni papiri) and structured products, including shares in companies and other associations whose shares may be disposed of similarly as shares in companies; (ii) money market instruments; (iii) units of joint ventures; (iv) derivatives; and/or (v) proportional value of liquidation estate in case of liquidation of an investment fund and other revenues realized from ownership shares in case of liquidation, cessation or withdrawal.

Within the meaning of the foregoing paragraphs, disposal of financial assets means sale, exchange, gift or other transfer, however does not include: (i) transfer of share from one pension fund to another; (ii) exchange of securities (vrijednosni papiri) with the equivalent securities of the same issuer, whereby the ratios among the holders and capital of issuer are not altered, as well as exchange of securities (vrijednosni papiri), i.e. financial instruments with other securities (vrijednosni papiri) or financial instruments, and acquisition of securities (vrijednosni papiri) or financial instruments in case of change of status changes, provided that in all these cases there is no cash flow and the sequence of acquisition of financial property is ensured (acquisition value shall be considered the value determined on the date of first acquisition of financial property); (iii) division of stocks of the same issuer, whereupon the share capital shall not be altered and there shall be no cash flow; (iv) exchange of shares among the investment sub-funds under the same umbrella fund, i.e. exchange of shares among the investment funds managed by the same management company, provided that the sequence of acquisition of financial property is ensured (acquisition value shall be considered the value determined on the date of first acquisition of financial property); (v) repurchase of shares of the Croatian War Veterans' Fund and their families and/or disposal of debt securities and money market instruments issued by the Republic of Croatia and local and regional self-government units.

Capital income from revenues from joint ventures shall be determined in the amount of realized yield, decreased for costs of management of investments, i.e. costs of management of investment fund assets (net yield), i.e. in case of discounted securities (vrijednosni papiri) and zero-coupon bonds, in the amount of difference between the purchase value at the moment of issue and realized value at maturity if the purchaser holds the security until its maturity. Capital income on the basis of capital gains realized through the investment of financial assets into portfolios, in line with the regulations applicable for capital markets, shall be determined in the moment of realization of yield from the portfolio decreased by the costs of portfolio management (net yield).

Capital income on the basis of capital gains shall not be taxed if disposal has been made between the spouses and first-degree relatives and other members of immediate family (as defined in the Croatian Income Tax Act), between the divorced spouses if disposal is in immediate connection with the divorce, inheritance of financial assets and if financial assets are disposed of after two years from the date of purchase, i.e. acquisition of the same.

If financial assets were acquired as a gift and disposed of in a period of two years from the date of acquisition, the person disposing the assets shall be determined the capital income in line with the Croatian Income Tax Act.

Capital losses may be deducted only from the income from capital gains which is realized in the same calendar year. Capital losses may be stated up to the amount of the tax basis.

Capital income realized in a foreign currency shall be calculated in EUR counter value by application of the middle exchange rate of the Croatian National Bank on the day of payment.

Specifically, as income from capital are deemed capital gains and gains from dividends and profit sharing on the basis of shares in capital and are taxed at the rate of 12%. Dividends and profit sharings on the basis of shares in capital are taxable at source. The obligor of calculation, withholding and payment of tax for capital gains is:

(i) the tax obligor acquirer of revenue from the country or from the abroad, if not provided to the contrary by an international treaty (or the company managing financial assets of the tax obligor or Central Depository and Clearing Company);
(ii) for income from capital based on disposal of share in capital, a tax obligor and;
(iii) a person disposing of financial assets in case of financial assets was acquired as a gift and disposed of in a period of two years from the date of acquisition.

The company, payer of dividends or shares in profit is obliged to assess, withhold and pay tax simultaneously with the payment of dividends or profit.

If the resident receives income from capital from abroad without a local intermediary, he is obliged to pay tax at the applicable tax rate. In a situation where the tax payer chose that Central Depository and Clearing Company shall keep records, calculate income and income tax and report to tax authorities thereof, he is obliged to deliver all data necessary for determination of income tax to Central Depository and Clearing Company.

The general tax rules outlined above apply to the extent there are no limitations imposed under applicable double tax treaties. Source taxation may be obviated or reduced pursuant to the terms of an applicable double taxation treaty under the conditions as provided for in the applicable tax legislation.

Inheritance and gift taxation

In accordance with Local Taxes Act and subject to any applicable double taxation treaty, any natural person or legal entity who inherits or receives gifts (including securities) with individual value higher than EUR 6,700 in the Republic of Croatia is under an obligation to pay Croatian tax in respect of such inheritance or gift at a rate of 4%. Certain exemptions with respect to application of the aforestated tax are available in line with the Local Taxes Act.

No gross-up for taxes withheld

Purchasers of the Securities should note that neither the Issuer nor any other person will assume any liability for taxes withheld from payments under the Securities, nor make any additional payments in regard of these taxes, i.e. no gross-up will apply if a withholding tax is imposed.

EU Financial Transaction Tax

On the European Union level negotiations are underway in order to implement a harmonized financial transaction tax which might have a negative impact on the receipts deriving from the Securities.

Taxation of corporations

Corporate (profit) tax obligors are:

1. companies and other legal entities and natural persons residing in the Republic of Croatia that are self-employed and perform economic operations permanently and for the purpose of making the profit, income or revenues or other valuable commercial benefits;

2. local business units of a foreign entrepreneur (non-resident);
3. a natural person determining income in a manner prescribed for self-employment according to income tax regulations or natural person commencing with self-employment if he/she declares that he/she will pay corporate (profit) tax instead of income tax;
4. a natural person determining income in a manner prescribed for self-employment according to income tax regulations or natural person commencing with self-employment if the total turnover in the previous tax period exceeded EUR 1,000,000.00 or
5. exceptionally, government administration bodies, regional self-administration bodies, local self-administration bodies, Croatian National Bank, institutions of regional self-administration units, institutions of local self-administration units, state institutes, religious communities, political parties, trade unions, chambers, associations, artists associations, voluntary fire-fighting societies, technical culture communities, tourist communities, sports clubs, sports societies and associations, trusts and funds, if they perform commercial activities whose non-taxation would lead to unjustified advantages on the market (they are subject to corporate (profit) tax for such commercial activities). The tax authority will at own initiative or at the proposal of other tax obligors declare in its decision that the above stated persons are obliged to pay corporate (profit) tax for such commercial activities;
6. each entrepreneur and his legal successor not counted to entrepreneurs counted in items 1 through 5 who is not an income tax obligor according to the income tax regulations and whose profit is not taxable elsewhere.

The tax base shall be the profit determined pursuant to the accounting regulations as the difference between revenues and expenditures before the profit tax assessment, increased and reduced in accordance with the provisions of Croatian Profit Tax Act. The tax base of a resident taxpayer shall be the profit earned in Croatia and abroad and the tax base of a non-resident shall only be the profit earned in Croatia which shall be assessed in accordance with the provisions of Croatian Profit Tax Act. Income from the liquidation or other procedure by which the payer terminates operations in accordance with special regulations, income from sale, changes in the legal form and division of the payer is included in the tax base, and the tax base is determined according to the market value of the assets, unless otherwise provided by Croatian Profit Tax Act.

Withholding tax obligors are payers of interests (certain exemptions available under the Croatian Profit Tax Act), dividends, shares in profit, royalties for copyrights and other intellectual property rights (copyrights, patents, licences, trademarks, designs or models, production processes, production formulae, drawings, plans, industrial or scientific experience and similar rights) to foreign persons other than natural persons and paying for market research services, tax and business consulting or audit services to foreign persons and paying any other kinds of services paid to persons having their registered seats or places of actual administration or supervision in countries deemed tax havens or financial centres other than EU member states and countries with which the Republic of Croatia entered into and applies double tax treaties and which are included in the List of Countries issued by the Finance Minister and published on web pages of the Ministry of Finance and Tax Administration.

In case of withholding tax the subject of taxation is the gross amount of payment paid by a payer in the country to a non-resident - foreign recipient.

Corporate (profit) tax rate is 10% if the income of the obligor in the tax period amounts to EUR 1,000,000.00 and 18% if the income of the obligor in the tax period is equal or over the amount of EUR 1,000,000.00, withholding tax rate is 15%, except for dividends and shares in profit for which the withholding tax rate is 10%, and 25% for all kinds of services including market research, tax and business consulting and audit services, paid to persons having their registered seat or place of actual administration or supervision in countries deemed tax havens or financial centres other than EU member states and countries with which the Republic of Croatia entered into and applies double tax treaties and which are included in the List of Countries issued by the Finance Minister and published on web pages of the Ministry of Finance and Tax Administration.

Croatian withholding tax can be reduced under an effective double tax treaty.

Finally, Council Directive 2003/49/EC of 3 June 2003 on a common system of taxation applicable to interest and royalty payments made between associated companies of different Member States, the Council Directive 90/435/EEC on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States and Council Directive 2017/952 of 29 May 2017 as regards hybrid mismatches with third countries, have been transposed to Croatian legal system through Profit Tax Act.

7. GREECE

The following is a summary of certain key aspects of tax treatment by the Hellenic Republic ("Greece") at the date hereof in relation to the purchase, ownership and disposal of the Securities by holders that are beneficial owners of the Securities, whether or not they reside or maintain a permanent establishment in Greece for Greek tax purposes. This summary is of general nature and does not constitute a complete analysis of relevant matters. In particular, it is based on the provisions of tax laws currently in force in Greece and current administrative practice of the Greek tax authorities, without taking into account any developments or amendments after the date hereof, whether or not such developments or amendments have retroactive effect. A number of key matters pertaining to Greek taxation summarised below are governed by Greek Law 4172/2013 (on the taxation of income generated as of 1 January 2014), as amended and currently in force. These laws are subject to potential contrary or different future interpretations, guidelines or other forms of instruction that may be issued by the Greek Ministry of Finance in the form of circulars, ministerial decisions or other secondary legislation, and court interpretation.

As a result, this summary is a general guide and should be treated with appropriate caution and, therefore, potential investors should consult their own tax advisers as to Greek tax consequences of the purchase, ownership and disposal of the Securities.

Withholding and Income Tax

Non-resident holders of Securities

Holders of Securities who neither reside nor maintain a permanent establishment in Greece for Greek law tax purposes will not be subject to withholding tax in Greece with respect to principal, premium or interest payments under the Securities, or accrued (but unpaid) interest at the time of disposal of the Securities, as the case may be.

Resident holders of Securities

Holders of Securities who either reside or maintain a permanent establishment in Greece for Greek tax law purposes will be taxed as follows:

Individuals

Interest payable under the Securities in favour of individuals who are Greek tax residents will be subject to income tax at the flat rate of 15 per cent. If interest payments to individual resident holders are effected through an intermediary Greek banking institution, a withholding of 15 per cent may be applied, which will exhaust the individual's Greek tax liability.

The income tax on interest related to corporate bonds listed on a trading facility within the EU or an organised stock market outside the EU which is supervised by a regulatory authority accredited by the International Organisation of Securities Commissions (IOSCO), as well as related to bonds of any nature issued by credit unions operating as credit institutions, is reduced to 5 per cent vis-à-vis individuals who are Greek tax residents. Under the same conditions, the 5% rate applies to withholding tax on interest related to such bonds. This new provision applies for income earned after 11.4.2025.

Legal entities

Interest payable under the Securities in favour of legal entities holding Securities, that are either Greek tax resident or maintain a permanent establishment in Greece for Greek tax law purposes, will be treated as part of their annual gross income taxed at the standard applicable corporate income tax (in their annual income tax return). If interest payments to such entities are effected through an intermediary Greek banking institution, a withholding of 15 per cent may be applied, which will not exhaust the entire tax liability, but can be offset against the entities' final Greek income tax liability. The prevailing applicable tax rate for corporate income for the fiscal years 2019 and 2020 was 24 per cent and is currently 22% as of the fiscal year 2021 for legal entities keeping double-entry books (including Société Anonymes, Limited Liability Companies and Private Capital Companies).

Any income tax payable as above by individuals or legal entities holding Securities that are tax residents of Greece can be reduced by the amount of tax they have paid in another country for the same income (foreign tax credit), subject to the provisions of the applicable tax treaty for the avoidance of double taxation between Greece and such other country. Such credit is available only up to the amount of the tax that would be payable in Greece. The same tax treatment applies to interest accrued (but unpaid) at the time of disposal of the Securities.

Capital gains realized from the transfer of the Securities

Non-resident holders of Securities

No Greek capital gains tax will apply to capital gains realised from the disposal of the Securities by holders that are not Greek tax residents and/or do not have a permanent establishment in Greece for tax purposes, provided that such gain is realised outside Greece.

Resident holders of Securities

Capital gains arising from the disposal of the Securities by individuals are subject to tax at a rate of 15 per cent whereas capital gains arising from the disposal of Securities by legal entities that are Greek tax residents and/or have a permanent establishment in Greece for tax purposes are included in their taxable revenues for income tax purposes.

Value Added Tax

The value added tax treatment in Greece upon disposal of the Securities would depend on the terms of the specific Securities transferred and on the type of contracting parties.

Inheritance Tax and Taxation on Gifts

Inheritance tax

Securities will be subject to Greek inheritance tax in the event the deceased holder was a Greek resident or a Greek national. If, however, the Securities were located outside Greece and the deceased Greek national holder of Securities had been residing outside Greece for at least ten successive years prior to his/her death, the Securities will generally be exempt from Greek inheritance tax (subject to certain limited exemptions).

Greek inheritance tax is calculated pursuant to progressive tax scales depending on the relationship between the heir and the deceased (a tax free amount may apply subject to certain conditions). In the event no family relationship exists between the heir and the deceased, inheritance tax rates are set on the basis of a progressive tax scale from 0 per cent to 40 per cent, depending on the value of the Securities inherited.

Any foreign tax paid on the Securities in a country other than Greece may be credited against the relevant Greek tax liability, but the amount credited may not exceed the respective amount of Greek inheritance tax due on these Securities.

Gift tax

A gift of Securities is subject to Greek tax, if the holder of the Securities (donor) is a Greek national, or if the recipient thereof is a Greek national or resident. The rates of gift tax are the same as those for inheritance tax.

Stamp Duty

No Greek stamp duty applies to the issuance or transfer of the Securities.

8. <u>HUNGARY</u>

The following discussion is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Hungary and as applied on the date of this Base Prospectus, which may be subject to change, possibly with retroactive or retrospective effect. It is not intended to be, nor should it be construed to be, legal or tax advice, therefore should be treated with appropriate caution. This is a general discussion and does not constitute a complete description of all the tax issues that may be relevant in making the decision to invest in Securities in Hungary. Prospective investors in the Securities who are in any doubt as to their tax position should consult their own professional advisers.

Taxation of resident private individuals

Personal Income Tax

Resident private individuals shall be subject to tax liability in respect of all their income (all-inclusive tax liability).

Income from interest

According to the provisions of the Personal Income Tax Act, in the case of individual holders, interest income (**Interest Income**) - among others - is the income paid as interest and the capital gains realised upon the redemption or the sale of publicly offered and publicly traded debt Securities (with the exception of the sale of collective investment securities on the Hungarian stock market or the stock market of any EEA or OECD state). The term "*debt securities*" is defined in Act CXX of 2001 on the Capital Market. Generally, securities which do not pertain to the category of securities representing membership rights, should be treated as debt securities, therefore, income deriving from the Securities may qualify as income deriving from debt securities from personal income tax perspective. Securities listed on a regulated market of an EEA member state are considered publicly offered and traded securities. The Interest Income is subject to personal income tax of 15 per cent, which will be withheld by the Payor (*kifizető*) (for the definition of Payor please see below). In the absence of a Payor, the individual is obliged to assess, report and pay the tax on Interest Income.

The amount taken into account as the tax base for personal income tax on Interest Income is subject to social tax (at 13 per cent) from 1 July 2023. This applies for the Interest Income paid with respect to Securities acquired from 1 July 2023. This social tax payment obligation does not apply to persons qualifying as "foreigner" for Hungarian social security purposes or persons insured for social security purposes in an EU member state or by an EU institution pursuant to Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems (**Foreigners**). If such social tax has been deducted by the Payor (for the definition of Payor please see below), the Foreigner involved is entitled to file a claim for a social tax refund with the Hungarian Tax and Customs Authority. The social tax refund is transferred by the Hungarian Tax and Customs Authority to the payment account indicated by the private individual.

The proceeds paid on privately placed Securities which are not listed on a regulated market of an EEA member State are considered as other income (**Other Income**) which is taxable at a rate up of 15 per cent and is subject to uncapped social tax of 13 per cent, as well.

The capital gains realised on the sale or redemption of such securities is considered, as a general rule, capital gains income **(Capital Gains Income)**. The tax rate applicable to Capital Gains Income is 15 per cent, while the rate of social tax payable on the basis of Capital Gains Income realised by Hungarian resident individuals is 13 per cent. For this purpose, the aggregate annual upper threshold of the social tax amount is 13 per cent of 24 times the all-time effective minimum wage in Hungary (which means HUF 1,007,136 annual social tax cap calculated based on the 2026 minimum wage amount effective in Hungary).

The rules of the Personal Income Tax Act may in certain circumstances impose a requirement upon the **Payor** (for the definition of Payor please see below) to withhold tax on the interest payments to individual holders. In certain circumstances, Act LII of 2018 on Social Tax also imposes a requirement on the Payor to withhold social tax on payments provided to private individuals which are subject to social tax.

Pursuant to Act CL of 2017 on the Rules of Taxation the definition of a Payor covers a Hungarian resident legal person, other organisation, or private entrepreneur that (who) provides taxable income, irrespective of whether such payment is made directly or through an intermediary (post office, credit institution). In respect of interest, Payor shall mean the borrower of a loan or the issuer of a note, including the investment service provider or credit institution providing the interest instead of it. In respect of revenues originating from a transaction concluded with the involvement of a licensed stockbroker, Payor shall mean such stockbroker. In respect of income that is earned in a foreign country and taxable in Hungary, Payor shall mean the "paying agent" (*megbízott*) (legal person, organisation or private entrepreneur) having tax residency in Hungary.

Personal Income Tax Rate

In Hungary the personal income tax rate is 15 per cent.

Social Tax Rate

In Hungary the social tax rate is 13 per cent.

Withholding tax

As long as the income from the transaction - according to the tax regulations of the payer’s country legislation – is considered as dividends, it may be limitedly taxable by the Issuer or by the entity performing the payments related to the Securities on behalf of the Issuer.

Taxation of resident entities

Corporate Tax and Dividend Tax

The tax liability of resident taxpayers shall apply to their income from Hungary and from abroad, both (total tax liability). In general, resident entities are those established under the laws of Hungary (i.e. having a Hungarian registered seat). Foreign persons having their place of management in Hungary are also considered as Hungarian resident taxpayers.

In general, the interest and capital gain realized on the transactions with Securities by resident entities will be the part of their pre-tax profit/loss and will be taxable in the same way as the income from the regular operation where pre-tax profit, adjusted with the tax base modifying items shall represent the corporate tax base.

The corporate tax rate is 9 per cent (flat rate) of the positive tax base.

Duties and Local Business Tax for resident taxpayers (individual and corporate)

The Securities should be classified as movable tangible properties in respect of duties. In case of inheritance, gifting or quid pro quo transfer of property of Securities in certain cases it is necessary to count with the occurrence of duty paying liability. The general rate of inheritance and gift duty is 18 per cent of the net worth of the inheritance or gifts received by any one heir, legatee or donee. The general rate of duty on the quid pro quo transfer of property is 4 per cent.

The proceeds received on Securities held by credit institutions, financial enterprises, insurance companies or investment firms can be subject to local business tax. Generally, in case of other taxpayers, the proceeds realized from similar transactions is not part of the local business tax base.

Withholding tax

The legislation of withholding tax for resident entities is similar to resident private individuals, and it is regulated in the double taxation treaty.

Taxation of non-resident private individuals

Personal Income Tax

Non-resident private individual shall mean all natural persons other than resident private individuals. The tax liability of non-resident private individuals shall apply to income that originates in Hungary as the place of gainful activity or is taxable in Hungary by virtue of international agreement or reciprocity (limited tax liability).

Generally, Interest Income should be treated as having a Hungarian source - among others - where the relevant issuer is resident in Hungary for tax purposes. As in the present case the Issuer of the Securities should not be considered as an entity resident in Hungary for tax purposes, the Interest Income should not be regarded as having a Hungarian source.

Please note that the provisions of applicable double tax conventions, if any, should also be considered when assessing the Hungarian tax liabilities of a foreign resident individual holder.

Social Tax

The amount taken into account as the tax base for personal income tax on Interest Income is subject to social tax (at 13 per cent) from 1 July 2023. This applies for the Interest Income paid with respect to Securities acquired from 1 July 2023. This social tax payment obligation does not apply to persons qualifying as “foreigner” for Hungarian social security purposes or persons insured for social security purposes in an EU member state or by an EU institution pursuant to Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems (**Foreigners**). If such social tax has been deducted by the Payor, the Foreigner involved is entitled to file a claim for a social tax refund with the Hungarian Tax and Customs Authority. The social tax refund is transferred by the Hungarian Tax and Customs Authority to the payment account indicated by the private individual.

Taxation of non-resident entities

Corporate Tax and Dividend Tax

Foreign nationals shall be deemed taxpayers, as well as non-resident entities whose head office is located abroad if they (a) carry out business operations via a permanent establishment in Hungary, provided that they are not considered resident taxpayers due to the location of their head office (**non-resident entrepreneurs**) or (b) obtain any income through the transfer or withdrawal of participating interest in a company with real estate holdings (**member of a company with real estate holdings**).

The tax liability of non-resident entrepreneurs shall apply to their income attributable to the Hungarian permanent establishment (limited tax liability).

When establishing the corporate tax, resident taxpayers and non-resident entrepreneurs shall adjust the tax base so that it contains no income that is subject to taxation abroad, if so prescribed by international treaty. In other cases, resident taxpayers and non-resident entrepreneurs may deduct from the corporate tax any tax paid (or payable) abroad that is equivalent to corporate tax.

Duties for non-resident taxpayers

In general, the rules of duties for the non-resident individuals and entities are the same.

The rules of inheritance duty should be applied to all heritage located in Hungary. The same provisions should be applied to the movable tangible properties (e.g. Securities) inherited by a Hungarian citizen or a non-Hungarian citizen residing in Hungary or a legal entity established in Hungary, where the heritage is situated abroad if no inheritance duty or tax corresponding thereto is payable in the state in which such heritage is situated.

The provisions governing duties on gifts and transfer for consideration of property shall apply to moveable tangible properties (e.g. the Securities), unless otherwise provided for by an international agreement.

If the transfer of movable tangible property took place in Hungary, the owner of that movable tangible property should calculate with the duty paying liability, in line with the general rules mentioned regarding resident private individuals.

9. IRELAND

The following is an overview of the Irish withholding tax treatment of the Securities. The overview does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant to a decision to purchase, own or dispose of the Securities.

The overview is based upon the laws of Ireland and the published practices of the Revenue Commissioners of Ireland as in effect on the date of this Base Prospectus. Prospective investors in the Securities should consult their own advisers as to the Irish or other tax consequences of the purchase, beneficial ownership and disposition of the Securities including, in particular, the effect of any state or local law taxes, if applicable.

Irish Withholding Tax

Irish withholding tax applies to certain payments including payments of:

- Irish source yearly interest (yearly interest is interest that is capable of arising for a period in excess of one year);
- Irish source annual payments (annual payments are payments that are capable of being made for a period in excess of one year and are pure income-profit in the hands of the recipient); and
- Distributions (including interest that is treated as a distribution under Irish law) made by companies that are resident in Ireland for the purposes of Irish tax.

Generally, the rate is 20% however in the case of the latter (i.e. distributions) the rate is 25%.

On the basis that the Issuer is not resident in Ireland for the purposes of Irish tax, nor does the Issuer operate in Ireland through a branch or agency with which the issue of the Securities is connected, nor are the Securities held in Ireland through a depository or otherwise located in Ireland, then to the extent that payments of interest or annual payments arise on the Securities, such payments should not be regarded as payments having an Irish source for the purposes of Irish taxation.

Accordingly, the Issuer or any paying agent acting on behalf of the Issuer should not be obliged to deduct any amount on account of these Irish withholding taxes from payments made in connection with the Securities.

Separately, for as long as the Securities are quoted on a stock exchange, a purchaser of the Securities should not be obliged to deduct any amount on account of Irish tax from a payment made by it in connection with the purchase of the Securities.

Irish Encashment Tax

Irish encashment tax will be required to be withheld at a rate of 25 per cent from interest or other distribution on any Securities where such interest or other distribution is collected or realised by a paying agent in Ireland on behalf of any Securityholder. There is an exemption from encashment tax where the payments are made (i) in Ireland to a non-resident that is beneficially entitled to the income and has made a declaration to this effect in the prescribed form to the paying agent or (ii) to an Irish tax resident company beneficially entitled to that income and which is within the charge to Irish corporation tax in respect of that income.

10. <u>ITALY</u>

The following is a general discussion of current Italian law and practice relating to the taxation of the Securities.

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 overview 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 Securities 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 Securities are advised to consult their own tax advisers concerning the overall tax consequences of their interest in the Securities.

As each Series or Tranche of Securities may be subject to a different tax treatment due to the specific terms of such Series or Tranche of Securities as set out in the respective Final Terms, the following section only provides some general information on the possible tax treatment.

This summary may not provide prospective investors with a comprehensive description of the tax consequences of an investment in Securities that are redeemed by physical delivery.

As clarified by the Italian tax authorities in resolution No. 72/E of 12 July 2010, the Italian tax consequences of the purchase, ownership and disposal of the Securities may be different depending on whether: (a) they represent a securitized debt claim, implying a static "use of capital" (impiego di capitale), through which the subscriber of the Securities transfers to the Issuer a certain amount of capital for the purpose of obtaining remuneration on the same capital and subject to the right to obtain its (partial or entire) reimbursement at maturity; or (b) they represent a securitized derivative financial instrument or bundle of derivative financial instruments that do not entail a "use of capital", through which the subscriber of the Securities invests indirectly in underlying financial instruments for the purpose of obtaining a profit deriving from the terms of such underlying financial instruments.

The following summary does not describe the tax treatment of bonds (obbligazioni) and similar securities (which are debentures incorporating an unconditional obligation of the Issuer to pay, at redemption, an amount not lower than their nominal value).

Italian taxation of the Securities

Payments in respect of Securities qualifying as securitised derivatives are subject to Article 67 of the Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident Securityholder is (i) an individual not engaged in an entrepreneurial activity to which the Securities are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Securities are subject to a 26 per cent substitute tax (*imposta sostitutiva*).

Subject to certain limitations and requirements (including a minimum holding period), capital gains in respect of the Securities realized upon sale, transfer or redemption by Italian resident individuals holding the Securities not in connection with 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 substitute tax of 26 per cent, if the Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements applicable from time to time as set forth by Italian law.

The recipient may opt for one of the three regimes described below:

(1) 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 Securities are connected, the *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 Securityholder, holding Securities not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Securities carried out during any given tax year. Italian resident individuals holding Securities 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 *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.

(2) As an alternative to the tax declaration regime, Italian resident individual Securityholders holding the Securities not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Securities (the "*risparmio amministrato*" regime). Such separate taxation of capital gains is allowed subject to (i) the Securities 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 Securityholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Securities (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 Securityholder or using funds provided by the Securityholder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Securities 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 Securityholder is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised by Italian resident individuals holding the Securities not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Securities, 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 decrease in value 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 Securityholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Securityholder is a company or a similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, capital gains arising from the Securities will not be subject to *imposta sostitutiva*, but must be included in the relevant Securityholder's income tax return and are therefore subject to Italian corporate tax ("**IRES**") and, in certain circumstances, depending on the "status" of the Securityholder, also as a part of the net value of production for the purposes of the Italian regional tax on productive activities ("**IRAP**").

Any capital gains realised by a Securityholder which is an open-ended or closed-ended investment fund (subject to the tax regime provide by Law No. 77 of 23 March 1983) (the "**Fund**") or an 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 capitale fisso – SICAF) will not be subject to the *imposta sostitutiva*. The proceeds distributed by the Fund or the SICAV/SICAF or received by certain categories of unitholders upon redemption or disposal of the units will be taxed on the investors who subscribe the quotas of the Funds or the shares of the SICAV/SICAF on a distribution basis.

Capital gain realised by an investor which is an Italian resident real estate investment fund established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and Article 14-bis of Law No. 86 of 25 January 1994 or an Italian real estate investment company (the "**Real Estate SICAF**") are subject neither to substitute tax nor to any other income in the hands of the same real estate investment fund or Real Estate SICAF.

Any capital gains realised by a Securityholder which is an Italian pension fund (subject to the regime provided 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 *ad hoc* substitute tax on their annual net accrued result (the "**Pension Fund Tax**"). Subject to certain limitations and requirements (including minimum holding period), capital gains in respect of Securities realized upon sale, transfer or redemption by Italian resident pension fund may be excluded from the taxable base of the Pension Fund Tax, if the Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements applicable from time to time as set forth by Italian law.

Capital gains realised by non-Italian-resident Securityholders, not having a permanent establishment in Italy to which the Securities are connected, are not subject to Italian taxation, provided that the Securities (i) are traded on regulated markets, or (ii) are held outside of Italy. Moreover, even if the Securities are held in Italy, no *imposta sostitutiva* applies if the non-Italian resident Securityholder beneficial owner is resident for tax purposes in a country which recognises the Italian tax authorities' right to an adequate exchange of information or in a country which entered into a double taxation treaty with Italy allowing for the taxation of such capital gains only in the residence country of the recipient Securityholder, provided that the relevant procedures and conditions are met.

Atypical securities

According to a certain interpretation of Italian tax law there is the possibility that, on the basis of certain features of the Securities, the Securities would be qualified for tax purposes as atypical securities and will be subject to the provisions of Article 5 of law Decree No. 512 of 30 September 1983. As a consequence, payments relating to these Securities shall be subject to a withholding tax levied at the rate of 26 per cent (final or on account depending on the "*status*" and tax residence of the Securityholder) by the Issuer or by the entity performing the payments related to the Securities on behalf of the Issuer. Where the Securityholder is (i) an Italian individual engaged in an entrepreneurial activity to which the Securities are connected, (ii) an Italian company or a similar Italian commercial entity, (iii) a permanent establishment in Italy of a foreign entity, (iv) an Italian commercial partnership or (v) an Italian commercial private or public institution, such withholding tax is a provisional withholding tax. In all other cases the withholding tax is a final withholding tax.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with 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 any income taxation, including the withholding tax on interest, premium and other income relating to the Securities (which qualify as "atypical" securities as defined above), if such Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements applicable from time to time as set forth by Italian law.

Double taxation treaties entered into by Italy may apply allowing for a lower rate of withholding tax in case of payments to non Italian resident Securityholders, subject to proper compliance with relevant subjective and procedural requirements.

Inheritance and gift tax

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, such as the 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 €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 € 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 Securities) 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 from time to time applicable as set forth by Italian law.

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 use (*caso d'uso*), in case of explicit reference (*enunciazione*) or in case of voluntary registration (*registrazione volontaria*).

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 Securityholders, to the extent that the Securities 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.

Wealth tax on financial assets deposited abroad

According to Article 19 par. from 18 to 23 of Law Decree No. 201 of 6 December 2011, Italian resident individuals, non-commercial entities, non-commercial partnerships and similar institutions holding financial assets – including the Securities – outside of the Italian territory are required to declare in its own annual tax declaration and pay a wealth tax ("**IVAFE**") at the rate of 0.2 per cent. or 0.4 per cent. if the Securities are held in a country listed in the Italian Ministerial Decree dated 4 May 1999.

IVAFE cannot exceed €14,000 for taxpayers which are not individuals. This tax is calculated on the market value at the end of the relevant year (or at the end of the holding period) or, if no market value figure is available, on the nominal value or redemption value, or in case the face or redemption values cannot be determined, on the purchase value of any financial asset (including the Securities) held abroad. A tax credit is granted for any foreign property tax levied in the State where such financial assets are held (up to the amount of IVAFE 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 Securities have been subject to tax by the same intermediaries. In this case, indeed, the above mentioned stamp duty provided for by Article 13 of the Tariff attached to Decree 642 does apply.

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 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.

Financial Transaction Tax

Pursuant to Article 1, para. 491 and followings of Law No. 228 of 24 December 2012, the Italian Parliament introduced a financial transaction tax ("**FTT**") which applies to (a) the transfer of ownership of shares and other participating securities issued by Italian resident companies or of financial instruments representing the just mentioned shares and/or participating securities (irrespective of whether issued by Italian resident issuers or not) (the "**Relevant Securities**"), (b) transactions on financial derivatives (i) the main underlying assets of which are the Relevant Securities, or (ii) whose value depends mainly on one or more Relevant Securities, as well as to (c) any transactions on the securities (as set forth by article 1, paragraph 1-bis, letters c) and d), of the Legislative Decree No. 58 of 24 February

1998), (iii) which is allowed to mainly purchase or sell one or more Relevant Securities or (iv) implying a cash payment determined with main reference to one or more Relevant Securities.

Warrants and certificates are expressly included in the scope of application of the FTT if they meet the requirements set out above.

With specific reference to the transactions on securitised derivatives on the Relevant Securities (such as the Securities) the FTT is due, as of 1 September 2013, regardless of the tax residence of the parties and/or where the transaction is executed.

The FTT is levied at a fixed amount that varies depending on the nature of the relevant instrument and the notional value of the transaction, and ranges between EUR 0.01875 and EUR 200 per transaction.

The amount of FTT payable is reduced to 1/5 of the standard rate in case the transaction is performed on regulated markets or multilateral trading facilities of certain EU Member States and of the SEE.

The FTT on derivatives is due by each of the parties to the transactions. The FTT is not applied where one of the parties to the transaction is the European Union, the BCE, central banks of the EU Member States, foreign Central Banks or entities which manage the official reserves of a foreign State, or international bodies or entities set up in accordance with international agreements which have entered into force in Italy. Further specific exemptions exist, inter alia, for (i) subjects who carry on market making activities; (ii) mandatory social security entities and pension funds set up according to Legislative Decree No. 252 of 5 December 2005; and (iii) intragroup transfers of the Relevant Securities.

The FTT shall be levied, and subsequently paid, to the Italian Revenue by the subject (generally a financial intermediary) that is involved, in any way, in the performance of the transaction. If more than one subject is involved in the execution of the transaction, the FTT is payable by the subject who receives the order of execution by the ultimate purchaser or counterparty. Intermediaries that are not resident in Italy but are liable to collect the FTT from the taxpayers and to pay it to the Italian Revenue can appoint an Italian tax representative for the purposes of the FTT. If no intermediary is involved in the performance of the transaction, the FTT must be paid directly by the taxpayers.

For further information about the EU Financial Transaction Tax please refer to paragraph "*European Financial Transaction Tax*" below.

11. POLAND

The following information of certain Polish taxation matters is based on the laws and practice in force as of the date of this Base Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following information does not purport to be a comprehensive description of all the tax consequences and considerations that may be relevant to acquisition, holding, disposing and redeeming of or cancelling (as applicable) the Securities, and does not purport to deal with the tax consequences applicable to all categories of investors.

The following information is not intended to be, nor should it be construed to be, legal or tax advice. It is recommended that potential purchasers of the Securities consult with their legal and tax advisors as to the tax consequences of the purchase, holding, sale or redemption.

Taxation of Polish resident individuals

Polish resident individuals

A Polish tax resident individual ("**Polish Resident Individual**") is a natural person who has his/her centre of personal or business interests located in Poland or who stays in Poland for longer than 183 days in a year, unless otherwise results from the relevant tax treaty.

Polish Resident Individuals are subject to Polish Personal Income Tax ("**PIT**") on their worldwide incomes irrespective of the country from which the incomes were derived.

Taxation of income from the disposal of Securities

Income earned by Polish Resident Individuals on the disposal of Securities should be classified as capital gains realised on the sale of securities and as such it will not be combined with income from other sources but will be subject to the 19 per cent flat PIT rate. The income is calculated as the difference between the revenue earned on the disposal of Securities (in principle, the selling price) and the related costs (in principle, the Issue Price). However, if the price differs, without justification from market value, tax authorities are entitled to recognise the market value as taxable revenue.

The tax is settled by an individual taxpayer on an annual basis. An annual tax return should be filed by April 30 of the calendar year following the year in which the income was earned.

Taxation of interest under Securities

The amount of interest under Securities earned by a Polish Resident Individual should not be combined with income from other sources and will be subject to the 19 per cent flat PIT rate. Unless a tax remitter withholds the Polish tax, the tax is settled by Polish Resident Individual and an annual tax return should be filed by April 30 of the calendar year following the year in which the income was earned.

Withholding tax incurred outside Poland (including countries which have not concluded a tax treaty with Poland), up to an amount equal to the tax paid abroad, but not higher than 19 per cent tax on the interest amount, could be deducted from the Polish tax liability. Double tax treaties can provide other methods of withholding tax settlements.

Securities held as business assets

If an individual holds Securities as business assets, in principle, interest and capital gains income should be subject to tax in the same way as other business income. The tax, at 19 per cent flat rate or the 18 per cent to 32 per cent progressive tax rate depending on the choice and meeting of certain conditions by the individual, should be settled by the individual himself/herself.

Taxation in Poland of Polish resident corporate entities

Polish resident entities

Corporate entities having their seat or place of management in Poland ("**Polish Resident Entities**") are subject to Polish Corporate Income Tax ("**CIT**") on their worldwide income irrespective of the country from which the incomes were derived.

Taxation of income from the disposal of Securities

Income earned by Polish Resident Entities on the disposal of Securities is subject to the 19 per cent CIT rate. The income is calculated as the difference between the revenue earned on the disposal of Securities (in principle, the selling price) and the related costs (in principle, the Issue Price). However, if the price differs, without justification from market value, tax authorities are entitled to recognise the market value as taxable revenue.

Tax advances are generally paid on a monthly basis (however, some categories of CIT taxpayers may pay tax advances on a quarterly basis). The final tax reconciliation is made in the annual CIT return filed within three months of the end of the tax year.

As from 2018, taxpayers are obliged to declare separately income/loss from capital source (revenues related to capital transactions and tax deductible costs related thereto) and other income /loss. Losses from capital source cannot be offset against income from other source and vice versa.

Disposal of Securities results in arising of revenues considered as from capital source. *Taxation of interest under Securities*

The amount of interest earned by a Polish Resident Entity under Securities is subject to the 19 per cent CIT rate. Tax advances are generally paid on a monthly basis (however, some categories of CIT taxpayers may pay tax advances on a quarterly basis). The final tax reconciliation is made in the annual CIT return filed within 3 months of the end of the tax year.

In general, interest is classified as the "other" source income, save for interest on profit participation loans that is considered as income from the "capital" source income.

Withholding tax incurred outside Poland (including countries which have not concluded a tax treaty with Poland), up to an amount equal to the tax paid abroad, but not higher than 19 per cent tax on the interest amount, could be deducted from the Polish tax liability. Double tax treaties can provide other methods of withholding tax settlements.

Taxation in Poland of non-resident individuals and entities

Taxation of income from the disposal of Securities

Individuals and entities that are Polish non-residents will not generally be subject to Polish taxes on income resulting from the disposal of Securities unless such income is attributable to an enterprise which is either managed in Poland or carried on through a permanent establishment in Poland. However, some double tax treaties concluded by Poland may provide for a different tax treatment (for example, in case of the disposal of Securities in a real estate company). In addition, in the case of individuals resident in a country which does not have a binding double tax treaty with Poland, there will be taxation of the types of income referred to in this paragraph, in the case of the disposal/redemption/cancellation of Securities in Poland or if the Securities are issued by a public company quoted on the Polish Stock Exchange.

Taxation of interest under Securities

The interest income on the Securities paid through a Polish intermediary to non-resident investors will in principle be subject to a withholding tax (20% in case of corporate entities and 19% in case of individuals) subject to such relief as may be available under applicable domestic and tax treaty provisions. In case of payments relating to the Securities made in favour of individual non-residents the withholding should be collected by the Issuer or by the entity maintaining securities account of the individual if the Issuer is making payment to such entities. In the latter case, the Issuer does not withhold Polish tax.

Relevant double tax treaty concluded between Poland and a tax residency state of interest recipient may provide for reduced Polish withholding tax rate. However, benefiting from a reduced rate may require presenting the recipient's valid certificate of residence.

EU Directive on Taxation of Savings Income

In accordance with EC Council Directive 2003/48/EC on the taxation of savings income, Poland will provide to the tax authorities of another EU Member State (and certain non-EU countries and associated territories specified in that directive) details of payments of interest or other similar income paid by a person within Poland to, or collected by such a person for, an individual resident in such other state. Poland will also provide such details if interest (or similar income) is not paid to an individual directly, but it is paid to a so called intermediary entity.

Other Taxes

No stamp, issue or registration taxes or duties will be payable in Poland in connection with the issuance, delivery or execution of the Securities.

General Anti-Abuse Rule (GAAR)

Poland has introduced GAAR into local law.

The aim of the rule is to prevent taxpayers taking actions which, although lawful, are only or mainly aimed at achieving a tax benefit. A tax benefit is understood not only as minimizing tax burdens but also as, for example, deferring of a tax obligation.

The new law introduces a definition of tax avoidance, pursuant to which any action (agreement, restructuring process, establishing of an intermediary entity, etc.) that is carried out only or mainly for the purpose of achieving a tax benefit cannot result in the achieving of that benefit if the tax authorities rule that the action was artificial. An artificial action is an action that is inconsistent in the given circumstances with the object and purpose of a provision of the tax law. It is also understood as an action which normally would not be taken by the taxpayer if there were no tax benefits resulting therefrom.

12. PORTUGAL

The following is a general discussion of the current Portuguese tax treatment at the date hereof in relation to certain aspects of the Portuguese taxation of payments in respect of the Securities. The statements do not deal with other Portuguese tax aspects regarding the Securities and relate only to the position of persons who are absolute beneficial owners of the Securities. The following is a general guide, does not constitute tax or legal advice and should be treated with appropriate caution. This summary does not take into account or discuss the tax laws of any country other than Portugal and deals only with investors who are absolute beneficial owners of the Securities. Holders of and prospective investors in the Securities should consult their own tax advisors as to the Portuguese and any other tax consequences that may be involved in acquiring, holding, redeeming, selling or gratuitously transferring the Securities.

Security holders income tax

The Portuguese tax implications arising from the Securities will depend on the treatment of the underlying income as investment income or as capital gains, as described below.

Whenever there is the obligation to withhold tax at source, such responsibility shall fall on the Portuguese resident paying agent.

Personal Income Tax ("PIT")

(i) Investment income

Investment income (*e.g.* interest income or dividends) derived by Portuguese tax resident individuals is subject to PIT which shall be withheld at the current final withholding rate of 28 per cent, if there is a Portuguese resident paying agent, as from the moment the respective amounts are made available to the individual resident in Portugal for tax purposes (assuming they act in their capacity as private investors, *i.e.* the investment is not linked to a professional investment activity). This final 28 per cent rate will not apply for individuals who elect to include the income in their taxable income, in which case the income will be subject to tax at the applicable progressive PIT rates (currently, up to 48 per cent) on income in excess of €86,634, and an additional PIT rate of 2.5 per cent will be due on the part of the taxable income exceeding €80,000 up to €250,000 and of 5 per cent on the part of the taxable income exceeding €250,000. In this case, the tax withheld is deemed to be a payment on account of the final tax due. Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent, unless the relevant beneficial owner(s) of the income is/are identified, in which case the general tax rates applicable to such beneficial owner(s) will apply.

Investment income payments due by non-resident entities to Portuguese tax resident individuals are subject to an autonomous taxation at a rate of 28 per cent, whenever those payments are not subject to Portuguese withholding tax (i.e. when there is no payment agent in Portugal to which the withholding obligation is attributable). This final 28 per cent rate will not apply to those individuals who elect to aggregate this income with their remaining taxable income, in which case the investment income will be subject to tax at progressive PIT rates of up to 48 per cent. If this election is made, an additional PIT rate of 2.5 per cent will be due on the part of the taxable income exceeding €80,000 up to €250,000 and of 5 per cent on the part of the taxable income exceeding €250,000.

(ii) Capital gains

Short-term net capital gains from the sale of securities (defined as those arising from securities held for less than 365 days) are subject to progressive PIT rates, provided that the taxpayer has a taxable income (including such net capital gains) in excess of the amount subject to the last PIT bracket (currently, annual amount of €86,634).

The progressive rates range from 12.5 per cent up to 48 per cent. In addition, as mentioned above, a solidarity surcharge of 2.5 per cent applies on the part of the taxable income exceeding €80,000 up to €250,000 and of 5 per cent on the part of the taxable income exceeding €250,000.

For capital gains derived from the sale of shares and other securities held for more than 365 days or held by taxpayers that do not fall in the last bracket mentioned, a flat 28 per cent rate would apply, unless the individuals resident in Portugal elect to include the income in their taxable income, in which case the progressive rates mentioned above (including the additional solidarity rates, if due) will apply. The above framework assumes the individuals act in their capacity as private investors, not linked to a professional investment activity.

Further, for capital gains relating to securities admitted to trading or to units/shares of open-ended collective investment undertakings, in contractual or corporate form, the following exclusions are generally applicable:

i. 10 per cent of the gains is excluded from PIT where the relevant assets have been held for a period exceeding 2 years but less than 5 years, resulting in an effective tax rate of 25.2%;

ii. 20 per cent of the gains is excluded from PIT where the relevant assets have been held for a period of 5 years or more but less than 8 years, resulting in an effective tax rate of 22.4%;

iii. 30 per cent of the gains is excluded from PIT where the relevant assets have been held for a period of 8 years or more, resulting in an effective tax rate of 19.6%.

There is no Portuguese withholding tax on capital gains.

Corporate Income Tax (CIT)

Investment income and capital gains

Investment income and capital gains derived by Portuguese corporate resident entities in relation to the Securities will be included in their taxable income and subject to CIT at a rate of (i) 19 per cent or (ii) 15 per cent if the taxpayer qualifies as a small or medium-sized company or as a small mid cap, as defined in Decree-Law no. 372/2007, of 6 November, applicable to taxable profits up to €50,000 (the excess thereof will be subject to the standard CIT rate of 19 per cent). The standard CIT rate of 19% is scheduled to be reduced to 18% in 2027 and to 17% from 2028 onwards. In the case of startups (as defined in the Portuguese legislation) the rate applicable to the first €50,000 of taxable profits is reduced to 12.5 per cent (subject to certain conditions). A municipal surcharge ("*derrama municipal*") of up to 1.5 per cent may also be due over the Securityholder taxable profits. A State Surcharge ("*derrama estadual*") may also be due at a rate of (i) 3 per cent on the part of the taxable profits exceeding € 1,500,000 up to €

7,500,000, (ii) 5 per cent on taxable profits exceeding € 7,500,000 up to € 35,000,000, and (iii) 9 per cent on the part of the taxable profits exceeding € 35,000,000.

Foreign Account Tax Compliance Act

Portugal has implemented, through Law 82-B/2014 of 31 December 2014 (amended by Law 98/2017, of 24 August), the legal framework based on reciprocal exchange of information on financial accounts subject to disclosure in order to comply with FATCA. Additional legislation was published in the last quarter of 2016, namely regarding certain procedures, rules and dates in connection with FATCA (i.e., Decree-Law 64/2016, of 11 October, amended by Law 98/2017, of 24 August and by Law 17/2019, of 14 February, and Ministerial Order 302-A/2016, of 2 December, amended by Ministerial Order 169/2017, of 25 May, and Ministerial Order 302-D/2016, of 2 December, amended by Ministerial Orders 255/2017, of 14 August and 58/2018, of 27 February). Furthermore, the governments of Portugal and the United States have entered into an intergovernmental agreement based largely on the Model 1 IGA on 6 August 2015.

EU Financial Transaction Tax

On the European Union level negotiations are underway in order to implement a harmonized financial transaction tax which might have a negative impact on the receipts deriving from the Securities.

For further information about the EU Financial Transaction Tax please refer to paragraph "*European Financial Transaction Tax*" below.

13. SLOVAKIA

The purpose of the overview below is to provide a general overview of the relevant Slovak tax rules based on the laws in force in Slovakia as of the date of this Base Prospectus. It does not purport to be a comprehensive description of all tax implications that might be relevant to an investment decision. Please note that Investors in the securities should consult with their professional advisers particular circumstances which should be examined and considered in detail.

Income tax

Residents

Individuals, who are residents in Slovakia, are subject to unlimited income tax liability on their world-wide income (i.e. income from domestic and foreign sources). An individual is resident in Slovakia if he/she has his/her domicile (a registered permanent stay), residence or habitual place of abode (a physical presence for more than 183 days in a calendar year) in Slovakia. Residence shall mean (in the context of the double-taxation treaties) the possibility of accommodation, which is permanently available to physical person, other than occasional accommodation for the purposes of business travels, tourism, recreation, etc., while an intention of physical person to permanently reside in the state with respect to his/her personal and economic ties is obvious. Corporations having their registered office and/or their place of effective management in the territory of Slovakia are subject to corporate income tax in Slovakia on their world-wide income (i.e. income from domestic and foreign sources).

Non-residents (both individuals and corporations) are subject to income tax only on income from the sources in Slovakia. Both in case of residents and non-residents Slovakia's right to tax may be restricted by a relevant double taxation treaty.

Interests

In general, the interest income earned from the securities is subject to a withholding tax of 19%. Revenues from state bonds and state treasury bills issued by the Slovak Republic or member State of EU or EEC are subject to special 13% tax rate. The exception are interests paid to residents of States (i) with which Slovakia has not concluded a treaty on avoidance of double taxation or on mutual exchange of information in tax matters, or (ii) which are included in the EU list of non-cooperative countries, or do not apply (or have zero tax rate of) the corporate income tax ("uncooperative jurisdictions"), for which a tax rate of 35% shall be applied. The Ministry of Finance of the Slovak Republic publishes the list of States deemed as cooperative jurisdictions. Revenues (incomes) from bonds and treasury bills sourced in Slovakia and paid to an individual are taxed by a withholding tax except for the revenues from state bonds and state treasury bills. In case of interest income with source outside of Slovakia, or revenue from state bonds and state treasury bills, such income received by an individual shall be included in the special tax base and reported in annual personal income tax return. With respect to corporations, the interest income having source abroad shall be included in the general tax base and declared in annual corporate income tax return. The withholding tax shall also be withheld from the income paid to companies which are not established for business purposes and to the National Bank of Slovakia.

The tax is to be withheld by a paying entity at the moment of payment. The paying entity is obliged to pay the tax withheld to tax authority within 15 days following the end of month in which the income payment was carried out and within the same deadline submit an announcement report. The tax withheld could have an effect of a final taxation or, under the stipulated conditions, the taxpayer could offset it against the tax due in the same fiscal period.

Individual investors

In case the income from interest on the securities originates from sources abroad to an individual, it shall be included in the special tax base. The tax rate for individuals will be at the level of 19% of the special tax base, or 13% in case of income from state bonds and state treasury bills issued by the Slovak Republic or member State of EU or EEC.

However, it is necessary to review the respective Double Taxation Avoidance Treaty concluded between Slovakia and another country in which the securities are generated, whether such other country has a right for the taxation of income from these securities.

Corporations

In general, a corporation shall include the interest received in its general corporate income tax base, which is taxable at a tax rate of 21%, if the taxable income of the legal entity for the taxation period exceeds 100,000 EUR and does not exceed 5,000,000 EUR, or 10%, if the taxable income of the legal entity for the taxation period does not exceed 100,000 EUR, or 24%, if the taxable income of the legal entity for the taxation period exceeds 5,000,000 EUR (effective for taxable periods commencing on or after 1 January 2025). Since 2025 income from state bonds and state treasury bills issued by the Slovak Republic or member State of EU or EEC is included in special tax base with applicable tax rate of 13%.

Capital gains – Income from sale of the securities

Income from sale of securities originating from a source abroad is subject to (personal/corporate) income tax in Slovakia if the recipient is a Slovak tax resident. Such income should be included in the taxpayer's income tax base (no withholding tax shall be applied). Individual investor´s capital gains from sale of the securities are subject to personal income tax at a rate of 19%, 25%, 30%, 35%, depending on the amount of their taxable income. The tax base thresholds and applicable personal income tax rates are following (valid for year 2026):

- tax base not exceeding the amount of EUR 43,983.32 is taxed by 19% tax rate,
- tax base exceeding the amount of EUR 43,983.32, but not exceeding the amount of EUR 60,349.21 is taxed by 25% tax rate,
- tax base exceeding the amount of EUR 60,349.21, but not exceeding the amount of EUR 75,010.32 is taxed by 30% tax rate,
- tax base exceeding the amount of EUR 75,010.32 is taxed by 35% tax rate.

Provided that certain conditions are met, this kind of personal income may be exempt from the tax. More details on potential exemption can be found in the text below. Taxable income from capital gains of individuals subject to the Slovak system of social security are subject to 16% health insurance contributions, without any maximum cap applicable. Health insurance contribution is, after its payment, regarded as tax deductible cost.

Capital gains from sale of the securities are included in the corporate income tax base and as such taxed at tax rate of 21%, if the taxable income of the legal entity for the taxation period exceeds 100,000 EUR and does not exceed 5,000,000 EUR, or 10%, if the taxable income of the legal entity for the taxation period does not exceed 100,000 EUR, or 24%, if the taxable income of the legal entity for the taxation period exceeds 5,000,000 EUR (effective for taxable periods commencing on or after 1 January 2025).

When considering the taxation of sale of the securities the source of which is e.g. in Italy and are paid to a Slovak tax resident, the provisions of the existing double taxation treaty between Italy and Slovakia should be taken into consideration. Under the provisions of this double taxation treaty capital gains from sale of such securities are in general taxable only in Slovakia, i.e. the country of tax domicile. The income tax is levied as follows:

Individual investors (private and business investors)

The tax base shall be equal to the taxable income less any expenses, which may be documented as having been incurred in order to generate the income. Expenses that can be deducted are the purchase price proven to be paid for the securities, or when there is no purchase (i.e. free of charge - donation, inheritance) then the price for the securities determined at the time when the securities were acquired, and the expenses related to the acquisition or purchase of the securities.

The capital gains from the sale of the securities will be exempt from Slovak personal income tax if the aggregate of the tax base related to the "other income" category (i.e. debentures, shares, bills of exchange etc.) does not exceed the flat amount of EUR 500. The same limit for exemption relates to rental income, income from transfer of options and income from transfer of ownership interest in a company. Thus, the exemption of EUR 500 shall be applied to the aggregate of all afore mentioned incomes ("the other income", rental income, transfer of options and of ownership interests in a company). If the above mentioned limit is exceeded, only the excess amount is included in the tax base.

Further, the income from sale of the securities accepted for trading on a regulated market or a similar foreign regulated market shall be exempt from tax and that after one year from their acquisition, if the period between their admission to a regulated market or to a similar foreign regulated market and their sale exceeds one year. Such income from sale of the securities is not exempt from tax if the securities were included into business assets of the taxpayer.

From the tax shall be exempt also the income from sale of securities, options and income from derivative transactions derived from long-term investment savings after fulfilment of conditions set (determined) in the special act including income paid after 15 years from the beginning of long-term investment savings. Such income from sale is not exempt from tax if such securities, options and income from the derivative transactions were included into business assets of the taxpayer.

A loss from sale of securities shall not be offset against gains from other types of income in the same fiscal period - only the expenses up to the amount of income shall be considered upon the calculation of the tax base.

Under the specific conditions stated below, the full loss incurred may be considered as a tax deductible expense, these are:

i. bonds, the selling price of which is not lower by more than the interest accrued on the bonds and included in the tax base prior to the date of sale or the date of maturity of the bond; and

ii. for taxable persons who engage in trading with securities pursuant to special legislation, and which may deduct the expense of the acquisition of the securities up to the amount posted as their cost.

Corporations

In Slovakia, there is no difference in taxation of the capital gains of the individual investors holding securities as a business asset and corporations, therefore the section above applies to the corporations as well, except the applicable income tax rates.

According to the Slovak Income Tax Act, a loss generated from the sale of securities shall not be offset against gains from sale of securities in the same fiscal period - only the expenses up to the amount of income shall be considered upon the calculation of the tax base.

Under the specific conditions stated below, the loss incurred is entirely accepted as a tax deductible expense:

(i) bonds, the selling price of which is not lower by more than the interest accrued on the bonds and included in the tax base prior to the date of sale or the date of maturity of the bond; and

(ii) for taxable persons who engage in trading with securities pursuant to special legislation, and which may deduct the expense of the acquisition of the securities up to the amount posted as their cost.

Non-residents

Interests

Non-residents (both individuals and corporations) are taxed only on their Slovak-source income. The interest income earned from securities paid out by a Slovak tax resident or a permanent establishment of a Slovak tax non-resident to a Slovak tax non-resident are taxed at the domestic withholding tax rate of 19% (35% in case of residents in uncooperative jurisdictions within the meaning as per above) unless such rate is reduced by a double taxation treaty or exempt under the EU Interest and Royalties Directive. The responsibility for withholding of the tax at source is vested with the Slovak tax resident or a permanent establishment of a Slovak tax non-resident making the relevant payment.

EU Savings Directive

The Slovak Republic has implemented the Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU, which is dealing with mandatory automatic exchange of information in the field of taxation into the Slovak act on international assistance and cooperation in tax administration and into Slovak act on automatic exchange of information regarding to financial accounts for the purpose of tax administration. This council directive has replaced the previous Council Directive 2003/48/EC (Saving Directive) in the field of exchange of information.

Interest income subject to the automatic exchange of information constitutes, inter alia, income incurred from participation certificates, bonds, certificates of deposit, treasury bills and other securities of similar characteristics during the holding of such a financial instrument or income accrued at the sale, refund or redemption of the financial instrument.

Withholding tax in relation to securities

Provided that (i) the securities shall be issued outside the Slovak Republic, (ii) the Issuer shall be a Slovak tax non-resident and (iii) all payments in relation to securities shall be executed by the Issuer or by the entity executing such payments on behalf of the Issuer, any income earned from the securities shall be qualified as the income having a source outside the Slovakia and as such shall not be subject to withholding tax in Slovakia.

Capital gains – Income from sale of the securities

The capital gains realised by a Slovak tax non-resident on sale of the securities issued by a foreign entity are not treated as a Slovak-source income (i.e. it is not subject to tax in Slovakia). In general, only the capital gains realised by Slovak tax non-residents on the sale of securities issued by tax payers having their seat in Slovakia, shall be taxed in Slovakia under local tax law except of the revenues from the state bonds and state treasury bills.

Dividends

The tax treatment of and related health insurance obligations arising on dividend income differ with respect to taxable period in which the profit was generated from which the dividends shall be distributed. The treatment is determined irrespective of when the actual dividend payment occurs. The dividend income derived from profit achieved in taxable periods up to 2003 and then since 2017 is subject to income tax in Slovakia. Dividends distributed from profit achieved in periods between 2011 and 2012 shall not be subject to tax, however in the case that these dividends are paid to individuals, they are subject to 10 % health insurance obligation. Dividends from profits of 2013 to 2016 also shall not be subject to tax, but the health insurance obligation of 15% arises. Dividends paid to the individuals from profits generated in tax periods commencing on or after 1 January 2017 shall be subject to income tax at a rate of 7%, dividends from profits generated in tax periods commencing on or after 1 January 2024 shall be subject to income tax at a rate of 10%, and dividends from profits generated in tax periods commencing on or after 1 January 2025 shall be subject to income tax at a rate of 7%; however there is no obligation to pay health insurance on such income.

Nevertheless, the fact whether Slovakia is entitled to tax dividend income shall be analysed thoroughly with regards to provisions of double taxation treaty concluded between Slovakia and the other State. It may be that the relevant treaty includes a cap as to the amount of tax that may be charged by either State.

Shall an individual or a business entity who are considered as tax residents of Slovakia, receive dividend income from uncooperative jurisdictions within the meaning as per above, the applicable tax rate amounts to 35%.

As to business entities, with the exception of the above mentioned uncooperative jurisdictions, dividend income shall be exempt from tax provided that the dividend paying entity does not treat it as a tax deductible expense.

The Slovak health insurance contributions received from the dividends are applicable only to individuals who participate on obligatory in the Slovak health insurance system and do not have any confirmation on participation in another foreign obligatory health insurance system, e.g. in a form of an A1 form. The amount of health insurance contribution from the dividends is capped by a so-called maximum calculation base ("*maximálny vymeriavací základ*") for the amount of income on which the contributions shall be paid. The maximum limit set for income received in 2026 amounts to EUR 91,440.

Other taxes

There is no inheritance tax, gift tax, ownership tax or transfer tax in the Slovak Republic.

However, if securities are donated by an employer to a Slovak tax resident who is an employee, or if securities are donated to a Slovak tax resident who is self-employed and these securities are donated in connection with the carrying out of this self-employment, the value of the gift is subject to Slovak income tax and related health insurance contributions. The value of such gift is also subject to the Slovak social insurance contributions since the assessment base for social insurance purposes generally follows the tax base of the individual (employee or self-employed person), although some exemptions may apply.

14. SLOVENIA

The following is a general description of certain Slovenian tax considerations relating to the Securities, based on the Issuer's understanding of the current law and its practice in Slovenia. It does not purport to be a complete analysis of all relevant tax considerations. Furthermore, it only relates to the position of investors who are beneficial owners of the Securities and the interest and may not apply to certain classes of investors. Prospective purchasers of the Securities should consult their tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of the Republic of Slovenia of acquiring, holding and disposing of the Securities and receiving payments of interest, principal and/or other amounts under the Securities. This overview is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

1. Taxation of individuals

Residents and non-residents

In accordance with the Personal Income Tax Act (*Zakon o dohodnini; ZDoh-2)*, an individual is deemed to be a resident of Slovenia if his registered permanent address, habitual place or the centre of his personal and economic interests is in Slovenia. In addition, any person who has been present in Slovenia in a tax year for more than 183 days in the aggregate is deemed to be a resident in the tax year. Resident individuals are subject to income tax on their worldwide income. In general, all income, profits and gains are taxable, unless specifically exempt by law.

In accordance with the Personal Income Tax Act, non-residents are subject to tax on income derived from a source in Slovenia. Withholding tax is generally levied at a rate of 25%. Source taxation may be obviated or reduced pursuant to the terms of an applicable double taxation treaty, with the holder applying for a refund with the Slovenian tax authorities providing proof of eligibility.

Taxation of financial derivatives

Under the Personal Income Tax Act (*Zakon o dohodnini; ZDoh-2*), capital gains from the sale or other disposition of debt securities and other financial derivatives held as non-business assets are in general exempt from taxation. Capital gains derived from the alienation of financial derivatives (as defined in the Article 7 of the Financial Instruments Market Act (*Zakon o trgu finančnih instrumentov; ZTFI-1*) and debt securities (except for coupon debt securities and discount debt securities) by a resident individual are taxed at the rate of 40% (in the first 12 months of holding) and 27.5% (in the following 4 years of holding) according to the Act on the Taxation of Profits from the Disposal of Derivatives (*Zakon o davku od dobička od odsvojitve izvedenih finančnih instrumentov; ZDDOIFI*). The tax rate is further reduced by 7.5 percentage points for the next 5 years of holding, so that the rate of 20% applies after 5th year of holding, and further by 5 percentage points for each following 5 years of holding so that 15% and 10% tax rate applies after the 10th and 15th year of holding, respectively. After the 20th year of holding 0% tax rate applies. Tax return must be filed by Slovenian tax resident (Individual) until 28th February for previous year. Slovenian tax residents are taxed based on the principle of worldwide income; any income - deriving from Slovenia or abroad - is subject to taxation. If withholding tax is paid abroad, the credit may not exceed the lower of the following: a) the tax actually paid on the foreign-source income (according to the tax treaty, if applicable); and b) the tax payable on such income in Slovenia which would apply in the absence of the credit relief.

Taxation of interest

Under the Slovenian tax laws currently in effect, the payment of interest on the debt securities (as defined in the Article 81 of the Slovenian Personal Income Tax Act (*Zakon o dohodnini; ZDoh-2*) in accordance with their terms and conditions to a resident individual (within the meaning of the relevant provisions of ZDoh-2) will generally be subject to tax at a flat rate of 25%. (levied by way of withholding or by way of assessment), provided that these qualify as non-business assets. Income from a disposal or repurchase by the issuer of discounted debt securities (including non-coupon debt securities) shall also be considered as interest income (in accordance with the Article 88 of ZDoh-2). Tax return must be filed by Slovenian tax resident (Individual) until the 28th of February for previous year.

Pursuant to the Article 54 of ZDoh-2 interest on Securities issued in series held by a resident individual as business assets will generally qualify as non-business income, in which case it would be subject to the flat rate of 25% as described above, instead of the progressive tax rate of up to 50%, which generally applies to business income.

Taxation of dividends and capital gains

Dividends and other profit distributions are taxed by way of a 25% final withholding tax.

In general, individuals are subject to income tax on their capital gains if derived from the disposal of immovable property, shares and other participation rights, investment coupons etc. Taxable capital gains are generally taxed at a 25% final tax rate. After five years of holding, capital gains are taxed at a 20%

final tax rate. The rate is later reduced by five percentage points per each five years of holding. Consequently, any gains are exempt after a 20 year-holding. Capital gains derived from the alienation of financial derivatives are not taxed according to this rule but are taxed only as described previously under *Taxation of financial derivatives*. Tax return must be filed by Slovenian tax resident (Individual) until the 28th of February for previous year.

Inheritance and gift taxation

Individuals and private law entities (within the meaning of the Article 3 of the Slovenian Inheritance and Gift Tax Act (*Zakon o davku na dediščine in darila; ZDDD*) are subject to Slovenian inheritance and gift tax in case of a transfer of the Securities mortis causa or inter vivos. The rate of such tax depends upon the value of the assets transferred and upon the relationship between the deceased/the donor on the one hand and the heir/the donee on the other hand. An exemption may apply in certain cases, such as to transfers between direct descendants and between spouses, as well as to a transfer of movable property the total value of which does not exceed EUR 5,000.

Withholding tax

Withholding tax must be withheld at source and deducted from payments of interest, dividends, royalties, and other incomes if such taxable income is paid by local tax payer. In other cases, tax return must be filed by individual upon receipt of such income.

EU Savings Directive

EU Savings Directive has been incorporated in sub-chapter 10 of chapter 1 of part five of Slovenian Tax Procedure Act (*Zakon o davčnem postopku; ZDavP-2*) and has come into force on 1st July 2005. However, since then the Directive (EU) 2015/2060 repealing the EU Savings Directive has come into force and these provisions have been stricken and the directive has also been implemented in chapter II of part four of Slovenian Tax Procedure Act.

For further information please refer to the paragraph below, headed *EU Savings Directive*.

No gross-up for taxes withheld

Purchasers of the Securities should note that neither the Issuer nor any other person will assume any liability for taxes withheld from payments under the Securities, nor make any additional payments in regard of these taxes, i.e. no gross-up will apply if a withholding tax is imposed.

EU Financial Transaction Tax

On the European Union level negotiations are underway in order to implement a harmonized financial transaction tax which might have a negative impact on the receipts deriving from the Securities.

For further information about the EU Financial Transaction Tax please refer to paragraph "*European Financial Transaction Tax*" below.

Other Taxes

No stamp, issue or registration taxes or such duties will be payable in Slovenia in connection with the issuance, delivery or execution of the Securities. Currently, net assets tax is not levied in Slovenia.

2. Taxation of corporations

Under the Slovenian tax laws currently in effect, the payment of interest on the Securities in accordance with their terms and conditions within the meaning of the relevant provisions of the Slovenian Corporate Income Tax Act (*Zakon o davku od dohodkov pravnih oseb; ZDDPO-2*) received by (i) a legal person resident for tax purposes in the Republic of Slovenia; or by (ii) a permanent establishment (*poslovna* *enota*) in the Republic of Slovenia of a legal person not resident for tax purposes in the Republic of Slovenia, is considered as a part of the overall taxable income. The Corporate Income Tax is levied on the net profits, defined according to the profit and loss account, as stipulated by the law and the Accounting Standards. According to the Slovenian Act on Reconstruction, Development and the Provision of Financial Resources (*Zakon o obnovi, razvoju in zagotavljanju finančnih sredstev*; ZORZFS) the tax rate for years 2024, 2025, 2026, 2027 and 2028 is 22%.

Taxation of dividends

Dividends and income similar to dividends (with the exception of certain hidden reserves) are, pursuant to article 24 of the Slovenian Corporate Income Tax Act, exempt from the tax base of a corporate shareholder, if the payer of dividends is:

- liable for corporate income tax in accordance with the Slovenian Corporate Income Tax Act; or

- for taxation purposes, a resident of an EU Member State in accordance with the law of that Member State, and is in accordance with a double taxation treaty concluded with a non-EU Member State not considered to reside outside of the EU, and is additionally liable for one of the taxes for which a common system of taxation is applicable to parent companies and affiliates from different EU Member States, as determined by the Slovenian Minister of Finance, where a company which is exempt from corporate income tax or that has the option of choosing its taxation is not considered to be liable for payment of corporate income tax; or

- liable for the payment of corporate income or profit tax comparable to Slovenian corporate income tax and is not resident of a state, in case of a permanent establishment, it is not in a country or jurisdiction included in a special list of countries or jurisdictions.

The above rules are applicable to non-resident recipients of dividends if their interest in the capital or in the management of the company paying the dividends is connected with business activities performed through an establishment in Slovenia.

The above-described exemption from the tax base of a corporate holder of the notes is applicable under the condition that the current or past taxation period's revenues have been included in the corporate holder's tax base, on the basis of such income.

In accordance with article 70 of the Slovenian Corporate Income Tax Act, the payer must, at the time of dividend payment, withhold and pay withholding tax at the rate of 15%, unless the recipient is: the Republic of Slovenia or a self-governing local community in Slovenia; the Bank of Slovenia; a resident who notifies the payer of their tax number, or a non-resident liable for the payment of corporate income tax deriving from their activities in or through a permanent establishment in the Republic of Slovenia who notifies the payer of their tax number, if the dividends are payable to such permanent establishment.

In accordance with article 70 of the Slovenian Corporate Income Tax Act, the tax shall not be calculated, withdrawn and paid if the dividends are payable to:

- a resident of an EU or an EEA Member State who is liable to pay income taxes in a foreign state (except for income paid to the permanent establishment of a non-resident in Slovenia), if such entity cannot claim the withholding tax in the state of its residence (as with, for example, the exemption of dividends from the tax base) and the transaction is not considered to represent tax avoidance; or

- foreign pension funds, investment funds and insurance companies providing pension plans, residents of the EU or EEA Members States (except for income paid to the permanent establishment of a non-resident in Slovenia), if such entity cannot claim the withholding tax in the state of their residence (if, for example, such funds or insurance companies are exempt from tax payment or are subject to a 0% tax rate).

- exemptions determined in the previous two points do not refer to payments made to states with which the exchange of information is not assured (a list of such states is published by the Slovenian Minister of Finance).

Pursuant to article 71 of the Slovenian Corporate Income Tax Act, tax shall not be withheld from payments of dividends and income similar to dividends if the entity authorised to receive a given payment is subject to the common system of taxation applied to parent companies and affiliate companies from different EU Member States, provided that:

- the entity authorised to receive the payment holds at least 10% of the value or number of shares or interests in the share capital, nominal capital, or voting rights of the company paying the dividend; and

- such minimum participation in the value or number of shares or interest in the share capital, nominal capital or voting rights, has been in effect for at least 24 months; and

- the entity authorised to receive the payment is: a) a legal entity formed as an entity for which a common taxation system is used and which is applicable to parent companies and affiliates from different EU Member States, as determined by the Slovenian Minister of Finance; b) for taxation purposes, a resident of an EU Member State in accordance with the law of that Member State and is in accordance with a double taxation treaty concluded with a non-EU member state not considered to reside outside of the EU, and c) is liable for one of the taxes subject to the common system of taxation applicable to parent companies and affiliates from different EU Member States or, with respect to companies exempt from income tax or that may choose their taxation, is determined by the Slovenian Minister of Finance to be an entity subject to corporate income tax.

Withholding tax

Withholding tax must be withheld at source and deducted from payments of interest, dividends, royalties, and some other payments if such payments have source in Slovenia and are paid abroad.

Other Taxes

No stamp, issue or registration taxes or such duties will be payable in Slovenia in connection with the issuance, delivery or execution of the Securities. Currently, net assets tax is not levied in Slovenia.

3. Financial Services Tax

The subject of taxation according to Financial Services Tax Act (*Zakon o davku na finančne storitve; ZDFS*) are the following services: a) granting and negotiation of credit or loans in monetary form and the management of credit or loans in monetary form by the person who is granting the credit or the person who is granting the loan; b) issuing of credit guarantees or any other security for money and management of credit guarantees by the person who is granting the credit; c) transactions, including negotiation, concerning deposit and current or transaction accounts, payments, transfers, debts, cheques and other negotiable instruments; d) transactions, including negotiation, concerning currency, bank notes and coins used as legal tender; e) services provided by insurance brokers and agents.

A taxable person shall be any person who provides the financial services in the territory of the Republic of Slovenia. It shall be deemed that above stated financial services have been provided in the territory of Slovenia if they were provided by a person who has established its business or has a fixed establishment from which such financial service is provided or has its usual or permanent place of residence in the territory of Slovenia. It shall be also deemed that a financial service has been provided in the territory of Slovenia if it is provided by a person who has established his business or has a place of establishment from which the service is provided or has or has his usual or permanent place of residence outside Slovenia, but may, in accordance with the existing legislation, provide the financial services in the territory of Slovenia directly to clients or recipients of services who have established their business or have a place of establishment or their usual or permanent place of residence in the territory of Slovenia.

Applicable tax rate is 8,5% and is chargeable on the commission of a financial service. It shall be deemed that a financial service has been provided when a fee for the commission of the service has been paid. The above stated commission shall exclude interest payable by a customer of services to a taxable person for the provision of the agreed financial service when such interest does not constitute the payment of expenses by a taxable person for the service provided.

15. SPAIN

The following discussion is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Spain, though it is not intended to be, nor should it be construed to be, legal or tax advice. This section does not constitute a complete description of all the tax issues that may be relevant in making the decision to invest in the Securities or of all the tax consequences that may derive from the subscription, acquisition, holding, transfer, redemption or reimbursement of the Securities and does not purport to describe the tax consequences applicable to categories of investors subject to special tax rules. Prospective investors in the Securities should therefore consult their own professional advisers as to the effects of state, regional or local law in Spain, to which they may be subject.

Individuals with Tax Residence in Spain

Certificates

Personal Income Tax

Personal Income Tax is levied on an annual basis on the worldwide income obtained by Spanish resident individuals, whatever the source is and wherever the relevant payer is established. Therefore any income that Spanish holders of the Certificates may receive under the Certificates will be subject to Spanish taxation.

Both interest periodically received and income arising on the disposal, redemption or reimbursement of the Certificates obtained by individuals who are tax resident in Spain will be regarded as financial income for tax purposes (i.e. a return on investment derived from the transfer of own capital to third parties), regardless of whether is in kind or in cash.

Both types of income will be included in the savings part of the taxable income subject to Personal Income Tax and will be taxed at the following tax rates: (i) for financial income up to €6,000: 19 per cent; (ii) for financial income from €6,000.01 to €50,000: 21 per cent; (iii) for financial income from 50,000.01 to 200,000: 23 per cent; (iv) for financial income from 200,000.01 to 300,000: 27 per cent; and (v) for any amount in excess of €300,000.01: 30 per cent.

Spanish holders of the Certificates shall compute the gross interest obtained in the savings part of the taxable base of the tax period in which it is due, including amounts withheld, if any.

Income arising on the disposal, redemption or reimbursement of the Certificates will be calculated as the difference between: (a) their disposal, redemption or reimbursement value; and (b) their acquisition or subscription value. Costs and expenses effectively borne by the holder on the acquisition and transfer of the Certificates may be taken into account for calculating the relevant taxable income, provided that they can be duly justified.

Likewise, expenses relating to the management and deposit of the Certificates, if any, will be tax deductible, excluding those pertaining to discretionary or individual portfolio management.

Losses that may derive from the transfer of the Certificates cannot be offset if the investor acquires homogeneous Certificates within the two-month period prior or subsequent to the transfer of the Certificates, until he/she transfers such homogeneous Certificates.

Additionally, tax credits for the avoidance of international double taxation may apply in respect of taxes paid outside Spain on income deriving from the Certificates, if any.

Wealth Tax

Individuals with tax residence in Spain are subject to the Spanish Wealth Tax on all their assets (such as the Certificates) in tax year 2025. The potential Wealth Tax liability should be analysed in connection with local regulations of each Spanish Region. Wealth Tax is levied on the net worth of an individual's assets and rights. The marginal rates range between 0.2 per cent and 3.75 per cent and some reductions could apply. Individuals with tax residency in Spain who are under the obligation to pay Wealth Tax must take into account the value of the Certificates which they hold as at 31 December each year, when calculating their Wealth Tax liabilities.

As regards the application of Spanish Wealth Tax in tax year 2025 and onwards, prospective investors should confirm with their tax advisors.

Inheritance and Gift Tax

Inheritance and Gift Tax is levied on individuals' heirs and donees resident in Spain for tax purposes. It is calculated taking into account several circumstances, such as the age and previous net worth of the heir or donee and the kinship with the deceased person or donor. The applicable tax rate currently ranges between 7 and 36.5 per cent. Depending on the particular circumstances, although the final tax payable may increase up to 87.6 per cent. This is nevertheless subject to the specific rules passed by the relevant Spanish regions with respect to this tax.

Warrants

Personal Income Tax

The premium or amount paid for the subscription of the Warrants would not be considered as a deductible expense, but as the acquisition value, which would include the expenses and commissions, inherent to the acquisition, paid by the acquirer.

Income obtained by the holders of the Warrants covered by this Base Prospectus on their transfer before the Expiration Date, will be considered as capital gains or losses in accordance with the provisions of the Spanish Personal Income Tax Law. The gain or loss shall be calculated as a difference between the transfer value, once any expenses and commissions paid by the taxpayer have been deducted, and the acquisition value, as defined above.

Upon the exercise of the Warrants, income obtained would be considered as a capital gain or loss, which will be calculated as the difference between (i) the Settlement Price or the value of the Physical Delivery Securities, once any expenses and commissions paid by the taxpayer have been deducted, and (ii) the acquisition value, as defined above.

Failure to exercise any Warrants on the Expiration Date would give rise to a capital loss on the acquisition value.

Income derived from the transfer or exercise of the Warrants will be included in the savings part of the taxable income generally subject to Personal Income Tax at the following tax rates: (i) for financial income up to €6,000: 19 per cent; (ii) for financial income from €6,000.01 to €50,000: 21 per cent; (iii) for financial income from 50,000.01 to 200,000: 23 per cent; (iv) for financial income from 200,000.01 to 300,000: 27 per cent; and (v) for any amount in excess of €300,000.01: 30 per cent.

Wealth Tax

Individuals with tax residence in Spain are subject to the Spanish Wealth Tax on all their assets (such as the Warrants) in tax year 2025. The potential Wealth Tax liability should be analysed in connection with local regulations of each Spanish Region. Wealth Tax is levied on the net worth of an individual's assets and rights. The marginal rates range between 0.2 per cent and 3.75 per cent and some reductions could apply. Individuals with tax residency in Spain who are under the obligation to pay Wealth Tax must take into account the value of the Warrants which they hold as at 31 December each year, when calculating their Wealth Tax liabilities.

As regards the application of Spanish Wealth Tax in tax year 2025 and onwards, prospective investors should confirm with their tax advisors.

Inheritance and Gift Tax

Inheritance and Gift Tax is levied on individuals' heirs and donees resident in Spain for tax purposes. It is calculated taking into account several circumstances, such as the age and previous net worth of the heir or donee and the kinship with the deceased person or donor. The applicable tax rate currently ranges between 7 and 36.5 per cent depending on the particular circumstances, although the final tax payable may increase up to 87.6 per cent. This is nevertheless subject to the specific rules passed by the relevant Spanish regions with respect to this tax.

Legal Entities with Tax Residence in Spain

Certificates

Corporate Income Tax

Both interest periodically received and income arising on the disposal, redemption or reimbursement of the Certificates obtained by entities which are resident for tax purposes in Spain shall be computed as taxable income of the tax period in which they accrue.

The general tax rate for limited liability companies is 25 per cent. Special rates apply in respect of certain types of entities (such as qualifying collective investment institutions or credit entities).

Tax credits for the avoidance of international double taxation may apply in respect of taxes paid outside Spain on income deriving from the Securities, if any.

Warrants

As a general rule, income obtained either through the transfer or the exercise of the Warrants and obtained by taxpayers subject to Corporate Income Tax will be included in their taxable income under the general provisions described for Certificates.

Individuals and legal entities with no Tax Residence in Spain

Certificates

A non-resident holder of Certificates, who has a permanent establishment in Spain to which such Certificates are effectively connected with, is subject to Spanish Non-Residents' Income Tax on any income under the Certificates, including both interest periodically received and income arising on the disposal, redemption or reimbursement of the Certificates. In general terms, the tax rules applicable to individuals and legal entities with no tax residence in Spain but acting through a permanent establishment in Spain are the same as those applicable to Corporate Income taxpayers (explained above).

Warrants

As a general rule, income obtained by a permanent establishment located in Spain of a non-resident would be subject to taxation in a similar way than that applicable to Spanish tax resident corporate income taxpayers.

Spanish withholding tax

Where a financial institution (either resident in Spain or acting through a permanent establishment in Spain) acts as depositary of the Certificates or intervenes as manager in the collection of any income under the Certificates, such financial institution will be responsible for making the relevant withholding on account of Spanish tax on any income deriving from the Certificates (income from Warrants will always be not subject to withholding tax in Spain). Currently, the withholding tax rate in Spain is 19 per cent.

Amounts withheld in Spain, if any, can be credited against the final Spanish Personal Income Tax liability, in the case of Spanish tax resident individuals, or against final Spanish Corporate Income Tax liability, in the case of Spanish corporate, or against final Non-Residents' Income Tax, in the case of a Spanish permanent establishment of a non-resident holder of the Certificates. However, holders of the Certificates who are Corporate Income Taxpayers or Non-Residents' Income Taxpayers acting through a permanent establishment in Spain to which the Certificates are effectively connected with could benefit from a withholding tax exemption when the Certificates are listed in an OECD official stock exchange. This will be the case as the Certificates are expected to trade on the Luxembourg Stock Exchange's Regulated Market.

Furthermore, such financial institution may become obliged to comply with the formalities set out in the Regulations on Spanish Personal Income Tax (Royal Decree 439/2007, of 30 March) and Corporate Income Tax (Royal Decree 634/2015, of 10 July) when intervening in the transfer or reimbursement of the Certificates.

Indirect taxation

The acquisition, transfer, redemption, reimbursement and exchange of the Securities will be subject to and exempt from Transfer Tax and Stamp Duty as well as Value Added Tax.

The exemption applicable for Value Added Tax purposes would not cover deposit and management services related to the Securities.

EU Financial Transaction Tax

On the European Union level negotiations are underway in order to implement a harmonized financial transaction tax which might have a negative impact on the receipts deriving from the Securities.

Additionally, on 16 January 2021 the Financial Transaction Tax entered into force in Spain. It is an indirect tax on onerous acquisitions of shares in Spanish companies with a market capitalisation of more than 1 billion euros, in the form and under the conditions established by Law 5/2020, of 15 October.

For further information about the EU Financial Transaction Tax please refer to paragraph "*European Financial Transaction Tax*" below. Prospective Securityholders are advised to seek their own professional advice in relation to the EU Financial Transaction Tax.

16. EUROPEAN FINANCIAL TRANSACTION TAX

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the **Commission Proposal**), for a financial transaction tax (**FTT**) to be adopted in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**)[1]. However, Estonia has since stated that it will not participate. If the Commission's Proposal was adopted, the FTT would be a tax primarily on "financial institutions" (which could include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

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 Certificates 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.

The FTT may give rise to tax liabilities for the relevant Issuer with respect to certain transactions if it is adopted based on the Commission's Proposal. Examples of such transactions are the conclusion of a derivative contract in the context of the relevant Issuer's hedging arrangements or the purchase or sale of securities (such as charged assets) or the exercise/settlement of a warrant. The relevant Issuer is, in certain circumstances, able to pass on any such tax liabilities to holders of the Securities and therefore this may result in investors receiving less than expected in respect of the Securities. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Securities (including secondary market transactions) if conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's Proposal. Primary market transactions referred to in Article 5(c) of Regulation EC No 1287/2006 are expected to be exempt. There is however some uncertainty in relation to the intended scope of this exemption for certain money market instruments and structured issues.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to implementation, the timing of which remains unclear. Additional Member States may decide to participate. Prospective Securityholders are advised to seek their own professional advice in relation to the FTT.

17. INTERNATIONAL EXCHANGE OF INFORMATION

Based on the "OECD Common Reporting Standard (CRS)" states, which have committed themselves to apply the OECD Common reporting Standards ("Participating States"), exchange information with respect to financial accounts held by persons in another Participating State. The same applies to Member States of the European Union. Since 2017 the competent authorities of each EU member state automatically has to submit information on financial accounts and advance cross-border rulings of each person domiciled in the respective EU member state. Since 2018 the competent authorities of each EU member state automatically has to submit anti-money laundering information. Investors should obtain information and/or seek advice if required.

18. U.S. FOREIGN ACCOUNT TAX COMPLIANCE WITHHOLDING

The Issuer and other financial institutions through which payments on the Securities 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 Securities 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 (A) with respect to Securities that give rise solely to foreign passthru payments, is the date that is six months after the date on which final U.S. Treasury Regulations defining the term foreign

[1] Several EU Member States (e.g. France, Italy and Spain) have already introduced national FTTs.

passthru payment are filed with the Federal Register, and (B) with respect to Securities that give rise to a dividend equivalent pursuant to Section 871(m) of the Code as discussed below (and therefore do not give rise to foreign passthru payments), is the date that is six months after the date on which obligations of their type are first treated as giving rise to dividend equivalents, or in either case are issued on or before the grandfathering date and are materially modified thereafter, and (ii) any Securities characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Securities are issued on or before the grandfathering date, and additional Securities of the same series are issued after that date, the additional Securities may not be treated as grandfathered, which may have negative consequences for the existing Securities, including a negative impact on market price.

While the Securities 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 Securities are discharged once it has paid the common depositary for the clearing systems (as bearer or registered holder of the Securities) 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 Securities 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 Securities, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Securities, 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 Securities should consult their own tax advisers for a more detailed explanation of FATCA and how FATCA may apply to payments they receive under the Securities.

FATCA is particularly complex and its application to the Issuer, the Securities, and investors in the Securities is uncertain at this time. The application of FATCA to "foreign passthru payments" on the Securities or to Securities 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 respect 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.

19. 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 2027 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-2027 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 2027 (that is exempt from withholding under Section 871(m) of the Code) are "significantly modified" sometime after calendar year 2026 such that the financial instrument is treated as retired and reissued for U.S. federal income tax purposes, it will lose this exemption. Withholding in respect of dividend equivalents will generally be required when cash payments are made on a Specified Security or upon the date of maturity, lapse or other disposition by the non-U.S. holder of the Specified Security. If U.S. Underlying Equities are expected to pay dividends during the term of the Specified Security, withholding generally will still be required even if the Specified Security does not provide for payments explicitly linked to dividends. If the Issuer or any other relevant withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

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 Securities.

20. SWITZERLAND

The following summary is an overview of certain aspects of taxes in Switzerland relating to the taxation of the Securities issued under the Programme and is included herein solely for information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. This summary is based upon the Swiss tax laws as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date. Because this overview does not address all tax considerations under Swiss law and as the specific tax situation of an investor cannot be considered in this context, prospective investors are recommended to consult their personal tax advisers as to the tax consequences of the purchase, ownership, sale or redemption of and the income derived from the Securities issued under the Programme including, in particular, the effect of tax laws of any other jurisdiction.

On 3 October 2017, the Swiss Federal Tax Administration has issued updated Circular Letter No. 15 in relation to bonds and derivative financial instruments as subject of Swiss direct federal tax, Swiss withholding tax and Swiss stamp duties ("**Circular Letter No. 15**"). The Securities issued under the Programme will be taxed in accordance with this Circular Letter No. 15 and its appendices, as updated from time to time. Depending on the qualification of the relevant Security by the competent Swiss tax authorities the taxation of each Security may be different.

(a) Federal, Cantonal and Communal Individual Income Tax and Corporate Income Tax

Securities held by non-Swiss holder

Holders of Securities who are not resident in Switzerland for tax purposes, and who during the respective taxation year, have not engaged in a trade or business carried out through a permanent establishment or a fixed place of business situated in Switzerland to which the Securities are attributable for tax purposes and who are not subject to income taxation in Switzerland for any other reason ("**Non-Resident Securityholders**") are in respect of the Securities not subject to any federal, cantonal and communal income tax, whether on interest (and/or discount and/or premium, if any) paid, on the payment of principal or on any gain realised on the sale or other disposition of the Securities.

Securities held as private asset by a Swiss resident holder

Individuals resident in Switzerland who hold their Securities as private assets ("**Resident Private Securityholders**") are required to include payments on such Securities, which are considered, from a

Swiss taxation perspective, as investment income (dividends or interests or other income), in their personal income tax return for the relevant tax period and will be taxable on any net taxable income for such tax period.

Gains or losses realised upon a sale or other disposition by Resident Private Securityholders qualifying as private capital gains or losses for Swiss tax purposes are generally not subject to income taxation or are not deductible from taxable income respectively. Capital gains may, however, be subject to income taxation, if a Security or a distinguishable part thereof qualifies as a bond where the predominant part of the annual yield is paid in a one-time payment (*überwiegende Einmalverzinsung*) or the Security is considered as not transparent for Swiss tax purposes. Losses arising from predominant one-time interest paying bonds may be deducted from gains from similar instruments in the same tax period. Furthermore, for low exercise price options (LEPO) with a maturity exceeding one year, the interest component is subject to income tax.

Profits and option premiums from Securities, which are considered as pure derivatives for Swiss tax purposes (financial futures, options) are not subject to the income tax as such profits are in general considered as private capital gains provided the investor is holding the Securities as private assets. Possible losses are not tax-deductible.

Income derived from a Security which is neither a private capital gain nor a repayment of paid-in capital (or face value in case of shares) is generally subject to income tax. This applies, inter alia, to any issuance discount, repayment premium, other guaranteed payments (besides repayment of capital) or any combination thereof. Payments received by an investor because of dividends, interest etc. of the underlying may be subject to income tax for such investor. This may apply likewise to payments or credits derived from underlying funds.

Securities held as business asset by a Swiss resident holder

Corporate entities and individuals who hold their Securities as part of a trade or business in Switzerland, which in the case of residents abroad, is carried out through a permanent establishment or a fixed place of business in Switzerland ("**Domestic Commercial Securityholders**"), are required to recognise the payments of interest and any gain realised on the sale, redemption or exercise of such Securities (including a gain relating to interest accrued) and any loss on such Securities in their income statement for the respective tax period and will be taxable on any net taxable earnings for such period. The same taxation treatment also applies to Swiss resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, inter alia, frequent dealings and leveraged investments in securities.

(b) Cantonal and Communal Wealth Tax and Capital Tax, Gift, Estate and Inheritance Tax

Holders of Securities who are Non-Resident Securityholders are not subject to cantonal and communal wealth tax or capital tax.

Holders of Securities who are Resident Private Securityholders or individuals that are Domestic Commercial Securityholders are required to report the Securities as part of their private wealth or as part of their Swiss business assets, as the case may be, and are subject to annual cantonal and/or communal wealth tax on any net taxable wealth (including the Securities); however, in the case of individuals that are Domestic Commercial Securityholders, only to the extent aggregate taxable wealth is allocable to Switzerland. Corporate Domestic Commercial Securityholders are required to report the Securities as part of their assets in their financial statements and are subject to cantonal and communal capital tax on net taxable equity; however, in the case of a non-Swiss resident corporate Domestic Commercial Securityholders holding Securities as part of a Swiss permanent establishment, only to the extent aggregate taxable equity is allocable to Switzerland. No wealth tax and no capital tax are levied at federal level.

The transfer of Securities may be subject to cantonal and/or communal gift, estate or inheritance taxes if the donor is, or the deceased was, resident for tax purposes in a Swiss canton levying such taxes.

(c) Withholding Tax

All payments in respect of the Securities by the non-Swiss issuer are currently not subject to withholding tax, provided that the Issuer is at all times resident and effectively managed outside Switzerland for Swiss tax purposes.

If there was a deduction or withholding of withholding tax on any interest payments in respect of the Securities, the holders of the Securities would not be entitled to receive any additional amounts as a result of such deduction or withholding under the terms of the Securities.

(d) Securities Transfer Tax

Securities transfer tax (*Umsatzabgabe*) is levied on the transfer of ownership against consideration of certain taxable securities (which may include the Securities) if a securities dealer in Switzerland or Liechtenstein, as defined in the Swiss federal stamp duty act (*Bundesgesetz über die Stempelabgaben*), is a party or acts as an intermediary to the transaction and no exemption applies. Hence, secondary market transactions in the Securities may be subject to securities transfer tax at a rate of up to 0.3%, calculated on the purchase price or sales proceeds. Also, the physical delivery of the underlying upon settlement (future) or exercise (option) is generally subject to securities transfer tax, if the underlying itself qualifies as taxable security for Swiss stamp duty purposes.

However, those Securities which classify as pure derivatives for Swiss stamp duty purposes do generally not qualify as taxable securities and are thus not subject to securities transfer tax. This excludes those Securities which, due to specific features, are considered debt financing instruments (bonds or money market securities), share-like or fund-like products, as well as Low Exercise Price Options (LEPO) on shares (with a maturity exceeding one year) for Swiss stamp duty purposes.

(e) Automatic Exchange of Information

On 19 November 2014, Switzerland signed the Multilateral Competent Authority Agreement (the "**MCAA**"). The MCAA is based on article 6 of the OECD/Council of Europe administrative assistance convention and is intended to ensure the uniform implementation of Automatic Exchange of Information (the "**AEOI**"). The Federal Act on the International Automatic Exchange of Information in Tax Matters (the "**AEOI Act**") entered into force on 1 January 2017. The AEOI Act is the legal basis for the implementation of the AEOI standard in Switzerland.

The AEOI is being introduced in Switzerland through bilateral agreements or multilateral agreements. The agreements have, and will be, concluded on the basis of guaranteed reciprocity, compliance with the principle of speciality (i.e. the information exchanged may only be used to assess and levy taxes (and for criminal tax proceedings)) and adequate data protection. An up-to-date list of the AEOI agreements of Switzerland in effect or signed and becoming effective, including the dates of commencement of data collection and data exchange, can be found on the website of the State Secretariat for International Financial Matters SIF <www.sif.admin.ch>.

Based on such bilateral or multilateral agreements, as the case may be, and the implementation of Swiss law, Switzerland collects and exchanges data in respect of financial assets, including the Securities, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in a European Union member state or in a treaty state.

IMPORTANT INFORMATION RELATING TO OFFERS OF SECURITIES

Offers: Issue Price and Offer Price

The Securities 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 Offer and will depend, amongst other things, on the remuneration applicable to the Securities and prevailing market conditions at that time.

Securities to be offered pursuant to an Offer in the primary market or in the secondary market will be subscribed or purchased by the investors at the Offer Price.

In case of an Offer in the primary market, the Offer Price of the Securities will be the Issue Price or such other price as may be specified in the applicable Final Terms.

In case of an Offer in the secondary market, the Offer Price will be equal to the market price of the Securities applicable from time to time, in addition to any costs and commissions payable to the relevant Authorised Offeror (if applicable) and the purchase and settlement of the Securities will be made in accordance with the rules of the relevant trading venue.

Offer allocation and investor eligibility

In line with its commercial strategy, as periodically defined, the Issuer may reserve the offering of the Securities issued under the Programme to certain categories of investors, identified on an objective basis by reference to specific requirements or characteristics, including those related to possible existing contractual relationships with the Issuer concerning the provision of certain type of services, as may be specified in the applicable Final Terms.

For example, the Issuer may allocate specific issuances of Securities under the Programme to investors who already have in place with the Issuer a contractual arrangement for the provision of “advanced” investment advice services, taking into account the particular features and objectives of the service provided and the relevant client segment.

Restrictions on Offers of Securities in Relevant Member States where there is no exemption from the obligation under the Prospectus Regulation to publish a prospectus.

Certain Tranches of Securities 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 **Non-exempt Offer**. This Base Prospectus has been prepared on a basis that permits Non-exempt Offer of Securities. However, any person making or intending to make a Non-exempt Offer of Securities in any Member State of the European Economic Area where the Prospectus Regulation is applicable (each, a "**Relevant Member State**") may only do so if this Base Prospectus 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 published in accordance with the Prospectus Regulation, provided that, in case of a subsequent resale of the Securities, the Issuer has consented to the use of this Base Prospectus in connection with such offer as provided under "*Consent given in accordance with Article 5(1) of the Prospectus Regulation (Retail Cascades)*" and the conditions attached to that consent are complied with by the person making the offer of such Securities.

Save as provided above, neither the Issuer nor any Manager have authorised, nor do they authorise, the making of any Offer of Securities in circumstances in which an obligation arises for the Issuer or any Manager to publish or supplement a prospectus for such Offer.

In the context of any Non-exempt Offer of Securities, the Issuer has requested or may request the CSSF to provide a certificate of approval in accordance with Article 25 of the Prospectus Regulation (a "**passport**") in relation to the passporting of the Base Prospectus to the competent authorities of Austria, Belgium, Croatia, France, Greece, Hungary, Ireland, Italy, Poland, Portugal, Slovakia, Slovenia and Spain (the "**Host Member States**"). Even though the Issuer has elected (or will elect) to passport this Base Prospectus into the Host Member States, it does not mean that it will choose to make any Non-exempt Offer in the Host Member States. Investors should refer to the Final Terms for any issue of Securities to see whether the Issuer has elected to make a Non-exempt Offer of Securities in either Luxembourg or in a Host Member State (each a "**Non-exempt Offer Jurisdiction**").

Consent given in accordance with Article 5(1) of the Prospectus Regulation (Retail Cascades)

The Issuer accepts responsibility in the Non-exempt Offer Jurisdictions for which it has given consent referred to herein for the content of this Base Prospectus in relation to any person (an "**Investor**") to whom an offer of any Securities is made by any financial intermediary to whom the Issuer has given its consent to use this Base Prospectus (such financial intermediary, an "**Authorised Offeror**"), where the offer is made during the period for which that consent is given and is in compliance with all other conditions attached to the giving of the consent, all as mentioned in this Base Prospectus. However, the Issuer does not have any responsibility for any of the actions of an Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

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 Offer and none of the Issuer or any Manager has any responsibility or liability for the actions of that Authorised Offeror.

Save as provided below, none of the Issuer and any Manager has authorised the making of any Offer by any offeror nor have they consented to the use of this Base Prospectus by any other person in connection with any Offer of Securities. Any Offer made without the consent of the Issuer is unauthorised and none of the Issuer or any Manager accepts any responsibility or liability for the actions of the persons making any such unauthorised offer. If, in the context of an Offer, an Investor is offered Securities 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 Article 11 of the Prospectus Regulation in the context of the Offer and, if so, who that person is. If the Investor is in any doubt about whether they can rely on this Base Prospectus and/or who is responsible for its contents they should take legal advice.

Consent

The consent referred to relates to Offer Periods occurring within 12 months from the date of approval of this Base Prospectus.

In connection with each Tranche of Securities and subject to the conditions set out below under "*Common Conditions to Consent*":

(1) the Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with an Offer of such Securities during the relevant Offer Period stated in the applicable Final Terms by the relevant Manager and by:

   (a) any financial intermediary specified in the applicable Final Terms; and

   (b) any financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the Issuer's website (https://www.intesasanpaolo.com/) and identified as an Authorised Offeror in respect of the relevant Offer; and

(2) if (and only if) Part B of the applicable Final Terms specifies that the Issuer consents to the use of the Base Prospectus by all financial intermediaries, 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 an Offer of Securities during the relevant Offer Period stated in the applicable Final Terms by any financial intermediary which satisfies the "Specific Conditions to 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 Offer are (in addition to the conditions described under "*Specific Conditions to Consent*" below if Part B of the applicable Final Terms specifies "General Consent" as "Applicable") that such consent:

(i) is only valid with reference to Offers occurring within 12 months from the date of this Base Prospectus;

(ii) only extends to the use of this Base Prospectus to make Offers of the relevant Tranche of Securities in one or more of Luxembourg, Austria, Belgium, Croatia, France, Greece, Hungary, Ireland, Italy, Poland, Portugal, Slovakia, Slovenia, Spain as specified in the applicable Final Terms; and

(iii) is subject to any other conditions set out in Part B of the applicable Final Terms.

Each Tranche of Securities may only be offered to Investors as part of an 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.

Specific Conditions to Consent

The conditions to the Issuer's consent are that:

(i) the financial intermediary must be authorised to make such offers under the 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):

" *We, [insert legal name of financial intermediary], refer to the [insert title of relevant Securities] (the "**Securities**") described in the Final Terms dated [insert date] (the "**Final Terms**") published by Intesa Sanpaolo S.p.A. (the "**Issuer**"). We hereby accept the offer by the Issuer of its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Securities (the "**Offer**") in accordance with the Authorised Offeror Terms (as defined and specified in the Base Prospectus) and subject to the conditions to such consent, each as specified in the Base Prospectus, we confirm that we are authorised under MiFID II to make, and we are using the Base Prospectus in connection with, the Offer 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 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 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 Securities 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 "Offering 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) received or paid by that financial intermediary in relation to the offer or sale of the Securities 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 Securities under the applicable laws and regulations of the Relevant Member State;

(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 Securities by the Investor), and will not permit any application for Securities 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 Securities or potential Investor in the Securities 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 Securities, 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 Securities 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) (i) not sell the Securities at any price other than the Offer Price; (ii) in case of Offers in the primary market, not sell the Securities 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 Securities (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 Securities, 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 Securities 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) comply with the conditions to the consent referred to under "*Common conditions to consent*" above and any further requirements relevant to the Offer as specified in the applicable Final Terms;

(m) make available to each potential Investor in the Securities 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

(n) 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 Offer) in connection with the relevant 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 Securities 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 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.

Any financial intermediary who meets all of the conditions set out in "*Specific Conditions to Consent*" and "*Common Conditions to Consent*" above who wishes to use this Base Prospectus in connection with an Offer is required, for the duration of the relevant Offer Period, to publish on its website the statement (duly completed) specified at paragraph (ii) under "*Specific Conditions to Consent*" above.

ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY SECURITIES IN AN OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH SECURITIES 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 OFFER OR SALE OF THE SECURITIES 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 AND 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

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 Securities 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.

Securities may be issued under the Programme which are not listed or admitted to trading, as the case may be, on the Luxembourg Stock Exchange or any other stock exchange or market or trading venue, or Securities 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 Securities on other stock exchanges or regulated markets or to admit to trading on other trading venues as the Issuer may decide.

Authorisation

The establishment of the Programme has been duly authorised by a resolution of the Board of Directors of the Issuer dated 5 May 2020. For the issue of any Series of Securities under the Programme no separate resolution of the Board of Directors of the Issuer is necessary.

Conditions for determining price

The price and amounts of Securities to be issued under the Programme will be determined by the Issuer and any Manager(s) at the time of issue in accordance with prevailing market conditions.

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 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 dei 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 2025 and 2024, as stated in the English translation of their audit reports incorporated by reference into this Base Prospectus.

Trend information / No Material Change / No Significant Change

Since 31 December 2025, there has been no material adverse change in the prospects of the Issuer.

Since 31 March 2026, 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 Securityholders.

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 Securities 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) any Final Terms (save that Final Terms relating to Securities 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 Securityholders and such holder must produce evidence satisfactory to the Issuer and the Listing Agent as to its holding of Securities and identity); and

(e) any supplemental agreement prepared and published in connection with the Programme.

In addition, copies of this Base Prospectus, any supplements to this Base Prospectus, each Final Terms relating to the Securities 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 Securities 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 website: https://group.intesasanpaolo.com/en/governance/company-documents/2025.

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 above, for so long as the Programme remains in effect or any Securities 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 the Intesa Sanpaolo Group as at and for the years ended 31 December 2025 and 2024, together with the accompanying notes and the auditors' report; and

b) the most recent audited annual, or unaudited interim, consolidated financial information of Intesa Sanpaolo published from time to time, commencing with (following publication) its unaudited consolidated quarterly financial statements as at and for the three months ended 31 March 2026,

in each case, together with the accompanying notes and any auditors' report.

Post-issuance information

The Issuer does not intend to provide any post-issuance information except to the extent required by any applicable laws and regulations.

Clearing Systems

Securities to be represented by a Global Security have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The common code or any other security identification code, and ISIN for each issue of Securities allocated by Euroclear and Clearstream, Luxembourg, as applicable, 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, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Italian Dematerialised Securities will be accepted for clearance in Monte Titoli. Italian Dematerialised Securities will be in bearer form (*al portatore*) and held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli (with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy).

If the Securities of any series are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

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.

Use of the Base Prospectus - Consent

With respect to Article 5(1) of the Prospectus Regulation, the Issuer’s consent, to the extent and under the conditions specified in this Base Prospectus and any additional condition specified in the applicable Final Terms, to the use of the Base Prospectus as long as the Base Prospectus is valid in accordance with Article 12 of the Prospectus Regulation and accept responsibility for the content of the Base Prospectus also with respect to subsequent resale of the Securities by any financial intermediary which was given consent to use the prospectus.

Such consent may be given to all (general consent) or only one or more (specific consent) specified financial intermediaries and/or for a limited or indefinite period (within the period of validity of the Base Prospectus), as stated in the Final Terms, in Austria, Belgium, Croatia, France, Greece, Hungary, Ireland, Italy, Poland, Portugal, Slovakia, Slovenia and Spain (as indicated in the relevant Final Terms) as member states in which the Base Prospectus has been passported and which will be indicated in the relevant Final Terms.

Such consent by the Issuer is subject to each financial intermediary complying with the terms and conditions described in this Base Prospectus and the relevant Final Terms as well as any applicable selling restrictions. The distribution of this Base Prospectus, any supplement to this Base Prospectus, if any, and the relevant Final Terms as well as the offering, sale and delivery of the Securities in certain jurisdictions may be restricted by law.

Each financial intermediary and/or each person into whose possession this Base Prospectus, any supplement to this Base Prospectus, if any, and the relevant Final Terms come are required to inform themselves about and observe any such restrictions. The Issuer reserves the right to withdraw its consent to the use of this Base Prospectus in relation to certain and/or each financial intermediary.

In case of an offer being made, such financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.

If the Final Terms state that the consent to use the Base Prospectus is given to all financial intermediaries (general consent), any financial intermediary using the Base Prospectus is required to state on its website that it uses the Base Prospectus in accordance with the consent and the conditions attached thereto.

If the Final Terms state that the consent to use the prospectus is given to one or more specified financial intermediaries (specific consent), any new information with respect to financial intermediaries unknown at the time of the filing of the applicable Final Terms will be published on the website of the Issuer (www.intesasanpaolo.com).

THE ISSUER

Intesa Sanpaolo S.p.A.
Piazza San Carlo, 156
10121 Turin
Italy

PRINCIPAL SECURITY AGENT, REGISTRAR AND LUXEMBOURG LISTING AGENT

BNP Paribas, Luxembourg Branch
60 avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

CALCULATION AGENT

Intesa Sanpaolo S.p.A.
Piazza San Carlo, 156
10121 Turin
Italy

LEGAL ADVISERS TO THE ISSUER
as to English law and Italian law

DLA Piper Italia Società Tra Avvocati S.r.l.
Via Po 14/A
00198 Rome
Italy