

NEW FIXED RATE BULLET NOTE

Banco BPM S.p.A.

EUR 62.6 million 1.99% Fixed Rate Note due 11 November 2026

PRIVATE PLACEMENT

This Term Sheet sets out in summary form the proposed terms of the Notes. The Note terms will consist of the Terms and Conditions of the Notes set out in full in the Base Prospectus to the Issuer's €25,000,000,000 Euro Medium Term Note Programme dated 12 July 2019 and supplemented by a prospectus supplement dated 6 September 2019 (the "**EMTN Programme Base Prospectus**"), and the applicable Final Terms. Prospective investors should review such documentation carefully. Certain undefined and capitalised terms used in this Term Sheet shall have the meanings given to them in the EMTN Programme Base Prospectus and the applicable Final Terms.

Final Note Term Sheet as of 11 November 2019

Description	EUR Fixed Rate Note (the "Note")
Issuer	Banco BPM S.p.A
Issuer's Rating	Ba2 (Moody's) / BBBL (DBRS) (as of the Trade Date)
Expected Note Rating	Not applicable
Status of the Notes	Senior Preferred Unsecured, Unsubordinated
Nominal Amount	EUR 62'600'000
Specified Denomination	EUR 100,000 with min increments of EUR1,000
Issue price	100% of the Nominal Amount
Trade Date	11 November 2019
Issue Date	14 November 2019 (T+3)
Maturity Date	11 November 2026
Redemption Price	100.00% of the Nominal Amount
Interest Rate	1.99% p.a.
Reference Mid Swap Rate	-0.06%
Re-Offer Spread vs Mid Swap	€Mid Swap + 205 bps
Re-Offer Yield	1.99%
Re-Offer Price	100% of the Nominal Amount
Redemption Price	100.00% of the Nominal Amount
Interest Rate Payment Date	11 November in each year, from and including 11 November 2020 (Short First Coupon) and annually thereafter up to and including the Maturity Date, subject to adjustment in accordance with the Business Day Convention.
Interest Period	The initial Interest Period will be the period from and including the Issue Date to but excluding the first Interest Payment Date. Each subsequent Interest Period from and including one Interest Payment Date to but excluding the immediately following Interest Payment Date
Business Days	TARGET2
Business Day Convention	Following
Day Count	Actual/Actual (ICMA)

General Information

Documentation	The Issuer's EMTN Programme Base Prospectus
Dealer	UBS Europe SE
Calculation Agent	Citibank, N.A., London Branch (as of the Trade Date)
Paying Agent	Citibank, N.A., London Branch (as of the Trade Date)
Governing Law	English law, except for the status of the Notes and the contractual recognition of statutory bail-in power provisions which shall be governed by Italian Law
Clearing Systems	Euroclear/Clearstream
Form of Notes	Bearer Notes
Status of the Notes	New Global Note
Selling Restrictions	United States Reg. S, Compliance Category 2; TEFRA D



Listing	Luxembourg Stock Exchange (Regulated Market)
ISIN	XS2079400466
Common Code	207940046
Target Market / PRIIPs	Manufacturers target market (MIFID II product governance) is eligible counterparties and professional clients only (all distribution channels) No PRIIPs key information document (KID) has been prepared as not available to retail in EEA

Transfer of the securities concerned is prohibited except when transferred to qualified institutional investors.

DISCLAIMERS

SECONDARY MARKET

The Dealer makes no representation as to the existence of a secondary market for the Notes. The market value can be expected to fluctuate significantly and investors should be prepared to assume the market risks associated with these notes.

SELLING RESTRICTIONS

Any Notes purchased by any person for resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further prospectus or corresponding document relating to the Notes in such jurisdiction.

Noteholders are advised to read the selling restrictions described more fully in the Issuer's Issuance Documentation. Noteholders should seek specific advice before onselling a Note.

Any Products purchased by any person for resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further documentation relating to this Product in such jurisdiction.

The restrictions listed below must not be taken as definitive guidance as to whether this Product can be sold in a jurisdiction. Additional restrictions on offering, selling or holding of this Product may apply in other jurisdictions. Investors in this Product should seek specific advice before on-selling this Product.

No public offer of the Notes is permitted in any jurisdiction.

Japan - The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "FIEA") and 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 or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Hong Kong - The contents of this document have not been reviewed by any regulatory authority in Hong Kong. Investors are advised to exercise caution in relation to any offer. If an investor is in any doubt about any of the contents of this document, the investor should obtain independent professional advice.

Do not invest in the Notes unless you fully understand and are willing to assume the risks associated with it. If you are in any doubt about the risks involved in the product, you may clarify with the intermediary or seek independent professional advice.

Each intermediary or purchaser of the Notes has represented and agreed that:

- it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Singapore - This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of this Product may not be circulated or distributed, nor may this Product be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where this Product is subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities pursuant of an offer made under Section 275 of the SFA except:

- 1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- 2) where no consideration is or will be given for the transfer;
- 3) where the transfer is by operation of law;
- 4) as specified in Section 276(7) of the SFA; or
- 5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Australia - No prospectus or other disclosure document (as defined in the Corporations Act) in relation to the Programme or any Notes has been, or will be, lodged with ASIC. Each Dealer appointed under the Programme has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, unless the relevant Pricing Supplement (or a relevant supplement to this Information Memorandum) otherwise provides it:

- a) has not made or invited, and will not make or invite an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- b) has not distributed or published, and will not distribute or publish, the Information Memorandum or any other offering material or advertisement relating to the Notes in Australia, unless:
 - 1) the aggregate consideration payable by each offeree is at least A\$7.50,000 (or its equivalent in an alternative currency, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation does not require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act; and
 - 2) the offer or invitation does not constitute an offer to a person who is a "retail client" for the purposes of section 761G of the Corporations Act; and
 - 3) such action complies with any other applicable laws, regulations and directives in Australia; and
 - 4) such action does not require any document to be lodged with ASIC.

In addition, each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree, that it will comply with the directive issued by the Assistant Treasurer of the Commonwealth of Australia dated 23 September 1996 as contained in Banking (Exemption) Order No.82 which requires all offers and transfers of the Notes to be for a consideration of at least A\$7.50,000. Banking (Exemption) Order No.82 does not apply to transfers which occur outside Australia.

USA - This Product may not be sold or offered within the United States or to U.S. persons.

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