

**SUPPLEMENT DATED 12 MARCH 2020**  
**TO THE BASE PROSPECTUS DATED 23 DECEMBER 2019**



**Intesa Sanpaolo S.p.A.**

*(incorporated as a joint stock company under the laws of the Republic of Italy)*

**€25,000,000,000 Covered Bond (*Obbligazioni Bancarie Garantite*) Programme**

***unsecured and unconditionally and irrevocably guaranteed as to payments of interest and principal by***

**ISP CB Ipotecario S.r.l.**

*(incorporated as a limited liability company under the laws of the Republic of Italy)*

**BY APPROVING THIS SUPPLEMENT, THE COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER GIVES NO UNDERTAKING AS TO THE ECONOMIC OR FINANCIAL OPPORTUNENESS OF THE TRANSACTION OR THE QUALITY AND SOLVENCY OF THE ISSUER IN LINE WITH THE PROVISIONS OF ARTICLE 6 (4) OF THE LUXEMBOURG LAW DATED 16 JULY 2019 ON PROSPECTUSES FOR SECURITIES.**

This supplement (the **Supplement**) constitutes a Supplement to the base prospectus dated 23 December 2019 (the **Base Prospectus**) for the purposes of Article 23 of Regulation EU 2017/1129, as subsequently amended (the **Prospectus Regulation**) and Article 30, of the Luxembourg Law on Prospectuses for Securities dated 16 July 2019, as subsequently amended (the **Luxembourg Law**), and is prepared in connection with the Euro 25,000,000,000 covered bonds (*Obbligazioni Bancarie Garantite*) programme (the **Programme**) of Intesa Sanpaolo S.p.A. (the **Issuer**), unconditionally and irrevocably guaranteed as to payments of interest and principal by ISP CB Ipotecario S.r.l. (the **Covered Bond Guarantor**).

This Supplement constitutes a Supplement to, and should be read in conjunction with, the Base Prospectus.

Capitalized terms used in this Supplement and not otherwise defined herein shall have the same meaning ascribed to them in the Base Prospectus.

Each of the Issuer and the Covered Bond Guarantor accepts responsibility for the information contained in this Supplement, with respect to those sections which already fall under the responsibility of each of them under the Base Prospectus and which are supplemented by means of this Supplement. To the best of the knowledge of the Issuer and the Covered Bond Guarantor (having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and this Supplement makes no omission likely to affect the importance of such information.

This Supplement has been approved by the *Luxembourg Commission de Surveillance du Secteur Financier*, which is the Luxembourg competent authority for the purposes of the Prospectus Regulation and Luxembourg Law, as a supplement issued in compliance with the Prospectus Regulation and relevant implementing measures in Luxembourg for the purposes of providing an update in relation to the Calculation Agent role and updating (i) the cover page and

(ii) the sections of the Base Prospectus headed “*Responsibility Statements – Notice*”, “*General Description of the Programme*”, “*Risk Factors*”, “*Documents incorporated by reference*”, “*Description of the Issuer*”, “*Form of Final Terms*”, “*Taxation*”, “*Subscription and Sale*”, “*General Information*” and “*Glossary*”.

Save as disclosed in this Supplement, there has been no other significant new factor and there are no material mistakes or inaccuracies relating to information included in the Base Prospectus which is capable of affecting the assessment of Covered Bonds issued under the Programme since the publication of the Base Prospectus. To the extent that there is any inconsistency between (i) any statement in this Supplement and (ii) any statement in or incorporated by reference into the Base Prospectus, the statements in this Supplement will prevail.

Copies of this Supplement and all documents incorporated by reference in this Supplement and in the Base Prospectus may be inspected during normal business hours at the Specified Office of the Luxembourg Listing Agent and of the Representative of the Covered Bondholders.

Copies of this Supplement and all documents incorporated by reference in the Base Prospectus are available on the Luxembourg Stock Exchange’s website ([www.bourse.lu](http://www.bourse.lu)) and at the following website of the Issuer: <https://group.intesasanpaolo.com/en/investor-relations/prospectus/international-issue-documents/covered-bonds/intesa-sanpaolo-obg-mortgage-programme--originator-intesa-sanpao/obg-mortgage> .

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## **INTERPRETATION**

Within the 30 June 2020, the appointment of EY S.p.A. as Calculation Agent will be terminated and PricewaterhouseCoopers Advisory S.p.A. will be appointed as new Calculation Agent. Therefore, once the appointment will be formalised, in the Base Prospectus any reference to “*Calculation Agent*” shall be intended as a reference to PricewaterhouseCoopers Advisory S.p.A..

## COVER PAGE

Under page 2 of the Base Prospectus the paragraph beginning “*Each Series is expected*” is deleted and replaced by the following:

*“Each Series is expected, upon the relevant issue, to be assigned a rating as specified in the relevant Final Terms by Moody’s Investors Service (**Moody’s**). Conditions precedent to the issuance of any Series include that a rating letter assigning the rating to such Series of Covered Bonds is issued by the Rating Agency. Whether or not the credit rating applied for in relation to relevant Series of Covered Bonds will be issued by a credit rating agency established in the European Union or in the United Kingdom (**UK**) and registered under Regulation (EC) No. 1060/2009 (as amended, the **CRA Regulation**) will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union or the UK and registered under the CRA Regulation (or is endorsed and published or distributed by subscription by such a credit rating agency in accordance with the CRA Regulation) unless (1) the rating is provided by a credit rating agency not established in the EEA or the UK but endorsed by a credit rating agency established in the EEA or the UK and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA or the UK which is certified under the CRA Regulation. The European Securities and Markets Authority (the **ESMA**) is obliged to maintain on its website, <https://www.esma.europa.eu/page/List-registered-and-certified-CRAs>, a list of credit rating agencies registered and certified in accordance with the CRA Regulation.”*

## NOTICE

Under the section headed “Notice”, on page 6 of the Base Prospectus, the paragraph titled “*IMPORTANT – EEA RETAIL INVESTORS*” is deleted and replaced by the following (the underlined words show the insertions made):

***“IMPORTANT – EEA AND UK RETAIL INVESTORS*** - *If the Final Terms in respect of any Covered Bonds include a legend entitled “Prohibition of Sales to EEA and UK Retail Investors”, the Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA) or in the United Kingdom (UK). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (**MiFID II**); or (ii) a customer within the meaning of Directive (UE) 2016/97 (**IDD**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the **PRIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA or the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the PRIPs Regulation.”*

## GENERAL DESCRIPTION OF THE PROGRAMME

Under the section headed “*General Description of the Programme*”, on page 13 of the Base Prospectus, the paragraph titled “*Arrangers*” is deleted and replaced by the following:

**“Arrangers**                      *Banca IMI S.p.A., a bank organised as a joint stock company under the laws of the Republic of Italy, whose registered office is at Largo Mattioli, 3, 20121 Milan, Italy, incorporated with Fiscal Code number, VAT number and registration number with Milan Register of Enterprises No. 04377700150, member of the VAT group “Intesa Sanpaolo”- Group VAT No. 11991500015 (IT11991500015), and registered with the Bank of Italy pursuant to Article 13 of the Banking Law under number 5570 ABI, part of the Intesa Sanpaolo Group, agreed into the Fondo Interbancario di Tutela dei Depositi, subject to the direction and coordination (direzione e coordinamento), pursuant to Article 2497-bis of the Italian Civil Code (Banca IMI), Barclays Bank PLC, a bank registered in England with number 1026167 acting through its investment bank with office at 5 The North Colonnade, Canary Wharf London E144BB, United Kingdom (Barclays), and Intesa Sanpaolo (collectively, the Arrangers)”*

\* \* \*

Under the section headed “*General Description of the Programme*”, on page 14 of the Base Prospectus, the paragraph titled “*Dealers*” is deleted and replaced by the following:

**“Dealers**                      *As of the date hereof, Banca IMI, Barclays and Barclays Bank Ireland PLC, a public limited company incorporated under the laws of Ireland with registered number 396330 and having its registered office at One Molesworth Street, Dublin 2, Ireland, D02 RF29 (collectively, the Dealers), and any entity so appointed by the Issuer in accordance with the terms of the Dealer Agreement”*

\* \* \*

Under the section headed “*General Description of the Programme*”, on page 16 of the Base Prospectus, the paragraph titled “*Selling Restrictions*” is deleted and replaced by the following:

**“Selling Restrictions**                      *The offer, sale and delivery of the Covered Bonds and the distribution of offering material in certain jurisdictions may be subject to certain selling restrictions. Persons who are in possession of this Base Prospectus are required by the Issuer, the Dealers and the Arrangers to inform themselves about, and to observe, any such restriction. The Covered Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the Securities Act). Subject to certain exceptions, the Covered Bonds may not be offered, sold or delivered within the United States or to US persons. There are further restrictions on the distribution of this Base Prospectus and the offer or sale of Covered Bonds in the European Economic Area (including the Republic of Ireland, Germany and the Republic of Italy), the United*

*Kingdom and Japan. For a description of certain restrictions on offers and sales of Covered Bonds and on distribution of this Base Prospectus, see the section headed “Subscription and Sale” below.”*

\* \* \*

Under the section headed “*General Description of the Programme*”, on page 24 of the Base Prospectus, the paragraph titled “*Rating*” is deleted and replaced by the following (the underlined words show the insertions made):

**“*Rating***

*Each Series issued under the Programme may be assigned a rating by the Rating Agency. Whether or not a rating in relation to any Series of Covered Bonds will be issued by a credit rating agency established in the European Union or in the UK and registered under the CRA Regulation, will be disclosed in the relevant Final Terms. **All credit ratings assigned to the Covered Bonds issued under the Programme will be disclosed in the relevant Final Terms.**”*



## **RISK FACTORS**

Under the section “*Risk Factors*”, on page 60, the second paragraph of the risk factor titled “*Credit rating of the Covered Bonds may not reflect all risks*” is deleted and replaced by the following:

*“Whether or not a rating in relation to any Series of Covered Bonds will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Final Terms. The credit ratings included or referred to in this Base Prospectus have been issued by Moody’s Investors Service Ltd. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union or the UK and registered under the CRA Regulation (or is endorsed and published or distributed by subscription by such a credit rating agency in accordance with the CRA Regulation) unless (1) the rating is provided by a credit rating agency not established in the EEA or the UK but endorsed by a credit rating agency established in the EEA or the UK and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA or the UK which is certified under the CRA Regulation. The European Securities and Markets Authority (the ESMA) is obliged to maintain on its website, <https://www.esma.europa.eu/page/List-registered-and-certified-CRAs>, a list of credit rating agencies registered and certified in accordance with the CRA Regulation. Certain information with respect to the credit rating agencies and ratings will be disclosed in the Final Terms”.*

## DOCUMENTS INCORPORATED BY REFERENCE

Under the section headed “Documents incorporated by reference”, on page 75 of the Base Prospectus, the paragraphs beginning “This Base Prospectus should be read” and ending before the paragraph headed “Cross Reference List” are deleted and replaced by the following (the underlined words show the insertions made):

*“This Base Prospectus should be read and construed in conjunction with the following documents, which have been previously published, or are published simultaneously with this Base Prospectus or filed with the CSSF, together, in each case, with the audit reports (if any) thereon:*

- (a) *the press release dated 17 February 2020 announcing Intesa Sanpaolo’s decision to launch a voluntary public exchange offer in respect of all ordinary shares of UBI Banca S.p.A. (the 17 February 2020 Press Release);*

[https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/ubi/20200217\\_UBI\\_Ba\\_uk.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/ubi/20200217_UBI_Ba_uk.pdf)

- (b) *the press release dated 4 February 2020 regarding the Issuer’s consolidated results in respect of the year ended on 31 December 2019 (the 4 February 2020 Press Release);*

[https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/comunicati-stampa-en/2020/20200204\\_RisFY19\\_uk.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/comunicati-stampa-en/2020/20200204_RisFY19_uk.pdf)

- (c) *the Issuer’s unaudited condensed consolidated financial statements as at 30 September 2019;*

[https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2019/20191128\\_Trimestrale3Q19\\_uk.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2019/20191128_Trimestrale3Q19_uk.pdf);

- (d) *the Issuer’s unaudited condensed consolidated financial statements in respect of the half-year 2019, with auditors’ limited review report;*

<https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2019/document.pdf>

- (e) *the Issuer’s audited consolidated annual financial statements, including the auditors’ report thereon, notes thereto and the relevant accounting principles in respect of the year ended on 31 December 2018;*

<https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2018/CNT-05-00000052A83D/CNT-05-00000052F133.pdf>

- (f) *the Issuer’s audited consolidated annual financial statements, including the auditors’ report thereon, notes thereto and the relevant accounting principles in respect of the year ended on 31 December 2017;*

<https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2017/CNT-05-00000004FCE48/CNT-05-000000050134A.pdf>

- (g) *the Covered Bond Guarantor's unaudited interim condensed financial statements, including the auditors' limited review report, in respect of the half-year 2019;*

[https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/en\\_prosp\\_obg/20191220\\_ISP\\_CB\\_Ipotecario\\_Half\\_year\\_300619.PDF](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/en_prosp_obg/20191220_ISP_CB_Ipotecario_Half_year_300619.PDF)

- (h) *the Covered Bond Guarantor's audited annual financial statements, including the auditors' report thereon, in respect of the year ended on 31 December 2018;*

[https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/en\\_prosp\\_obg/20191220\\_ISP\\_CB\\_Ipotecario\\_Financial\\_Statements\\_2018.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/en_prosp_obg/20191220_ISP_CB_Ipotecario_Financial_Statements_2018.pdf)

- (i) *the Covered Bond Guarantor's audited annual financial statements including the auditors' report thereon, in respect of the year ended on 31 December 2017;*

[https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/en\\_prosp\\_obg/20191220\\_ISP\\_CB\\_Ipotecario\\_Financial\\_Statements\\_2017.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/en_prosp_obg/20191220_ISP_CB_Ipotecario_Financial_Statements_2017.pdf)

- (j) *the terms and conditions of the Covered Bonds contained in the prospectus dated 22 December 2014, pages from 187 to 243 (both included), in the prospectus dated 22 December 2015, pages from 199 to 263 (both included), in the prospectus dated 23 December 2016, pages from 194 to 258 (both included), in the prospectus dated 20 December 2017, pages from 196 to 252 (both included) and in the prospectus dated 20 December 2018, pages from 207 to 264 (both included), each prepared by the Issuer in connection with the Programme;*

[https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/prosp\\_obg/CNT-05-000000023989E.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/prosp_obg/CNT-05-000000023989E.pdf)

[https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/prosp\\_obg/CNT-05-000000035E487.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/prosp_obg/CNT-05-000000035E487.pdf)

[https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/prosp\\_obg/CNT-05-00000004CB0E7.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/prosp_obg/CNT-05-00000004CB0E7.pdf)

[https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/prosp\\_obg/CNT-05-00000004FCB27.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/prosp_obg/CNT-05-00000004FCB27.pdf)

[https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/prosp\\_obg/CNT-05-00000005255C8.PDF](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/prosp_obg/CNT-05-00000005255C8.PDF)

*Such documents shall be incorporated by reference into, and form part of, this Base Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Base Prospectus to the extent that a*

statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus. Any part of the documents listed under items from (a) to (j) above not listed in cross reference list below but contained in such documents, is not incorporated by reference in this Base Prospectus and is either not relevant for the investor or it is covered elsewhere in this Base Prospectus.

Copies of documents incorporated by reference into this Base Prospectus may be obtained from the registered office of the Issuer or, for the audited consolidated annual financial statements of the Issuer as at and for the years ended 31 December 2017 and 31 December 2018, the auditor's report for the Issuer for the financial years ended on 31 December 2017 and 31 December 2018, the Issuer's unaudited condensed consolidated financial statements in respect of the half-year 2019 and the Issuer's unaudited condensed consolidated financial statements as at 30 September 2019 on the Issuer's website ([www.group.intesasanpaolo.com/scriptIsir0/si09/investor\\_relations/eng\\_bilanci\\_relazioni.jsp](http://www.group.intesasanpaolo.com/scriptIsir0/si09/investor_relations/eng_bilanci_relazioni.jsp)). This Base Prospectus and the documents incorporated by reference will also be available on the Luxembourg Stock Exchange's web site (<http://www.bourse.lu/programme/Programme-IntesaSanPaolo/13734>).

The 17 February 2020 Press Release, the 4 February 2020 Press Release, the audited consolidated annual financial statements referred to above, together with the audit reports thereon, the Issuer's unaudited condensed consolidated financial statements in respect of the half-year 2019 and the Issuer's unaudited condensed consolidated financial statements as at 30 September 2019 are available both in the original Italian language and in English language. The English language versions represent a direct translation from the Italian language documents. The Issuer and the Covered Bond Guarantor, as relevant, are responsible for the English translations of the financial reports incorporated by reference in this Base Prospectus and declare that such is an accurate and not misleading translation in all material respects of the Italian language version of the Issuer's and Covered Bond Guarantor's financial reports (as applicable)."

\* \* \*

Under the section headed "Documents incorporated by reference", on page 77 of the Base Prospectus, in the paragraph headed "Cross-reference List", before the table headed "Intesa Sanpaolo interim statements as at 30 September 2019", the following tables are included:

**"17 February 2020 Press Release**

<b>Press Release</b>	<b>Page number(s)</b>
	Page 1 and first paragraph of page 2

**4 February 2020 Press Release**

<b>Press Release</b>	<b>Page number(s)</b>
Reclassified consolidated statement of income	26

<i>Quarterly development of the reclassified consolidated statement of income</i>	27
<i>Reclassified consolidated balance sheet</i>	28
<i>Quarterly development of the reclassified consolidated balance sheet</i>	29
<i>Breakdown of financial highlights by business area</i>	30

For the purposes of Article 19(1) of Regulation (EU) 2017/1129, the information incorporated by reference that is not included in the cross-reference list above are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

The Issuer confirms that the unaudited results and other figures contained in the 4 February 2020 Press Release are consistent with the corresponding figures that will be contained in the Issuer's consolidated financial statements as at and for the year ended 31 December 2019 (the **2019 Annual Report**), and therefore have been prepared on the basis of the same accounting principles and standards utilized for the preparation of the consolidated financial statements of Intesa Sanpaolo as at and for the year ended 31 December 2018 in all material respects.

Audit procedures by the statutory auditors on the 2019 Annual Report are currently in progress and the 2019 Annual Report will be available to the investors forthwith following its publication. See further "*General Information – Financial statements available*".

## DESCRIPTION OF THE ISSUER

Under the section headed “*Description of the Issuer – Intesa Sanpaolo in 2019 - Highlights*”, on page 101 of the Base Prospectus, before the section “*Sovereign risk exposure*” the following paragraph is included:

*“On 19 December 2019, Intesa Sanpaolo and Nexi reached a strategic agreement which provides for:*

- the transfer to Nexi of the Intesa Sanpaolo business line consisting of the acquiring activities currently carried out for over 380,000 points of sale, with Intesa Sanpaolo retaining the sale force dedicated to acquiring new customers; and*
- a long-term partnership, with Nexi to become the sole partner of Intesa Sanpaolo in the acquiring activities and the latter to distribute the acquiring services provided by Nexi and maintain the relationship with its customers.*

*The business line will be transferred through contribution to a Nexi subsidiary for €1,000 million. Intesa Sanpaolo will sell the shares received from the contribution to Nexi for a corresponding cash consideration and will then use part of this consideration to purchase shares of Nexi from the latter’s reference shareholder, Mercury UK HoldCo Limited, for an amount of €653 million, equal to a 9.9% shareholding of Intesa Sanpaolo in the share capital of Nexi.*

*The transaction will enable Intesa Sanpaolo to extract proper value from the acquiring activities currently carried out internally, through the contribution of its business line – taking into account that operating efficiently in this sector, in a competitive scenario of international scope, requires greater investment and economies of scale – while retaining an interest in a business with significant growth prospects.*

*In 2018, the business activities to be contributed generated operating income of around €74 million, operating margin of around €72 million and net income of around €48 million.*

*As a result of the finalisation of the transaction, which is expected to take place in 2020 and is subject to the customary regulatory authorisations being received, a net capital gain in the region of €900 million is envisaged for the Intesa Sanpaolo Group’s consolidated income statement in 2020. This capital gain might not be reflected in the net income entirely if, over the course of 2020, allocations are identified that are appropriate to strengthen sustainable profitability.”*

\* \* \*

Under the section headed “*Description of the Issuer – Intesa Sanpaolo 2019 - Highlights*”, on page 101 of the Base Prospectus, after the section headed “*Sovereign risk exposure*” and before the section “*Management*” the following paragraphs are included:

### ***“Recent Events***

*On 17 February 2020, Intesa Sanpaolo announced that it has adopted the decision to launch a voluntary public exchange offer in respect of all ordinary shares of Unione di Banche Italiane S.p.A. (UBI Banca), as announced by the communication issued pursuant to Article 102 of Legislative Decree 24 February 1998, no. 58 and Article 37 of CONSOB Regulation no. 11971 of 14 May 1999. See further the press release of the Issuer dated 17 February 2020*

*incorporated by reference in this Prospectus. Intesa Sanpaolo currently intends to offer, for every 10 (ten) ordinary share of UBI Banca tendered pursuant to the Offer, a consideration (not subject to any adjustment) equal to 17 (seventeen) newly issued ordinary shares of Intesa Sanpaolo.*

*On 17 February 2020, Intesa Sanpaolo published a notice to convene an extraordinary shareholders' meeting to be held on 27 April 2020, to discuss and approve a proposal to grant the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power - to be exercised by 31 December 2020 - to increase the share capital of the Issuer in one or more tranches and in a divisible form, without pre-emption right pursuant to Article 2441(4), first sentence, of the Italian Civil Code, through the issuance of a maximum of 1,943,823,435 ordinary shares, with no par value, having the same characteristics as the outstanding shares, whose issuance price shall be determined by the Board of Directors pursuant to the provisions of law, to be paid up by way of contribution in kind functional to a prior public exchange offer (offerta pubblica di scambio preventiva) on all the ordinary shares of UBI Banca; subsequent amendment of Art. 5 of the Issuer's by-laws; and related and consequent resolutions.”*

## FORM OF FINAL TERMS

Under the section “*Form of Final Terms*”, on page 286 of the Base Prospectus, the paragraph titled “[*PROHIBITION OF SALES TO EEA RETAIL INVESTORS*” is deleted and replaced by the following (the underlined words show the insertions made):

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

\* \* \*

Under the section “*Form of Final Terms*”, on page 292 of the Base Prospectus, the paragraph headed “25. *Prohibition of Sales to EEA Retail Investors*” is deleted and replaced by the following (the underlined words show the insertions made):

“25. *Prohibition of Sales to EEA and UK Retail Investors:* [Applicable/Not Applicable]

*(Where agreed that the Covered Bonds clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Covered Bonds is concluded prior to 1 January 2018 and the Covered Bonds may constitute 'packaged' products and mature on or after 1 January 2018 then "Applicable" should be specified if agreed by the parties. If the offer of the Covered Bonds will be concluded on or after 1 January 2018 and the Covered Bonds may constitute "packaged" products, "Applicable" should be specified.)*”

\* \* \*

Under the section “*Form of Final Terms*”, on page 293 of the Base Prospectus, the paragraph headed “2. *Rating*” is deleted and replaced by the following (the underlined words show the insertions made):

“2. **RATING**

*Rating:*

[Not applicable]/[The Covered Bonds to be issued [[have been]/[are expected to be]] rated:

[Moody's: [●]]



[[Other]: [●]]

*(Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.)*

*[(Insert legal name of particular credit rating agency entity providing rating)] is established in the European Union or in the United Kingdom and registered under Regulation (EC) No 1060/2009, as amended (the “**CRA Regulation**”). [As such [(Insert legal name of particular credit rating agency entity providing rating)] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs> in accordance with such Regulation.]”*

## TAXATION

The second paragraph of the sub-section headed “*Italian resident Covered Bondholders*” on pages 298 of the Base Prospectus is deleted and replaced in its entirety by the following:

*“Subject to certain conditions, interest in respect of Covered Bonds issued by Intesa Sanpaolo that qualify as obbligazioni or titoli similari alle obbligazioni received by Italian resident individuals holding the Covered Bonds 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 26 per cent. imposta sostitutiva, if the Covered Bonds are included in a long-term savings account (piano individuale di risparmio a lungo termine) pursuant Article 1, paragraph 100 – 114, of Law No.232 of 11 December 2016 (Law 232), Article 1, paragraph 211-215, of Law No. 145 of 30 December 2018 (Law 145), as implemented by the Ministerial Decree of 30 April 2019 and in Article 13-bis of Law Decree No. 124 of 26 October 2019 converted into law with amendments by Law No. 157 of 19 December 2019 (Decree 124), as applicable from time to time.”*

\* \* \*

The seventh paragraph of the sub-section headed “*Italian resident Covered Bondholders*” on pages 299 of the Base Prospectus is deleted and replaced in its entirety by the following:

*“Where an Italian resident Covered Bondholder is a pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005) and the Covered Bonds are deposited with an authorised intermediary, interest, premium and other income relating to the Covered Bonds and accrued during the holding period will not be subject to imposta sostitutiva, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent substitute tax on the increase in value of the managed assets accrued at the end of each year. Subject to certain conditions (including minimum holding period requirement) and limitations, interest, premium and other income relating to the Covered Bonds may be excluded from the taxable base of the 20 per cent. substitute tax if the Covered Bonds are included in a long-term savings account (piano individuale di risparmio a lungo termine) that meets the requirements set forth in Article 1 (100 - 114) of Law 232, Article 1, paragraph 211-215, of Law 145, as implemented by the Ministerial Decree of 30 April 2019 and in Article 13-bis of Decree 124, as applicable from time to time.”*

\* \* \*

The second paragraph of the sub-section headed “*Atypical Securities*” on pages 301 of the Base Prospectus is deleted and replaced in its entirety by the following:

*“Subject to certain conditions, interest in respect of Covered Bonds issued by Intesa Sanpaolo that do not qualify as obbligazioni or titoli similari alle obbligazioni and are treated as atypical securities received by Italian resident individuals holding the Covered Bonds 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 26 per cent. imposta sostitutiva, if the Covered Bonds are included in a long-term savings account (piano individuale di risparmio a lungo termine) pursuant Article 1, paragraph 100 – 114, of Law 232, Article 1, paragraph 211-215, of Law 145, as implemented by the Ministerial Decree of 30 April 2019 and in Article 13-bis of Decree 124, as applicable from time to time.”*

\* \* \*

After the sixth paragraph of the sub-section headed “*Italian resident Covered Bondholders*” on pages 302 of the Base Prospectus the following paragraph is included:

*“Subject to certain conditions, capital gain in respect of Covered Bonds issued by Intesa Sanpaolo received by Italian resident individuals holding the Covered Bonds 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 26 per cent. imposta sostitutiva, if the Covered Bonds are included in a long-term savings account (piano individuale di risparmio a lungo termine) that meets the requirements set forth in Article 1 (100-114) of Law 232, Article 1, paragraph 211-215, of Law 145, as implemented by the Ministerial Decree of 30 April 2019 and in Article 13-bis of Decree 124, as applicable from time to time.”*

\* \* \*

The tenth paragraph of the sub-section headed “*Italian resident Covered Bondholders*” on pages 302 of the Base Prospectus is deleted and replaced in its entirety by the following:

*“Any capital gains realised by a Covered Bondholder who is an Italian pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20 per cent. substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, capital gains in respect of Covered Bonds realized upon sale, transfer or redemption by Italian Pension Fund may be excluded from the taxable base of the 20 per cent. substitute tax if the Covered Bonds are included in a long-term savings account (piano individuale di risparmio a lungo termine) that meets the requirements set forth in Article 1 (100 - 114) of Law 232, Article 1, paragraph 211-215, of Law 145, as implemented by the Ministerial Decree of 30 April 2019. and in Article 13-bis of Decree 124, as applicable from time to time.”*

\* \* \*

The paragraph headed “*Wealth Tax on securities deposited abroad*” on page 304 of the Base Prospectus is deleted and replaced in its entirety by the following:

*According to the provisions set forth by Law No. 2014 of 6 December 2011, as amended and supplemented, Italian resident individuals, Italian non-commercial private or public institutions and Italian non-commercial partnership, holding financial assets – including the Covered Bonds – outside the Italian territory are required to pay in their own annual tax return a wealth tax at the rate of 0.2 per cent.*

*This tax is calculated on the market value of the Covered Bonds at the end of the relevant year or – if no market value figure is available – on the nominal value or the redemption or in the case the face or redemption values cannot be determined, on purchase value of such financial assets held outside the Italian territory. The amount of tax due, based on the value indicated by the Covered Bondholder in its own annual tax return, must be paid within the same date in which payment of the balance of the annual individual income tax (**IRPEF**) is due.*

*Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).*

*Financial assets held abroad are excluded from the scope of the Wealth Tax if such assets are administered by Italian financial intermediaries pursuant to an administration agreement. In*

*this case the above mentioned stamp duty provided for by Article 13 of the tariff attached to Decree 642 does apply.”*

## SUBSCRIPTION AND SALE

Under the section “*Subscription and Sale*”, on page 307-308 of the Base Prospectus, the paragraph headed “*Prohibition of Sales to EEA Retail Investors*” is deleted and replaced by the following:

### **“Prohibition of Sales to EEA and UK Retail Investors**

*Unless the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Covered Bonds specifies the “Prohibition of Sales to EEA and UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer 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 Covered Bonds which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms (or are the subject of the offering contemplated by a Drawdown Prospectus) in relation thereto to any retail investor in the European Economic Area or the UK. For the purposes of this provision, 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 (UE) 2016/97 (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.*

*If the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Covered Bonds specifies “Prohibition of Sales to EEA and UK Retail Investors” as “Not Applicable”, in relation to each Member State of the European Economic Area or the UK (each a **Relevant State**), each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not made and will not make an offer of Covered Bonds which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) in relation thereto to the public in that Member State except that it may make an offer of such Covered Bonds to the public in that Relevant State:*

- (a) Qualified investors: at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;*
- (b) Fewer than 150 offerees: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or*
- (c) Other exempt offers: at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,*

*provided that no such offer of Covered Bonds referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.*

*For the purposes of this provision, the expression an **offer of Covered Bonds to the public** in relation to any Covered Bonds in any Relevant State means the communication in any form and*

*by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Covered Bonds.”*

## GENERAL INFORMATION

Under the section headed “*General Information*”, on pages 313 and 314 of the Base Prospectus, the paragraph headed “*Documents available for inspection*” is deleted and replaced by the following (the underlined words show the insertions made):

### **“Documents available for inspection**

*For so long as the Programme remains in effect or any Covered Bonds shall be outstanding and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, copies and, where appropriate, English translations of the following documents may be inspected during normal business hours at the Specified Office of the Luxembourg Listing Agent, namely:*

- (i) *the Transaction Documents (but excluding, for avoidance of doubt, any document in respect of any Registered Covered Bonds);*
- (ii) *the Issuer’s memorandum of association (Atto Costitutivo) and by-laws (Statuto) as of the date hereof (which are also available on <https://group.intesasanpaolo.com/en/governance/company-documents/2019>);*
- (iii) *the Covered Bond Guarantor’s memorandum of association and by-laws as of the date hereof (which are also available on [https://group.intesasanpaolo.com/it/investor-relations/prospetti/emissioni-internazionali/obbligazioni-bancarie/programma-obg-mutui-ipotecari-isp](https://group.intesasanpaolo.com/it/investor-relations/prospetti/emissioni-internazionali/obbligazioni-bancarie/programma-obg-mutui-ipotecari-isp/programma-obg-mutui-ipotecari-isp) and <https://group.intesasanpaolo.com/en/investor-relations/prospectus/international-issue-documents/covered-bonds/intesa-sanpaolo-obg-mortgage-programme--originator-intesa-sanpao/obg-mortgage> );*
- (iv) *the 17 February 2020 Press Release;*
- (v) *the 4 February 2020 Press Release;*
- (vi) *the Issuer’s unaudited condensed consolidated financial statements as at 30 September 2019;*
- (vii) *the Issuer’s unaudited condensed consolidated financial statements in respect of the half-year 2019, with auditors’ limited review report;*
- (viii) *the Issuer’s audited consolidated annual financial statements, including the auditors’ report thereon, notes thereto and the relevant accounting principles in respect of the year ended on 31 December 2018;*
- (ix) *the Issuer’s audited consolidated annual financial statements, including the auditors’ report thereon, notes thereto and the relevant accounting principles in respect of the year ended on 31 December 2017;*
- (x) *the Covered Bond Guarantor’s unaudited interim condensed financial statements, including the auditors’ limited review report, in respect of the half-year 2019;*
- (xi) *the Covered Bond Guarantor’s audited annual financial statements, including the auditors’ report thereon, in respect of the year ended on 31 December 2018;*
- (xii) *the Covered Bond Guarantor’s audited annual financial statements including the auditors’ report thereon, in respect of the year ended on 31 December 2017;*
- (xiii) *the Terms and Conditions of the Covered Bonds contained in the prospectus dated 22 December 2014, pages from 187 to 243 (both included), in the prospectus dated 22 December 2015, pages from 199 to 263 (both included) and in the prospectus dated 23 December 2016, pages from 194 to 258 (both included), in the prospectus dated 20*

*December 2017, pages from 196 to 252 (both included) and in the prospectus dated 20 December 2018, pages from 207 to 264 (both included) each prepared by the Issuer in connection with the Programme;*

- (xiv) a copy of this Base Prospectus together with any supplement thereto, if any, or further Base Prospectus;*
- (xv) any reports, letters, balance sheets, valuations and statements of experts included or referred to in the Base Prospectus (other than consent letters);*
- (xvi) any Final Terms relating to Covered Bonds which are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system. In the case of any Covered Bonds (other than the Registered Covered Bonds) which are not admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, copies of the relevant Final Terms will only be available for inspection by the relevant Covered Bondholders.*

*Copies of all such documents shall also be available to Covered Bondholders at the Specified Office of the Representative of the Covered Bondholders.*

*In addition, copies of this Base Prospectus, any supplements to this Base Prospectus, each Final Terms relating to the Covered Bonds 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.bourse.lu>)."*



## **GLOSSARY**

Under the section headed “*Glossary*”, on page 332, the definition of “*Withdrawal Date*” is deleted.