

Notice – Adjustment of Positions Equity Derivatives Section

28 July 2020

VOLUNTARY PUBLIC TENDER OFFER FOR UBI BANCA: Impact on stock option contracts and stock futures contracts UBI BANCA (UBI)

Foreword

Starting from Monday 3 August 2020, if at the close of trading on Thursday 30 July 2020 the bidder will hold a stake of more than 90%, the adjustment will take place as per the Borsa Italiana Notice no. 18894 of 20 July 2020, subsequent to notice no. 16970 of 26 June 2020.

In order to maintain compliance with the indifference condition in management, by CC&G, it will be necessary to proceed with the adjustment of the open derivatives positions at the end of the trading day on Friday 31 July, in the manner described in:

- a) Borsa Italiana notices n. 19602 and n. 19586 of 28 July 2020, with modification of the terms of the operation that replaces the previous provisions indicated in Notices n.17694 and 17695 of 3 July 2020;
- b) Art. B.3.1.7. of the CC&G Regulation.

1. Position Adjustments

At close of trading on Friday 31 July 2020, and after processing the night batch, the open positions will be adjusted as shown below.

1.1. Options positions¹

- a. The strike prices will be multiplied by the K^2 coefficient communicated by Borsa Italiana - rounded to six decimal places-, and then rounded to four decimal places:

$$\text{Strike Price Ex} = \text{Strike Price Cum} \times K;$$

- b. the number of underlying shares will be divided by the same K coefficient - rounded to the six decimal places: - and then rounded to the unit:

$$\text{Ex Shares Number} = 500/K$$

¹ Positions exercised and/or assigned up to Wednesday 29 July 2020 will not be adjusted. Accordingly, the delivery obligation on these positions is still referred to a quantity of 500 UBI Ordinary Shares Cum.

² The K coefficient is determined according to the following formula:

$$K = \frac{\text{Last Price ISP}}{\text{Last theoretical UBI price}}$$

Last Price ISP: ISP Closing price on July 31, 2020.
Last theoretical UBI price UBI: $1,7 * \text{ISP Last Price} + \text{€}0,57$

1.2 Futures positions

- a. Settlement prices will be multiplied by the coefficient K - rounded to six decimal places - distributed by Borsa Italiana and rounded to four decimal places:

$$\text{Price EX} = \text{Price Cum} \times K$$

- b. The number of underlying shares will be divided by the same coefficient K - rounded to six decimal places - and rounded to the unit:

$$\text{Shares Number Ex} = 500/K$$

* * *

The necessary actions to be carried out in the Back Office systems by Participants are described below.

2. Classification of Positions with physical delivery

| <i>Up to the last cum trading day (included)</i> | | | <i>Starting from the first ex trading day (included)</i> | | | | |
|-------------------------------------------------------------------|------------------------------------|---------------------|--------------------------------------------------------------|------------------------------------|---------------------|--------------------|----------------------|
| <i>Description</i> | <i>Number of Underlying Shares</i> | <i>Class Symbol</i> | <i>Description</i> | <i>Number of Underlying Shares</i> | <i>Class Symbol</i> | <i>Class Group</i> | <i>Product Group</i> |
| Unione Banche Italiane IT0003487029 | 500 UBI Cum | UBI | Intesa San Paolo Adjusted IT0000072618 | 500/K ex | ISP1 | ISP | ISP |
| Unione Banche Italiane IT0003487029 | 500 UBI Cum | UBI 3UBI | Intesa San Paolo E/A* IT0003487029 | 500 cum | UBIA 3UBIA | UBIA | UBI |
| Unione Banche Italiane IT0003487029 <i>European Options</i> | 500 UBI Cum | 3UBI | Intesa San Paolo Adjusted IT0000072618 | 500/K ex | 3ISP1 | ISP | ISP |

*) Class relating to options exercised / assigned until 29 July 2020

3. Classification of Positions on Stock Futures Cash

| <i>Up to the last cum trading day (included)</i> | | | <i>Starting from the first ex trading day (included)</i> | | | | |
|---------------------------------------------------------------------|------------------------------------|---------------------|------------------------------------------------------------------------|------------------------------------|---------------------|--------------------|----------------------|
| <i>Description</i> | <i>Number of Underlying Shares</i> | <i>Class Symbol</i> | <i>Description</i> | <i>Number of Underlying Shares</i> | <i>Class Symbol</i> | <i>Class Group</i> | <i>Product Group</i> |
| Unione Banche Italiane IT0003487029 <i>STOCK FUTURES CASH</i> | 500 UBI Cum | 2UBI | Intesa San Paolo Adjusted IT0000072618 <i>STOCK FUTURES CASH</i> | 500/K ex | 2ISP1 | ISP | ISP |

4. Parameters required for the purposes of margining

The parameters necessary for margin calculation purposes will be disclosed with a subsequent notice.

5. Deposit of shares to cover positions on “short” call Options

Each new share deposit must be accompanied by an indication of the relative Class symbol in Monte Titoli transfer message.

Monte Titoli will carry out the appropriate adjustments on the share impacted by the adjustment according to its own timeframes and procedures.

6. Differentials

The calculation of the differentials deriving from adjustments to options will be indicated in the RP-MC10 printout of 31 July 2020 and available on 3 August 2020.

The cash amount will be paid in the daily margin settlement on Tuesday 4 August 2020 and indicated, on the same day, under the item "Cash Transfer / Buy-in" on the RP-MS11 and RP-MS12 printouts.

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The early exercise is suspended on July 30, 2020 for the UBI Banca series.

If, at the end of the voluntary public tender offer, the bidder will hold a stake of more than 90%, the exercise for the UBI Banca series will also be suspended on 31 July 2020.