

FIRST SUPPLEMENT DATED 11 FEBRUARY 2020 TO THE
BASE PROSPECTUS DATED 20 DECEMBER 2019



INTESA SANPAOLO S.p.A.

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

as Issuer and, in respect of Notes issued by Intesa Sanpaolo Bank Ireland p.l.c. and by Intesa Sanpaolo Bank Luxembourg S.A., as Guarantor and

INTESA SANPAOLO BANK IRELAND p.l.c.

(incorporated with limited liability in Ireland under registration number 125216)

as Issuer

and

INTESA SANPAOLO BANK LUXEMBOURG S.A.

(incorporated as a public limited liability company (société anonyme) in the Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register under number B13859)

as Issuer

€70,000,000,000

Euro Medium Term Note Programme

This supplement ("**Supplement**") is supplemental to and must be read in conjunction with the base prospectus dated 20 December 2019 (the "**Base Prospectus**") prepared by Intesa Sanpaolo S.p.A. ("**Intesa Sanpaolo**"), Intesa Sanpaolo Bank Ireland p.l.c. ("**INSPIRE**") and Intesa Sanpaolo Bank Luxembourg S.A. (previously known as Société Européenne de Banque S.A.) ("**Intesa Luxembourg**", together with Intesa Sanpaolo and INSPIRE the "**Issuers**") in connection with their €70,000,000,000 Euro Medium Term Note Programme (the "**Programme**"). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), which is the Luxembourg competent authority for the purpose of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), as a base prospectus supplement issued in compliance with the Prospectus Regulation. In addition, the Issuers have requested that the CSSF send a certificate of approval pursuant to Article 25 of the Prospectus Regulation, together with a copy of this Supplement, to the Central Bank of Ireland in its capacity as competent authority in Ireland.

Purpose of the Supplement

The purpose of this supplement is to (i) incorporate by reference in the Base Prospectus the press release dated 4 February 2020 relating to the annual financial statements of Intesa Sanpaolo as at and

for the year ended 31 December 2019, (ii) update the front cover of the Base Prospectus, (iii) update the section of the Base Prospectus entitled "*Important Information*", (iv) update the section of the Base Prospectus entitled "*General Description of the Programme*", (v) update the section of the Base Prospectus entitled "*Form of Final Terms*", (vi) update the section entitled "Intesa Sanpaolo in 2019 . Highlights", (vii) update the section of the Base Prospectus entitled "*Taxation*" and (viii) update the section of the Base Prospectus entitled "*Subscription and Sale*".

Copies of this Supplement and the documents incorporated by reference will be available without charge (i) from the offices of the Listing Agent in Luxembourg and (ii) on the website of the Luxembourg Stock Exchange at www.bourse.lu.

The date of this Supplement is 11 February 2020.

Each of Intesa Sanpaolo, INSPIRE and Intesa Luxembourg accept responsibility for the information contained in this Supplement and declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect the import of such information.

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 Notes 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 including any statement incorporated by reference into the Base Prospectus by this Supplement, and (ii) any other statement in or incorporated by reference into the Base Prospectus, the statements in this Supplement will prevail.

A copy of this Supplement is available on the Luxembourg Stock Exchange's website (<https://www.bourse.lu>), and at the following website: <https://group.intesasanpaolo.com/en/investor-relations/prospectus/international-issue-documents/mtn>.

INFORMATION INCORPORATED BY REFERENCE

The information set out below supplements the section of the Base Prospectus entitled "**Information Incorporated by Reference**" on pages 39 to 43 of the Base Prospectus.

"The following press release issued by Intesa Sanpaolo on 4 February 2020 and entitled "*Intesa Sanpaolo: Consolidated Results as at 31 December 2019*" (the "**Press Release**"), having previously been published and filed with the CSSF, is incorporated by reference in and forms part of this Supplement and shall, by virtue of this Supplement, be deemed to be incorporated by reference in, and form part of, the Base Prospectus.

The Press Release can be accessed at the following website: https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/comunicati-stampa-en/2020/20200204_RisFY19_uk.pdf.

For ease of reference, the table below sets out page references for specific items of information contained in the Press Release.

The Press Release will be published on the Luxembourg Stock Exchange website at *www.bourse.lu*.

1.	Reclassified consolidated statement of income	Page 26
2.	Quarterly development of the reclassified consolidated statement of income	Page 27
4.	Reclassified consolidated balance sheet	Page 28
5.	Quarterly development of the reclassified consolidated balance sheet	Page 29
6	Breakdown of financial highlights by business area	Page 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 2019 results 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 utilised 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*".

FRONT COVER

The seventh paragraph of the front cover, beginning "*The Programme also allows*" on pages i to ii of the Base Prospectus, shall be deleted in its entirety and replaced by the following paragraph:

"The Programme also allows for Notes to be unlisted or to be admitted to listing, trading and/or quotation by such other or further listing authorities, stock exchanges and/or quotation systems as may be agreed with the relevant Issuer. Notes issued pursuant to the Programme may also be rated or unrated. Where an issue of Notes is rated, its rating will be specified in the Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Whether or not each credit rating applied for in relation to the relevant Series of Notes will be issued by a credit rating agency established in the European Union or the 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 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."

IMPORTANT INFORMATION

The paragraph beginning "**IMPORTANT – EEA RETAIL INVESTORS**" on page v of the Base Prospectus, shall be deleted in its entirety and replaced by the following paragraph:

"IMPORTANT – EEA and UK RETAIL INVESTORS – If the Final Terms (or the Drawdown Prospectus, as the case may be) in respect of any Notes includes a legend entitled "*Prohibition of Sales to EEA and UK Retail Investors*", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or in the 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 (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (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. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the UK has been prepared and therefore offering or selling the Notes 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

The paragraphs headed "*Ratings*" and "*Selling Restrictions*" in the section "**General Description of the Programme**" on page 10 of the Base Prospectus, shall be deleted in their entirety and replaced by the following:

- "Ratings: Notes issued pursuant to the Programme may be rated or unrated. Where an issue of Notes is rated, its rating will be specified in the Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
- Whether or not each credit rating applied for in relation to the relevant Series of Notes will be issued by a credit rating agency established in the European Union or the UK and registered under the CRA Regulation will be disclosed in the Final Terms. In general, EEA and UK 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 Regulation).
- Selling Restrictions: For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States, the European Economic Area (including the Republic of Italy, Ireland, France and Luxembourg), the United Kingdom, Hong Kong, the People's Republic of China, Singapore and Japan, see "*Subscription and Sale*" below."

RISK FACTORS

The paragraph beginning "*Furthermore, in general, European regulated investors*" in the section "**RISK FACTORS – Risks related to Subordinated Notes – Credit ratings may not reflect all risks**" on page 37 of the Base Prospectus, shall be deleted in its entirety and replaced by the following:

"Furthermore, 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 EEA or the UK and registered under the CRA Regulation or (1) the rating is provided by a credit rating agency not established in the EEA or the UK but is 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."

FORM OF FINAL TERMS

The paragraph beginning "[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS**" in the section "**Form of Final Terms**" on page 148 of the Base Prospectus, shall be deleted in its entirety and replaced by the following:

"[**PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or in the 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 (EU) 2016/97 (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. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the PRIPs Regulation.]"

The paragraph headed "2. *Ratings*" in the section "**Form of Final Terms**" on page 161 of the Base Prospectus, shall be deleted in its entirety and replaced by the following:

"2. RATINGS

Ratings:

The Notes to be issued [[have been]/[are expected]/[are not expected]] to be rated:

[S & P's: [•]]

[Moody's: [•]]

[Fitch: [•]]

[DBRS Morningstar: [•]]

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

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

*(Insert legal name of particular credit rating agency entity providing rating) is established in the European Union or the United Kingdom and registered under Regulation (EC) No 1060/2009 (as amended) (the "**CRA Regulation**")."*

The paragraph headed "8. *Distribution (v) Prohibition of Sales to EEA Retail Investors*" in the section "**Form of Final Terms**" on page 164 of the Base Prospectus, shall be deleted in its entirety and replaced by the following:

"(v) Prohibition of Sales to EEA and UK Retail Investors: [Applicable /Not Applicable]

(If the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the Notes may constitute

"packaged" products and no key information document will be prepared, "Applicable" should be specified.)"

DESCRIPTION OF INTESA SANPAOLO S.p.A.

The paragraph below supplements the section entitled "*Intesa Sanpaolo in 2019 - Highlights*" on page 183 of the Base Prospectus, before the section entitled "*Sovereign risk exposure*":

"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."

TAXATION

In the paragraph headed "Taxation of the Notes issued by Intesa Sanpaolo - Italian Resident Noteholders" in the section "Italian Taxation", on page 236 of the Prospectus, the following paragraph:

"Subject to certain limitations and conditions (including a minimum holding period), Interest in respect of Notes issued by Intesa Sanpaolo that qualify as *obbligazioni* or *titoli similari alle obbligazioni* received by Italian resident individuals holding the Notes 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 Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114, of Law No. 232 of 11 December 2016, as subsequently amended ("**Law No. 232**") and Article 1, paragraphs 211 – 215 of Law No. 145 of 30 December 2018 ("**Law No. 145**"), as implemented by the Ministerial Decree of 30 April 2019."

shall be deleted in its entirety and replaced by the following:

"Subject to certain limitations and conditions (including a minimum holding period), Interest in respect of Notes issued by Intesa Sanpaolo that qualify as *obbligazioni* or *titoli similari alle obbligazioni* received by Italian resident individuals holding the Notes 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 Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114, of Law No. 232 of 11 December 2016 as amended and supplemented from time to time ("**Law No. 232**"), Article 1, paragraphs 211 – 215 of Law No. 145 of 30 December 2018 ("**Law No. 145**") and, for the long-term individual savings account established from 1° January 2020, article 13-*bis* of Law Decree No. 124 of 26 October 2019 ("**Law Decree No. 124**")."

In the paragraph headed "Taxation of the Notes issued by Intesa Sanpaolo - Italian Resident Noteholders" in the section "Italian Taxation", on page 237 of the Prospectus, the following paragraph:

"Subject to certain limitations and conditions (including a minimum holding period requirement), Interest in respect to the Notes may be excluded from the taxable base of the Pension Fund Tax pursuant to Article 1, paragraph 92, of Law No. 232 if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114, of Law No. 232 and Article 1, paragraph 211 – 215 of Law No. 145, as implemented by the Ministerial Decree of 30 April 2019."

shall be deleted in its entirety and replaced by the following:

"Subject to certain limitations and conditions (including a minimum holding period requirement), Interest in respect to the Notes may be excluded from the taxable base of the Pension Fund Tax pursuant to Article 1, paragraph 92, of Law No. 232 if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114, of Law No. 232, Article 1, paragraphs 211 – 215 of Law No. 145 and, for the long-term individual savings account established from 1° January 2020, article 13-*bis* of Law Decree No. 124."

In the paragraph headed "Taxation of Notes issued by INSPIRE or by Intesa Luxembourg - Italian Resident Noteholders" in the section "Italian Taxation", on page 239 of the Prospectus, the following paragraph:

"Subject to certain limitations and conditions (including a minimum holding period), Interest in respect of Notes issued by INSPIRE or by Intesa Luxembourg that qualify as *obbligazioni* or *titoli similari alle obbligazioni* received by Italian resident individuals holding the Notes 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 Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114, of Law No. 232 and Article 1, paragraph 211 – 215 of Law No. 145, as implemented by the Ministerial Decree of 30 April 2019."

shall be deleted in its entirety and replaced by the following:

"Subject to certain limitations and conditions (including a minimum holding period), Interest in respect of Notes issued by INSPIRE or by Intesa Luxembourg that qualify as *obbligazioni* or *titoli similari alle obbligazioni* received by Italian resident individuals holding the Notes 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 Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114, of Law No. 232, Article 1, paragraphs 211 – 215 of Law No. 145 and, for the long-term individual savings account established from 1° January 2020, article 13-*bis* of Law Decree No. 124."

In the paragraph headed "Taxation of Notes issued by INSPIRE or by Intesa Luxembourg - Italian Resident Noteholders" in the section "Italian Taxation", on page 240 of the Prospectus, the following paragraph:

"Subject to certain limitations and conditions (including a minimum holding period), Interest in respect to the Notes issued by INSPIRE or by Intesa Luxembourg may be excluded from the taxable base of the Pension Fund Tax pursuant to Article 1, paragraph 92, of Law No. 232 if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114, of Law No. 232 and Article 1, paragraph 211 – 215 of Law No. 145, as implemented by the Ministerial Decree of 30 April 2019."

shall be deleted in its entirety and replaced by the following:

"Subject to certain limitations and conditions (including a minimum holding period), Interest in respect to the Notes issued by INSPIRE or by Intesa Luxembourg may be excluded from the taxable base of the Pension Fund Tax pursuant to Article 1, paragraph 92, of Law No. 232 if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114, of Law No. 232, Article 1, paragraphs 211 – 215 of Law No. 145 and, for the long-term individual savings account established from 1° January 2020, article 13-*bis* of Law Decree No. 124."

In the paragraph headed "Atypical securities" in the section "Italian Taxation", on page 241 of the Prospectus, the following paragraph:

"Subject to certain limitations and conditions (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 Notes not falling within the category of bonds (*obbligazioni*) or securities similar

to bonds (*titoli similari alle obbligazioni*) and qualify as *titoli atipici* ("atypical securities") pursuant to Article 5 of Law Decree No. 512 of 30 September 1983, if such Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114 of Law No. 232 and Article 1, paragraph 211 – 215 of Law No. 145, as implemented by the Ministerial Decree of 30 April 2019."

shall be deleted in its entirety and replaced by the following:

"Subject to certain limitations and conditions (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 Notes not falling within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) and qualify as *titoli atipici* ("atypical securities") pursuant to Article 5 of Law Decree No. 512 of 30 September 1983, if such Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114 of Law No. 232, Article 1, paragraphs 211 – 215 of Law No. 145 and, for the long-term individual savings account established from 1° January 2020, article 13-bis of Law Decree No. 124."

In the paragraph headed "Capital Gains - Notes Issued by Intesa Sanpaolo, INSPIRE or by Intesa Luxembourg" in the section "Italian Taxation", on page 242 of the Prospectus, the following paragraph:

"Subject to certain limitations and conditions (including a minimum holding period), capital gains in respect of Notes realized upon sale, transfer or redemption by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity may be exempt from taxation, including the 26 per cent. *Imposta sostitutiva*, if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114, of Law No. 232 and Article 1, paragraph 211 – 215 of Law No. 145, as implemented by the Ministerial Decree of 30 April 2019."

shall be deleted in its entirety and replaced by the following:

"Subject to certain limitations and conditions (including a minimum holding period), capital gains in respect of Notes realized upon sale, transfer or redemption by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity may be exempt from taxation, including the 26 per cent. *Imposta sostitutiva*, if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114, of Law No. 232, Article 1, paragraphs 211 – 215 of Law No. 145 and, for the long-term individual savings account established from 1° January 2020, article 13-bis of Law Decree No. 124."

In the paragraph headed "Capital Gain - Notes Issued by Intesa Sanpaolo, INSPIRE or by Intesa Luxembourg" in the section "Italian Taxation", on page 243 of the Prospectus, the following paragraph:

"Any capital gains realised by a Noteholder who is an Italian pension fund subject to the regime provided for by Article 17 of Decree No. 252 will be included in the result of the relevant portfolio accrued at the end of the tax period, and will be subject to the Pension Fund Tax. Subject to certain limitations and conditions (including a minimum holding period requirement), capital gains realised in respect to the Notes may be excluded from the taxable base of the Pension Fund Tax pursuant to Article 1, paragraph 92, of Law No. 232 if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114, of Law No. 232 and Article 1, paragraph 211 – 215 of Law No. 145, as implemented by the Ministerial Decree of 30 April 2019."

shall be deleted in its entirety and replaced by the following:

"Any capital gains realised by a Noteholder who is an Italian pension fund subject to the regime provided for by Article 17 of Decree No. 252 will be included in the result of the relevant portfolio accrued at the end of the tax period, and will be subject to the Pension Fund Tax. Subject to certain limitations and conditions (including a minimum holding period requirement), capital gains realised in respect to the Notes may be excluded from the taxable base of the Pension Fund Tax pursuant to Article 1, paragraph 92, of Law No. 232 if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1, paragraph 100 – 114, of Law No. 232, Article 1, paragraphs 211 – 215 of Law No. 145 and, for the long-term individual savings account established from 1° January 2020, article 13-*bis* of Law Decree No. 124."

In the paragraph headed "Wealth tax on financial assets deposited abroad" in the section "Italian Taxation", on page 245 of the Prospectus, the following paragraph:

"According to Article 19 of Decree No. 201 of 6 December 2011, Italian resident individuals holding financial assets – including the Notes – outside of the Italian territory are required to declare in its own annual tax declaration and pay a wealth tax at the rate of 0.2 per cent. 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 the case the face or redemption values cannot be determined, on the purchase value of any financial asset (including the Notes) held abroad by Italian resident individuals. A tax credit is granted for any foreign property tax levied abroad on such financial assets. The financial assets held abroad are excluded from the scope of the wealth tax, if such financial assets are administered by Italian financial intermediaries pursuant to an administration agreement and the items of income derived from the Notes have been subject to tax by the same intermediaries."

shall be deleted in its entirety and replaced by the following:

"According to Article 19 of Decree No. 201 of 6 December 2011, Italian resident individuals and, starting from fiscal year 2020, non-commercial entities, non-commercial partnerships and similar institutions holding financial assets – including the Notes – outside of the Italian territory are required to declare in its own annual tax declaration and pay a wealth tax at the rate of 0.2 per cent. 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 the case the face or redemption values cannot be determined, on the purchase value of any financial asset (including the Notes) held abroad by Italian resident individuals. A tax credit is granted for any foreign property tax levied abroad on such financial assets. The financial assets held abroad are excluded from the scope of the wealth tax, if such financial assets are administered by Italian financial intermediaries pursuant to an administration agreement and the items of income derived from the Notes have been subject to tax by the same intermediaries."

SUBSCRIPTION AND SALE

The paragraph headed "**Prohibition of Sales to EEA Retail Investors**" in the section "**Subscription and Sale**" on page 263 of the Base Prospectus, shall be deleted in its entirety and replaced by the following:

"Prohibition of Sales to EEA and UK Retail Investors"

Unless the Final Terms in respect of any Notes 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 Notes 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:

- (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 (EU) 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 in respect of any Notes 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 Notes which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to the public in that Relevant State except that it may make an offer of such Notes 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 Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a base prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a base prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes."