ICCREA Banca S.p.A.

(incorporated with limited liability as a società per azioni under the laws of the Republic of Italy)

€5,000,000,000

Euro Medium Term Note Programme

Under the €5,000,000,000 Euro Medium Term Note Programme (the "**Programme**") described in this base prospectus (the "**Base Prospectus**"), which constitutes a base prospectus for the purposes of Article 8 of Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**"), ICCREA Banca S.p.A. (the "**Issuer**") may from time to time issue (i) notes in physical form governed by English law (the "**English Law Notes in Physical Form**"); (ii) notes in physical form governed by Italian law (the "**Italian Law Notes in Physical Form**" and, together with the English Law Notes in Physical Form, the "**Notes in Physical Form**") and (iii) notes in dematerialised form (the "**Dematerialised Notes**" and, together with the Notes in Physical Form, the "**Notes**") denominated in any currency, as described in further detail herein.

This Base Prospectus has been approved as a base prospectus by the CSSF, as competent authority under the Prospectus Regulation. The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. The CSSF 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 (the "**Luxembourg Prospectus Law**"). In addition, pursuant to Article 25 of the Prospectus Regulation, the Issuer has requested the Commission de Surveillance du Secteur Financier (the "**CSSF**") to issue a certificate of approval of this Base Prospectus, together with a copy of this Base Prospectus, to the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") in its capacity as competent authority in Italy.

Application has been made by the Issuer for Notes issued under the Programme described in this Base Prospectus during the period of twelve months after the date hereof to be listed on the official list and admitted to trading on the regulated market of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU (as amended, "**EU MiFID II**"). 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 Issuer. Application may also be made for the Notes to be admitted to listing on the Electronic Bond Market (*Mercato Telematico Obbligazionario*) ("**MOT**") organised and managed by Borsa Italiana S.p.A. ("**Borsa Italiana**") (as sole listing venue or in addition to any other listing venue for the Notes). The MOT is also a regulated market for the purposes of the EU MiFID II.

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under the Conditions (as defined herein) as completed by a document specific to such Tranche called final terms (the "**Final Terms**") or in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**") as described under "*Final Terms and Drawdown Prospectuses*" below. Copies of Final Terms in relation to Notes to be listed on the Luxembourg Stock Exchange will be published on the website of the Luxembourg Stock Exchange (*http://www.luxse.com/*) and the website of the Issuer (www.iccreabanca.it).

References herein to "Final Terms" shall, if the context so requires, be deemed to be references to the relevant Drawdown Prospectus.

Notes will be issued by the Issuer to raise funds for its general funding purposes or, if so specified in the applicable Final Terms, for financing or refinancing green or social or sustainable projects, as the case may be, in accordance with the principles set out by the International Capital Market Association ("**ICMA**") (respectively, the Green Bond Principles ("**GBP**"), the Social Bond Principles ("**SBP**") or the Sustainability Bond Guidelines ("**SBG**")). The Notes will be issued in series (each, a "**Series**") and each Series may be issued in one or more tranches (each, a "**Tranche**"). The terms of each Series will be set forth in the relevant Final Terms prepared in relation thereto in accordance with the provisions of this Base Prospectus.

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date of approval (being 2 September 2025) in relation to Notes which are to be admitted to trading on a regulated market in the European Economic Area (the "**EEA**"). The expiry date of the validity of the Base Prospectus is 2 September 2026. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

Amounts payable under the Notes may be calculated by reference to EURIBOR, as specified in the relevant Final Terms. As at the date of this Base Prospectus, EURIBOR is provided and administered by the European Money Markets Institute ("**EMMI**"). At the date of this Base Prospectus, EMMI is authorised as a benchmark administrator, and included on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of Regulation (EU) No. 2016/1011 (the "**Benchmarks Regulation**").

As more fully set out in "Taxation", payments of interest, premium and other income on Notes qualifying as bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) are subject in principle to a substitutive tax (referred to as the *imposta sostitutiva*), in certain circumstances. *Imposta sostitutiva* is levied at the rate of 26 per cent. In order to obtain exemption from the *imposta sostitutiva* in respect of payments of interest, premium or other income relating to the Notes, each Noteholder not resident in the Republic of Italy is generally required to certify, *inter alia*, that such Noteholder is eligible for the exemption, as more fully set out in "Taxation".

Pursuant to the Programme, the Issuer may from time to time issue Notes in bearer form denominated in any currency agreed between the Issuer, the original dealer named on page 2 and any additional dealer appointed under the Programme from time to time (each a "**Dealer**" and together the "**Dealers**"). Notes admitted to trading on a regulated market within the EEA or offered to the public in a Member State of the EEA in circumstances which would otherwise require the publication of a prospectus under Prospectus Regulation will have a minimum denomination of at least €100,000 (or its equivalent in other currencies calculated as described herein). Senior

Non-Preferred Notes will have a denomination of at least €150,000 (or, where the Senior Non-Preferred Notes are denominated in a Specified Currency other than Euro, the equivalent amount in such other Specified Currency). Subordinated Notes will have a denomination of at least €200,000 (or, where the Subordinated Notes are denominated in a Specified Currency other than Euro, the equivalent amount in such other Specified Currency). The aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €5,000,000,000 (or its equivalent in other currencies calculated as described herein).

The Issuer has been assigned public ratings by Fitch Ratings Ireland Limited ("**Fitch**") on 19 December 2024 as 'BBB-', by DBRS Ratings GmbH ("**Morningstar DBRS**") on 21 October 2024 as 'BBB' and by S&P Global Ratings Europe Limited ("**S&P**") on 18 April 2025 as 'BBB'. Each of Fitch, Morningstar DBRS and S&P are established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**"). Each Fitch, Morningstar DBRS and S&P appear on the latest update of the list of registered credit rating agencies on the ESMA website http://www.esma.europa.eu.

The rating Fitch has given to the Issuer is endorsed by Fitch Ratings Ltd, which is established in the UK and registered under Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**"). The rating Morningstar DBRS has given to the Issuer is endorsed by DBRS Ratings Limited, which is established in the UK and registered under the UK CRA Regulation. The rating S&P has given to the Issuer is endorsed by S&P Global Ratings UK Limited, which is established in the UK and registered under the UK CRA Regulation.

A security 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.

Investing in Notes issued under the Programme involves certain risks. The risk factors that may affect the abilities of the Issuer to fulfil its obligations under the Notes are discussed under "Risk Factors" below.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes are subject to U.S. tax law requirements.

The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")), except in certain transactions exempt from the registration requirements of the Securities Act.

Arranger and Sole Dealer

MEDIOBANCA – Banca di Credito Finanziario S.p.A.

The date of this Base Prospectus is 2 September 2025

Important Notices

This document constitutes a base prospectus for the purposes of Article 8(1) of the Prospectus Regulation.

The Issuer accepts responsibility for the information contained in this Base Prospectus and any Final Terms and declares that, to the best of its knowledge, the information contained in this Base Prospectus is in accordance with the facts and the Base Prospectus makes no omission likely to affect its import.

The Issuer has confirmed to the Dealers that this Base Prospectus (including for this purpose, each relevant Final Terms) contains all information which the Issuer believes to be (in the context of the Programme and the issue, offering and sale of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions, expectations or intentions expressed herein are honestly held or made and are not misleading in any material respect; that there are no other facts in relation to the information contained or incorporated by reference in this Base Prospectus the omission of which would, in the context of the Programme and the issue, offering and sale of the Notes, make any statement therein, or opinions or intentions expressed therein misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

This Base Prospectus should be read and construed together with any supplements hereto and with any other documents incorporated by reference herein and, in relation to any Tranche (as defined herein) of Notes, should be read and construed together with the relevant Final Terms (as defined herein).

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

No representation or warranty is made or implied by the Dealers or any of their respective affiliates, and neither the Dealers nor any of their respective affiliates makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise), business, prospects or general affairs of the Issuer or any of its subsidiaries since the date thereof or, if later, the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This Base Prospectus may only be used for the purposes for which it has been published. The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "**Subscription and Sale**".

In particular, Notes have not been and will not be registered under the Securities Act and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and none of them should be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise), business, prospects or general affairs of the Issuer and its subsidiaries.

Certification of the manager responsible for preparing the Issuer's financial report, pursuant to article 154-bis, paragraph 2 of Legislative Decree no. 58 of 24 February 1998

The manager responsible for preparing the Issuer's financial report (*Dirigente Preposto*), Marianna Di Prinzio, declares in accordance with art. 154-bis paragraph 2 of Legislative Decree no. 58 of 24 February 1998, that the accounting data contained in this Base Prospectus corresponds to the underlying documents, accounting books and the other accounting entries of the Issuer.

Notes issued as Green Bonds, Social Bonds, or Sustainability Bonds

None of the Dealers accepts any responsibility for any social, environmental and sustainability assessment of any Notes issued as Green Bonds, Social Bonds, or Sustainability Bonds or makes any representation or warranty or assurance whether such Notes will meet any investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels (including in relation to, but not limited to, Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy Regulation**") and any related technical screening criteria, the EuGB label or the optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds under Regulation (EU) 2023/2631 (the "**EU Green Bond Regulation**"), Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("**SFDR**") and any implementing legislation and guidelines, or any similar legislation in the United Kingdom) or any market standards or guidance, including green, sustainable or social bond principles or other similar principles or guidance published by ICMA (the "ICMA Principles") or any requirements of such labels or market standards as they may evolve from time to time. None of the Dealers is responsible for (i) the use or allocation of proceeds for any Notes issued as Green Bonds, Social Bonds, or Sustainability Bonds, (ii) the impact, monitoring or reporting in respect of such use of proceeds, or (iii) the alignment of the bond with the Issuer's Green, Social and Sustainability Bond Framework or alignment of the Issuer's Green, Social and Sustainability Bond Framework with the applicable ICMA Principles, (iv) nor do any of the Dealers undertake to ensure that there are at any time sufficient green or social or sustainable projects to allow for allocation of a sum equal to the net proceeds of the issue of such Green Bonds, Social Bonds, or Sustainability Bonds in full.

In addition, none of the Dealers is responsible for the assessment of the Issuer's Green, Social and Sustainability Bond Framework (as defined in the section entitled "*Use of Proceeds*") including the assessment of the applicable eligibility criteria in relation to Green Bonds, Social Bonds, or Sustainability Bonds set out in therein. No representation or assurance is given by the Dealers as to the suitability or reliability of any opinion, review or certification of any third party (including any post-issuance reports prepared by an external reviewer) made available in connection with an issue of Notes issued as Green Bonds, Social Bonds, or Sustainability Bonds, nor is any such opinion, review or certification a recommendation by any Dealer to buy, sell or hold any such Notes. Whilst the EU Green Bond Regulation will introduce a supervisory regime of external reviewers of European Green Bonds this is not due to take full effect until 21 June 2026 and would not apply to external reviewers in respect of an issue of Green Bonds, Social Bonds, or Sustainability Bonds. In the event any such Notes are, or are intended to be, listed, or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given by the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes.

In the event any such Notes are, or are intended to be, listed, or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given by the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes.

ESG ratings may vary amongst ESG ratings agencies as the methodologies used to determine ESG ratings may differ. The Iccrea Cooperative Banking Group's ESG rating is not necessarily indicative of its current or future operating or financial performance, or any future ability of the Issuer to service the Notes and are only current as of the dates on which they were initially issued. Prospective investors must determine for themselves the relevance of any such ESG ratings information contained in this Base Prospectus or elsewhere in making an investment decision. Furthermore, ESG ratings shall not be deemed to be a recommendation by the Dealers or any other person to buy, sell or hold the Notes. Currently, the providers of such ESG ratings are not subject to any regulatory or other similar oversight in respect of their determination and award of ESG ratings. For more information regarding the evaluation methodologies

used to determine ESG ratings, please refer to the relevant ratings agency's website (which website does not form a part of, nor is incorporated by reference in, this Base Prospectus).

IMPORTANT – EEA RETAIL INVESTORS If the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA 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**"). 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, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 ("**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT - UK RETAIL INVESTORS – If the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes includes a legend entitled "Prohibition of Sales to 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 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 (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Product Governance under Directive 2014/65/EU (as amended)

The Final Terms in respect of any Notes may include a legend entitled "EU MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending such Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made at the time of issue about whether, for the purpose of the product governance rules under EU Delegated Directive 2017/593 (the "**EU MiFID Product Governance Rules**"), any Dealer subscribing for a Tranche of Notes is a manufacturer in respect of that Tranche, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the EU MIFID Product Governance Rules.

Product Governance under UK MiFIR

The Final Terms or Drawdown Prospectus in respect of any Notes will include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR product governance rules set out in UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor

any of their respective affiliates will be a manufacturer for the purpose of the UK MIFIR Product Governance Rules.

The Notes of each Tranche may:

- in the case of Notes in Physical Form, initially be represented by a temporary global note ("**Temporary Global Note**") which (i) in respect of a Temporary Global Note which is not intended to be issued in new global note form, will be deposited on the issue date thereof with a common depositary on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream Banking**") and/or any other agreed clearance system, and (ii) in respect of a Temporary Global Note which is intended to be issued in new global note form, will be deposited on the issue date thereof with a common safekeeper for Euroclear and/or Clearstream Banking and/or any other agreed clearance system. Each Temporary Global Note will be exchangeable, as specified in the applicable Final Terms, for either a permanent global note ("**Permanent Global Note**") or Notes in definitive form, in each case upon certification as to non-US beneficial ownership as required by U.S. Treasury Regulations. A Permanent Global Note will be exchangeable, in whole but not in part, for definitive Notes, all as further described below; or

- in the case of Notes in Dematerialised Form, be held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli S.p.A. with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy ("**Monte Titoli**"), for the account of the relevant Monte Titoli Account Holders. The expression "**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository banks appointed by Euroclear, as operator of the Euroclear System, and Clearstream Banking. The Dematerialised Notes have been accepted for clearance by Monte Titoli. The Dematerialised Notes will at all times be held in book entry form and title to the Dematerialised Notes will be evidenced by book entries pursuant to the relevant provisions of Italian Legislative Decree dated 24 February 1998, No. 58, as subsequently amended and supplemented (the "**Financial Services Act**") and in accordance with the Commissione Nazionale per le società e la Borsa ("**CONSOB**") and Bank of Italy Joint Regulation dated 13 August 2018, as subsequently amended and supplemented ("**CONSOB and Bank of Italy Joint Regulation**"). No physical document of title will be issued in respect of the Dematerialised Notes. However, the Noteholders may ask the relevant intermediaries for certification pursuant to Article 83-quinquies and 83-sexies of the Financial Services Act.

The information set out in the sections of this Base Prospectus describing clearing arrangements is subject to any change or reinterpretation of the rules, regulations and procedures of Euroclear, Clearstream Banking and Monte Titoli (the "**Clearing Systems**"), in each case as currently in effect. If prospective investors wish to use the facilities of any of the Clearing Systems, they should confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. The Issuer will not be responsible or liable for any aspect of the records relating to, or payments made on account of, book-entry interests held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such book-entry interests.

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed €5,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into euro at the date of the agreement to issue such Notes, calculated in accordance with the provisions of the Dealer Agreement (as defined under "**Subscription and Sale**")). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under "**Subscription and Sale**".

Tranches of Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings applicable to the Issuer described above or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be (1) issued or endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or by a credit rating agency which is certified under the EU CRA Regulation and/or (2) issued or endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or by a credit rating agency which is certified under the UK 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 (1) issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (3) provided by a credit rating agency not established in the EEA which is certified under the EU CRA Regulation. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (3) provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

In this Base Prospectus, unless otherwise specified or where the context requires otherwise: references to a "**Member State**" are references to a Member State of the European Economic Area; references to a "**Condition**" are to the correspondingly numbered provision set forth in the terms and conditions of the English Law Notes in Physical Form (the "**Terms and Conditions of the English Law Notes in Physical Form**") or the terms and conditions of the Italian Law Notes in Physical Form (the "**Terms and Conditions of the Italian Law Notes in Physical Form**" or the terms and conditions of the Dematerialised Notes (the "**Terms and Conditions of the Dematerialised Notes**") and, together with the Terms and Conditions of the English Law Notes in Physical Form and Terms and Conditions of the Italian Law Notes in Physical Form, the "**Terms and Conditions of the Notes**", or the "**Conditions**"); references to "**€**", "**EUR**" or "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended; references to "**U.S.$**", "**U.S. dollars**" or "**dollars**" are to the lawful currency for the time being of the United States; references to "**£**" and "**Sterling**" are to the lawful currency for the time being of the United Kingdom; and references to "**billions**" are to thousands of millions.

The Terms and Conditions of the English Law Notes in Physical Form include summaries of, and are subject to, the detailed provisions of an agency agreement dated 2 September 2025 (as amended, supplemented and/or restated from time to time, the "**Agency Agreement for the English Law Notes in Physical Form**"). The Terms and Conditions of the Italian Law Notes in Physical Form include summaries of, and are subject to, the detailed provisions of an agency agreement dated 2 September 2025 (as amended, supplemented and/or restated from time to time, the "**Agency Agreement for the Italian Law Notes in Physical Form**"). The Issuer may act as Paying Agent and Calculation Agent for the Dematerialised Notes and therefore as of the date of this Base Prospectus no agency agreement in relation to the terms and conditions of the Dematerialised Notes is envisaged.

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Other than in relation to the documents which are deemed to be incorporated by reference, the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the CSSF.

In connection with the issue of any Tranche of Notes under the Programme, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

MARKET INFORMATION AND STATISTICS

Unless otherwise indicated, information and statistics presented in this Base Prospectus regarding the market share of the Issuer are either derived from, or are based upon, the Issuer's analysis of data obtained from public sources. Although these sources are believed by the Issuer to be reliable, the Issuer has not independently verified such information, but the Issuer takes responsibility for the correct reproduction of such information.

FORWARD LOOKING STATEMENTS

This Base Prospectus may contain certain statements that are, or may be deemed to be, forward-looking, including statements with respect to the Issuer's and the Group's business strategies, expansion of operations, trends in their business and their competitive advantage, information on technological and regulatory changes and information on exchange rate risk and generally includes all statements preceded by, followed by or that include the words "believe", "expect", "project", "anticipate", "seek", "estimate", "aim", "intend", "plan", "continue" or similar expressions. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. Potential investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof.

Any forward-looking statements are only made as of the date of this Base Prospectus, and the Issuer does not intend, and does not assume any obligation, to update forward-looking statements set forth in this Base Prospectus. Many factors may cause the Issuer's or the Group's results of operations, financial condition, liquidity and the development of the industries in which they compete to differ materially from those expressed or implied by the forward-looking statements contained in this Base Prospectus.

ALTERNATIVE PERFORMANCE MEASURES

This Base Prospectus contains references to certain Alternative Performance Measures ("**APMs**"), as defined in the guidelines issued on 5 October 2015 by ESMA concerning the presentation of APMs disclosed in regulated information and prospectuses published as from 3 July 2016 which, although not recognised as financial measures under International Financial Reporting Standards ("**IFRS**"), are used by the management of the Issuer to monitor the Group's financial and operating performance. In particular:

Customer Loans: the composition of the portfolio of the Group's loans to customers is indicated under the fourth and fifth sub-paragraphs of paragraph "*De-risking and NPE reduction*" of the section entitled "*The Issuer*". In this respect, it should be noted that:

(a) the aggregate value of the customers loans indicated thereof includes loans registered as amortised financial activities, net of exposures represented by securities;

(b) **Gross NPL Ratio** (**Gross non-performing loans/Gross loans to customers at amortized cost**): the measure is calculated as the ratio between gross non-performing loans to customers and total gross loans to customers. It provides an indication of the quality of the loan portfolio;

(c) **Net NPL Ratio** (**Net non-performing loans/Net loans to customers at amortized cost**): the measure is calculated as the ratio between non-performing loans to customers net of the associated accumulated impairment losses and total net loans to customers. It provides an indication of the quality of the loan portfolio;

(d) **NPL Coverage** (**Accumulated impairment losses on non-performing loans/Gross non-performing loans to customers**): the measure is calculated as the ratio between total accumulated impairment losses on loans to customers and non-performing loans to customers gross of the associated accumulated impairment losses. It provides an indication of the coverage level for non-performing loans to customer;

(e) **Total direct funding from ordinary customers**: the aggregate includes outstanding debt securities, current accounts, deposits and other liabilities recognised as liabilities measured at amortized cost relating to funding from ordinary customers, with the exception of the sub-item financing.

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GENERAL DESCRIPTION OF THE PROGRAMME

This section is a general description of the Programme for the purposes of Article 25.1(b) of Commission Delegated Regulation (EU) 2019/980 (as amended). This description does not purport to be complete and is qualified in its entirety by the remainder of this Base Prospectus. Words and expressions defined in "Terms and Conditions of the Notes of the English Law Notes in Physical Form" or the "Terms and Conditions of the Italian Law Notes in Physical Form" or the "Terms and Conditions of the Dematerialised Notes" or elsewhere in the Base Prospectus have the same meaning in this description.

Issuer:	ICCREA Banca S.p.A.
Issuer Legal Entity Identifier (LEI):	NNVPP80YIZGEY2314M97
Arranger:	Mediobanca - Banca di Credito Finanziario S.p.A.
Dealers:	Mediobanca - Banca di Credito Finanziario S.p.A., and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes. The Issuer may from time to time terminate the appointment of any Dealer under the Programme, or appoint additional Dealers either in respect of one or more Tranches or generally in respect of the Programme.
Fiscal Agent and Luxembourg Paying Agent (for Notes in Physical Form):	BNP PARIBAS, Luxembourg Branch
Paying Agent for the Dematerialised Notes:	ICCREA Banca S.p.A.
Luxembourg Listing Agent:	BNP PARIBAS, Luxembourg Branch
Listing, Approval and Admission to Trading:	Application has been made to the CSSF to approve this document as a base prospectus in compliance with the Prospectus Regulation. Application has also been made for Notes issued under the Programme to be listed on the Official List of and admitted to trading on the regulated market of the Luxembourg Stock Exchange. Notes may be listed or admitted to trading (as the case may be) on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to each Series as specified in the Final Terms. Notes may also be issued which are neither listed nor admitted to trading on any market. At the date hereof the Issuer has requested the CSSF to send a certificate of approval pursuant to Article 25 of the Prospectus Regulation attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Regulation (an "Attestation Certificate") and copy of this Base Prospectus to Consob in its capacity as competent authority in Italy. The CSSF shall notify ESMA about the Attestation Certificate at the same time as such notification is made to the Consob. Application may also be made for the Notes to be admitted to listing on the MOT organised and managed by Borsa Italiana (as sole listing venue or in addition to any other listing venue for the Notes).

Clearing Systems:	Euroclear, Clearstream Banking, Monte Titoli and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in the relevant Final Terms.
Initial Programme Amount:	Up to €5,000,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding at any one time. The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
Issuance in Series:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis. Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects, save that a Tranche may comprise Notes of different denominations.
Final Terms:	Each Tranche will be the subject of Final Terms which, for the purposes of that Tranche only, completes the Terms and Conditions of the English Law Notes in Physical Form or the Terms and Conditions of the Italian Law Notes in Physical Form or the Terms and Conditions of the Dematerialised Notes and this Base Prospectus and must be read in conjunction with this Base Prospectus. In addition, the Issuer may agree with any Dealer to issue Notes in a form not contemplated in the section of this Base Prospectus entitled "**Form of Final Terms**", in such case a drawdown prospectus will be made available and will describe the effect of the agreement in relation to such Notes.
Forms of Notes in Physical Form:	Notes may only be issued in bearer form. Each Tranche of Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms. Each Global Note which is specified in the relevant Final Terms as a Classic Global Note (each a "**Classic Global Note**" or "**CGN**") will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream Banking and/or any other relevant clearing system and each Global Note which is specified in the relevant Final Terms as a New Global Note (each a "**New Global Note**" or "**NGN**") will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream Banking. New Global Notes are intended to be held in a manner which would allow Eurosystem eligibility, such eligibility depending upon satisfaction of the Eurosystem eligibility criteria. Notes that are not listed on the Official List of the Luxembourg Stock Exchange may also be deposited with any other clearing system or may be delivered outside any clearing system *provided that* the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition

	precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons and a Receipt for Instalment Notes.
Form of the Dematerialised Notes:	The Dematerialised Notes will be in bearer form and will be held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holders as of their respective date of issue. The expression "**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository banks appointed by Euroclear and Clearstream Banking. The Dematerialised Notes have been accepted for clearance by Monte Titoli. The Dematerialised Notes will at all times be held in book entry form and title to the Dematerialised Notes will be evidenced by book entries pursuant to the relevant provisions of the Financial Services Act and in accordance with the CONSOB and Bank of Italy Joint Regulation. No physical document of title will be issued in respect of the Dematerialised Notes. However, the Noteholders may ask the relevant intermediaries for certification of their holding pursuant to Article 83-*quinquies* and 83-*sexies* of the Financial Services Act.
Currencies:	Notes may be denominated in euro, U.S. dollars or Sterling or in any other currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Status of the Notes:	Notes issued by the Issuer may be either senior preferred ("**Senior Preferred Notes**"), senior non-preferred ("**Senior Non-Preferred Notes**" and, together with the Senior Preferred Notes, the "**Senior Notes**") or subordinated ("**Subordinated Notes**") as described below. The Senior Preferred Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves. The payment obligations of the Issuer under the Senior Preferred Notes (and the Receipts or Coupons of the Notes in Physical Form related to such Notes) shall at all times rank (save for certain obligations required to be preferred by law, including any obligations permitted by law to rank senior to the Senior Preferred Notes following the Issue Date, if any) equally with all other unsecured and unsubordinated obligations of the Issuer from time to time outstanding (other than obligations ranking junior to the Senior Preferred Notes from time to time, including any obligations under Senior Non-Preferred Notes and any further obligations permitted by law or by their terms to rank junior to the Senior Preferred Notes following the Issue Date, if any), as described in Condition 4 (*Status of the Senior Preferred Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 4 (*Status of the Senior Preferred Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 4 (*Status of the Senior Preferred Notes*) of the Terms and Conditions of the Dematerialised Notes.

Subject to the provisions of Condition 5 (*Status of the Senior Non-Preferred Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 5 (*Status of the Senior Non-Preferred Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 5 (*Status of the Senior Non-Preferred Notes*) of the Terms and Conditions of the Dematerialised Notes, the obligations of the Issuer under the Senior Non-Preferred Notes in respect of principal, interest and other amounts will constitute direct, unconditional, unsubordinated, unsecured and non-preferred obligations of the Issuer that are intended to qualify as *strumenti di debito chirografario di secondo livello* of the Issuer in accordance with, and for the purposes of, Article 12-*bis* of the Consolidated Banking Law. The payment obligations of the Issuer under the Senior Non-Preferred Notes (and the Receipts or Coupons of the Notes in Physical Form related to such Notes) shall at all times rank:

(i) junior to Senior Preferred Notes and all present or future unsecured and unsubordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to the Senior Non-Preferred Notes (including, without limitation, any obligations under the Senior Preferred Notes and claims arising from the excluded liabilities within the meaning of Article 72a(2) of the CRR);

(ii) *pari passu* among themselves and with any other present or future obligations of the Issuer which do not rank, or are not expressed by their terms to rank, junior or senior to the Senior Non-Preferred Notes; and

(iii) senior to any present or future obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Senior Non-Preferred Notes (including, without limitation, the claims of the shareholders of the Issuer and any other obligations under the Subordinated Notes or any other obligations under instruments or items included in the Tier 1 Capital or Tier 2 Capital of the Issuer),

in all such cases in accordance with the provisions set forth in Article 91, paragraph 1-*bis*), letter c-*bis*) of the Consolidated Banking Law and any relevant regulation which may be enacted from time to time for the purposes of implementing such provisions and/or any laws, regulations or guidelines implementing the rules set forth in the Bank Creditor Hierarchy Directive, as described in Condition 5 (*Status of the Senior Non-Preferred Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 5 (*Status of the Senior Non-Preferred Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 5 (*Status of the Senior Non-Preferred Notes*) of the Terms and Conditions of the Dematerialised Notes.

The Subordinated Notes will constitute direct, unsecured and subordinated obligations of the Issuer that are intended to qualify for regulatory purposes as Tier 2 Instruments to be included in the Tier 2 Capital of the Issuer in accordance with Article 63 of the CRR and Part II, Chapter 1 of Circular No. 285 (or any successor rules under the Applicable Banking

Regulations), as described in Condition 6 (*Status of the Subordinated Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 6 (*Status of the Subordinated Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 6 (*Status of the Subordinated Notes*) of the Terms and Conditions of the Dematerialised Notes.

Subject to the following paragraph, for so long as the relevant Series of Subordinated Notes qualify, in whole or in part, as Tier 2 Capital, the payment obligations of the Issuer under the Subordinated Notes (and the Receipts or Coupons of the Notes in Physical Form related to such Notes) shall at all times rank:

(i) junior to all present or future unsecured and unsubordinated obligations of the Issuer (including, without limitation, any obligations under the Senior Notes) or any other present or future subordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to the Subordinated Notes (including any subordinated instruments that have ceased to qualify, in their entirety, as own fund items (*elementi di fondi propri*));

(ii) *pari passu* among themselves and with any other present or future obligations of the Issuer which do not rank, or are not expressed by their terms to rank, junior or senior to the Subordinated Notes, including holders of present or future outstanding Tier 2 Capital of the Issuer; and

(iii) senior to any present or future obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Subordinated Notes (including, without limitation, the claims of the shareholders of the Issuer and any other obligations under instruments or items included in the Tier 1 Capital of the Issuer).

If the relevant Series of Subordinated Notes does not qualify (or ceases to qualify) in its entirety as own funds items (*elementi di fondi propri*), such Subordinated Notes will rank *pari passu* without any preference among the Notes and: (A) at least *pari passu* with the Issuer's obligations in respect of any other subordinated instruments that have ceased to qualify, in their entirety, as own funds items (*elementi di fondi propri*) and with all other subordinated indebtedness of the Issuer that have such ranking; (B) in priority to payments to holders of present or future outstanding indebtedness which qualifies, in whole or in part, as own funds items (*elementi di fondi propri*), including Additional Tier 1 Capital and Tier 2 Capital; and (C) junior in right of payment to the payment of any present or future claims of depositors of the Issuer and any other unsubordinated creditors of the Issuer (including Senior Preferred Notes and Senior Non-Preferred Notes).

Modification or Substitution of Subordinated Notes following a Regulatory Event or a Tax Event or an Alignment Event:

If Modification or Substitution of Subordinated Notes for Regulatory Event or Tax Event or Variation for an Alignment Event is specified as applicable in the Final Terms, the Issuer may without the consent of the holders of Subordinated Notes substitute new notes for the Subordinated Notes whereby such new notes shall replace the Subordinated Notes (in the case of

	the English Law Notes in Physical Form only), or vary the terms of the Subordinated Notes subject to Condition 17(c) (*Modification or Substitution of Subordinated Notes following a Regulatory Event or a Tax Event*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 17(c) (*Modification of Subordinated Notes following a Regulatory Event or a Tax Event*) of the Terms and Conditions of the Italian Law Notes in Physical Form or Condition 16(c) (*Modification of Subordinated Notes following a Regulatory Event or a Tax Event*) of the Terms and Conditions of the Dematerialised Notes, as the case may be.
Modification or Substitution of Senior Notes and Senior Non-Preferred Notes following a MREL Disqualification Event or an Alignment Event	If Modification or Substitution of Notes for MREL Disqualification Event or Variation for an Alignment Event is specified as applicable in the Final Terms, the Issuer may without the consent of the holders of Senior Preferred Notes or Senior Non-Preferred Notes substitute new notes for the Senior Preferred Notes or Senior Non-Preferred Notes whereby such new notes shall replace the Senior Preferred Notes or Senior Non-Preferred Notes (in the case of the English Law Notes in Physical Form only), or vary the terms of the Senior Preferred Notes or Senior Non-Preferred Notes subject to Condition 17(d) (*Modification or Substitution of Senior Notes and Senior Non-Preferred Notes following a MREL Disqualification Event*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 17(d) (*Modification of Senior Preferred Notes and Senior Non-Preferred Notes following a MREL Disqualification Event*) of the Terms and Conditions of the Italian Law Notes in Physical Form, or Condition 16(d) (*Modification of Senior Preferred Notes and Senior Non-Preferred Notes following a MREL Disqualification Event*) of the Terms and Conditions of the Dematerialised Notes, as the case may be.
Issue Price:	Notes may be issued at any price, as specified in the relevant Final Terms. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
Maturity Period:	Any Maturity Period as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency. In the case of Senior Non-Preferred Notes, pursuant to Article 12-*bis*, paragraph 1, letter a), of the Consolidated Banking Act, the Maturity Date shall not fall earlier than twelve months after their Issue Date. In the case of Subordinated Notes, unless otherwise permitted by current laws, regulations, directives and/or the requirements of the Relevant Authority (as defined in the Terms and Conditions) applicable to the issue of Subordinated Notes by the Issuer, Subordinated Notes must have a minimum maturity of five years (or, if issued for an indefinite duration, redemption of such Notes may only occur five years after their date of issue).

Notes having a Maturity Period of less than one year

Where Notes have a Maturity Period of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA by the Issuer.

Redemption:

Subject to any purchase and cancellation, early redemption or repayment or redemption of Instalment Notes, Notes will be redeemed at par as specified in the relevant Final Terms.

The applicable Final Terms may provide that the Notes may be redeemed in two or more instalments in such amounts and on such dates as may be indicated in such Final Terms.

The relevant Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default or, in the case of Subordinated Notes, for regulatory reasons) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.

The redemption of Senior Notes and Senior Non-Preferred Notes pursuant to Conditions 10(b) (*Redemption for Tax Reasons*), 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), 10(e) (*Redemption at the Option of the Issuer*) and 10(f) (*Partial redemption*) of the Terms and Conditions of the English Law Notes in Physical Form, Conditions 10(b) (*Redemption for Tax Reasons*), 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), 10(e) (*Redemption at the Option of the Issuer*) and 10(f) (*Partial redemption*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Conditions 10(b) (*Redemption for Tax Reasons*), 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), 10(e) (*Redemption at the Option of the Issuer*) and 10(f) (*Partial redemption*) of the Terms and Conditions of the Dematerialised Notes. shall be subject to compliance by the Issuer with any conditions to such redemption or repurchase prescribed by (i) the MREL Requirements at the relevant time (including any requirements applicable to such redemption or repurchase due to the qualification of such Senior Notes or Senior Non-Preferred Notes at such time as eligible liabilities available to meet the MREL Requirements) and (ii) in case of Senior Non-Preferred Notes only, Article 12-*bis* and Article 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Law, and any relevant implementing regulation which may be enacted for such

	purposes by any Relevant Authority at the relevant time (as described in Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*) of the Terms and Conditions of the Dematerialised Notes). The redemption at maturity of Subordinated Notes pursuant to Condition 10(a) (*Scheduled redemption*) and any early redemption pursuant to Conditions 10(b) (*Redemption for Tax Reasons*), 10(c) (*Redemption for Regulatory Reasons*), 10(e) (*Redemption at the Option of the Issuer*) and 10(f) (*Partial redemption*) of the Terms and Conditions of the English Law Notes in Physical Form, 10(a) (*Scheduled redemption*) and any early redemption pursuant to Conditions 10(b) (*Redemption for Tax Reasons*), 10(c) (*Redemption for Regulatory Reasons*), 10(e) (*Redemption at the Option of the Issuer*) and 10(f) (*Partial redemption*) of the Terms and Conditions of the Italian Law Notes in Physical Form and 10(a) (*Scheduled redemption*) and any early redemption pursuant to Conditions 10(b) (*Redemption for Tax Reasons*), 10(c) (*Redemption for Regulatory Reasons*), 10(e) (*Redemption at the Option of the Issuer*) and 10(f) (*Partial redemption*) of the Terms and Conditions of the Dematerialised Notes, shall be subject to the prior approval of the Relevant Authority to the extent required by and in accordance with the Applicable Banking Regulations. If such approval is not given on or prior to the relevant redemption date, the Issuer will re-apply to the Relevant Authority for its consent to such redemption as soon as the conditions permit. The Issuer will use its best endeavours to maintain the required regulatory capital and to obtain such approval.
Optional Redemption:	Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or (in case of Senior Preferred Notes and Senior Non-Preferred Notes) at the option of the Issuer due to a MREL Disqualification Event and/or (where the Notes are Senior Notes) at the option of the Noteholders to the extent (if at all) specified in the applicable Final Terms and subject to all relevant legal and regulatory requirements. In the case of Subordinated Notes, early redemption may occur only with the prior approval of the Relevant Authority. In the case of Senior Notes and Senior Non-Preferred Notes, early redemption shall be subject to compliance by the Issuer with any conditions to such redemption or repurchase prescribed by applicable laws and regulations.
Tax or Regulatory Redemption:	Except as described in "*Optional Redemption*" above, early redemption will only be permitted for tax reasons as described in Condition 10(b) (*Redemption for tax reasons*), or in the case of Subordinated Notes, for regulatory reasons as described in Condition 10(c) (*Redemption for regulatory reasons*) of the Terms and Conditions of the English Law Notes in Physical

Form, Condition 10(b) (*Redemption for tax reasons*), or in the case of Subordinated Notes, for regulatory reasons as described in Condition 10(c) (*Redemption for regulatory reasons*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 10(b) (*Redemption for tax reasons*), or in the case of Subordinated Notes, for regulatory reasons as described in Condition 10(c) (*Redemption for regulatory reasons*) of the Terms and Conditions of the Dematerialised Notes.

Clean-up Redemption Option: Notes may be redeemed, in whole but not in part and to the extent (if at all) specified in the relevant Final Terms, if 75% or any higher percentage specified in the relevant Final Terms of the initial aggregate nominal amount of the Notes of the same Series (which for the avoidance of doubt includes, any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) have been redeemed or purchased by, or on behalf of, the Issuer and cancelled. Any such redemption shall be subject to the prior consent of the Regulatory Authority.

Interest: Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.

Fixed Rate Notes: Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

Reset Notes: Reset Notes will, in respect of an initial period, bear interest at the initial fixed rate of interest specified in the relevant Final Terms. Thereafter, the fixed rate of interest will be reset on one or more date(s) specified in the relevant Final Terms by reference to a mid-market swap rate, as adjusted for any applicable margin, in each case, as may be specified in the relevant Final Terms.

Floating Rate Notes: Floating Rate Notes will bear interest determined separately for each Series as follows:

(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as supplemented, amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms)) as published by the International Swaps and Derivatives Association, Inc. or the latest version of ISDA 2021 Interest Rate Derivatives Definitions, including each Matrix (as defined therein) (and any successor thereto), as specified in the relevant Final Terms, each as published by ISDA (or any successor) on its website (http://www.isda.org), on the date of issue of the first Tranche of the Notes of such Series; or

(ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.

	The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes. Interest periods will be specified in the relevant Final Terms.
CMS Linked Interest Notes:	Payments of interest in respect of CMS Linked Interest Notes will be calculated by reference to the CMS Rate as may be specified in the relevant Final Terms.
Zero Coupon Notes:	Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest.
Interest Periods and Interest Rates:	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.
Benchmark Discontinuation:	Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the Dematerialised Notes, provide for certain fallback arrangements in the event that a Benchmark Event (as described in Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the Dematerialised Notes) occurs in relation to an Original Reference Rate at any time when the Conditions provide for any remaining Rate of Interest (or any component part(s) thereof) to be determined by reference to such Original Reference Rate. In such event, the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread, if any, as well as any Benchmark Amendments. See Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the Dematerialised Notes for further information.

Denominations:	Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements and save that the minimum denomination of each Note admitted to trading on a regulated market within the EEA or offered to the public in a Member State of the EEA in circumstances which would otherwise require the publication of a prospectus under Prospectus Regulation will be €100,000 (or, where the Notes are denominated in a currency other than euro, the equivalent amount in such other currency). If the Final Terms so specify, and for so long as the Notes are represented by the Temporary Global Note or Permanent Global Note and the relevant clearing system(s) so permit, Notes may be issued in denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. Senior Non-Preferred Notes will have a denomination of at least €150,000 (or, where the Senior Non-Preferred Notes are denominated in a Specified Currency other than Euro, the equivalent amount in such other Specified Currency). Subordinated Notes will have a denomination of at least €200,000 (or, where the Subordinated Notes are denominated in a Specified Currency other than Euro, the equivalent amount in such other Specified Currency).
Negative Pledge:	None.
Cross Default	The Events of Default in respect of the Senior Notes and the Subordinated Notes are limited to circumstances in which the Issuer becomes subject to winding-up or an analogous event as set out in Condition 13 (*Events of Default*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 13 (*Events of Default*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 13 (*Events of Default*) of the Terms and Conditions of the Dematerialised Notes.
Taxation:	All payments in respect of Notes will be made free and clear of withholding or deduction of Italian taxation, unless the withholding or deduction is required by law. In that event, the Issuer will (subject to certain exceptions as provided in Condition 12 (*Taxation*)) pay such additional amounts in respect of principal and interest for the Senior Notes (if permitted by the MREL Requirements) and in respect of interest only for the Subordinated Notes, as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding or deduction been required. However, as more fully set out in Condition 12 (*Taxation*), the Issuer will not be liable to pay any additional amounts to Noteholders with respect to any payment, withholding or deduction pursuant to Italian Legislative Decree No. 239 of 1 April 1996, as amended and supplemented, on account of Italian substitute tax (*imposta sostitutiva*), as defined therein in relation to interest or premium payable on, or other income deriving from, any Notes. See "*Taxation*" below.

Governing Law of the English Law Notes in Physical Form:	English law, including all non-contractual obligations arising from or connected therewith, except for Conditions 4 (*Status of the Senior Preferred Notes*), 5 (*Status of the Senior Non-Preferred Notes*), 6 (*Status of the Subordinated Notes*) and 23 (*Contractual recognition of bail-in powers*) of the Terms and Conditions of the English Law Notes in Physical Form and any non-contractual obligations arising from or connected therewith, which are governed by, and shall be construed in accordance with, Italian law.
Governing Law of the Italian Law Notes in Physical Form:	The Italian Law Notes in Physical Form and any non-contractual obligations arising out of or in connection with the Italian Law Notes in Physical Form will be governed by, and shall be construed in accordance with, Italian law.
Governing Law of the Dematerialised Notes:	The Dematerialised Notes and any non-contractual obligations arising out of or in connection with the Dematerialised Notes, will be governed by, and shall be construed in accordance with, Italian law.
Enforcement of Notes in Physical Form in Global Form:	In the case of Global Notes for the Notes in Physical Form, individual investors' rights against the Issuer will be governed by a Deed of Covenant dated 2 September 2025 a copy of which will be available for inspection at the specified office of the Fiscal Agent.
Ratings:	The Issuer has been assigned public ratings by Fitch Ratings Ireland Limited ("**Fitch**") on 19 December 2024 as 'BBB-', by DBRS Ratings GmbH ("**Morningstar DBRS**") on 21 October 2024 as 'BBB' and by S&P Global Ratings Europe Limited ("**S&P**") on 18 April 2025 as 'BBB'. Fitch, Morningstar DBRS and S&P are established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**"). Fitch, Morningstar DBRS and S&P appear on the latest update of the list of registered credit rating agencies on the ESMA website http://www.esma.europa.eu. The rating Fitch has given to the Issuer is endorsed by Fitch Ratings Ltd, which is established in the UK and registered under Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**"). The rating Morningstar DBRS has given to the Issuer is endorsed by DBRS Ratings Limited, which is established in the UK and registered under the UK CRA Regulation. The rating S&P has given to the Issuer is endorsed by S&P Global Ratings UK Limited, which is established in the UK and registered under the UK CRA Regulation. Notes issued pursuant to the Programme may be rated or unrated. Where a Tranche of Notes is rated, its rating will not necessarily be the same as any rating applicable to the Issuer. Details of the rating, if any, attributable to a Tranche of Notes will be specified in the relevant 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 a relevant Tranche of Notes will be (1) issued or endorsed by a credit rating agency established in the EEA and registered under

	the EU CRA Regulation or by a credit rating agency which is certified under the EU CRA Regulation and/or (2) issued or endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or by a credit rating agency which is certified under the UK 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 (1) issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) provided by a credit rating agency not established in the EEA but which is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (3) provided by a credit rating agency not established in the EEA but which is certified under the EU CRA Regulation. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) provided by a credit rating agency not established in the UK but which is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (3) provided by a credit rating agency not established in the UK but which is certified under the UK CRA Regulation.
Selling Restrictions:	There are certain restrictions on the offer, sale and transfer of the Notes. For a description of such restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the European Economic Area, the United Kingdom, the Republic of Italy and Japan, see "*Subscription and Sale*" below.
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. These are set out under "Risk Factors" below and include risks relating to competition and other operating and general banking risks, such as credit risk and interest rate risk. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme and include risks related to the structure of a particular issue of Notes and risks common to the Notes generally.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. Factors which the Issuer believes are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate.

Prospective investors should also read the detailed information set out elsewhere and incorporated by reference in this Base Prospectus and consider carefully whether an investment in the Notes is suitable for them in light of the information contained herein and their personal circumstances, based upon their own judgement and upon advice from such financial, legal and tax advisers as they have deemed necessary, prior to making any investment decision.

*Words and expressions defined in "**Terms and Conditions of the English Law Notes in Physical Form**" and "**Terms and Conditions of the Italian Law Notes in Physical Form**" and "Terms and Conditions of the Dematerialised Notes" or elsewhere in this Base Prospectus have the same meaning in this section. Prospective investors should read the whole of this Base Prospectus, including the information incorporated by reference. Unless otherwise specified, the term "**Terms and Conditions**" or "**Conditions**" shall refer to the Terms and Conditions of the English Law Notes in Physical Form, the Terms and Conditions of the Italian Law Notes in Physical Form and the Terms and Conditions of the Dematerialised Notes and any reference to a "**Condition**" shall be to a Condition under the Terms and Conditions of the English Law Notes in Physical Form, a Condition under the Terms and Conditions of the Italian Law Notes in Physical Form and a Condition under the Terms and Conditions of the Dematerialised Notes.*

Factors that may affect the Issuer's ability to fulfil its obligations under the Notes

The risks below have been classified into the following categories:

1. Risks related to the financial situation of the Issuer;
2. Risks related to the Issuer's business activities and the market where the Issuer operates; and
3. Risks related to the legal and regulatory framework.

1. ***Risks related to the financial situation of the Issuer***

   The Issuer's financial performance is affected by the general economic conditions, in particular in the Republic of Italy and Europe.

   Adverse changes or a general deterioration in the Italian, European or global economic conditions, or arising from systemic risks in the financial system, could affect the recoverability and value of the Issuer's assets and require an increase in the Issuer's provision for bad and doubtful loans and other provisions.

   The Issuer is not a retail bank and its core institutional role is to provide key financial and credit services to the network of cooperative credit banks (*banche di credito cooperativo*) (the "**BCCs**").

   The Issuer and BCCs' asset quality is exposed to domestic economic weakness through the composition of their loan portfolio, mainly to households, small enterprises and artisans. Sustained loan growth in the past few years, coupled with high loan portfolio concentration in the real estate sector for some BCCs, makes their credit risk vulnerable to the domestic economic environment.

   The ongoing conflict between the Russian Federation and Ukraine, the situation in the Middle East, and the still uncertain U.S. tariff policies continue to affect international trade and contribute to a climate of economic instability. These factors have led to volatility in the capital markets, which may in turn result in volatility or disruption in the credit markets at any time and may adversely affect the value of the Notes.

These additional risks may prejudice or negatively influence the Issuer's and the Group's ability to fully implement their 2025-2027 Business Plan Objectives (as defined in section "*Documents Incorporated by Reference*" below), may impact on the Issuer's profitability, in particular in terms of operating income and cost of risk, and therefore materially and adversely affect the Issuer's ability to make payments on the Notes and the liquidity thereof.

In addition, prospective investors should note that there can be no assurance that the Group's 2025-2027 Business Plan Objectives will be achieved in the anticipated timeframe or at all. The 2025-2027 Business Plan Objectives set out the Group's economic targets and business objectives, some or all of which may not be realised. The Group's ability to implement its business plan goals depends on a variety of factors, some of which are outside of the Group's control, including, *inter alia*, loan demand, geopolitical issues, global macroeconomic developments and market disruptions.

Historical Information and availability of Financial Information

The historical, financial and other information set out in the section headed "Description of the Issuer" represents the historical experience of the Issuer. There can be no assurance that the future experience and performance of the Issuer will be similar to the past experience described in this Base Prospectus.

Prospective investors should note that further downturns in the Italian economy could add to the competitive pressure through, for example, increased price pressure and lower business volumes for which to compete. This could affect the business activities and financial results of the Issuer and, in turn, the Issuer's ability to make payments under the Notes.

2. ***Risks related to the Issuer's business activities and the market where the Issuer operates***

Global market conditions

The Group's (and, therefore, the Issuer's) performance is affected by the financial markets and the macroeconomic and political environment of the countries in which it operates. Expectations regarding the performance of the global economy remain highly uncertain in both the short term and medium term, to the general deterioration of the economic situation, and elevated inflation levels affecting household consumption and corporate competitiveness. Material adverse effects on the business and profitability of the Issuer may also result from further developments of the monetary policies and additional events occurring on an extraordinary basis (such as political instability, terrorism and any other similar event occurring in the countries where it operates and, as recently experienced, a pandemic emergency). Furthermore, the economic and political uncertainty of recent years has also introduced a considerable volatility and uncertainty in the financial markets.

The geopolitical situation continues to be the main factor of instability, due to the ongoing persistence of conflicts in Ukraine and the Middle East, exacerbated by the recent escalation of the conflict between Iran and Israel, and the related uncertainty surrounding macroeconomic outlooks. The more direct economic impacts would focus on commodity prices, the continuity of global value supply chains, and the intensity of global trade and investment.

In the current macroeconomic scenario, several uncertainties persist.

The evolution of the geopolitical scenario is heavily influenced by the trade policy of the new U.S. administration, particularly by the uncertainties regarding the scope, duration, goods, and countries affected by tariffs, as well as the related countermeasures adopted by the countries involved. Moreover, the still uncertain outcomes of the conflicts in Ukraine and between Israel and Palestine - further exacerbated by the recent Israel-Iran conflict, which has led to a significant escalation of tensions in the Middle East - are significantly influencing the geopolitical scenario and its potential developments.

The current environment of heightened uncertainty is causing a slowdown in the global economy. In the U.S., the decrease of Gross Domestic Product (GDP) growth is confirmed, while in the Eurozone, despite the impact of tariffs, moderate growth is expected, supported by the public investment plan in Germany and the "RearmEU" initiative.

The inflation remains under control in the Eurozone, while it stays higher in the U.S.; therefore, the European Central Bank continues its interest rate reduction path, aiming to bring the deposit rate to 2% by summer, whereas the Federal Reserve maintains a more cautious approach due to inflationary risks related to tariffs and the weakness of the dollar.

Italy is particularly exposed to the threat of U.S. tariffs, but the negative effects are expected to be offset by the growth of investment plans in Europe; moderate GDP growth is expected for the period 2025-2029, at an average rate of 0.6% (Prometeia "Rapporto di Previsione" - March 2025).

These elements are leading to a significant increase in the risks to which the banking sector is exposed, forcing it to prepare adjustments to their valuation in order to contain future new impacts on the economic, financial and equity situation of the Italian and international financial system.

As a result, the Issuer's ability to access the capital and financial markets and to refinance debt to meet the financial requirements may be adversely impacted and costs of financing may significantly increase. This could materially and adversely affect the business, results of operations and financial condition of the Issuer, with a consequent adverse effect on the market value of the Notes and the Issuer's ability to meet its obligations under the Notes.

Credit Risk

The business, economic and financial solidity of the Issuer, as well as its profits, are exposed to the traditional risks related to credit activity and depends, amongst other things, on customers and counterparties complying with their payment obligations, and on the credit rating of customers.

A number of factors affect a bank's credit risk in relation to individual credit exposures or for its entire loan book. These include the trend in general economic conditions, as described above, or those in specific sectors, changes in the rating of individual counterparties, deterioration in the competitive position of counterparties, poor management by firms or counterparties given lines of credit, and other external factors, also of a legal and regulatory nature.

Risk management methodologies, assessments and processes used by the Issuer to identify, measure, evaluate, monitor, prevent and mitigate any risks to which the Issuer is or might be exposed, are intended to guarantee adequate capital resources and an adequate liquidity profile of the Group. These include:

(i) the continued reduction of the non-performing loan stock;

(ii) recovery actions in respect of non-performing exposures;

(iii) the setting up of a target model for the management and recovery of bad loans; and

(iv) a constant evolution of the methodology for estimating credit risk parameters (probability of default ("**PD**"), loss given default ("**LGD**") and exposure at default ("**EAD**")) and satellite models to incorporate forward-looking information, according to best market practices, functional to a solid and accurate determination of the provisions on the performing portfolio and the related staging allocation of the positions.

However, such actions might not be sufficient to protect the Group against, for example, unexpected changes in the creditworthiness of a counterparty, also considering the uncertainty related to the international economic context (for example, due to the Russia-Ukraine and Middle East conflict). The uncertainty that characterises the current macro-economic context cannot be captured by the financial models. For this reason, the Group has put in place greater level of conservatism on IFRS9 components in order to take into account the emergent risk with reference to creditworthiness perspective.

The business, economic and financial solidity of the Issuer, as well as its profits, are still exposed to additional risks relating to regulatory updates and commitments summarised as follows.

The Issuer applied the most recent guidelines on the definition of default. The objective of such legislation on default is to harmonize the definition of default between different areas of the EU, strengthen the comparability of risk metrics between different players in banking industry, and

ultimately achieve the homogenization and comparability of the classification framework regarding impaired credit facilities, as well as the minimization of the variability of RWA among financial institutions with similar risk profiles.

Secondly, the Issuer shall comply with the obligations laid down by the Regulation (EU) 2019/630 of 17 April 2019, as amended ("**Calendar Provisioning**"). In this context, the main risk consists in the increase in coverage to be applied to the non-performing according to the paths established by the Supervisory Authority. The application of Calendar Provisioning prescriptions required the Issuer to review impaired credit facility management strategies, to identify the potential impacts of different exposure types (e.g., secured/unsecured, etc) and to minimize those impacts through credit management (by evaluating the trade-off between the enhancement of recovery procedures and other possible de-risking actions). Overall, the interaction with other regulations, especially the new definition of default, which directly affects the Issuer's NPL amount, ultimately amplifies the Calendar Provisioning effects.

Risks arising from the sovereign debt crisis

The Issuer is affected by disruptions and volatility in the global financial markets including, in recent years, the sovereign debt crisis in the Euro-zone. Credit quality has generally declined, as reflected by downgrades suffered by several countries in the Euro-zone, including Italy, since the beginning of the sovereign debt crisis in May 2010. The large sovereign debts and fiscal deficits in European countries have raised concerns regarding the financial condition of Euro-zone financial institutions and their exposure to such countries. These concerns may have an impact on Euro-zone banks' funding.

Furthermore, the Issuer's credit ratings are potentially exposed to the risk of reductions in the sovereign credit rating of Italy. On the basis of the methodologies used by rating agencies, further downgrades of Italy's credit rating may have a potential knock-on effect on the credit rating of Italian issuers such as the Issuer and make it more likely that the credit rating (if any) of Notes issued under the Programme are downgraded.

As at 31 December 2024, the Issuer's exposure to securities issued by the Italian government amounted to Euro 9.89 billion compared to approximately Euro 10.64 billion as at 31 December 2023. The Issuer's exposure refers for the most part to assets classified in the HTC Business Model – valued at amortised cost; it refers for Euro 0.30 billion to financial assets classified in the HTCS Business Model – whose changes in fair value have an impact on equity (Euro 0.47 billion as at 31 December 2023).

As at 31 December 2024, the Issuer's investments in sovereign debt securities issued by EU Countries corresponded to Euro 10.62 billion (approximately 22% per cent of the Issuer's total assets) compared to Euro 11.07 billion as at 31 December 2023 (approximately 18.73 per cent of the Issuer's total assets).

Any further deterioration in the credit quality of securities issued by governments, central banks and other public entities held by the Issuer could materially and adversely affect the business, results of operations and financial condition of the Issuer, with a consequent adverse effect on the market value of the Notes and the Issuer's ability to meet its obligations under the Notes.

Market risk

The market risk involved in the Issuer's business activities lies in the risk of possible losses arising from changes in the market due to fluctuating or changing interest rates, foreign exchange rates, share prices and prices in general. This risk encompasses both trading book and banking book positions. Positions of risk are the result either of business positions taken for or in respect of customers, or of a deliberate assumption of such positions.

The Issuer's trading revenues and interest rate risk exposure depend on its ability to identify properly, and mark to market, changes in the value of financial instruments caused by movements in market prices or interest rates. The Issuer's financial results also depend on how effectively the Issuer determines and assesses the cost of credit and manages its own credit counterparty risk and market risk concentration.

Regarding the trading portfolio only (Other / HFT business model), the Issuer's managerial Value at Risk ("**VaR**") was equal to 0.56 million on 31 December 2024 (mainly given by interest rate, issuer specific risk and equity risk components), decreased compared to the value of 0.71 million on 31 December 2023.

Risk related to fluctuations in interest rates and exchange rates

The interest rate risk is the risk originating from the differences in the maturities and in the times for redefining the interest rate of the assets and liabilities included in the banking book. In the presence of these differences, the fluctuations in interest rates determine both a short-term change in the expected profit, through the effects on the NII, and long-term effects on the economic value of the shareholders' equity, through the change in the market value of assets and liabilities.

The measurement of the interest rate risk on the banking book is based on the valuation of the economic value and earnings-based measures. The Issuer adopts a risk management policy related to interest rate fluctuations aimed at maximizing profitability and limiting the risks of negative effects on the capital/income profile of potential adverse changes in interest rates.

A residual part of the Issuer's business is carried out in currencies other than the Euro. Therefore, a negative change in exchange rates and / or a hedging strategy that is insufficient to cover the related risk could have negative effects on the business, results and equity and financial situation of the Issuer and/or the Group.

Operational Risks

Operational risk is defined as the risk of suffering losses due to inadequacy or failure of processes, human resources and internal systems, or as a result of external events. Operational risk includes legal risk, which is the risk of losses deriving from breaches of laws or regulations, conduct risk, out-of-contract liabilities or other disputes, ICT (Information and Communication Technology) risk, third-party risks, fraud and business continuity issues. Strategic and reputational risks are not included.

Omissions, mistakes, delays or interruptions by any supplier and, in general, any failure by them to comply with the minimum level of service required might cause adverse effects on the Issuer's business.

The Issuer has prepared a framework for operational risk management in order to identify, assess and measure, monitor, control and mitigate potential operational risk areas (e.g. operational loss events, risk factors, risk scenarios).

Investors should be aware that the Issuer's risk management techniques and strategies may not be effective in mitigating its risk exposure in all economic market environments or against all types of risks (especially those due to potential exogenous factors such as external fraud), including risks that the Issuer fails to identify or anticipate.

Liquidity risk

Liquidity risk is the risk that the Issuer will be unable to meet its payment obligations due to its inability to secure funding or only being able to secure it at above-market costs (funding liquidity risk) or to the possibility of incurring capital losses on the sale of assets (market liquidity risk).

Liquidity risk is identified and monitored using the operational and structural maturity ladder (in order to identify possible negative liquidity gaps in relation to specified maturity structure) and the overall liquidity indicator system (RAS, risk limits, contingencies, and additional metrics), designed to quickly identify potential strains.

During the course of 2024, the Group's liquidity position remained within the risk limits set under both internal rules and external regulations. The RAS liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) were within their target ranges at values far above the risk appetite thresholds set when preparing the financial plan, with an increase as at 31 December 2024 since 30 June of the same year on the LCR indicator from 263.2% to 281.3% and a slight decrease on the NSFR indicator from 160.5% to 158.2%.

Liquidity buffers at 31 December 2024 totalled around Euro 42.2 billion, about 88% of High Quality Liquid Assets ("**HQLA**") unencumbered was in government securities. In terms of structural liquidity, the regulatory NSFR pointed to adequate levels of stable funding to cover the financing needs generated by the various forms of commercial lending and investment in the financial portfolio.

The Issuer constantly monitors its own and the Group's liquidity and funding risks. However, there can be no assurance that any negative developments in the conditions of the markets, in the general economic environment and/or in the Issuer's credit standing, combined with the need to align the Issuer's liquidity and funding position to regulatory requirements, would not have a negative impact on the business, financial condition and/or results of operations of the Issuer and/or the Group.

ESG risk and reputational risk

Financial institutions are facing increased scrutiny on climate and broader environmental, social and governance ("**ESG**") related issues from governments, regulators, shareholders and other bodies. In recent years, ESG considerations have become increasingly central to corporate strategy and investment decision-making. At the same time, they have played a pivotal role in shaping regulatory reform, leading to the issuance of supervisory expectations regarding the integration of climate-related and environmental risks into business models, as well as the development of specific disclosure requirements within the framework of sustainability reporting. The Issuer is required to review and enhance its ESG risk management frameworks in alignment with emerging regulatory guidance and to ensure that it accurately portrays the ESG aspects of its activities.

Prospective investors should evaluate, in addition to so-called "traditional risks", the Issuer's exposure to climate and environmental risks. These risks can be grouped into two main categories: physical risk and transition risk.

Physical risk refers to the impact (including financial) resulting from climate change, including more frequent extreme weather events and gradual climate changes. Physical risk is classified as "acute" if it is caused by extreme events such as droughts, floods, and storms, and "chronic" if is caused by progressive changes such as rising temperatures, sea level rise, habitat destruction, and resource scarcity. Such risk can directly affect the Issuer and lead to, for example, material damage or a drop in productivity, or indirectly lead to subsequent events such as the disruption of supply chains.

Transition risk refers to the impact (including financial) that an entity may incur, directly or indirectly, as a result of the adjustment process towards a low-carbon and more sustainable economy. This also relates to the impacts and dependencies that certain sectors may have on the management of water resources, waste, pollution and biodiversity.

In line with evolving regulatory expectations, including those issued by the European Central Bank and the European Banking Authority in the context of sustainable finance and climate-related financial risks, the Group has adopted a structured methodological framework for the identification, classification, and management of climate-related and environmental ("**C&E**") risks.

This framework encompasses the development of a risk taxonomy differentiating between physical and transition risk drivers, and the mapping of transmission channels through which such risks may impact traditional prudential risk categories, including but not limited to credit risk, market risk, liquidity risk, operational risk, reputational risk, sovereign risk, and strategic risk. Materiality thresholds have been defined to facilitate a periodic and risk-based assessment of the relevance of C&E risks to the Group's operations and exposures.

In response to supervisory expectations and in anticipation of further regulatory developments, the Group has initiated a series of strategic and operational measures aimed at integrating C&E risks into its internal governance, risk management, and decision-making processes. These measures include enhancements to credit risk policies, adjustments to organizational and governance structures, and improvements to internal and external reporting and disclosure practices.

These initiatives are designed to support the effective incorporation of C&E risk factors into the Group's enterprise-wide risk management framework, operational models, and information systems, thereby strengthening its capacity to identify, assess, monitor, and mitigate the potential impacts of such risks. The Group aims to ensure alignment between its sustainability strategy and the practical implementation of risk mitigation actions at operational level.

Notwithstanding the Issuer's ongoing efforts to identify potential impacts of, and implement mitigation measures for, both transition and physical risks, climate change may adversely affect the Issuer's business, financial condition, and results of operations. In addition, the rapidly evolving regulatory landscape, coupled with increasing stakeholder expectations and scrutiny, may adversely affect the Issuer's operations and strategic positioning should it fail to adequately adapt to such demands or effectively implement its sustainability-related plans.

Prospective investors should also consider that increased focus on environmental, social and governance (ESG) factors may expose the Issuer to reputational risks, particularly if the Issuer is perceived as not sufficiently supporting the transition to a low-carbon economy, or failing to uphold commitments related to biodiversity protection, human rights, or other ESG objectives. Reputational risk refers to the current or prospective risk of a decline in profitability arising from adverse perceptions of the Group's image by customers, counterparties, investors, shareholders or regulatory authorities.

3. ***Risks related to the legal and regulatory framework***

The Issuer is subject to capital requirements that could limit its operations

The Issuer, as group head company (*capogruppo*) of the Group, is subject to capital adequacy guidance adopted by the ECB, which provides for a minimum ratio of total capital expressed as a percentage of risk adjusted assets on a consolidated basis. The capital buffer, as provided by the guidance, must be maintained in the form of Common Equity Tier I capital. The Issuer's failure to maintain its ratios would not constitute a breach of the minimum prudential requirements; however, the Issuer might be subject to restrictions upon maximum distributable amounts.

Basel III and Bank Capital Adequacy

The Issuer must comply with the revised global regulatory standards ("**Basel III**") on bank capital adequacy and liquidity, which impose requirements for, *inter alia*, higher and better-quality capital, better risk coverage, measures to promote the build-up of capital that can be drawn down in periods of stress and the introduction of a leverage ratio as a backstop to the risk-based requirement as well as two global liquidity standards. In terms of banking prudential regulations, the Issuer is also subject to the Bank Recovery and Resolution Directive 2014/59/EU of 15 May 2014 ("**BRRD**", implemented in Italy with the Legislative Decree. 180 and 181 of 16 November 2015) on the recovery and resolution of credit institutions, as well as the relevant technical standards and guidelines from EU regulatory bodies (for example the European Banking Authority ("**EBA**") and the European Securities and Markets Authority ("**ESMA**")), which, *inter alia*, provide for capital requirements for credit institutions, recovery and resolution mechanisms.

Should the Issuer not be able to implement the approach to capital requirements it considers optimal in order to meet the capital requirements imposed by the applicable laws and regulations, it may be required to maintain levels of capital which could potentially impact its credit ratings and funding conditions.

The Basel III framework has been implemented in the EU through new banking requirements: Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "**CRD IV Directive**") and the Regulation (EU) No. 575/2013, as amended (the "**CRR**", together with the CRD IV Directive, the "**CRD IV Package**"), subsequently updated by the Regulation No. 2019/876 (the "**CRR II**") and Directive (EU) 2019/878 (the "**CRD V**", and together with the CRR II, the "**Banking Reform Package**". In addition to the capital requirements under CRD IV Directive, the BRRD introduces requirements for banks to maintain at all times a minimum requirement of own funds and eligible liabilities (the "**Minimum Requirement for Own Funds and Eligible Liabilities**" or "**MREL**").

The Banking Reform Package also contains Directive (EU) 2019/879 ("**BRRD II**"), which amended the BRRD, introducing, *inter alia*, significant changes to the standards regarding the calibration of the MREL requirement for banks that are systematically relevant and redefining the scope of the MREL itself. The MREL requirement constrains the Group structure of liabilities and it requires the use of subordinated instruments, in the sense of eligible liabilities, which may impact the costs structure of the Group and potentially the Issuer's financing ability. Prospective Noteholders should note that the resolution strategy and the MREL requirement is currently under discussion with the competent Authority.

Furthermore, it should be noted that EU Regulation 2024/1623 ("**CRR III**" amending CRR) and EU Directive 2024/1619 ("**CRD VI Directive**" amending CRD IV Directive) were published in the Official Journal of the European Union on 19 June 2024 and entered into force on 9 July 2024. Save for certain exceptions, the majority of CRR III provisions applies starting from 1st January 2025, certain elements of it phasing in over the years. As for CRD VI Directive, Member States will need to adopt and publish, by 10 January 2026, the laws, regulations and administrative provisions necessary to comply with CRD VI Directive and shall apply those measures from 11 January 2026 (with some exceptions).

Changes in the regulatory framework and prudential capital requirements - including the recent publication of CRR III and CRD VI Directive – and in how such regulatory framework is interpreted and/or (where applicable) transposed into the national legal/regulatory framework, and/or applied by the supervisory authorities, may have a material effect on the Issuer and the Group and on the Notes. The manner in which the new framework of banking laws and regulations will be applied to the operations of financial institutions is still evolving and uncertain. No assurance can be given that laws and regulations will be adopted, enforced or interpreted in a manner that will not have an adverse effect on the operational results and the economic and financial situation of the Issuer.

Risk related to the European Central Bank inspections at the Issuer and the outcomes of the Supervisory Review and Evaluation Process (*SREP*)

Based on the new harmonised framework for supervisory review and evaluation implemented by the ECB and following completion of the annual supervisory review and evaluation process ("**SREP**") carried out on the Issuer pursuant to Article 4(1)(f) of Council Regulation (EU) No. 1024/2013, the ECB notified the Issuer of its SREP decision on 10 December 2024 setting out the prudential requirements to be maintained at the consolidated level for 2025.

With this decision, which replaces the SREP decision notified to the Issuer on 30 November 2023 that was applied in 2024, the supervisory authorities established consolidated own funds requirements for 2025 as:

- an additional Pillar 2 requirement (P2R) of 2.52% (of which 2 bps for the NPE P2R, which could be lowered by the end of the year subject to certain conditions), of which a minimum of 56.25% to be held in the form of Common Equity Tier 1, (CET1) and 75% in the form of Tier 1 capital; and

- a recommendation for Pillar 2 Guidance (P2G) of 1.25%, which should consist entirely of Common Equity Tier 1 capital and held in addition to the Overall Capital Requirement (OCR).

For 2025, the Issuer (as group head company of the Iccrea BCC Group) is required to meet the following capital ratios at consolidated level and in term of Total Capital Ratios:

- Total SREP Capital Requirement of 10.52%;

- an OCR equal to 14.10%, including the O-SII Buffer (Other Systematically Important Institutions Buffer) of 0.125%, the SyRB (Systemic Risk Buffer) of 0.83% and the CCyB (Countercyclical Capital Buffer) of 0.0044%; and

- a Target Requirement (including P2G) of 15.35%,

while no specific requirements are imposed on the individual level.

Evolution of banking prudential regulation

The banking and financial regulatory framework to which the Group is subject is extremely stringent and detailed and the Issuer is subject to the supervision by the competent supervisory authorities, including ECB, Bank of Italy and CONSOB. In addition, the regulatory framework and supervision activity are subject to ongoing changes in the law and ongoing developments.

Failure to observe any of the legal and regulatory provisions currently in force or any changes relating to the interpretation of the applicable legislation by the competent authorities could negatively impact the operating results and capital and financial position of Iccrea.

Risks connected with ordinary and extraordinary contributions to funds established under the scope of the banking crisis rules

The Group must comply with the contribution obligations required by legislation concerning bank resolution. Upon the occurrence of an increase in the ordinary contributions requested to the Group companies, the profitability of the Group would decrease and the level of capital resources of the Issuer and the Group would be adversely affected; should extraordinary contributions be requested to the Group, this could have a negative impact, even significant, on the Group's balance sheet and financial results.

Following the crisis that affected many financial institutions from 2008, various risk-reducing measures have been introduced, both at European level and at individual Member State level. Their implementation involves significant outlays by individual financial institutions in support of the overall banking system.

Ordinary contribution obligations reduce profitability and have a negative impact on the Group's capital resources. It is not possible to rule out that the level of ordinary contributions required from the Group will increase in the future in relation to the development of the amount related to protected deposits and/or the risk relating to the Group compared with the total number of banks committed to paying said contributions.

In addition, it is not possible to rule out that, even in future, as a result of events that cannot be controlled or predetermined, the Deposit Guarantee Scheme (including the National Guarantee Fund and the *Fondo di Garanzia dei depositanti del Credito Cooperativo*), the Single Resolution Fund and the National Resolution Fund, do not find themselves in a situation of having to ask for more, new extraordinary contributions. This would involve the need to record further extraordinary expenses with impacts, including significant ones, on the capital and financial position of the Issuer.

Risks arising from the reform of the Cooperative Credit Banks (*BCC*)

The Issuer is (pursuant to the applicable legislation) the group head company (*capogruppo*) of the Iccrea cooperating banking group which, in addition to certain subsidiaries of the Issuer, comprises (as of the date of this Base Prospectus) 113 BCCs.

In February 2016, Law Decree No. 18 of 14 February 2016 was published in the Official Gazette of the Italian Republic (as subsequently converted into law with amendments by Law no. 49/2016) (the "**BCC Reform Law**") introducing a series of important reforming measures for Italy's cooperative credit banks. As described in the risk factor below, the Group has recently undergone a corporate reorganisation pursuant to the BCC Reform Law and the Issuer has become group head company (*capogruppo* for the purposes of the BCC Reform Law) of the Iccrea Cooperative Banking Group (*Gruppo Bancario Cooperativo Iccrea*). For further information, please see the section "*The Issuer*".

The BCC Reform Law requires cooperative banks (as an alternative to becoming a company limited by shares (*società per azioni*) and meeting certain other requirements) to be part of a cooperative banking group whose group head company has net assets (*patrimonio netto*) of at least Euro 1 billion, as a prerequisite for obtaining authorisation from the Bank of Italy to carry out banking securities in the form of a cooperative credit bank.

The BCC Reform Law provides that the group head company shall manage and coordinate the activities of the group pursuant to an agreement called a "cohesion contract" (*contratto di coesione*). Such agreement, among other things, regulates the powers of the group head company and contains an inter-group financial support mechanism committing reciprocally any participating cooperative bank, both vertically (as between each cooperative bank and the group head company) and horizontally (as between each cooperative bank in the group).

The liability sharing mechanism has the dual purpose of: (i) jointly guaranteeing the obligations of any cooperative bank in the group in its dealings with a third party (external guarantee) and (ii) providing financial support mechanisms for the solvency and liquidity of the participating cooperative banks (intra-group financial support mechanism). For further information regarding such cross guarantee mechanism in relation to the Group, see the risk factor "*Risks arising out of the guarantee mechanism in the Cohesion Contract*".

The purpose of the intra-group financial support mechanism is to mobilise capital and liquidity within the group in order to be compliant with the regulatory requirements and to satisfy the demands of the supervisory authority avoiding the need to resort to crisis management procedures beyond the cooperative banking group. The mechanism, for the benefit of the cooperative bank ensures that their funding needs are met at all times.

Pursuant to the BCC Reform Law, at least 60% of the group head company's capital must be held by the cooperative banks belonging to the group. The remainder of its share capital may be held by equivalent entities (*e.g.* European banking cooperative groups and foundations (*fondazioni*)) or via the capital markets.

In the case of the Issuer, as at the date of this Base Prospectus, 97.75% of its shares are held by 113 BCCs together with Raiffeisen Landesbank Sudtirol Cassa Centrale dell'Alto Adige and certain other banks. The remaining portion is owned by certain other entities permitted by the BCC Reform Law. For further information, please see the section "The Issuer".

The Issuer, as group head company, may subscribe "financing shares" (*azioni di finanziamento*) issued by a BCC pursuant to Article 2526 of the Civil Code and therefore help to strengthen the capital structure of the cooperative bank generally, as well as in situations where the cooperative bank is insufficiently capitalised or subject to extraordinary administration (*amministrazione straordinaria*).

Prospective Noteholders should be aware that, as at the date of this Base Prospectus, the provisions of the BCC Reform Law and the implementing regulations of the Bank of Italy in Circular No. 285 of 17 December 2013 (as amended on 2 November 2016) have not yet been tested judicially or by established market practice. Accordingly, it is not possible to predict with certainty the full impact of this legislative reform on the Issuer and its business and, while senior management of the Issuer believes such legislation to be a positive development for the Group, no guarantee can be given regarding its potential impact on the Group's results of operations, business and financial condition and, consequently, on the market value of the Notes and the Issuer's ability to meet its obligations under the Notes.

The reforms described above are part of an ongoing process of consolidation of the Italian banking sector brought about, in part, from the implementation of European Directives aiming to liberalise and deregulate the banking sector in the European Union, and in particular in Italy, significantly increasing competitive pressure. In the event that the Group is not able to respond to such competition by, amongst other things, providing innovative and profitable products and services to meet the needs of clients, the Group could lose market share in the sectors in which it operates. In addition, as a result of such competition, the Group may fail to maintain or increase business volumes and profit levels that have been achieved in the past, resulting in adverse effects on the Group's results of operations, business and financial condition.

Risk arising from the reorganisation and rationalisation of the Group pursuant to the BCC Reform Law

The Issuer has undergone a substantial corporate reorganisation pursuant to the BCC Reform Law.

On 1 June 2016 the Bank of Italy authorised pursuant to Article 57 of the Consolidated Banking Act the reverse merger by incorporation of ICCREA Holding S.p.A. into the Issuer. This reverse merger was carried out to allow the members of the group to comply with provisions of the BCC Reform Law. The Issuer had prior to such merger and, as at the date of this Base Prospectus has, net assets (*patrimonio netto*) in excess of Euro 1.5 billion and, accordingly, meets the required threshold contained in the BCC Reform Law. Such reorganisation was approved by the board of directors of the Issuer on 26 February 2016, by the shareholders in an Extraordinary General Meeting of the Issuer held on 12 July 2016 and formalised by a merger deed between the Issuer and ICCREA Holding S.p.A. dated 15 September 2016. As a consequence of such merger, effective as of 1 October 2016, the Issuer is now the head group company of the Group. The reverse merger was carried out in order to strengthen the Issuer's group as a whole and in particular from a corporate and regulatory standpoint.

In order to satisfy the objectives outlined within the BCC Reform Law, the Issuer held meetings with local federations of the BCCs and set out a schedule of project activities, which are currently underway. Such activities are being carried out by committees, working groups and project management teams comprising staff from the Issuer, the BCCs and representatives of the BCCs' federations.

On 27 April 2018, the Issuer's board of directors resolved to assume the role of head of the group, and sent to the European Central Bank ("**ECB**") and the Bank of Italy its request to establish the Iccrea cooperative banking group, to which would adhere 142 BCCs and the establishment of the Group was authorised by the ECB on 24 July 2018.

On 10 January 2019, a shareholders' meeting of the Issuer approved amendments to its by-laws, to bring them in line with the Issuer's new role as head (*capogruppo*) of the Group pursuant to the BCC Reform Law, and to increase the Issuer's share capital by Euro 250 million, from Euro 1.15 billion to Euro 1.4 billion.

On 4 March 2019 the ECB gave final approval to the establishment of the Group, which was then formally registered in the Italian register of banking groups (*Albo dei Gruppi Bancari*) by the Bank of Italy.

No guarantee can be given that the impact of the reorganisation of the Group will strengthen the same. Any failure of the implementation of the objectives pursuant to the Group's corporate reorganisation may have an adverse effect on the results of the Issuer's operations, business and financial condition and, consequently, on the market value of the Notes and the Issuer's ability to meet its obligations under the Notes.

Risks arising out of the guarantee mechanism in the Cohesion Contract

In January 2019, the Issuer and 142 BCCs entered into a cohesion contract (the "**Cohesion Contract**") in accordance with the BCC Reform Law as described in more detail in the section "*The Issuer– Recent Events*".

The Cohesion Contract provides, among other things, for a liability-sharing mechanism governed by Italian law which pursuant to Circular No. 285 has been created also to meet the requirements for a "*cross guarantee scheme*" as defined in the CRR (the "**Cross Guarantee Scheme**"). In particular:

- the Issuer guarantees to the BCCs that it will support the obligations assumed by them. In turn, each BCC cross-guarantees to the Issuer and to the other BCCs that it will support the obligations of the Issuer and all other BCCs;

- the existence of the Cross Guarantee Scheme means that the liabilities of the Issuer and the individual BCCs are classified as joint and several liabilities of all BCCs and the Issuer;

- in order to implement the liability-sharing mechanism as required by Italian law and the guidelines of the Bank of Italy contained in Circular No. 285, the Issuer and the BCCs have put in place arrangements to ensure the prompt provision of financial means in terms of capital and liquidity if required. In particular, the Issuer and the BCCs have committed

funds readily available to them which may be applied by the Issuer in its discretion and as it determines, in order to meet the obligations of the Issuer and the BCCs, thereby providing inter-group financial support; and

- the individual BCCs and the Issuer participate with the necessary funds, the amount of which, in the case of the BCCs is represented by a pre-established quota agreed with the Issuer plus a quota that can be called by the Issuer on demand if needed.

This Cross Guarantee Scheme mechanism is an integral part of any such cohesion contract, so its provision is an unavoidable condition. Prospective Noteholders should be aware, therefore, of the risk that the Cross Guarantee Scheme could place an obligation on the Issuer to commit, if necessary, its own assets to provide the financial support necessary to ensure the performance of the cross-guarantee obligations.

The Cross Guarantee Scheme is structured to create different levels for the Issuer's and BCCs' joint and several liability, whereby the degree of liability and exposure is linked to the capital resource of the Issuer and the individual BCCs (as the case may be).

Within the limits mentioned above, the Cross Guarantee Scheme is an inter-group financial support mechanism within which the participating banks provide each other with financial support to ensure solvency and liquidity (particularly for the purpose of their compliance with the prudential requirements and requirements of the supervisory authority) and to avoid, where necessary, submission to resolution procedures pursuant to Legislative Decree no. 180/2015 or to compulsory administrative liquidation procedures pursuant to art. 80 and following of the Consolidated Banking Act.

The Cross Guarantee Scheme contained in the Cohesion Contract means that the Issuer has exposure to the liabilities of any BCC that defaults on its creditors. Any such default may result in an adverse effect on the Issuer's results of operations, business and financial condition.

Risks connected with breaches of the Cohesion Contract

Any breach of the Cohesion Contract by the Issuer or by one or more BCCs might have an impact on the Group as a whole.

The Cohesion Contract describes certain penalties, which vary according to the seriousness of the infringement, that may be applied by the Issuer in the event of breach of its directions, as well as other contractual obligations.

In such regard, the Cohesion Contract gives the Issuer certain powers including the following:

- to change the structure and operation of the individual Group BCC;
- to restrict new transactions by suspending the taking of new risk;
- to restrict the individual BCC's geographical reach; and
- (in the most serious cases) to exclude an individual Group BCC from the Group.

In case of breach of the Cohesion Contract, no guarantee can be given regarding its potential impact on the Group's results of operations, business and financial condition and, consequently, on the market value of the Notes and the Issuer's ability to meet its obligations under the Notes.

Risks relating to the Notes

The risks below have been classified into the following categories:

1. Risks related to the structure of a particular issue of Notes;
2. Risks related to the Notes generally; and
3. Risks related to the market generally.

Category 1 (*Risks related to the structure of a particular issue of Notes*) contains two further sub-categories: (a) Risks related to Senior Notes and (b) Risks related to Subordinated Notes.

1. **Risks related to the structure of a particular issue of Notes**

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common features:

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in the light of other investments available at that time.

Redemption for tax reasons

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Italy or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Redemption for regulatory reasons

If the relevant Final Terms specify that Condition 10(c) (*Redemption for regulatory reasons*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 10(c) (*Redemption for regulatory reasons*) of the Terms and Conditions of the Italian Law Notes in Physical Form or Condition 10(c) (*Redemption for regulatory reasons*) of the Terms and Conditions of the Dematerialised Notes is applicable, the Issuer may also, at its option, redeem Subordinated Notes following a Regulatory Event in accordance with Condition 10(c) (*Redemption for regulatory reasons*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 10(c) (*Redemption for regulatory reasons*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 10(c) (*Redemption for regulatory reasons*) of the Terms and Conditions of the Dematerialised Notes. To the extent required by the Applicable Banking Regulations, any redemption of the Subordinated Notes shall be subject to the prior approval of the Bank of Italy, as further set out in Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form or Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*) of the Terms and Conditions of the Dematerialised Notes, as applicable.

CMS Linked Interest Notes

The Issuer may issue Notes with interest determined by reference to the CMS Rate (a "**relevant factor**"). Potential investors should be aware that:

(i) the market price of such Notes may be volatile;

(ii) they may receive no interest;

(iii) the relevant factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

(iv) if the relevant factor is applied to the Notes in conjunction with a multiplier greater than one or contains any other leverage factor, the effect of changes in the relevant factor on interest payable is likely to be magnified; and

(v) the timing of changes in the relevant factor may affect the actual yield to investors, even if the average level is consistent with their expectations.

Fixed Rate Notes

Investment in Fixed Rate Notes involves the risks that substantial changes in market interest rates adversely affect the value of the Fixed Rate Notes.

Floating Rate Notes

Where the reference rate used to calculate the applicable interest rate turns negative, the interest rate will be below the margin, if any, or may be zero. Accordingly, where the rate of interest is equal to zero, the holders of such Floating Rate Notes may not be entitled to interest payments for certain or all interest periods.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

The interest rate on Reset Notes will reset on each Reset Date, which can be expected to affect the interest payment on an investment in Reset Notes and could affect the market value of the Reset Notes

Reset Notes will initially bear interest at the Initial Rate of Interest from and including the Interest Commencement Date up to but excluding the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of the applicable Mid-Swap Rate and the First Margin or Subsequent Margin (as applicable) as determined by the Calculation Agent on the relevant Reset Determination Date (each such interest rate, a "**Subsequent Reset Rate of Interest**"). The Subsequent Reset Rate of Interest for any Reset Period could be less than the Initial Rate of Interest or the Subsequent Reset Rate of Interest for prior Reset Periods and could affect the market value of an investment in the Reset Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-

bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Certain benchmark rates including EURIBOR, may be discontinued or reformed in the future

The Euro Interbank Offered Rate ("**EURIBOR**") and other indices which are deemed to be "benchmarks" are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to such a "benchmark".

Regulation (EU) No. 2016/1011 (the "**Benchmarks Regulation**") applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. The Regulation (EU) No. 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Benchmarks Regulation**") applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the UK. The EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to EURIBOR or another benchmark rate or index, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the terms of the EU Benchmarks Regulation or the UK Benchmarks Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark. More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks," trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

As an example of such benchmark reforms, on 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk free overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area. On 13 September 2018, the working group on Euro risk-free rates recommended the new Euro short-term rate ("**€STR**") as the new risk-free rate for the euro area. The €STR was published for the first time on 2 October 2019. Although EURIBOR has been reformed in order to comply with the terms of the Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

It is not possible to predict with certainty whether, and to what extent, EURIBOR will continue to be supported going forwards. This may cause EURIBOR to perform differently than it has done in the past and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

The Terms and Conditions of the Notes provide that, if the Issuer determines that a Benchmark Event (as defined in the Conditions) has occurred (including, but not limited to, a Reference Rate (as defined in the Conditions) ceasing to be provided or upon a material change of a Reference Rate if applicable), such an event may be deemed to have occurred prior to the issue date of a Series of Notes and the Issuer shall use reasonable endeavours to appoint an Independent Adviser for the purposes of determining a Successor Rate or an Alternative Benchmark Rate (as further described in Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the English Law Notes in Physical Form, in Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the Italian Law Notes in Physical Form and in Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the Dematerialised Notes) and, if applicable, an Adjustment Spread. Please refer to Condition 2 (*Definitions and Interpretation*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 2 (*Definitions and Interpretation*)

of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 2 (*Definitions and Interpretation*) of the Terms and Conditions of the Dematerialised Notes for the full definition of a Benchmark Event.

In certain circumstances, including but not limited to where (i) the Issuer is unable to appoint an Independent Adviser or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate, or where (if so specified in the relevant Final Terms) amendments to the terms of the Notes in accordance with Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the English Law Notes in Physical Form, with Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the Italian Law Notes in Physical Form and with Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the Dematerialised Notes would cause the occurrence of a Regulatory Event or a MREL Disqualification Event (as applicable) or (in the case of Senior Preferred Notes or Senior Non-Preferred Notes only) would result in the Relevant Authority treating an Interest Payment Date as the effective maturity date of the Notes, rather than the relevant Maturity Date, the ultimate fallback for the purposes of calculation of interest for a particular Interest Period or Reset Period (as applicable) may result in the Reference Rate applicable to the immediate following Interest Period or Reset Period (as applicable) being the Reference Rate applicable as at the last preceding Interest Determination Date. If there has not been a first Interest Payment Date, the Reference Rate may be the Reference Rate applicable to the first Interest Period. This may result in effective application of a fixed rate of interest for Notes initially designated to be Floating Rate Notes or Reset Notes (as applicable). In addition, due to the uncertainty concerning the availability of Successor Rates and Alternative Reference Rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

The use of a Successor Rate or an Alternative Benchmark Rate may result in interest payments that are substantially lower than or that do not otherwise correlate over time with the payments that could have been made on the Notes if the relevant benchmark remained available in its current form. In addition, while any Adjustment Spread may be expected to be designed to eliminate or minimise any potential transfer of value between counterparties, the application of the Adjustment Spread to the Notes may not do so and may result in the Notes performing differently (which may include payment of a lower interest rate) than they would do if the Reference Rate were to continue to apply in its current form.

Investors should consult their own independent advisers and make their own assessment about the potential risks or any of the international or national reforms and the possible application of the benchmark replacement provisions of the Notes, investigations and licensing issues in making any investment decision with respect to the Notes linked to or referencing such a "benchmark".

(a) ***Risk relating to Senior Notes***

Italian law applicable to the Senior Non-Preferred Notes was recently enacted

On 1 January 2018, the Italian law No. 205 of 27 December 2017 (the "**2018 Budget Law**") came into force introducing certain amendments to the Legislative Decree No. 385 of 1 September 1993 as amended (the "**Consolidated Banking Law**"), including the possibility for banks and companies belonging to banking groups to issue senior non-preferred securities (the so-called "*strumenti di debito chirografario di secondo livello*").

In particular, the 2018 Budget Law set forth certain requirements for notes to qualify as senior non-preferred securities:

(i) the original maturity period is at least equal to twelve months;

(ii) are not derivative securities or linked to derivative securities, nor include any feature of such derivative securities;

(iii) the minimum denomination is at least equal to Euro 150,000 (as amended by Italian Legislative Decree No. 193 of 8 November 2021);

(iv) may be offered only to qualified investors (*investitori qualificati*), as referred to in Article 100, letter a), of the Consolidated Finance Act as implemented by Article 34-*ter*, first paragraph, letter b) of Regulation No. 11971/1999 and Article 35, paragraph 1(d) of CONSOB Regulation No. 20307 of 15 February 2018;

(v) the prospectus and the agreements regulating the issuance of senior non-preferred securities expressly provide that payment of interest and reimbursement of principal due in respect thereof are subject to the provisions set forth in of Article 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Law.

According to Article 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Law, in case an issuer of senior non-preferred securities is subject to compulsory liquidation (*liquidazione coatta amministrativa*), the relevant payment obligations in respect thereof will rank in right of payment (A) after unsubordinated creditors (including depositors), including claims arising from the excluded liabilities within the meaning of Article 72a(2) of the CRR, (B) at least *pari passu* with all other present and future unsubordinated and non-preferred obligations which do not rank or are not expressed by their terms to rank junior or senior to such senior non-preferred securities and (C) in priority to any present or future claims ranking junior to such senior non-preferred securities and the claims of the shareholders.

Furthermore, Article 12-*bis* of the Consolidated Banking Law also provides that:

A. the provisions set forth in Article 91, paragraph 1-*bis*, letter c-*bis* of the Consolidated Banking Law shall apply to such senior non-preferred securities only to the extent that the requirements described in paragraphs (i), (ii) and (v) above have been complied with; any contractual provision which does not comply with any of the above requirements is invalid but such invalidity does not imply the invalidity of the entire agreement;

B. the senior non-preferred securities, once issued, may not be amended in a manner that the requirements described in paragraphs (i), (ii) and (v) above are not complied with and that any different contractual provision is null and void; and

C. the Bank of Italy may enact further regulation providing for additional requirements in respect of the issuance and the characteristics of senior non-preferred securities.

Any prospective investor in the Senior Non-Preferred Notes should be aware that the provisions of Articles 12-*bis* and 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Law was recently enacted and that, as at the date of this Base Prospectus, no interpretation of the application of such provisions has been issued by any Italian court or governmental or regulatory authority and no regulation has been issued by the Bank of Italy in respect thereof. Consequently, it is possible that any regulation or official interpretation relating to the above will be issued in the future by the Bank of Italy or any different authority, the impact of which cannot be predicted by the Issuer as at the date of this Base Prospectus.

The Senior Non-Preferred Notes are senior non-preferred obligations and are junior to certain obligations

In order to be eligible to meet the requirements and conditions of Articles 12-*bis* and 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Law and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority and also qualify as eligible liabilities available to meet the MREL Requirements (as defined in the Conditions), Senior Non-Preferred Notes will rank junior to Senior Preferred Notes and any other unsecured and unsubordinated obligations of the Issuer which rank, or are expressed to rank by their terms, senior to the Senior Non-Preferred Notes. As a result, the default risk on the Senior Non-Preferred Notes will be higher than the risk associated with preferred senior debt (such as Senior Preferred Notes) and other senior liabilities (such as wholesale deposits).

Although Senior Non-Preferred Notes may pay a higher rate of interest than comparable Senior Preferred Notes which are not issued on a senior non-preferred basis, there is a greater risk that an investor in Senior Non-Preferred Notes will lose all or some of its investment should the Issuer become insolvent.

Qualification of Senior Non-Preferred Notes as "strumenti di debito chirografario di secondo livello"

The intention of the Issuer is for Senior Non-Preferred Notes to qualify on issue as "*strumenti di debito chirografario di secondo livello*" as defined under, and for the purposes of, Articles 12-*bis* and 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Law and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority and also qualify as eligible liabilities available to meet the MREL Requirements (as defined in the Conditions). Current regulatory practice by the Bank of Italy (acting as lead regulator) does not require (or customarily provide) a confirmation prior to the issuance of the Senior Non-Preferred Notes that the Senior Non-Preferred Notes will comply with such provisions.

Although it is the Issuer's expectation that the Senior Non-Preferred Notes qualify as "*strumenti di debito chirografario di secondo livello*" as defined under, and for the purposes of, Articles 12-*bis* and 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Law and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority and also qualify as eligible liabilities available to meet the MREL Requirements (as defined in the Conditions) there can be no representation that this is or will remain the case during the life of the Senior Non-Preferred Notes.

Senior Preferred Notes and Senior Non-Preferred Notes could be subject to a MREL Disqualification Event redemption

Senior Preferred Notes and Senior Non-Preferred Notes are intended to be eligible liabilities available to meet the MREL Requirements (as defined in the Conditions). However, there is uncertainty regarding the final substance of the applicable MREL Requirements, and the Issuer cannot provide any assurance that the Senior Preferred Notes and Senior Non-Preferred Notes will be or remain eligible for the purposes of the MREL Requirements. Any changes to MREL under the European Commission's combined legislative proposal may be more restrictive than the EC Proposals (as defined in the Conditions).

If Senior Preferred Notes or Senior Non-Preferred Notes are not eligible for the purposes of the MREL Requirements (or if they initially are compliant with the MREL Requirements and subsequently become ineligible due to a change in the relevant final regulations implementing the MREL requirements), then an MREL Disqualification Event will occur.

In this respect, if at any time a MREL Disqualification Event occurs and is continuing in relation to any Series of Senior Preferred Notes or Senior Non-Preferred Notes (as the case may be), and the applicable Final Terms for the Senior Preferred Notes or Senior Non-Preferred Notes of such Series specify that Issuer Call due to a MREL Disqualification Event is applicable, the Issuer may redeem all, but not part, of the Notes of such Series at the price set out in the applicable Final Terms together (if appropriate) with interest accrued to (but excluding) the date of redemption. Senior Preferred Notes and Senior Non-Preferred Notes may only be redeemed by the Issuer subject to (to the extent that the Relevant Authority so requires at the time of the proposed redemption) the Issuer having given such notice to the Relevant Authority as the Relevant Authority may then require prior to such redemption and no objection thereto has been raised by the Relevant Authority or (if required) the Relevant Authority has provided its consent thereto and any other requirements of the Relevant Authority applicable (if any) to such redemption at the time have been complied with by the Issuer (including, with reference to Senior Non-Preferred Notes, with respect to Article 12-*bis* and Article 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Law, and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority at the relevant time). A MREL Disqualification Event shall be deemed to have occurred if, by reason of a change in the MREL Requirements as implemented in Italian law and regulations and/or EU regulations, as the case may be, which was not reasonably foreseeable by the Issuer at the Issue Date of Senior Preferred Notes or Senior Non-Preferred Notes, all or part of the aggregate outstanding nominal amount of such Series of Senior Preferred Notes or Senior Non-Preferred Notes are or will be excluded fully or partially from the eligible liabilities available to meet the MREL Requirements. The implementation of the minimum requirements for eligible liabilities under the BRRD is subject to the implementation of the EC Proposals (as defined in the Conditions) in the EU and in Italy.

If the Senior Preferred Notes or Senior Non-Preferred Notes are to be so redeemed, there can be no assurance that Noteholders will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investment in the Senior Preferred Notes or Senior Non-Preferred Notes. In addition, the occurrence of a MREL Disqualification Event could result in a decrease in the market price of the Notes. See also "*Notes subject to optional redemption by the Issuer*" above.

Early redemption and repurchase of the Senior Preferred Notes and Senior Non-Preferred Notes may be restricted

Any redemption and repurchase of the Senior Notes and Senior Non-Preferred Notes shall be subject, where applicable, to compliance by the Issuer with any conditions to such redemption or repurchase prescribed by (i) the MREL Requirements at the relevant time (including any requirements applicable to such redemption or repurchase due to the qualification of such Senior Notes or Senior Non-Preferred Notes at such time as eligible liabilities available to meet the MREL Requirements); and (ii) in case of Senior Non-Preferred Notes only, Article 12-bis and Article 91, section 1-bis, letter c-bis of the Consolidated Banking

Law, and any relevant implementing regulation which may be enacted for such purposes by any regulatory authority at the relevant time.

In addition, under the EU Banking Reform, the Issuer shall obtain, where applicable, the prior permission of the regulatory authority to reduce, call, redeem, repay or repurchase Senior Notes or Senior Non-Preferred Notes which qualify as eligible liabilities available to meet MREL Requirements. The EU Banking Reform states that the regulatory authority would approve the reduction, call, redemption, repayment or repurchase of the Senior Notes or Senior Non-Preferred Notes where any of the following conditions is met in accordance with Article 78a of the CRR:

(i) on or before such redemption or repurchase of the Senior Notes or Senior Non-Preferred Notes, the Issuer replaces the Senior Notes or Senior Non-Preferred Notes with own funds instruments or eligible liabilities of an equal or higher quality on terms that are sustainable for the income capacity of the relevant Issuer;

(ii) the Issuer has demonstrated to the satisfaction of the regulatory authority that its own funds and eligible liabilities would, following such redemption or repurchase, exceed the requirements for own funds and eligible liabilities set out in the CRD V Directive or the BRRD (or, in either case, any relevant provisions of Italian law implementing the CRD V Directive or, as appropriate, the BRRD) or the CRR Regulation by a margin that the regulatory authority considers necessary; or

(iii) the Issuer has demonstrated to the satisfaction of the regulatory authority that the partial or full replacement of the eligible liabilities with own funds instruments is necessary to ensure compliance with the own funds requirements laid down in the CRR and in the CRD V Directive for continuing authorisation.

subject in any event to any different conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78a of the CRR shall not constitute a default of the Issuer for any purposes.

Senior Preferred Notes and Senior Non-Preferred Notes may be subject to substitution and modification without Noteholders' consent

If (i) at any time a MREL Disqualification Event or, if Variation for an Alignment Event is indicated as applicable in the relevant Final Terms, an Alignment Event occurs and is continuing in relation to any Series of Senior Preferred Notes or Senior Non-Preferred Notes, or (ii) in order to ensure the effectiveness and enforceability of Condition 23 (*Contractual recognition of bail-in powers*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 23 (*Contractual recognition of bail-in powers*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 23 (*Contractual recognition of bail-in powers*) of the Terms and Conditions of the Dematerialised Notes, then the Issuer may, subject to giving any notice required to be given to, and receiving any consent required from, the Relevant Authority, if so required, (without any requirement for the consent or approval of the Holders of the Senior Preferred Notes or Senior Non-Preferred Notes of that Series), elect (i) in the case of English Law Notes in Physical Form, either to substitute all (but not only some) of such Senior Preferred Notes or Senior Non-Preferred Notes or modify the terms of all (but not only some) such Senior Preferred Notes or Senior Non-Preferred Notes so that they remain or, as appropriate, become, Qualifying Senior Preferred Notes or Senior Non-Preferred Notes, (ii) in the case of Italian Law Notes in Physical Form, modify the terms of all (but not only some) of such Senior Preferred Notes or Senior Non-Preferred Notes, or (iii) in the case of Dematerialised Notes, modify the terms of all (but not only some) of such Senior Preferred Notes or Senior Non-Preferred Notes, so that they remain or, as appropriate, become, Qualifying Senior Preferred Notes or Senior Non-Preferred Notes, *provided that* such variation or substitution does not of itself give rise to any right of the Issuer to redeem the varied or substituted securities.

Qualifying Senior Preferred Notes and Qualifying Senior Non-Preferred Notes, as applicable, are securities issued by the Issuer that, other than in respect of the effectiveness and enforceability of Condition 23 (*Contractual recognition of bail-in powers*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 23 (*Contractual recognition of bail-in powers*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 23 (*Contractual recognition of bail-in powers*) of the Terms and Conditions of the Dematerialised Notes, have terms not materially less favourable to the

Noteholders (as certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing) than the terms of the relevant Senior Preferred Notes or Senior Non-Preferred Notes, as applicable. However, no assurance can be given as to whether any of these changes will negatively affect any particular Noteholder. In addition, the tax and stamp duty consequences of holding such substituted or varied notes could be different for some categories of Noteholders from the tax and stamp duty consequences for them of holding the notes prior to such substitution or variation.

(b) ***Risk relating to Subordinated Notes***

The Issuer's obligations under Subordinated Notes are subordinated

If the Issuer is declared insolvent and a winding up is initiated, it will be required to pay the holders of senior debt and meet its obligations to all its other creditors (including unsecured creditors) in full before it can make any payments on the Subordinated Notes. If this occurs, the Issuer may not have enough assets remaining after these payments to pay amounts due under the Subordinated Notes and/or payments to Noteholders may be delayed, even significantly, as compared to payments with respect to payments made to holders of senior debt and/or other creditors.

In addition, in case of application of the bail-in tool and of activation of the point of non-viability mechanism provided for by the BRRD (as defined above), the Subordinated Notes may be written down, up to zero, or converted to equity. Please see further "*Changes in regulatory framework and accounting policies*" above.

The Issuer's obligations under Subordinated Notes will be unsecured and subordinated and will rank junior in priority to the claims of unsubordinated, unsecured creditors (including depositors) of the Issuer. Although Subordinated Notes may pay a higher rate of interest than comparable notes which are not subordinated, there is a real risk that an investor in Subordinated Notes will lose all or some of its investment should the Issuer become insolvent.

Italian Legislative Decree No. 193 of 8 November 2021 implementing Directive 879/2019/EU ("**BRRD II**") in Italy and published on 30 November 2021 in the *Gazzetta Ufficiale* has transposed in the Italian legislation Article 48(7) of BRRD II under Article 91, paragraph 1-*bis*), letter c-*ter*) of the Consolidated Banking Law. Such provisions state that (i) if an instrument is only partly recognised as an own funds item, the whole instrument shall be treated in insolvency as a claim resulting from an own funds item and shall rank lower than any claim that does not result from an own funds item and (ii) if an instrument is fully disqualified as own funds item, it would cease to be treated as a claim resulting from an own funds item in insolvency and, consequently, would improve their ranking with respect to any claim that results from an own funds item (such as the Subordinated Notes).

In light of this new provision, if the Subordinated Notes were to be disqualified in full as own funds items in the future: (a) their ranking would improve vis-à-vis the rest of the Subordinated Notes; and (b) in the event of a liquidation or bankruptcy of the Issuer, the Issuer would, *inter alia*, be required to pay the holders of the Notes and any other subordinated creditors of the Issuer, whose claims arise from liabilities that are no longer fully recognised as an own funds instrument, in full before it can make any payments on any other Subordinated Notes which are still recognised (at least in part) as own funds instruments.

For a full description of the provisions relating to Subordinated Notes, see Condition 6 (*Status of Subordinated Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 6 (*Status of Subordinated Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 6 (*Status of Subordinated Notes*) of the Terms and Conditions of the Dematerialised Notes.

Regulatory classification of the Notes

If any Subordinated Notes are issued under the Programme, the Issuer's intention is that they should qualify on issue as "Tier 2 Capital", for so long as this is permitted under the Applicable Banking Regulations. Current regulatory practice by the Bank of Italy does not require (or customarily provide for) a confirmation prior to the issuance of Subordinated Notes that the Notes will be treated as such. There can be no guarantee that any such Subordinated Notes will continue to qualify as "Tier 2 Capital" during the life of the Notes or that the Notes will be grandfathered under the implementation of further EU capital requirement regulations. If the Notes are not grandfathered, or for any other reason cease to qualify, as "Tier 2 capital", the Issuer will (if so specified in the applicable Final Terms) have the right to redeem the Notes in

accordance with Condition 10(c) (*Redemption for regulatory reasons*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 10(c) (*Redemption for regulatory reasons*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 10(c) (*Redemption for regulatory reasons*) of the Terms and Conditions of the Dematerialised Notes, subject to the prior approval of the Relevant Authority. During any period in which there is an actual or perceived increase in the likelihood that the Issuer may exercise such rights to redeem the Notes, the price of the Notes may be adversely impacted and may not rise above the redemption price. There can be no assurance that holders of such Subordinated Notes will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investments in the relevant Subordinated Notes.

Modification or Substitution of Subordinated Notes without Noteholders' consent

In relation to any series of Subordinated Notes, if the relevant Final Terms specify that Modification or Substitution of Subordinated Notes for Regulatory Event or Tax Event or Variation for an Alignment Event is applicable, then the Issuer may in certain circumstances, elect (i) in the case of English Law Notes in Physical Form, either to substitute all (but not only some) of the Subordinated Notes or modify the terms of all (but not only some) of such Subordinated Notes so that they become or remain Qualifying Subordinated Notes, (ii) in the case of Italian Law Notes in Physical Form, modify the terms of all (but not only some) of such Subordinated Notes so that they become or remain, Qualifying Subordinated Notes, or (iii) in the case of Dematerialised Notes, modify the terms of all (but not only some) of such Subordinated Notes so that they become or remain, Qualifying Subordinated Notes, as applicable, without any requirement for the consent or approval of the Noteholders to the extent that such modification or substitution is reasonably necessary to ensure that no Regulatory Event or Tax Event or Alignment Event would exist after such modification. Any such modification or substitution could have a material adverse effect on the price or value of any investment in any Notes.

Qualifying Subordinated Notes, as applicable, are securities issued by the Issuer that, other than in respect of the effectiveness and enforceability of Condition 23 (*Contractual recognition of bail-in powers*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 23 (*Contractual recognition of bail-in powers*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 23 (*Contractual recognition of bail-in powers*) of the Terms and Conditions of the Dematerialised Notes, have terms not less favourable to the Noteholders (as certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing) than the terms of the Subordinated Notes, as applicable. However, no assurance can be given as to whether any of these changes will negatively affect any particular Noteholder. In addition, the tax and stamp duty consequences of holding such substituted or varied notes could be different for some categories of Noteholders from the tax and stamp duty consequences for them of holding the notes prior to such substitution or variation.

Risk relating to the governing law of the Italian Law Notes in Physical Form

The Terms and Conditions of the Italian Law Notes in Physical Form are governed by Italian law and Condition 22 (*Governing Law and Jurisdiction*) of the Terms and Conditions of the Italian Law Notes in Physical Form provides that contractual and non-contractual obligations arising out or in connection with them are governed by, and shall be construed in accordance with, Italian Law, pursuant to EU and Italian private international law provisions as applicable from time to time. The Global Notes representing the Italian Law Notes provide that all contractual and non-contractual obligations arising out of or in connection with the Global Notes representing the Italian Law Notes are governed by Italian law, save for the form and transferability of the Global Notes which are governed by English law. Article 59 of Law No. 218 of 31 May 1995 (the "**Italian Private International Law**") provides that other debt securities (*titoli di credito*) are governed by the law of the State in which the security was issued. The Temporary Global Notes or the Permanent Global Notes, whether issued in CGN or NGN form, as the case may be, representing the Italian Law Notes in Physical Form are signed by the Issuer in the United Kingdom and are, thereafter, delivered to BNP PARIBAS, Luxembourg Branch as Fiscal Agent, being the entity in charge of, *inter alia*, completing, authenticating and delivering the Temporary Global Note and Permanent Global Notes and (if required) authenticating and delivering Definitive Notes.

The Issuer cannot foresee the effect of any potential misalignment between the laws applicable to the Terms and Conditions of the Italian Law Notes in Physical Form and the laws applicable to their transfer and circulation for any prospective investors in the Italian Law Notes in Physical Form and any disputes which may arise in relation to, *inter alia*, the transfer of ownership in the Italian Law Notes in Physical Form on

the basis of the above-mentioned provisions of Italian Private International Law and the relevant applicable European legislation.

Notes have limited Events of Default and remedies

The Events of Default in respect of Notes, being events upon which, in certain circumstances, the holders of the Notes, may declare the Notes to be immediately due and repayable, are limited to circumstances in which the Issuer becomes subject to winding-up or an analogous event as set out in Condition 13 (*Events of Default*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 13 (*Events of Default*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 13 (*Events of Default*) of the Terms and Conditions of the Dematerialised Notes. Accordingly, other than following the occurrence of an Event of Default, even if the Issuer fails to meet any of its obligations under the Notes, including the payment of any interest, the holders of the Notes will not have the right of acceleration of principal and the sole remedy available to Noteholders for recovery of amounts owing in respect of any of the Notes will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

2. Risks related to the Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Waiver of set-off

As specified in Condition 4 (*Status of the Senior Preferred Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 4 (*Status of the Senior Preferred Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 4 (*Status of the Senior Preferred Notes*) of the Terms and Conditions of the Dematerialised Notes in respect of Senior Preferred Notes, in Condition 5 (*Status of the Senior Non-Preferred Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 5 (*Status of the Senior Non-Preferred Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 5 (*Status of the Senior Non-Preferred Notes*) of the Terms and Conditions of the Dematerialised Notes in respect of Senior Non-Preferred Notes and in Condition 6 (*Status of the Subordinated Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 6 (*Status of the Subordinated Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 6 (*Status of the Subordinated Notes*) of the Terms and Conditions of the Dematerialised Notes in respect of Subordinated Notes, the holder of a Note will unconditionally and irrevocably waive any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Note.

Taxation

The tax regime in the Republic of Italy and in any other relevant jurisdiction (including, without limitation, the jurisdiction in which each Noteholder is resident for tax purposes) may be relevant to the acquiring, holding and disposing of Notes and the receiving of payments of interest, principal and/or other income under the Notes. Prospective investors in the Notes should consult their own tax advisers as to which countries' tax laws could be relevant and the consequences of such actions under the tax laws of those countries.

Risks related to the pending Italian tax reform

Law 111/2023 delegates power to the Italian Government to enact, within twenty-four months from its publication, one or more legislative decrees implementing the reform of the tax system. According to Law 111/2023, the tax reform may change significantly the taxation of financial incomes and capital gains and introduce various amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be quantified or foreseen with certainty at this stage. The information provided in this Base Prospectus may not reflect the future tax landscape accurately.

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

Change of law

The Terms and Conditions of the English Law Notes in Physical Form are based on English law in effect as at the date of this Base Prospectus, other than subordination and certain other provisions relating to Subordinated Notes, which are based on Italian law in effect as at the date of this Base Prospectus.

The Terms and Conditions of the Italian Law Notes in Physical Form and the Terms and Conditions of the Dematerialised Notes are Italian law based in effect as at the date of this Base Prospectus.

No assurance can be given as to the impact of any possible judicial decision or change to applicable law or administrative practice after the date of this Base Prospectus.

Decisions at Noteholders' meetings bind all Noteholders

Provisions for calling meetings of Noteholders are contained in the Agency Agreement for the English Law Notes in Physical Form, in the Agency Agreement for the Italian Law Notes in Physical Form, and in Schedule 1 to the Terms and Conditions of the Dematerialised Notes, as applicable, and are summarised in Condition 17 (*Meetings of Noteholders, Modification, Waiver and Substitution*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 17 (*Meetings of Noteholders, Modification, Waiver and Substitution*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 16 (*Meetings of Noteholders, Modification, Waiver and Substitution*) of the Terms and Conditions of the Dematerialised Notes. Noteholders' meetings may be called to consider matters affecting Noteholders' interests generally, including modifications to the terms and conditions relating to the Notes. These provisions permit defined majorities to bind all Noteholders, including those who did not attend and vote at the relevant meeting or who voted against the majority. Any such modification may have an adverse impact on Noteholders' rights and on the market value of the Notes.

The Conditions also provide that the Notes, the Coupons of the Notes in Physical Form and the Conditions may be amended without the consent of the Noteholders or the Couponholders of the Notes in Physical Form to correct a manifest error. In addition, pursuant to Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 8(j) (*Benchmark Discontinuation*) of the Terms and Conditions of the Dematerialised Notes, certain changes may be made to the interest calculation provisions of the Notes in the circumstances and as otherwise set out in such Condition, without the requirement for consent of the Noteholders.

Because the Global Notes in respect of Notes in Physical Form are held by or on behalf of Euroclear and Clearstream Banking, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes in Physical Form issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary or common safekeeper for Euroclear and Clearstream Banking. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream Banking will maintain records of the beneficial interests in the Global Notes. While the Notes in Physical Form are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream Banking. While the Notes in Physical Form are represented by one or more Global Notes, the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary or common safekeeper for Euroclear and Clearstream Banking for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream Banking to receive payments under the relevant Notes in Physical Form. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes. Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream Banking to appoint appropriate proxies.

Delisting of the Notes

Application has been made for Notes issued under the Programme to be listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange and Notes issued under the Programme may also be admitted to trading, listing and/or quotation by any other listing authority, stock

exchange or quotation system (each, a "**listing**"), as specified in the relevant Final Terms, including the MOT (Mercato Telematico Obbligazionario). Such Notes may subsequently be delisted despite the best efforts of the Issuer to maintain such listing and, although no assurance is made as to the liquidity of the Notes as a result of listing, any delisting of the Notes may have a material effect on a Noteholder's ability to resell the Notes on the secondary market.

Denominations and restrictions on exchange for Definitive Notes in respect of Notes in Physical Form

Notes may in certain circumstances be issued in denominations including (i) a minimum denomination of €100,000 (or its equivalent in another currency) or, in the case of Senior Non-Preferred Notes, a minimum denomination of €150,000 (or its equivalent in another currency) or, in the case of Subordinated Notes, a minimum denomination of €200,000 (or its equivalent in another currency), or such other minimum denomination provided by applicable law from time to time (the "**Minimum Denomination**") and (ii) an amount which is greater than the Minimum Denomination (or its equivalent) but which is an integral multiple of a smaller amount (such as €1,000). Where this occurs, Notes may be traded in amounts in excess of the Minimum Denomination (or its equivalent) that are not integral multiples of the Minimum Denomination (or its equivalent). In such a case, a holder who as a result of trading such amounts, holds a principal amount of less than the Minimum Denomination will not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to an integral multiple of the Minimum Denomination.

The Notes do not restrict the amount of debt which the Issuer may incur

Other than the €5,000,000,000 limit with regard to the Notes issued under the Programme, the Terms and Conditions of the Notes do not contain any restriction on the amount of indebtedness which the Issuer may from time to time incur. In the event of any insolvency or winding-up of the Issuer, the Notes will rank equally with other indebtedness of the Issuer having the same ranking and, accordingly, any increase in the amount of such indebtedness or higher ranking indebtedness of the Issuer in the future may reduce the amount recoverable by Noteholders. In addition, the Notes are unsecured and do not contain any restriction on the giving of security by the Issuer to secure present and future indebtedness. Where security has been granted over assets of the Issuer to secure indebtedness, in the event of any insolvency or winding-up of the Issuer, such indebtedness will rank in priority over the Notes and other unsecured indebtedness of the Issuer in respect of such assets.

No physical document of title issued in respect of the Notes issued in dematerialised form

Notes issued under the Programme may be issued in dematerialised form and evidenced at any time through book entries pursuant to the relevant provisions of the Financial Services Act and in accordance with the CONSOB and Bank of Italy Joint Regulation (as defined in the Terms and Conditions for the Dematerialised Notes). In no circumstance would physical documents of title be issued in respect of the Notes issued in dematerialised form. While the Notes are represented by book entries, investors will be able to trade their beneficial interests only through Monte Titoli and the authorised financial intermediaries holding accounts on behalf of their customers with Monte Titoli. As the Notes are held in dematerialised form with Monte Titoli, investors will have to rely on the procedures of Monte Titoli and the financial intermediaries authorised to hold accounts therewith, for transfer, payment and communication with the Issuer.

Potential Conflicts of Interest for Dematerialised Notes

The Issuer may act as Paying Agent and Calculation Agent for the Dematerialised Notes and a conflict of interest may arise being the Issuer engaged in its other banking activities from time to time and in transactions involving an index or related derivatives which may affect amounts receivable by Noteholders during the term and on the maturity of the Dematerialised Notes or the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders. (See also "*Conflicts of Interest*" below).

Notes issued, if any, as "Green Bonds", "Social Bonds" or "Sustainability Bonds" may not be a suitable investment for all investors seeking exposure to green assets or social assets or sustainable assets

If so specified in the relevant Final Terms, the Issuer may issue Notes under the Programme described as "green bonds" ("**Green Bonds**"), "social bonds" ("**Social Bonds**") and "sustainability bonds"

("**Sustainability Bonds**") in accordance with the principles set out by the International Capital Market Association ("**ICMA**") (respectively, the Green Bond Principles ("**GBP**"), the Social Bond Principles ("**SBP**") and the Sustainability Bond Guidelines ("**SBG**")).

In such a case, prospective investors should have regard to the information set out at "The use and, estimated net amount of the proceeds" in the applicable Final Terms and must determine for themselves the relevance of such information for the purpose of any investment in the Notes together with any other investigation such investors deem necessary, and must assess the suitability of that investment in light of their own circumstances.

It should be noted that there is currently no clearly established definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, respectively "green" or a "social" or a "sustainable" project or as to what precise attributes are required for a particular project to be defined as "green" or "social" or "sustainable" or such other equivalent label.

No assurance can be given that green or social or sustainable projects will meet investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels (including in relation to the EU Taxonomy Regulation and any related technical screening criteria, the EU Green Bond Regulation, SFDR, and any implementing legislation and guidelines, or any similar legislation in the United Kingdom) or any requirements of such labels as they may evolve from time to time.

Any Green Bonds issued under the Programme will not be compliant with the EU Green Bond Regulation and are only intended to comply with the requirements and processes in the Issuer's Green, Social and Sustainability Bond Framework (as defined in the "Use of Proceeds" section of this Base Prospectus).

It is not clear if the establishment under the EU Green Bond Regulation of the "European Green Bond" or "EuGB" label and the optional disclosure templates for bonds marketed as "environmentally sustainable" could have an impact on investor demand for, and pricing of, green use of proceeds bonds that do not comply with the requirements of the "EuGB" label or the optional disclosure templates, such as the Green Bonds issued under this Programme. It could result in reduced liquidity or lower demand or could otherwise affect the market price of any Green, Social or Sustainable Bonds issued under this Programme that do not comply with the requirements of the EU Green Bond Regulation.

No assurance is given that such use of proceeds will satisfy any present or future investment criteria or guidelines with which an investor is required, or intends, to comply, in particular with regard to any direct or indirect environment or sustainability impact of any project or uses, the subject of or related to the Issuer's Green, Social and Sustainability Bond Framework (including in relation to the EU Taxonomy Regulation and any related technical screening criteria, the EU Green Bond Regulation, SFDR, and any implementing legislation and guidelines, or any similar legislation in the United Kingdom).

No assurance that any adverse green or social or sustainable and/or other impacts will not occur during the implementation of any green or social or sustainable project. The Issuer's Green, Social and Sustainability Bond Framework may be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Base Prospectus. A withdrawal of the Green, Social and Sustainability Bond Framework may affect the value of such Green Bonds, Social Bonds or Sustainability Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green or social or sustainable assets. The Issuer's Green, Social and Sustainability Bond Framework does not form part of, nor is incorporated by reference, in this Base Prospectus.

A basis for the determination of the definitions of "green" and "sustainable" has been established in the EU Taxonomy Regulation on the establishment of a framework to facilitate sustainable investment and the final social taxonomy report on transition activities for the EU Taxonomy Regulation, which was published by the Platform on Sustainable Finance on 28 February 2022. On 21 April 2021, the European Commission adopted the EU Taxonomy Climate Delegated Act (as defined below), introducing a first set of technical screening criteria to be used to define which activities contribute to the following environmental objectives under the EU Taxonomy Regulation: climate change adaptation and climate change mitigation (the "**Taxonomy Climate Delegated Act**"). The Taxonomy Climate Delegated Act entered into force on 1 January 2022. On 10 March 2022, the EU Commission adopted the EU taxonomy Complementary Climate Delegated Act, covering certain nuclear and gas activities, which is applicable since January 2023.

Furthermore, on 6 April 2022, the European Commission adopted the Regulatory Technical Standards to SFDR, which apply from 1 January 2023. Any further delegated act adopted by the EU Commission to implement the EU Taxonomy Regulation or the Sustainable Finance Disclosure Regulation may result in a regular review of the relating screening criteria, with changes to the scope of activities and other amendments to reflect technological progress.

While it is the intention of the Issuer to allocate an amount equal to the proceeds of Social Bonds, Green Bonds or Sustainability Bonds in, or substantially in, the manner described in the applicable Final Terms, there is no contractual obligation to do so. There can be no assurance that any such social, green or sustainable project will be available or capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly, that the Issuer will be able to use the proceeds for such green, social or sustainable projects as intended. In addition, there can be no assurance that social, green or sustainable projects will be completed as expected or achieve the impacts or outcomes (environmental, social or otherwise) originally expected or anticipated by the Issuer or that the originally designated green project or social project or sustainable project (or any project(s) resulting from any subsequent reallocation of some or all of the proceeds of the relevant Green Bonds, Social Bonds or Sustainability Bonds) will not be the potentially or actual disqualified as such.

None of a failure by the Issuer to allocate the proceeds of any Notes issued as Social Bonds, Green Bonds or Sustainability Bonds (including any failure by the Issuer to comply with its reporting obligations in relation to Green Bonds, Social Bonds or Sustainability Bonds, as applicable) or a failure of a third party to issue (or to withdraw) an opinion or certification in connection with an issue of Social Bonds, Green Bonds or Sustainability Bonds or the failure of the Notes issued as Social Bonds, Green Bonds or Sustainability Bonds to meet investors' expectations requirements regarding any "green", "sustainable", "social" or similar labels will constitute an Event of Default or breach of contract with respect to any of the Notes issued as Social Bonds, Green Bonds or Sustainability Bonds. Any such event or failure will also not (i) give rise to any claim of a Noteholder against the Issuer; (ii) lead to an obligation of the Issuer to redeem such Notes or be a relevant factor for the Issuer in determining whether or not to exercise any optional redemption rights in respect of any Notes; (iii) affect the qualification of such Notes as *strumenti di debito chirografario di secondo livello*, Tier 2 Capital or as eligible liabilities instruments (as applicable); (vi) have any impact on the status of the Notes as indicated in Condition 4 (*Status of the Senior Preferred Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 4 (*Status of the Senior Preferred Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form, Condition 4 (*Status of the Senior Preferred Notes*) of the Terms and Conditions of the Dematerialised Notes, Condition 5 (*Status of the Senior Non-Preferred Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 5 (*Status of the Senior Non-Preferred Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form, Condition 5 (*Status of the Senior Non-Preferred Notes*) of the Terms and Conditions of the Dematerialised Notes, Condition 6 (*Status of the Senior Subordinated Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 6 (*Status of the Senior Subordinated Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 6 (*Status of the Senior Subordinated Notes*) of the Terms and Conditions of the Dematerialised Notes; (v) prevent the applicability of the Bail-in Power; or (vi) constitute an Event of Default under the relevant Notes.

The Issuer does not undertake to ensure that there are at any time sufficient social, green or sustainable projects to allow for allocation of a sum equal to the net proceeds of the issue of such Social Bonds, Green Bonds or Sustainability Bonds in full.

Regardless of their "green", ""social" or "sustainable" or such other equivalent label, Green Bonds, Social Bonds or Sustainability Bonds, as any other Notes, will be fully subject to the application of CRR eligibility criteria and BRRD requirements for own funds and eligible liabilities instruments (including the application of mandatory write-down or conversion to equity in the event a resolution procedure is initiated in respect of the Group (including the Issuer) and, with respect to Notes qualifying as Tier 2 Capital, even before the commencement of any such procedure if certain conditions are met), the Notes (or the proceeds thereof) will be available to absorb all losses (whether or not related to any ""green", ""social" or ""sustainable" assets towards which proceeds of the relevant Notes may have been applied or, if relevant, reallocated) in accordance with their terms (if applicable) or the Applicable Banking Regulations and, as such, proceeds from Green Bonds, Social Bonds or Sustainability Bonds qualifying as own funds or eligible liabilities should cover all losses in the balance sheet of the Issuer. The fact that such Notes are designated as Green Bonds, Social Bonds or Sustainability Bonds does not provide their holders with any priority compared to other Notes and such Notes will be subject to the same risks relating to their level of subordination.

Green Bonds, Social Bonds or Sustainability Bonds, as any other Bonds, will be fully subject to the application of CRR eligibility criteria and BRRD requirements for own funds and eligible liabilities instruments and, as such, proceeds from Green Bonds, Social Bonds or Sustainability Bonds qualifying as own funds or eligible liabilities should cover all losses in the balance sheet of the Issuer regardless of their "green", "social" or "sustainable" or such other equivalent label.

The net proceeds of the issue of any Social Bonds, Green Bonds or Sustainability Bonds which, from time to time, are not allocated as funding for social, green or sustainable projects are intended by the Issuer to be held pending allocation. For the avoidance of doubt, neither the proceeds of any Green Bonds, Social Bonds or Sustainability Bonds nor any amount equal to such proceeds will be segregated by the Issuer from its capital and other assets and payments of principal and interest (as the case may be) on the relevant Green Bonds, Social Bonds or Sustainability Bonds shall not depend on the performance of the relevant project nor have any preferred right against such assets.

No assurance of suitability or reliability of any Second Party Opinion or any other opinion or certification of any third party relating to any Green Bonds, Social Bonds and Sustainability Bonds

In connection with the issue of Green Bonds, Social Bonds and Sustainability Bonds, the Issuer may request a sustainability rating agency or sustainability consulting firm to issue a second-party opinion confirming that the relevant green and/or social and/or sustainable project, as the case may be have been defined in accordance with the broad categorisation of eligibility for green, social and sustainable projects set out in the GBP, the SBP and the SBG and/or a second-party opinion regarding the suitability of the Notes as an investment in connection with certain environmental, sustainability or social projects (any such second-party opinion, including the Second Party Opinion as defined in the "Use of Proceeds" section of this Base Prospectus, a "**Second-party Opinion**"). A Second-party Opinion may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed above and other factors that may affect the value of the Notes or the projects financed or refinanced toward an amount corresponding to the net proceeds of the relevant issue of Green Bonds, Social Bonds and Sustainability Bonds. A Second-party Opinion would not constitute a recommendation to buy, sell or hold the relevant Green Bonds or Social Bonds or Sustainability Bonds and would only be current as of the date it is released. The criteria and/or considerations that form the basis of any Second-party Opinion and any other such opinion or certification may change at any time and such Second-party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. Any withdrawal of any such opinion or certification may have a material adverse effect on the value of any Green Bonds, Social Bonds or Sustainability Bonds in respect of which such opinion or certification is given and /or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein. As at the date of this Base Prospectus, the providers of such opinions, review, certifications and post-issuance report are not subject to any specific regulatory or other regime or oversight. Whilst the EU Green Bond Regulation will introduce a supervisory regime of external reviewers of European Green Bonds this is not due to take full effect until 21 June 2026.

No assurance that Green Bonds, Social Bonds or Sustainability Bonds will be admitted to trading on any dedicated "green", "sustainable", "social" (or similar) segment of any stock exchange or market, or that any admission obtained will be maintained

In the event that any such Notes are listed or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given that such listing or admission satisfies any present or future investment criteria or guidelines with which such investor is required, or intends, to comply. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. No representation or assurance is given or made by that any such listing or admission to trading will be obtained in respect of any such Notes or that any such listing or admission to trading will be maintained during the life of the Notes.

If any of the risks outlined in this risk factor materialise this may have a material adverse effect on the value of such Notes and/or may have consequences for certain investors with portfolio mandates to invest in green assets (which consequences may include the need to sell the Notes as a result of the Notes not falling within the investor's investment criteria or mandate).

3. Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Transfers of the Notes may be restricted, which may adversely affect the secondary market liquidity and/or trading prices of the Notes

Subject to applicable Italian laws and regulations, the ability to transfer the Notes may also be restricted by securities laws or regulations of certain countries or regulatory bodies. See "Subscription and Sale".

The Notes have not been, and will not be, registered under the Securities Act or any state securities laws or the securities laws of any other jurisdiction. Noteholders may not offer the Notes in the United States or for the account or benefit of a U.S. person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. It is the obligation of each Noteholder to ensure that offers and sales of Notes comply with all applicable securities laws and regulations. In addition, transfers to certain persons in certain other jurisdictions may be limited by law and regulations, or may result in the imposition of penalties or liability. For a description of restrictions which may be applicable to transfers of the Notes, see "*Subscription and Sale*".

Credit ratings

One or more independent credit rating agencies may assign credit ratings to the Notes. Where an issue of Notes is rated, investors should be aware that:

(i) such rating will reflect only the views of the rating agency and may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Notes;

(ii) a rating is not a recommendation to buy, sell or hold securities and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency;

(iii) notwithstanding the above, an adverse change in a credit rating could adversely affect the trading price for the Notes; and

(iv) tranches of Notes issued under the Programme may be rated or unrated and, where an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme.

Furthermore, in general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the EEA and registered under the CRA Regulation or (2) provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (3) provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation. Similarly, in general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (3) provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

Conflicts of Interest

The Issuer may act as Calculation Agent or appoint a Dealer as Calculation Agent in respect of an issuance of Notes under the Programme. In such a case the Calculation Agent is likely to be a member of a financial group that is involved, in the ordinary course of its business, in a wide range of banking activities out of which conflicting interests may arise. Whilst such a Calculation Agent will, where relevant, have information barriers and procedures in place to manage conflicts of interest, it may in its other banking activities from time to time be engaged in transactions involving an index or related derivatives which may affect amounts receivable by Noteholders during the term and on the maturity of the Notes or the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders. (See also "*Potential Conflicts of Interest for Dematerialised Notes*" above).

PRESENTATION OF FINANCIAL INFORMATION

The following financial statements which have previously been published shall be incorporated by reference in, and form part of, this Base Prospectus:

- the audited annual financial statements, and the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2023, both, audited by Forvis Mazars S.p.A., which issued its relevant reports on 23 April 2024;

- the limited reviewed consolidated financial statements of the Issuer as at and for the six month period ended 30 June 2024, subject to limited review by Forvis Mazars S.p.A., which issued its relevant report on 27 September 2024; and

- the audited annual financial statements, and the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2024, both audited by Forvis Mazars S.p.A., which issued its relevant reports on 22 April 2025.

Alternative Performance Measures

This Base Prospectus contains references to certain Alternative Performance Measures ("**APMs**"), as defined in the guidelines issued on 5 October 2015 by ESMA concerning the presentation of APMs disclosed in regulated information and prospectuses published as from 3 July 2016 which, although not recognised as financial measures under International Financial Reporting Standards ("**IFRS**"), are used by the management of the Issuer to monitor the Group's financial and operating performance. In particular:

Customer Loans: the composition of the portfolio of the Group's loans to customers is indicated under the fourth and fifth sub-paragraphs of paragraph "*De-risking and NPE reduction*" of the section entitled "*The Issuer*". In this respect, it should be noted that:

(a) the aggregate value of the customers loans indicated thereof includes loans registered as amortised financial activities, net of exposures represented by securities;

(b) **Gross NPL Ratio** (**Gross non-performing loans/Gross loans to customers at amortized cost**): the measure is calculated as the ratio between gross non-performing loans to customers and total gross loans to customers. It provides an indication of the quality of the loan portfolio;

(c) **Net NPL Ratio** (**Net non-performing loans/Net loans to customers at amortized cost**): the measure is calculated as the ratio between non-performing loans to customers net of the associated accumulated impairment losses and total net loans to customers. It provides an indication of the quality of the loan portfolio;

(d) **NPL Coverage** (**Accumulated impairment losses on non-performing loans/Gross non-performing loans to customers**): the measure is calculated as the ratio between total accumulated impairment losses on loans to customers and non-performing loans to customers gross of the associated accumulated impairment losses. It provides an indication of the coverage level for non-performing loans to customer;

(e) **Total direct funding from ordinary customers**: the aggregate includes outstanding debt securities, current accounts, deposits and other liabilities recognised as liabilities measured at amortized cost relating to funding from ordinary customers, with the exception of the sub-item financing.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the documents incorporated by reference, described below, which form part of this Base Prospectus:

- the audited consolidated and separate annual financial statements of the Issuer as at and for the year ended 31 December 2024, available at the following link: https://www.iccreabanca.it/DocumentiBilancio/Financial/Relazione%20e%20bilancio%20consolidato%20e%20individuale%20311224_EN_def.pdf;

- the limited reviewed consolidated financial statements of the Issuer as at and for the six months period ended on 30 June 2024, available at the following link: https://www.iccreabanca.it/DocumentiBilancio/Financial/Report%20and%20interim%20consolidated%20financial%20statements%20at%20june%2030,%202024.pdf;

- the audited consolidated and separate annual financial statements of the Issuer as at and for the year ended 31 December 2023, available at the following link https://www.iccreabanca.it/DocumentiBilancio/Financial/Reports%20and%20consolidated%20and%20separate%20financial%20statements%20at%20December%2031,%202023.pdf;

- the terms and conditions of the English law Notes in physical form contained in the base prospectus dated 5 September 2024, pages from 71 to 117 (both included), prepared by the Issuer in connection with the Programme (the "**2024 Base Prospectus**") available at the following link: https://www.iccreabanca.it/Euro_Medium_Term_Notes_Programme/2024/ICCREA%20EMTN%20-%20Base%20Prospectus2024.pdf;

- the terms and conditions of the Italian law Notes in physical form contained in the 2024 Base Prospectus, pages from 118 to 163 (both included), prepared by the Issuer in connection with the Programme (available at the following link: https://www.iccreabanca.it/Euro_Medium_Term_Notes_Programme/2024/ICCREA%20EMTN%20-%20Base%20Prospectus2024.pdf);

- the terms and conditions of the dematerialised Notes contained in the 2024 Base Prospectus, pages from 164 to 213 (both included), prepared by the Issuer in connection with the Programme available at the following link: https://www.iccreabanca.it/Euro_Medium_Term_Notes_Programme/2024/ICCREA%20EMTN%20-%20Base%20Prospectus2024.pdf;

- the press release dated 15 May 2025 entitled "*BCC Iccrea Group: consolidated results as of March 31, 2025*" (the "**15 May 2025 Press Release**"), available at the following link: https://www.gruppobcciccrea.it/Documenti_GBI/ComunicatoStampa/PR_1Q25%20Results.pdf; the press release dated 1 August 2025 entitled "BCC Iccrea Group: Stress Test Results. CET1 ratio at 26.8% in the baseline scenario and 20.8% in the adverse scenario, among the best in Europe" (the "1 August 2025 Press Release"), available at the following link: https://www.gruppobcciccrea.it/Documenti_GBI/ComunicatoStampa/PR%20Stress%20Test%202025%20Results.pdf;

- the press release dated 12 August 2025 entitled "*BCC Iccrea Group: consolidated results as of June 30 2025*" (the "**12 August 2025 Press Release**"), available at the following link: https://url.uk.m.mimecastprotect.com/s/69ouC73qqfmW3wyQF8fGsoLJ8y?domain=gruppobcciccrea.it.

save that any statement contained in the documents incorporated by reference herein shall be deemed to 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 be deemed, except as so modified or superseded, not to constitute a part of this Base Prospectus.

The audited consolidated and separate annual financial statements of the Issuer as at and for the years ended 31 December 2024 and 31 December 2023, and the limited reviewed consolidated financial statements of the Issuer as at and for the six month period ended 30 June 2024, have been prepared in accordance with

International Financial Reporting Standards ("**IFRS**"), as adopted by the EU and shall be deemed to be incorporated in, and to form part of, this Base Prospectus, together (where applicable) with the accompanying notes and auditor's reports or the auditor's review reports as the case may be, save that any statement contained in this Base Prospectus or in any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be deemed to be modified or superseded to the extent that a statement contained in any document subsequently incorporated by reference by way of supplement prepared in accordance with article 23 of the Prospectus Regulation modifies or supersedes such statement.

Any information contained in or incorporated by reference in any of the documents specified above which is not included in the cross-reference list below in this Base Prospectus is not incorporated by reference and is either not relevant to investors or is covered elsewhere in this Base Prospectus and, for the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, information contained on the website referred to in this Base Prospectus does not form part of this Base Prospectus.

The Issuer will, at the specified offices of the Paying Agent, provide, free of charge, upon oral or written request, a copy of this Base Prospectus (or any document incorporated by reference in this Base Prospectus). Written or oral requests for such documents should be directed to the specified office of any of the Paying Agents or to the specified office of the Listing Agent in Luxembourg. In addition such documents will be available, without charge, on the website of the Luxembourg Stock Exchange (*http://www.luxse.com/*) or on the website of the Issuer.

Cross-reference lists

The following tables show where the information required under article 19(2) of the Prospectus Regulation can be found in the above-mentioned documents incorporated by reference in this Base Prospectus.

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FURTHER PROSPECTUSES AND SUPPLEMENTS

The Issuer will prepare a new Base Prospectus setting out the changes in the operations and financial conditions of the Issuer at least every year after the date of this Base Prospectus and each subsequent Base Prospectus.

The Issuer has given an undertaking to the Dealers that, if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to the information contained in this Base Prospectus which is capable of affecting the assessment of the Notes, it shall prepare a supplement to this Base Prospectus pursuant to Article 23 of the Prospectus Regulation or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer any number of copies of such supplement as a Dealer may reasonably request.

In addition, the Issuer may agree with any Dealer to issue Notes in a form not contemplated in the section of this Base Prospectus entitled "**Form of Final Terms**". To the extent that the information relating to that Tranche of Notes constitutes a significant new factor in relation to the information contained in this Base Prospectus, a separate prospectus specific to such Tranche (a "**Drawdown Prospectus**") will be made available and will contain such information. Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Issuer and the relevant Notes or (2) pursuant to Article 6.3 of the Prospectus Regulation, by a registration document containing the necessary information relating to the Issuer, a securities note containing the necessary information relating to the relevant Notes and, if necessary, a summary note. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, references in this Base Prospectus to information specified or identified in the Final Terms shall (unless the context requires otherwise) be read and construed as information specified or identified in the relevant Drawdown Prospectus.

FORMS OF THE NOTES

A. NOTES IN PHYSICAL FORM

Each Tranche of Notes will initially be in the form of either a temporary global note (a "**Temporary Global Note**"), without Coupons or Receipts, or a permanent global note (a "**Permanent Global Note**"), without Coupons or Receipts, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") which is not intended to be issued in a new global note form (a "**Classic Global Note**" or "**CGN**"), as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream Banking**") and/or any other relevant clearing system and each Global Note which is intended to be issued in new global note form (a "**New Global Note**" or "**NGN**"), as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream Banking.

On 13 June 2006 the ECB announced that Notes in NGN form are in compliance with the "**Standards for the use of EU securities settlement systems in ESCB credit operations**" of the central banking system for the euro (the "**Eurosystem**"), *provided that* certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream Banking as of 30 June 2006 and the debt securities in global bearer form issued through Euroclear and Clearstream Banking after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note without Coupons or Receipts (as defined herein), interests in which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without Coupons or Receipts, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

(i) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and

(ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership,

within 7 days of the bearer requesting such exchange.

The principal amount of the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership, *provided, however, that* in no circumstances shall the principal amount of the Permanent Global Note exceed the initial principal amount of the Temporary Global Note.

The Permanent Global Note will be exchangeable in whole, but not in part, for Notes in definitive form ("**Definitive Notes**"):

(i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or

(ii) at any time, if so specified in the relevant Final Terms; or

(iii) if the relevant Final Terms specify "in the limited circumstances described in the Permanent Global Note", then if:

(a) Euroclear or Clearstream Banking or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or

(b) any of the circumstances described in Condition 13 (*Events of Default*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 13 (*Events of Default*) of the Terms and Conditions of the Italian Law Notes in Physical Form, as the case may be, occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons, Talons and Receipts attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

Where interests in the Permanent Global Note are to be exchanged for Definitive Notes in the circumstances described in (i) and (ii) above, Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts, whether in global or definitive form. As an exception to the above rule, where the Permanent Global Note may only be exchanged in the limited circumstances described in (iii) above, Notes may be issued in denominations which represent the aggregate of (A) (i) a minimum denomination of €100,000, plus (ii) integral multiples of €1,000, *provided that* such denominations are not less than €100,000 nor more than €199,000, (B) in case of Senior Non-Preferred Notes, (i) a minimum denomination of €150,000, plus (ii) integral multiples of €1,000, *provided that* such denominations are not less than €150,000 nor more than €299,000; (C) in case of Subordinated Notes, (i) a minimum denomination of €200,000, plus (ii) integral multiples of €1,000, *provided that* such denominations are not less than €200,000 nor more than €399,000, or such other minimum denomination provided by applicable law from time to time. For the avoidance of doubt, each holder of Notes of such denominations will, upon exchange for Definitive Notes, receive Definitive Notes in an amount equal to its entitlement to the principal amount represented by the Permanent Global Notes. However, a Noteholder who holds a principal amount of less than the minimum denomination may not receive a Definitive Note and would need to purchase a principal amount of Notes such that its holding is an integral multiple of the minimum denomination.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules nor the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note, without Coupons or Receipts, interests in which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note, without Coupons or Receipts, interests in which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons, Talons and Receipts (as defined herein) attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

Where the Temporary Global Note is to be exchanged for Definitive Notes, Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts whether in global or definitive form.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note, without Coupons or Receipts, interests in which will be exchangeable in whole, but not in part, for Definitive Notes:

(i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or

(ii) at any time, if so specified in the relevant Final Terms; or

(iii) if the relevant Final Terms specify "in the limited circumstances described in the Permanent Global Note", then if:

  (a) Euroclear or Clearstream Banking or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or

  (b) any of the circumstances described in Condition 13 (*Events of Default*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 13 (*Events of Default*) of the Terms and Conditions of the Italian Law Notes in Physical Form, as the case may be, occurs.

Where interests in the Permanent Global Note are to be exchanged for Definitive Notes in the circumstances described in (i) and (ii) above, Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts, whether in global or definitive form. As an exception to the above rule, where the Permanent Global Note may only be exchanged in the limited circumstances described in (iii) above, Notes may be issued in denominations which represent the aggregate of (A) (i) a minimum denomination of €100,000, plus (ii) integral multiples of €1,000, *provided that* such denominations are not less than €100,000 nor more than €199,000, (B) in case of Senior Non-Preferred Notes, (i) a minimum denomination of €150,000, plus (ii) integral multiples of €1,000, *provided that* such denominations are not less than €150,000 nor more than €299,000; (C) in case of Subordinated Notes, (i) a minimum denomination of €200,000, plus (ii) integral multiples of €1,000, *provided that* such denominations are not less than €200,000 nor more than €399,000, or such other minimum denomination provided by applicable law from time to time. For the avoidance of doubt, each holder of Notes of such denominations will, upon exchange for Definitive Notes, receive Definitive Notes in an amount equal to its entitlement to the principal amount represented by the Permanent Global Notes. However, a Noteholder who holds a principal amount of less than the minimum denomination may not receive a Definitive Note and would need to purchase a principal amount of Notes such that its holding is an integral multiple of the minimum denomination.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons, Talons and Receipts attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange. Where the Notes are listed on the Luxembourg Stock Exchange and its rules so require, the Issuer will give notice of the exchange of the Permanent Global Note for Definitive Notes pursuant to Condition 19 (*Notices*) of the English Law Notes in Physical Form and Condition 19 (*Notices*) of the Terms and Conditions of the Italian Law Notes in Physical Form.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the English Law Notes in Physical Form*", "*Terms and Conditions of the Italian Law Notes in Physical Form*" below, as the case may be, and the provisions of the relevant Final Terms which complete those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Summary of Provisions relating to the Notes while in Global Form" below.

Legend concerning United States persons

In the case of any Tranche of Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons, Talons and Receipts appertaining thereto will bear a legend to the following effect:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

The sections referred to in such legend provide that a United States person who holds a Note, Coupon, Talon or Receipt will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note, Coupon, Talon or Receipt and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

B. DEMATERIALISED NOTES

Dematerialised Notes will be held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli, for the account of the relevant Monte Titoli Account Holders. The expression "**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository banks appointed by Euroclear Bank SA/NV as operator of Euroclear and Clearstream Banking.

The Notes will at all times be held in book entry form and title to the Notes will be evidenced by book entries pursuant to the relevant provisions of the Financial Services Act and in accordance with the CONSOB and Bank of Italy Regulation. No physical document of title will be issued in respect of the Dematerialised Notes. However, the Noteholders may ask the relevant intermediaries for certification pursuant to Article 83-*quinquies* and 83-*sexies* of the Financial Services Act.

TERMS AND CONDITIONS OF THE ENGLISH LAW NOTES IN PHYSICAL FORM

The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Summary of Provisions relating to the Notes while in Global Form" below. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

1. INTRODUCTION

(a) *Programme*: ICCREA Banca S.p.A. (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to €5,000,000,000 in aggregate principal amount of notes. Under the Programme, the Issuer may issue notes governed by English law (the "**English Law Notes in Physical Form**" or the "**Notes**").

(b) *Final Terms*: Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of final terms (the "**Final Terms**") which completes these terms and conditions governed by English law (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.

(c) *Agency Agreement*: The Notes are the subject of an issue and paying agency agreement governed by English law dated 2 September 2025 (the "**Agency Agreement for the English Law Notes in Physical Form**") between the Issuer, BNP PARIBAS, Luxembourg Branch as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and the other paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes).

(d) *The Notes*: All subsequent references in these Conditions to "**Notes**" are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available during normal business hours at the Specified Office of the Fiscal Agent, the initial Specified Office of which is set out below. The Notes may also be senior preferred notes ("**Senior Preferred Notes**"), senior non-preferred notes ("**Senior Non-Preferred Notes**" and, together with the Senior Preferred Notes, the "**Senior Notes**") or subordinated notes ("**Subordinated Notes**"), depending on the status of the Notes specified in the relevant Final Terms.

(e) *Summaries*: Certain provisions of these Conditions are summaries of the Agency Agreement for the English Law Notes in Physical Form and are subject to their detailed provisions. The holders of the Notes (the "**Noteholders**"), the holders of related principal receipts for the payment of instalments of principal (other than the final instalment) (the "**Receiptholders**" and the "**Receipts**", respectively) and the holders of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) and, where applicable, talons for further Coupons ("**Talons**") are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement for the English Law Notes in Physical Form applicable to them. Copies of the Agency Agreement for the English Law Notes in Physical Form are available for inspection during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below.

2. DEFINITIONS AND INTERPRETATION

(a) *Definitions*: In these Conditions the following expressions have the following meanings:

"**2006 ISDA Definitions**" means, in relation to a Series of Notes, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series) as published by ISDA (copies of which may be obtained from ISDA at www.isda.org);

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix

thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of Notes of such Series, as published by ISDA on its website (www.isda.org);

"**Accrual Yield**" has the meaning given in the relevant Final Terms;

"**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Tier 1 Capital**" has the meaning given to such term (or any other equivalent or successor term) in the Applicable Banking Regulations;

an "**Alignment Event**" will be deemed to have occurred if, as a result of a change in or amendment to the Applicable Banking Regulations or interpretation thereof, at any time after the Issue Date, the Issuer is able to issue an instrument (i) in the case of Senior Notes or Senior Non-Preferred Notes, qualifying as eligible liabilities instruments or (ii) in the case of Subordinated Notes, qualifying as Tier 2 Capital, that contains one or more provisions that are, in the reasonable opinion of the Issuer, different in any material respect from those contained in these Conditions;

"**Applicable Banking Regulations**" means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in the Republic of Italy and applicable to the Issuer or the Group (as the case may be), including, without limitation, the BRRD, the BRRD Implementing Decrees, the Banking Reform Package, the SRM Regulation CRD V Package, the Capital Instruments Regulations, the Circular No. 285 and any other regulations, requirements, guidelines and policies relating to capital adequacy and/or minimum requirement for own funds and eligible liabilities and/or loss absorbing capacity then in effect of the Relevant Authority or of the institutions of the European Union (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer or the Group, as the case may be) and standards and guidelines issued by the European Banking Authority;

"**Banking Reform Package**" means: (i) Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 575/2013 as regards the leverage ratio, the net stable funding ration (this ration has been introduced as a requirement by Regulation 575/2013/EU), requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposure to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No. 648/2012; (ii) Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 806/2014 as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms; (iii) Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures; and (iv) Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms and Directive 98/26/EC;

"**Bail-in Power**" has the meaning given in Condition 23 (*Contractual Recognition of Bail-in Powers*);

"**Bank Creditor Hierarchy Directive**" means Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 amending the BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy, as amended, supplemented or replaced from time to time;

"**Benchmarks Regulation**" means Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014;

"**Broken Amount**" has the meaning given in the relevant Final Terms;

"**BRRD**" means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, supplemented or replaced from time to time;

"**BRRD Implementing Decrees**" means the Legislative Decrees No. 180 and 181 of November 16, 2015, implementing the BRRD in the Republic of Italy, as amended or replaced from time to time (including, without limitation, as a consequence of the transposition of the Banking Reform Package into Italian law);

"**Business Day**" means:

(i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and

(ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

"**Business Day Convention**", in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

(i) "**Following Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day;

(ii) "**Modified Following Business Day Convention**" or "**Modified Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(iii) "**Preceding Business Day Convention**" means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

(iv) "**FRN Convention**", "**Floating Rate Convention**" or "**Eurodollar Convention**" means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred *provided, however, that*:

(A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

(B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

(C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

(v) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"**Calculation Agent**" means the Fiscal Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s);

"**Calculation Amount**" has the meaning given to it in the relevant Final Terms;

"**Capital Instruments Regulations**" means the Delegated Regulation and any other rules or regulations of the Relevant Authority or of the institutions of the European Union or which are otherwise applicable to the Issuer or the Group (as the case may be), whether introduced before or after the Issue Date, which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the Own Funds of the Issuer or the Group (as the case may be) to the extent required under the CRD V Package;

"**CET1 Instruments**" means at any time common equity tier 1 instruments as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Circular No. 285**" means the Bank of Italy Circular No. 285 of 17 December 2013, setting forth the supervisory provisions for banks (*Disposizioni di Vigilanza per le Banche*), as amended, supplemented or replaced from time to time;

"**CMS Rate**" shall mean the applicable swap rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page as at the Specified Time on the Interest Determination Date in question, all as determined by the Calculation Agent and subject to Condition 8(j) (*Benchmark Discontinuation*);

"**CMS Reference Banks**" means (i) where the Reference Currency is Euro, the principal office of five major banks in the Euro-zone inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five major banks in the London inter-bank market, (iii) where the Reference Currency is U.S. dollars, the principal New York City office of five major banks in the New York City inter-bank market, or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five major banks in the Relevant Financial Centre inter-bank market, in each case selected by the Issuer and/or an independent advisor appointed by the Issuer;

"**Consolidated Banking Law**" means Legislative Decree No. 385 of 1 September 1993, as amended or supplemented from time to time;

"**Coupon Sheet**" means, in respect of a Note, a coupon sheet relating to the Note;

"**CRD IV**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended, supplemented or replaced from time to time, lastly by Regulation (EU) No. 2019/876 (CRRII) and Directive (EU) No. 2019/878;

"**CRD V**" means Delegated Regulation (EU) 2015/61 and its supplements and the Implementing Regulation (EU) 2016/313;

"**CRD V Package**" means the CRD IV, the CRD V and the CRR;

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as amended, supplemented or replaced from time to time;

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

(a) if "**Actual/Actual**" or "**Actual/Actual (ISDA)**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(b) if "**Actual/Actual (ICMA)**" is so specified, means:

(i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(ii) where the Calculation Period is longer than one Regular Period, the sum of:

(A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;

(c) If "**Actual/365 (Fixed)**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365;

(d) If "**Actual/360**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 360;

(e) If "**30/360**", "**360/360**" or "**Bond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

Where

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30; and

(f) If "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows;

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

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30.

(g) If "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Termination Date or (ii) such number would be 31, in which case D_2 will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

"**Delegated Regulation**" means Commission Delegated Regulation (EU) No. 241/2014 of 7 January 2014 supplementing the CRR with regard to the regulatory technical standards for Own Funds requirements for institutions, as amended, supplemented or replaced from time to time;

"**Designated Maturity**" has the meaning given in the relevant Final Terms;

"**Early Redemption Amount (Regulatory Event)**" means in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Early Termination Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms;

"**EC Proposals**" means the amendments proposed to the CRD IV Directive, the CRD V, the CRR and BRRD published by the European Commission on 23 November 2016 which have been politically agreed within the EU Council in December 2018 and then signed off by the EU27 Ambassadors on February 15, 2018.

"**ECB**" means the European Central Bank;

"**ECB Interest Rate**" means the European banking interest rate determined by the Governing Council of the ECB and used in Eurosystem refinancing operations. The ECB Interest Rate is published by the ECB and is available on its website;

"**EURIBOR**" means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (being, as of the date of this Base Prospectus, Thomson Reuters) in accordance with the requirements from time to time of the European Money Markets Institute (or any person which takes over administration of that rate);

"**Extraordinary Resolution**" has the meaning given in the Agency Agreement for the English Law Notes in Physical Form;

"**Final Redemption Amount**" means:

(i) in respect of any Note that is not an Instalment Note, its principal amount, subject to any purchase, cancellation, early redemption or repayment; and

(ii) in respect of any Instalment Note, the final Instalment Amount;

"**Fixed Coupon Amount**" has the meaning given in the relevant Final Terms;

"**Group Entity**" has the meaning given in Condition 23 (*Contractual Recognition of Bail-in Powers*);

"**Guarantee**" means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation):

(i) any obligation to purchase such Indebtedness;

(ii) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;

(iii) any indemnity against the consequences of a default in the payment and such Indebtedness; and

(iv) any other agreement to be responsible for such Indebtedness;

"**Indebtedness**" means any indebtedness of any Person for money borrowed or raised:

"**Instalment Amount**" means the amount of each instalment of the Instalment Notes;

"**Instalment Date**" means the date on which each Instalment Amount is repayable;

"**Instalment Notes**" means Notes, any part of the principal amount of which is repayable by an Instalment Amount;

"**Interest Amount**" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"**Interest Commencement Date**" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

"**Interest Determination Cut-off Date**" has the meaning given in Condition 8(j) (*Benchmark Discontinuation*);

"**Interest Determination Date**" has the meaning given in the relevant Final Terms;

"**Interest Payment Date**" means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

(i) as the same may be adjusted in accordance with the relevant Business Day Convention; or

(ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"**Interest Period**" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date (or, if the Notes are redeemed on any earlier date, the relevant redemption date);

"**ISDA**" means the International Swaps and Derivatives Association, Inc. (or any successor);

"**ISDA Definitions**" has the meaning given in the relevant Final Terms;

"**Issue Date**" has the meaning given in the relevant Final Terms;

"**Issue Price**" has the meaning given in the relevant Final Terms;

"**Loss Absorption Requirement**" means the power of the Relevant Authority to impose that Own Funds instruments or other liabilities of the Issuer or entities of the Group (as the case may be) are subject to full or partial write-down of the principal or conversion into CET1 Instruments or other instruments of ownership;

"**Margin**" has the meaning given in the relevant Final Terms;

"**Maturity Date**" has the meaning given in the relevant Final Terms;

"**Maturity Period**" means the period from and including the Issue Date to but excluding the Maturity Date;

"**Maximum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**Minimum Capital**" means the minimum amount of capital of the Issuer, as provided for by the Bank of Italy from time to time for the purposes of obtaining or maintaining the authorisation of the Bank of Italy to carry on banking activities, as certified in writing by two directors of the Issuer;

"**Minimum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**MREL Disqualification Event**" means that, by reason of the introduction of, or a change in, the MREL Requirements, which was not reasonably foreseeable by the Issuer at the Issue Date of the relevant Series of Notes, all or part of the aggregate outstanding nominal amount of a Series of Senior Preferred Notes and/or of Senior Non-Preferred Notes (as the case may be) are or will be excluded fully or partially from the liabilities that are eligible to meet the MREL Requirements. For the avoidance of doubt: (a) the exclusion of a Series of Notes from the liabilities that are eligible to meet the MREL Requirements due to the remaining maturity of such Notes being less than any period prescribed thereunder does not constitute a MREL Disqualification Event; (b) the exclusion of all or some of a Series of Notes from the MREL Requirements due to there being insufficient headroom for such Notes within any prescribed exception to the otherwise applicable general

requirements for liabilities that are eligible to meet the MREL Requirements does not constitute a MREL Disqualification Event; and (c) the exclusion of all or some of a Series of Senior Preferred Notes or Senior Non-Preferred Notes from the MREL Requirements as a result of such Notes being purchased by or on behalf of the Issuer or as a result of a purchase which is funded directly or indirectly by the Issuer, does not constitute a MREL Disqualification Event;

"**MREL Requirements**" means the laws, regulations, requirements, guidelines, rules, standards, measures and policies relating to minimum requirements for own funds and eligible liabilities applicable to the Issuer or the Group (as the case may be) from time to time, including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as implementing technical standards or regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards, measures and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Republic of Italy or a Relevant Authority from time to time (whether or not such regulations, requirements, guidelines, rules, standards, measures or policies are applied generally or specifically to the Issuer or the Group (as the case may be)), as any of the preceding laws, regulations, requirements, guidelines, rules, standards, measures, policies or interpretations may be amended, supplemented, superseded or replaced from time to time;

"**Own Funds**" shall have the meaning given to such term in the CRR, as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Optional Redemption Amount** (**Call**)" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Amount** (**Put**)" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Date** (**Call**)" has the meaning given in the relevant Final Terms;

"**Optional Redemption Date** (**Put**)" has the meaning given in the relevant Final Terms;

"**Participating Member State**" means a Member State of the European Union which adopts the euro as its lawful currency in accordance with the Treaty;

"**Payment Business Day**" means:

(i) if the currency of payment is euro, any day which is:

(A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

(B) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

(ii) if the currency of payment is not euro, any day which is:

(A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

(B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**Principal Financial Centre**" means, in relation to any currency, the principal financial centre for that currency *provided, however, that*:

(i) in relation to euro, it means the principal financial centre of such Member State of the European Union or the United Kingdom as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and

(ii) in relation to Australian dollars, it means either Sydney or Melbourne and, in relation to New Zealand dollars, it means either Wellington or Auckland; in each case as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

"**Put Option Notice**" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Put Option Receipt**" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Rate of Interest**" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

"**Redemption Amount**" means, as appropriate, the Final Redemption Amount, the Instalment Amount, the Early Redemption Amount (Tax), Early Redemption Amount (Regulatory Event), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

"**Reference Currency**" has the meaning given in the relevant Final Terms;

"**Reference Price**" has the meaning given in the relevant Final Terms;

"**Reference Rate**" means EURIBOR, ECB Interest Rate or the CMS Rate as specified in the relevant Final Terms in respect of the currency and period specified in the relevant Final Terms;

"**Regular Period**" means:

(i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and

(iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"**Regulatory Event**" means any change (or pending change which the Relevant Authority considers to be sufficiently certain) in the regulatory classification of the Subordinated Notes from their classification on the Issue Date that results, or would be likely to result, in their exclusion in full or, to the extent permitted under the Applicable Banking Regulations, in part, from the Tier 2 Capital of the Issuer or, where applicable in accordance with the Applicable Banking Regulations, a reclassification as a lower quality form of Own Funds (save where the exclusion from Tier 2 Capital of the Issuer is solely (A) a result of any applicable limitation on the amount of such capital,

or (B) in accordance with any requirement that recognition of such Series of Subordinated Notes as part of the Tier 2 Capital of the Issuer be amortised in the five years prior to maturity of such Notes, in either (A) or (B) in accordance with Applicable Banking Regulations in force as at the date on which agreement is reached to issue the first Tranche of such Series of Subordinated Notes) and, in case the Regulatory Event has occurred before five years from the issue of the relevant Subordinated Notes, both of the following conditions are met: (i) the Relevant Authority considers such a change to be sufficiently certain and (ii) the Issuer demonstrates to the satisfaction of the Relevant Authority that the change in regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date;

"**Relevant Authority**" means, as the context may require, (i) the European Central Bank or the Bank of Italy, acting within the framework of the Single Supervisory Mechanism, or any successor or replacement authority having responsibility for the prudential oversight and supervision of the Issuer or the Group (as the case may be), and/or (ii) the Italian resolution authority, the Single Resolution Board (SRB) established pursuant to the SRM Regulation, the European Council, the European Commission, acting within the framework of the Single Resolution Mechanism, or any successor or replacement authority having responsibility for the resolution of the Issuer or other entities of the Group (as the case may be) and for the exercise of any Resolution Power or Bail-in Power from time to time;

"**Relevant Date**" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"**Relevant Financial Centre**" has the meaning given in the relevant Final Terms;

"**Relevant Screen Page**" means the page, section or other part of a particular information service (including, without limitation, the Reuters Money 3000 Service) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"**Relevant Swap Rate**" means:

(i) where the Reference Currency is Euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed for floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR EURIBOR Reuters (as defined in the ISDA Definitions) with a designated maturity determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions; and

(ii) where the Reference Currency is any other currency or if the Final Terms specify otherwise, the mid-market swap rate as determined in accordance with the applicable Final Terms;

"**Relevant Time**" has the meaning given in the relevant Final Terms;

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market at the relevant time;

"**Reserved Matter**" shall have the meaning given to it in the Agency Agreement for the English Law Notes in Physical Form and includes, *inter alia*, any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any

payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

"**Reset Date**" has the meaning given in the relevant Final Terms;

"**Resolution Power**" has the meaning given in Condition 23 (*Contractual Recognition of Bail-in Powers*);

"**Single Resolution Mechanism**" means the single resolution mechanism established pursuant to the SRM Regulation;

"**Single Supervisory Mechanism**" means the single supervisory mechanism established pursuant to the SSM Regulation;

"**Specified Currency**" has the meaning given in the relevant Final Terms;

"**Specified Denomination(s)**" has the meaning given in the relevant Final Terms;

"**Specified Office**" has the meaning given in the Agency Agreement for the English Law Notes in Physical Form;

"**Specified Period**" has the meaning given in the relevant Final Terms;

"**SRM Regulation**" has the meaning given in Condition 23 (*Contractual Recognition of Bail-in Powers*);

"**SSM Regulation**" means Council Regulation (EU) No. 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions, as amended, supplemented or replaced from time to time;

"**Subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any Person (the "**second Person**") in which:

(i) the majority of the votes capable of being voted in an ordinary shareholders' meeting is held, directly or indirectly, by the first Person; or

(ii) the first Person holds, directly or indirectly, a sufficient number of votes to give the first Person a dominant influence (*influenza dominante*) in an ordinary shareholders' meeting of the second Person,

as provided by Article 2359, paragraph 1, No.1 and 2 of the Italian Civil Code;

"**Talon**" means a talon for further Coupons;

"**T2**" means the real time gross settlement system operated by the Eurosystem or any successor system;

"**TARGET Settlement Day**" means any day on which T2 is open for the settlement of payments in euro;

"**Tax Event**" has the meaning given in Condition 10(b) (*Redemption for tax reasons*);

"**Tier 1 Capital**" means at any time tier 1 capital as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Tier 2 Capital**" means at any time tier 2 capital as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Tier 2 Instruments**" means at any time tier 2 instruments as interpreted and applied in accordance with the Applicable Banking Regulations.

"**Treaty**" means the Treaty on the functioning of the European Union, as amended; and

"**Zero Coupon Note**" means a Note specified as such in the relevant Final Terms.

(b) *Interpretation*: In these Conditions:

(i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;

(ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;

(iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;

(iv) any reference to principal shall be deemed to include the Redemption Amount, any Instalment Amounts, any additional amounts in respect of principal which may be payable under Condition 12 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;

(v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;

(vi) references to Notes being "**outstanding**" shall be construed in accordance with the Agency Agreement for the English Law Notes in Physical Form;

(vii) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "**not applicable**" then such expression is not applicable to the Notes;

(viii) any reference herein to Notes shall, unless the context otherwise requires, be deemed to include a reference to Receipts in respect of any Instalment Notes and any reference herein to Noteholders shall, unless the context otherwise requires, be deemed to include a reference to Receiptholders in respect of any Instalment Notes; and

(ix) any reference in these Conditions to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

3. FORM, DENOMINATION AND TITLE

The Notes are in bearer form in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. If the Notes are Instalment Notes in definitive form, they will be issued with Receipts attached. In the case of a Series of Notes with more than one Specified Denomination, Notes of one Specified Denomination will not be exchangeable for Notes of another Specified Denomination. Title to the Notes, the Coupons and the Receipts will pass by delivery. The holder of any Note, Coupon or Receipt shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder. No Person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

4. STATUS OF THE SENIOR PREFERRED NOTES

(a) *Application*: This Condition 4 applies only to Notes specified in the relevant Final Terms as being Senior Preferred Notes.

(b) *Status*: The Senior Preferred Notes and any related Receipts or Coupons are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves. The payment obligations of the Issuer under the Senior Preferred Notes and the Receipts or Coupons related to them shall at all times rank (save for certain obligations required to be preferred by law, including any obligations permitted by law to rank senior to the Senior Preferred Notes

following the Issue Date, if any) equally with all other unsecured and unsubordinated obligations of the Issuer from time to time outstanding (other than obligations ranking junior to the Senior Preferred Notes from time to time, including any obligations under Senior Non-Preferred Notes and any further obligations permitted by law or by their terms to rank junior to the Senior Preferred Notes following the Issue Date, if any).

In relation to each Series of Senior Preferred Notes, all Notes of such Series will be treated equally and all amounts paid by the Issuer in respect of principal and/or interest thereon will be paid *pro rata* on all Notes of such Series.

(c) *Waiver of set-off rights*: Each holder of a Senior Preferred Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Senior Preferred Note.

(d) *No Negative Pledge*: There is no negative pledge in respect of the Senior Preferred Notes.

5. **STATUS OF THE SENIOR NON-PREFERRED NOTES**

(a) *Application*: This Condition 5 applies only to Notes specified in the relevant Final Terms as being Senior Non-Preferred Notes.

(b) *Status*: The obligations of the Issuer under the Senior Non-Preferred Notes and any related Receipts or Coupons are direct, unconditional, unsubordinated, unsecured and non-preferred obligations of the Issuer that are intended to qualify as *strumenti di debito chirografario di secondo livello* of the Issuer in accordance with, and for the purposes of, Article 12-*bis* of the Consolidated Banking Law.

The payment obligations of the Issuer under the Senior Non-Preferred Notes and the Receipts or Coupons related to them shall at all times rank:

(i) junior to Senior Preferred Notes and all present or future unsecured and unsubordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to the Senior Non-Preferred Notes (including, without limitation, any obligations under the Senior Preferred Notes), including claims arising from the excluded liabilities within the meaning of Article 72a(2) of the CRR;

(ii) *pari passu* among themselves and with any other present or future obligations of the Issuer which do not rank, or are not expressed by their terms to rank, junior or senior to the Senior Non-Preferred Notes; and

(iii) senior to any present or future obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Senior Non-Preferred Notes (including, without limitation, the claims of the shareholders of the Issuer and any other obligations under the Subordinated Notes or any other obligations under instruments or items included in the Tier 1 Capital or Tier 2 Capital of the Issuer),

in all such cases in accordance with the provisions set forth in Article 91, paragraph 1-*bis*, letter c-*bis*) of the Consolidated Banking Law and any relevant regulation which may be enacted from time to time for the purposes of implementing such provisions and/or any laws, regulations or guidelines implementing the rules set forth in the Bank Creditor Hierarchy Directive.

In relation to each Series of Senior Non-Preferred Notes, all Notes of such Series will be treated equally and all amounts paid by the Issuer in respect of principal and/or interest thereon will be paid *pro rata* on all Notes of such Series.

(c) *Waiver of set-off rights*: Each holder of a Senior Non-Preferred Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Senior Non-Preferred Note.

(d) *No Negative Pledge*: There is no negative pledge in respect of the Senior Non-Preferred Notes.

6. STATUS OF THE SUBORDINATED NOTES

(a) *Application:* This Condition 6 applies only to Notes specified in the relevant Final Terms as being Subordinated Notes.

(b) *Status*: The Subordinated Notes and any related Receipts or Coupons are direct, unsecured and subordinated obligations of the Issuer that are intended to qualify for regulatory purposes as Tier 2 Instruments to be included in the Tier 2 Capital of the Issuer in accordance with Article 63 of the CRR and Part II, Chapter 1 of Circular No. 285 (or any successor rules under the Applicable Banking Regulations).

Subject to the following paragraph, for so long as the relevant Series of Subordinated Notes qualify, in whole or in part, as Tier 2 Capital the payment obligations of the Issuer under the Subordinated Notes and the Receipts or Coupons related to them shall at all times rank:

(i) junior to all present or future unsecured and unsubordinated obligations of the Issuer (including, without limitation, any obligations under the Senior Notes) or any other present or future subordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to the Subordinated Notes (including any subordinated instruments that have ceased to qualify, in their entirety, as own fund items (*elementi di fondi propri*));

(ii) *pari passu* among themselves and with any other present or future obligations of the Issuer which do not rank, or are not expressed by their terms to rank, junior or senior to the Subordinated Notes, including holders of present or future outstanding Tier 2 Capital of the Issuer; and

(iii) senior to any present or future obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Subordinated Notes (including, without limitation, the claims of the shareholders of the Issuer and any other obligations under instruments or items included in the Tier 1 Capital of the Issuer).

If the relevant Series of Subordinated Notes does not qualify (or ceases to qualify) in its entirety as own funds items (*elementi di fondi propri*), such Subordinated Notes will rank *pari passu* without any preference among the Notes and: (A) at least *pari passu* with the Issuer's obligations in respect of any other subordinated instruments that have ceased to qualify, in their entirety, as own funds items (*elementi di fondi propri*) and with all other subordinated indebtedness of the Issuer that have such ranking; (B) in priority to payments to holders of present or future outstanding indebtedness which qualifies, in whole or in part, as own funds items (*elementi di fondi propri*), including Additional Tier 1 Capital and Tier 2 Capital; and (C) junior in right of payment to the payment of any present or future claims of depositors of the Issuer and any other unsubordinated creditors of the Issuer (including Senior Preferred Notes and Senior Non-Preferred Notes).

In relation to each Series of Subordinated Notes, all Notes of such Series will be treated equally and all amounts paid by the Issuer in respect of principal and/or interest thereon will be paid *pro rata* on all Notes of such Series.

(c) *Waiver of set-off rights*: Each holder of a Subordinated Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Subordinated Note.

The Subordinated Notes (including, for the avoidance of doubt, payments of principal and/or interest) shall be subject to the Loss Absorption Requirement, if so required under the BRRD and/or the SRM Regulation, in accordance with the powers of the Relevant Authority and where the Relevant Authority determines that the application of the Loss Absorption Requirement to the Subordinated Notes is necessary pursuant to applicable law and/or regulation in force from time to time.

(d) *No Negative Pledge*: There is no negative pledge in respect of the Subordinated Notes.

7. FIXED RATE NOTE PROVISIONS

(a) *Application*: This Condition 7 is applicable to the Notes only if: (i) the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable; or (ii) if a Change of Interest Basis is specified in the relevant Final Terms as being applicable, in respect of those periods for which the Fixed Rate Note Provisions are stated to apply.

(b) *Accrual of interest*: The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) *Fixed Coupon Amount*: Other than if the Notes are redeemed on any date that is not an Interest Payment Date, the amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

(d) *Calculation of interest amount*: The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified or if the Notes are redeemed on any date that is not an Interest Payment Date shall be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Fixed Rate Note comprises more than one Calculation Amount, the Amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

7B RESET NOTE PROVISIONS

(a) *Rates of Interest and Interest Payment Dates:* Each Reset Note bears interest:

(i) from (and including) the Interest Commencement Date until (but excluding) the First Reset Date at the Initial Rate of Interest;

(ii) from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the Form of Final Terms, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and;

(iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest,

payable, in each case, in arrear on each Interest Payment Date and on the Maturity Date if that does not fall on an Interest Payment Date. The Rate of Interest and the Interest Amount payable shall be determined by the Calculation Agent, (i) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, subject to Condition 8(j) (*Benchmark Discontinuation*) below, and (ii) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in Condition 7 (*Fixed Rate Note Provisions*). Unless otherwise stated in the applicable Final Terms the Rate of Interest (inclusive of the First or Subsequent Margin) shall not be deemed to be less than zero.

For the purposes of the Conditions:

"**First Margin**" means the margin specified as such in the Form of Final Terms;

"**First Reset Date**" means the date specified in the Form of Final Terms;

"**First Reset Period**" means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the Form of Final Terms, the Maturity Date;

"**First Reset Rate of Interest**" means, in respect of the First Reset Period and subject to Condition 7B(b) (*Fallbacks*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the First Margin;

"**Initial Rate of Interest**" has the meaning specified in the Form of Final Terms;

"**Interest Commencement Date**" means the date specified as such in the Form of Final Terms;

"**Mid-Market Swap Rate**" means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the Form of Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

"**Mid-Market Swap Rate Quotation**" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

"**Mid-Swap Floating Leg Benchmark Rate**" means EURIBOR if the Specified Currency is euro;

"**Mid-Swap Rate**" means, in relation to a Reset Determination Date and subject to Condition 7B(b) (*Fallbacks*), either:

(i) if Single Mid-Swap Rate is specified in the Form of Final Terms, the rate for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

(ii) if Mean Mid-Swap Rate is specified in the Form of Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

"**Rate of Interest**" means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

"**Reset Date**" means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable);

"**Reset Determination Date**" means, in respect of the First Reset Period, the second Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period;

"**Reset Period**" means the First Reset Period or a Subsequent Reset Period, as the case may be;

"**Second Reset Date**" means the date specified in the Form of Final Terms;

"**Subsequent Margin**" means the margin specified as such in the Form of Final Terms;

"**Subsequent Reset Date**" means the date or dates specified in the Form of Final Terms;

"**Subsequent Reset Period**" means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date; and

"**Subsequent Reset Rate of Interest**" means, in respect of any Subsequent Reset Period and subject to Condition 3(b)(ii), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the relevant Subsequent Margin.

(b) *Fallbacks*

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Issuer shall, subject as provided in Condition 8(j) (*Benchmark Discontinuation*), request each of the Reference Banks (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

For the purposes of this Condition 7B(b) "**Reference Banks**" means the principal office in the principal financial centre of the Specified Currency of four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer on the advice of an investment bank of international repute.

8. FLOATING RATE AND CMS LINKED INTEREST NOTE PROVISIONS

(a) *Application*: This Condition 8 is applicable to the Notes only if: (i) the Floating Rate Note Provisions or CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable; or (ii) if a Change of Interest Basis is specified in the relevant Final Terms as being applicable, in respect of those periods for which the Floating Rate Note Provisions are stated to apply. In addition, Condition 8(j) (*Benchmark Discontinuation*) is applicable to the Notes if the Reset Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Accrual of interest*: The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) *Screen Rate Determination for Floating Rate Notes other than CMS Linked Interest Notes*: If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and "CMS Rate" is not specified as the Reference Rate in the Final Terms, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis, subject to Condition 8(j) (*Benchmark Discontinuation*):

(i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

and the Rate of Interest for such Interest Period shall be:

(i) if "Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined (the "**Determined Rate**");

(ii) if "**Multiplier**" is specified in the relevant Final Terms as being applicable the sum of (i) the Margin and (ii) the relevant Determined Rate multiplied by the Multiplier;

(iii) if "**Reference Rate Multiplier**" is specified in the relevant Final Terms as being applicable, the sum of (i) the Margin, and (ii) the relevant Determined Rate multiplied by the Reference Rate Multiplier,

provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or, as the case may be, the arithmetic mean last determined in relation to the Notes in respect of the immediately preceding Interest Period for which such rate or arithmetic mean was determined.

(d) *Screen Rate Determination for Floating Rate Notes which are CMS Linked Interest Notes*: If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and "CMS Rate" is specified as the Reference Rate in the Final Terms, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent by reference to the following formula, subject to Condition 8(j) (*Benchmark Discontinuation*):

CMS Rate plus Margin

If the Relevant Screen Page is not available, the Issuer and/or an independent advisor appointed by the Issuer shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the Interest Determination Date in question. If at least three of the CMS Reference Banks provide the Calculation Agent with such quotation, the CMS Rate for such Interest Period shall be the arithmetic mean of such quotations, eliminating the

highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

If on any Interest Determination Date less than three or none of the CMS Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Rate shall be determined by the Calculation Agent in good faith on such commercial basis as considered appropriate by the Calculation Agent in its absolute discretion, in accordance with standard market practice.

(e) *ISDA Determination*: If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(i) if the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:

(A) the Floating Rate Option is as specified in the relevant Final Terms;

(B) the Designated Maturity is a period specified in the relevant Final Terms; and

(C) the relevant Reset Date, unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions.

(ii) references in the ISDA Definitions to:

(A) "**Confirmation**" shall be references to the relevant Final Terms;

(B) "**Calculation Period**" shall be references to the relevant Interest Period;

(C) "**Termination Date**" shall be references to the Maturity Date;

(D) "**Effective Date**" shall be references to the Interest Commencement Date; and

(iii) if the Final Terms specify "2021 ISDA Definitions" as being applicable:

(A) "**Administrator/Benchmark Event**" shall be disapplied; and

(B) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

(iv) Unless otherwise defined capitalised terms used in this Condition 8(e) shall have the meaning ascribed to them in the ISDA Definitions.

(f) *Maximum or Minimum Rate of Interest*: If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

(g) *Calculation of Interest Amount*: The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount during such Interest Period and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified currency (half a sub-unit being rounded upwards). For this purpose a "sub-unit" means, in the case of any currency other than euro,

the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Floating Rate Note or CMS Linked Interest Note comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

(h) *Publication*: The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination (if required by the rules of the relevant competent authority, stock exchange and/or quotation system (if any) but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period). Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

(i) *Notifications, etc.*: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 8 by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders, the Receiptholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(j) *Benchmark Discontinuation*: If a Benchmark Event occurs in relation to the Reference Rate when the Rate of Interest (or any component part thereof) for any Interest Period remains to be determined by reference to such Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with this Condition 8(j)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 8(j)(iii)) and any Benchmark Amendments (in accordance with Condition 8(j)(iv)).

In the absence of willful misconduct, fraud or negligence, the Independent Adviser shall have no liability whatsoever to the Issuer, the Fiscal Agent or the Noteholders for any determination made by it pursuant to this Condition 8(j).

(i) If (i) the Issuer is unable to appoint an Independent Adviser or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 8(j) prior to the relevant Interest Determination Date or Reset Determination Date, as the case may be, the Reference Rate applicable to the immediate following Interest Period shall be (i) in the case of the Rate of Interest on Floating Rate Notes, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period or (ii) in the case of the First Reset Rate of Interest on Reset Notes, the Rate of Interest shall be equal to the Initial Rate of Interest or (iii) in the case of the Subsequent Reset Rate of Interest on Reset Notes, the Rate of Interest shall be equal to the Subsequent Reset Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Reset Period or if the immediately preceding Reset Period is the First Reset Period, the First Reset Rate of Interest. If there has not been a first Interest Payment Date or First Reset Date, the Rate of Interest for Floating Rate Notes shall be the initial Rate of Interest and the Rate of Interest for Reset Notes shall be the Initial Rate of Interest (as applicable). Where a different Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin (as applicable) is to be applied to the relevant Interest Period or Reset Period (as applicable) from that which applied to the last preceding Interest Period or Reset Period (as applicable), the Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent

Margin (as applicable) relating to the relevant Interest Period or Reset Period (as applicable) shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin relating to that last preceding Interest Period or Reset Period (as applicable).

For the avoidance of doubt, any adjustment pursuant to this Condition 8(j)(i) (*Benchmark Discontinuation*) shall apply to the immediately following Interest Period or Reset Period (as applicable) only. Any subsequent Interest Period or Reset Period (as applicable) may be subject to the subsequent operation of this Condition 8(j).

(ii) If the Independent Adviser determines in its discretion that:

(A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 8(j)(iii)) subsequently be used in place of the Reference Rate to determine the Rate of Interest for the immediately following Interest Period or Reset Period (as applicable) and all following Interest Periods or Reset Periods (as applicable), subject to the subsequent operation of this Condition 8(j)) in the event of a further Benchmark Event affecting the Successor Rate; or

(B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 8(j)(iii)) subsequently be used in place of the Reference Rate to determine the Rate of Interest for the immediately following Interest Period or Reset Period (as applicable) and all following Interest Periods or Reset Periods (as applicable), subject to the subsequent operation of this Condition 8(j) in the event of a further Benchmark Event affecting the Alternative Rate.

(iii) If the Independent Adviser determines in its discretion (A) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall apply to the Successor Rate or the Alternative Rate (as the case may be).

(iv) If any relevant Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 8(j) and the Independent Adviser determines in its discretion (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, following consultation with the Calculation Agent (or the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest and the Interest Amount(s)), subject to giving notice thereof in accordance with Condition 8(j), without any requirement for the consent or approval of relevant Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice (and for the avoidance of doubt, the Fiscal Agent shall, at the direction and expense of the Issuer, consent to and effect such consequential amendments to the Agency Agreement for the English Law Notes in Physical Form and these Conditions as may be required in order to give effect to this Condition 8(j)).

(v) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 8(j) will be notified promptly by the Issuer to the Fiscal Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 19 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(vi) No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer:

(A) confirming (x) that a Benchmark Event has occurred, (y) the relevant Successor Rate, or, as the case may be, the relevant Alternative Rate and, (z) where applicable, any relevant Adjustment Spread and/or the specific terms of any

relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 8(j); and

(B) certifying that the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate, Alternative Rate and/or Adjustment Spread.

(vii) The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of such Successor Rate or Alternative Rate and such Adjustment Spread (if any) and such Benchmark Amendments (if any)) be binding on the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agents and the Noteholders.

(viii) Where a different Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin (as applicable) is to be applied to the relevant Interest Period or Reset Period (as applicable) from that which applied to the last preceding Interest Period or Reset Period (as applicable), the Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin (as applicable) relating to the relevant Interest Period or Reset Period (as applicable) shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin relating to that last preceding Interest Period or Reset Period.

(ix) As used in this Condition 8(j):

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Benchmark Rate (as the case may be) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) (if no such recommendation has been made, or in the case of an Alternative Benchmark Rate), the Independent Adviser, determines is customarily applied to the relevant Successor Rate or Alternative Benchmark Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or

(iii) (if no such recommendation has been made) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Benchmark Rate (as the case may be); or

(iv) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines (acting in good faith and in a commercially reasonable manner) to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Benchmark Rate (as the case may be).

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with this Condition 8(j) is customary in market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) in the Specified Currency.

"**Benchmark Event**" means:

(A) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(B) a public statement by the administrator of the relevant Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased publishing such Reference Rate permanently or indefinitely or that it will cease to do so by a specified future date (the "**Specified Future Date**"); or

(C) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a specified future date (the "**Specified Future Date**"), be permanently or indefinitely discontinued; or

(D) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will, by a specified future date (the "**Specified Future Date**"), be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(E) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, such Reference Rate is or will, by a specified future date (the "**Specified Future Date**"), be no longer representative of an underlying market; or

(F) it has or will, by a specified date within the following six months, become unlawful for the Calculation Agent to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable).

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (B), (C), (D) or (E) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed occur until the date falling six months prior to such Specified Future Date.

"**Benchmark Amendments**" has the meaning given to it in Condition 8(j)(iv).

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense under Condition 8(j).

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"**Successor Rate**" means a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

9. ZERO COUPON NOTE PROVISIONS

(a) *Application*: This Condition 9 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Late payment on Zero Coupon Notes*: If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9A. CHANGE OF INTEREST BASIS

If Change of Interest Basis is specified as applicable in the applicable Final Terms, the interest payable in respect of the Notes will be calculated in accordance with Condition 7 (*Fixed Rate Note Provisions*) or Condition 8 (*Floating Rate and CMS Linked Interest Note Provisions*), each applicable only for the relevant periods specified in the applicable Final Terms.

If Change of Interest Basis is specified as applicable in the applicable Final Terms, and Issuer's Switch Option is also specified as applicable in the applicable Final Terms, the Issuer may, on one or more occasions, as specified in the applicable Final Terms, at its option (any such option, a "**Switch Option**"), having given notice to the Noteholders in accordance with Condition 19 (*Notices*) and delivering such notice to the Paying Agent and the Calculation Agent on or prior to the relevant Switch Option Expiry Date, change the Interest Basis of the Notes from Fixed Rate to Floating Rate or Floating Rate to Fixed Rate or as otherwise specified in the applicable Final Terms with effect from (and including) the Switch Option Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date (or, where more than one Switch Option Effective Date is specified in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date), *provided that* (A) the Switch Option may be exercised only in respect of all the outstanding Notes, (B) upon exercise of a Switch Option, the Interest Basis change will be effective from (and including) the relevant Switch Option Effective Date until the Maturity Date (or, where more than one Switch Option Effective Date is specified as applicable in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date to the extent the related Switch Option is exercised), and (C) where a Switch Option has not been exercised prior to the relevant Switch Option Expiry Date, the Issuer shall no longer be entitled to exercise such Switch Option and the Interest Basis shall not change.

"**Switch Option Expiry Date**" and "**Switch Option Effective Date**" shall mean any date specified as such in the applicable Final Terms *provided that* any date specified in the applicable Final Terms as a Switch Option Effective Date shall be deemed as such subject to the exercise of the relevant Switch Option having been notified by the Issuer pursuant to this Condition and in accordance with Condition 19 (*Notices*) prior to the relevant Switch Option Expiry Date.

10. REDEMPTION AND PURCHASE

(a) *Scheduled redemption*: Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Conditions 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*) and Condition 11 (*Payments*).

Pursuant to Article 12-*bis*, paragraph 1, letter a), of the Consolidated Banking Law, the Maturity Date of the Senior Non-Preferred Notes shall not fall earlier than twelve months after their Issue Date.

The Maturity Date of Subordinated Notes shall not fall earlier than five years after their Issue Date, as provided under the Applicable Banking Regulations.

(b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuer (but subject, in the case of Subordinated Notes, to the prior approval of the Relevant Authority) in whole, but not in part:

(i) at any time (if, neither the Floating Rate Note Provisions nor CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable); or

(ii) on any Interest Payment Date (if the Floating Rate Note Provisions or CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (*Tax*), together with interest accrued (if any) to the date fixed for redemption, if:

(A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes;

(B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; and

(C) in the case of Subordinated Notes only if the circumstances under points (A) and (B) above have occurred within five years of the issue of the relevant Subordinated Notes, the Issuer demonstrates to the satisfaction of the Relevant Authority that such change is material and was not reasonably foreseeable at the Issue Date,

(any such event, a "**Tax Event**")

provided, however, that no such notice of redemption shall be given earlier than: 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent (A) a certificate signed by a legal representative of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 10(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(b).

In the case of Senior Notes, any redemption pursuant to this Condition 10(b) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, any redemption pursuant to this Condition 10(b) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(c) *Redemption for regulatory reasons:*

(i) *Application:* This Condition 10(c) applies only if (A) the Notes are specified in the relevant Final Terms as being Subordinated Notes; and (B) this Condition 10(c) is specified in the relevant Final Terms as being applicable.

(ii) *Redemption*: If, at any time the Issuer determines that a Regulatory Event has occurred, the Notes may be redeemed at the option of the Issuer (subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*) below), in whole, but not in part, at any time (if this Note is neither a Floating Rate Note nor a CMS Linked Interest Note) or on any Interest Payment Date (if the Note is either a Floating Rate Note or a CMS Linked Interest Note), on giving not less than 15 nor more than 30 days' notice to the Fiscal Agent and, in accordance with Condition 19 (*Notices*), to the Noteholders.

Prior to the publication of any notice of redemption pursuant to this Condition 10(c), the Issuer shall deliver or procure that there is delivered to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer stating that the said circumstances prevail and describe the facts leading thereto, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

Upon the expiry of any such notice as is referred to in this Condition 10(c), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(c), at the Early Redemption Amount (Regulatory Event) described in the relevant Final Terms, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Any redemption pursuant to this Condition 10(c) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*).

(d) *Redemption of Senior Notes due to a MREL Disqualification Event*

This Condition 10(d) applies only to Notes specified in the relevant Final Terms as being Senior Preferred Notes or Senior Non-Preferred Notes.

If an Issuer Call due to a MREL Disqualification Event is specified in the relevant Final Terms as being applicable, then in cases where the Issuer determines that a MREL Disqualification Event has occurred and is continuing with respect to a Series of Senior Preferred Notes or Senior Non-Preferred Notes, any such Series may be redeemed at the option of the Issuer in whole, but not in part:

(i) at any time (if neither the Floating Rate Note Provisions nor the CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable); or

(ii) on any Interest Payment Date (if either the Floating Rate Note Provisions or the CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 days nor more than the maximum period of notice specified in the applicable Final Terms to the Fiscal Agent and, in accordance with Condition 19 (*Notices*), the Noteholders (which notice shall be irrevocable).

Upon the expiry of any such notice as is referred to in this Condition 10(d), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(d), at their Early Redemption Amount (MREL Disqualification Event) described in the relevant Final Terms, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Prior to the publication of any notice of redemption pursuant to this Condition 10(d), the Issuer shall deliver or procure that there is delivered to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred (and such evidence shall be conclusive and binding on the Noteholders and the Couponholders).

Any redemption pursuant to this Condition 10(d) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(e) *Redemption at the option of the Issuer*: If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may (subject, in the case of Subordinated Notes, to prior approval of the Relevant Authority) be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part. Such Notes may be redeemed on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable. The notice shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

In the case of Senior Notes, the call option pursuant to this Condition 10(e) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, no call option in accordance with this Condition 10(e) may be exercised by the Issuer to redeem, in whole or in part, such Notes prior to the fifth anniversary of their Issue Date. Starting from the fifth anniversary of their Issue Date, the redemption pursuant to this Condition 10(e) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*).

(f) *Partial redemption*: If the Notes are to be redeemed in part only on any date in accordance with Condition 10(e) (*Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law and the rules of each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation, and the notice to Noteholders referred to in Condition 10(e) (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or less than the minimum so specified.

In the case of Senior Notes, the partial redemption pursuant to this Condition 10(f) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, no partial redemption in accordance with this Condition 10(f) may be exercised by the Issuer to redeem, in part, such Notes prior to the fifth anniversary of their Issue Date. Starting from the fifth anniversary of their Issue Date, the partial redemption pursuant to this Condition 10(f) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*).

(g) *Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*

In the case of Subordinated Notes, any call, redemption, repayment or repurchase of such Notes in accordance with Condition 10(a) (*Scheduled redemption*), Condition 10(b) (*Redemption for tax reasons*), Condition 10(c) (*Redemption for regulatory reasons*), Condition 10(e) (*Redemption at the option of the Issuer*), Condition 10(f) (*Partial redemption*), Condition 10(i) (*Clean-up Redemption at the option of the Issuer*) and any purchase in accordance with Condition 10(l) (*Purchase*) is subject to compliance with the then applicable Banking Regulations, including:

(i) the Issuer having obtained the prior permission of the Relevant Authority in accordance with Articles 77 and 78 of the CRR, as amended or replaced from time to time, where either:

(A) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Subordinated Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(B) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds would, following such call, redemption, repayment or repurchase,

exceed the capital requirements laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; and

(ii) in respect of a call, redemption repayment or repurchase prior to the fifth anniversary of the Issue Date of the relevant Subordinated Notes, if and to the extent required under Article 78(4) of the CRR or the Capital Instruments Regulation:

(A) in the case of redemption pursuant to Condition 10(b) (*Redemption for tax reasons*), the Issuer having demonstrated to the satisfaction of the Relevant Authority that the change in the applicable tax treatment of the Notes is material and was not reasonably foreseeable as at the Issue Date; or

(B) in case of redemption pursuant to Condition 10(g) (Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes), a Regulatory Event has occurred; or

(C) on or before the relevant call, redemption, repayment or repurchase, the Issuer replaces the Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for income capacity of the Issuer and the Relevant Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or

(D) the Subordinated Notes are repurchased for market making purposes,

subject in any event to any alternative or additional conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) the Subordinated Notes, in the limit of a predetermined amount, which shall not exceed the lower of (i) 10 per cent. (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the aggregate nominal amount of the relevant Subordinated Notes and (ii) 3 per cent. (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the outstanding aggregate nominal amount of the Tier 2 Instruments of the Issuer at the relevant time, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out at letters (A) and (B) of sub-paragraph (i) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78 of the CRR shall not constitute a default of the Issuer for any purposes.

(h) *Redemption at the option of Noteholders:*

(i) *Application*: This Condition 10(h) is applicable only to Senior Preferred Notes and if the Put Option is specified in the relevant Final Terms as being applicable.

(ii) *Put Options*: The Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 10(h), the holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit with any Paying Agent such Note together with all unmatured Coupons and any unmatured Receipts relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 10(h), may be withdrawn; *provided, however, that* if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address

as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 10(h), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

(i) *Clean-up Redemption at the option of the Issuer:* If a clean-up redemption option (the "**Clean-Up Redemption Option**") is specified as applicable in the Final Terms, and if 75% or any higher percentage specified in the relevant Final Terms (the "**Clean-Up Percentage**") of the initial aggregate nominal amount of the Notes of the same Series (which for the avoidance of doubt includes, any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) have been redeemed or purchased by, or on behalf of, the Issuer and cancelled, the Issuer may at any time, at its option, and having given to the Paying Agent, the relevant Clearing Systems and, in accordance with Condition 19 (*Notices*), the Noteholders not less than 5 nor more than 30 calendar days' notice (the "**Clean-Up Redemption Notice**") (which notices shall be irrevocable and shall specify the date fixed for redemption), redeem such outstanding Notes, in whole but not in part, at their clean-up redemption amount ("**Clean-Up Redemption Amount**") together, if appropriate, with accrued interest to (but excluding) the date of redemption, on the date fixed for redemption identified in the Clean-Up Redemption Notice.

In the case of Senior Preferred Notes and Senior Non-Preferred Notes, the redemption referred to in this Condition 10(i) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, the redemption referred to in this Condition 10(i) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*).

(j) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 10(a) (*Scheduled redemption*) to 10(h) (*Redemption at the option of Noteholders*).

(k) *Early redemption of Zero Coupon Notes*: Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption, pursuant to Condition 10 (*Redemption and Purchase*), of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the relevant Final Terms for the purposes of this Condition 10(k) or, if none is so specified, a Day Count Fraction of 30E/360.

In the case of Senior Notes, the call option pursuant to this Condition 10(k) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, no call option in accordance with this Condition 10(k) may be exercised by the Issuer to redeem, in whole or in part, such Notes prior to the fifth anniversary of their Issue Date. Starting from the fifth anniversary of their Issue Date, the redemption pursuant to this Condition 10(k) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(l) *Purchase*: The Issuer or any of its Subsidiaries may purchase Notes in any manner and at any price, *provided that*:

(i) all unmatured Coupons appertaining to the Notes are purchased with such Notes;

(ii) in the case of Subordinated Notes, the purchase of the relevant Subordinated Notes by the Issuer or any of its Subsidiaries shall take place subject as provided in Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*); and

(iii) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, the purchase of the relevant Senior Preferred Notes or Senior Non-Preferred Notes by the Issuer or any of its Subsidiaries shall take place subject as provided in Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(m) *Cancellation*: All Notes which are so redeemed or purchased and subsequently surrendered for cancellation by the Issuer or any of its Subsidiaries and any unmatured Coupons and Receipts attached to or surrendered with them shall be cancelled and may not be reissued or resold.

(n) *Instalments*: Unless previously redeemed, or purchased and cancelled (all as more fully described in this Condition 10), each Instalment Note will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms. In the case of such Notes in definitive form, all instalments (other than the final instalment) will be paid against surrender of the relevant Receipt (which must be presented with the Instalment Note to which it appertains) and in the case of the final instalment against surrender of the relevant Note.

(o) *Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*

Any call, redemption, repayment or repurchase in accordance with Condition 10(b) (*Redemption for tax reasons*), Condition 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), Condition 10(e) (*Redemption at the option of the Issuer*), Condition 10(f) (*Partial redemption*), Condition 10(i) (*Clean-up Redemption at the option of the Issuer*) and any purchase in accordance with Condition 10(l) (*Purchase*) of Senior Preferred Notes or Senior Non-Preferred Notes is subject, to the extent such Senior Preferred Notes or Senior Non-Preferred Notes qualify at such time as liabilities that are eligible to meet the MREL Requirements (Eligible Liabilities Instruments) or, in case of a redemption pursuant to Condition 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), qualified as liabilities that are eligible to meet the MREL Requirements before the occurrence of the MREL Disqualification Event, to compliance with the then applicable Banking Regulations, including the condition that the Issuer has obtained the prior permission of the Relevant Authority in accordance with Article 78a of the CRR, where one of the following conditions is met:

(i) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Relevant Notes with Own Funds instruments or Eligible Liabilities Instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(ii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds and Eligible Liabilities would, following such call, redemption, repayment or repurchase, exceed the requirements for Own Funds and Eligible Liabilities laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; or

(iii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that the partial or full replacement of the relevant notes with Own Funds instruments is necessary to ensure compliance with the Own Funds requirements laid down in the Applicable Banking Regulations for continuing authorisation,

subject in any event to any different conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) Senior Preferred Notes or Senior Non-Preferred Notes, in the limit of a predetermined amount, instruments, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out in sub-paragraphs (i) and (ii) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78a of the CRR shall not constitute a default of the Issuer for any purposes.

11. **PAYMENTS**

(a) *Principal: Payments of principal shall be made only against:*

(i) presentation and (*provided that* payment is made in full) surrender of Notes;

(ii) in respect of any Instalment Amount which becomes due on an Instalment Date, presentation and (*provided that* payment is made in full) surrender of the appropriate Receipts,

at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London).

(b) *Interest*: Payments of interest shall, subject to Condition 11(h) (*Payments other than in respect of matured Coupons*) below, be made only against presentation and (*provided that* payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in 11(a) (*Principal*) above.

(c) *Payments in New York City*: Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.

(d) *Payments subject to fiscal laws*: All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Section 1471 through 1474 of the Code, any regulation or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) *Deductions for unmatured Coupons*: If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable (unless the relevant Final Terms also specify that Condition 11(f) (*Unmatured coupons void*) is applicable) and a Note is presented without all unmatured Coupons relating thereto:

(i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; *provided, however, that* if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

(ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:

(A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; *provided, however, that* where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and

(B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; *provided, however, that*, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (*provided that* payment is made in full) surrender of the relevant missing Coupons.

(f) *Unmatured Coupons void*: If the relevant Final Terms specifies that this Condition 11(f) is applicable or that the Floating Rate Note Provisions or CMS Linked Interest Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 10(b) (*Redemption for tax reasons*), Condition 10(c) (*Redemption for regulatory reasons*), Condition 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), Condition 10(e) (*Redemption at the option of the Issuer*), Condition 10(h) (*Redemption at the option of Noteholders*) or Condition 13 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

(g) *Payments on business days*: If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) *Payments other than in respect of matured Coupons*: Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted under Condition 11(c) (*Payments in New York City*)).

(i) *Exchange of Talons*: On or after the maturity date of the final Coupon which is (or was at the time of issue) attached to the Notes, the Talon attached to such Note may be exchanged at the Specified Office of the Fiscal Agent for further Coupons, as the case may be (including, if appropriate, a further Talon) but excluding any Coupons in respect of which claims have already become void pursuant to Condition 14 (*Prescription*). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

(j) *Unmatured Receipts Void*: If the relevant Final Terms specifies that this Condition 11(j) is applicable or that the Instalment Note provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 10(b) (*Redemption for tax reasons*), Condition 10(c) (*Redemption for regulatory reasons*), Condition 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), Condition 10(e) (*Redemption at the option of the Issuer*), Condition 10(h) (*Redemption at the option of Noteholders*) or Condition 13 (*Events of Default*), all unmatured Receipts relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

12. **TAXATION**

(a) *Withholding and deduction*: All payments of principal (if applicable) and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Italy or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law.

(b) *Gross up*: In the event that such withholding or deduction of taxes, duties, assessments, or governmental charges is required by law (as referred to in Condition 12(a)), the Issuer shall pay such additional amounts necessary for the net amounts received by the Noteholders and Couponholders after such withholding or deduction to equal the respective amounts of principal, in the case of Senior Preferred Notes not qualifying at such time as liabilities that are eligible to meet the MREL Requirements only, or interest, in the case of any Notes, which would otherwise have been receivable in respect of the Notes or Coupons in the absence of such withholding or deduction; except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

(i) in the Republic of Italy;

(ii) by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the Republic of Italy other than the mere holding of such Note or Coupon; or

(iii) by a non-Italian resident entity or individual which is resident for tax purposes in a country which does not allow for a satisfactory exchange of information with the Italian tax authorities; or

(iv) by an Italian resident, to the extent that interest is paid to an Italian individual or an Italian legal entity not carrying on a business (including, but not limited to (A) partnerships, de facto partnerships not carrying on a business and professional associations, (B) public and private resident entities, other than companies, not carrying on a business, and (C) certain other Persons exempt from corporate income tax) or to such other Italian individual engaged in an entrepreneurial activity to which the Notes are connected or resident entities which have been or may be identified by Legislative Decree No. 239 of 1 April 1996 and related regulations of implementation which have been or may subsequently be enacted ("**Decree 239**"); or

(v) in all circumstances in which the requirements and procedures set forth in Decree 239 have not been met or complied with except where such requirements and procedures have not been met or complied with due to the actions or omissions of the Issuer or its agents; or

(vi) more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to such additional amounts if it had presented such Note or Coupon on the last day of such period of 30 days; or

(vii) in respect of Notes or Coupons classified as atypical securities (*titoli atipici*) where such withholding or deduction is required under Law Decree No. 512 of 30 September 1983, as amended or supplemented from time to time.

(c) *Taxing jurisdiction*: If the Issuer becomes subject at any time to any taxing jurisdiction other than the Republic of Italy, references in these Conditions to in the Republic of Italy shall be construed as references to the Republic of Italy and/or such other jurisdiction.

13. EVENTS OF DEFAULT

Events of Default: If any of the following events occurs:

(i) *Winding-up etc.*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent or on terms previously approved by Extraordinary Resolution); or

(ii) *Analogous event*: any event occurs which under the laws of the Republic of Italy has an analogous effect to any of the events referred to in paragraph (i) (*Winding up, etc.*) above,

then any Note may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its Early Termination Amount together with accrued interest (if any) without further action or formality. No Event of Default shall occur other than in the circumstances under paragraphs (i) and (ii) above (and, for the avoidance of doubt, resolution proceeding(s) or moratoria imposed by a resolution authority in respect of the Issuer shall not constitute an Event of Default for any purpose).

14. PRESCRIPTION

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

15. REPLACEMENT OF NOTES, COUPONS AND RECEIPTS

If any Note, Coupon or Receipt is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Paying Agent having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system), subject to all applicable laws and listing authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Receipts must be surrendered before replacements will be issued.

16. AGENTS

In acting under the Agency Agreement for the English Law Notes in Physical Form and in connection with Notes, Coupons and Receipts, the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any holder of any Note, Coupon or Receipt.

The initial Paying Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor fiscal agent or Calculation Agent and additional or successor paying agents; *provided, however, that*:

(a) the Issuer shall at all times maintain a Fiscal Agent; and

(b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and

(c) the Issuer shall at all times maintain a Paying Agent outside the Republic of Italy; and

(d) if and for so long as the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system the rules of which require the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent having its Specified Office in the place required by the rules of such listing authority, stock exchange and/or quotation system.

Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders.

17. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

(a) *Meetings of Noteholders*: The Agency Agreement for the English Law Notes in Physical Form contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however, that* Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) *Modification and waiver*: The Notes and these Conditions may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement for the English Law Notes in Physical Form may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

With respect to the Senior Non-Preferred Notes, any waiver or modification of the Notes may be sanctioned in accordance with the provisions of this Condition 17 only to the extent permitted under Article 12-*bis*, paragraph 4, of the Consolidated Banking Law, and the Issuer shall deliver to the Fiscal Agent a certificate signed by a duly authorised signatory of the Issuer stating that such waiver or modification of the Notes is permitted under Article 12-*bis*, paragraph 4, of the Consolidated Banking Law.

(c) *Modification or Substitution of Subordinated Notes following a Regulatory Event or a Tax Event*

This Condition 17(c) applies to Subordinated Notes if Modification or Substitution of Subordinated Notes for Regulatory Event or Tax Event or Variation for an Alignment Event is specified in the applicable Final Terms as being applicable. If at any time a Tax Event or a Regulatory Event or, if Variation for an Alignment Event is indicated as applicable in the relevant Final Terms, an Alignment Event occurs or in order to ensure the effectiveness and enforceability of Condition 23 (*Contractual Recognition of Bail-in Powers*), then the Issuer may either, subject to giving any notice required to be given to, and receiving any consent required from, the Relevant Authority: (a) substitute new notes for the Subordinated Notes whereby such new notes shall replace the Subordinated Notes, or (b) vary the terms of the Subordinated Notes, at any time without any requirement for consent of the holders of Subordinated Notes, so that the Subordinated Notes are substituted for, or as applicable, varied to, become or remain, Qualifying Subordinated Notes, subject to having given not less than 30 nor more than 60 days' notice to the Fiscal Agent and the holders of Subordinated Notes and subject to receiving the prior consent from the Relevant Authority if and as required therefor under the Applicable Banking Regulations and in accordance with the Applicable Banking Regulations in force at the relevant time.

The holders of Subordinated Notes shall, by virtue of subscribing and/or purchasing and holding any Subordinated Notes, be deemed to have accepted the substitution and modification of the terms of Subordinated Notes and to have granted to the Issuer full powers and authority to take any action

and/or execute and deliver any document in the name and /or on behalf of the holders of Subordinated Notes which is necessary or convenient to implement the substitution or modification of the terms of Subordinated Notes.

For the purposes of this Condition 17(c), "**Qualifying Subordinated Notes**" means securities issued directly or indirectly by the Issuer that:

(i) other than in respect of the effectiveness and enforceability of Condition 23 (*Contractual Recognition of Bail-in Powers*), have the terms not less favourable to the holders of Subordinated Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing, than the terms of the Subordinated Notes, and they shall also (a) contain terms such that they comply with the minimum requirement under the Applicable Banking Regulations for inclusion in the Tier 2 Capital of the Issuer; (b) provide for a ranking at least equal to that of the Subordinated Notes; (c) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Subordinated Notes; (d) have the same redemption rights as the Subordinated Notes; (e) preserve any existing rights under the Subordinated Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of modification or substitution; and (f) are assigned (or maintain) the same or higher solicited credit ratings with the same outlook as were assigned to the Subordinated Notes (if rated) immediately prior to modification or substitution;

(ii) are listed or admitted to trading on a recognised stock exchange if the Subordinated Notes were listed or admitted to trading immediately prior to such modification or substitution; and

(iii) are not subject, at the time of, or immediately following, such modification or substitution, to any early redemption right for taxation reasons.

(d) *Modification or Substitution of Senior Preferred Notes and Senior Non-Preferred Notes following a MREL Disqualification Event*

This Condition 17(d) applies to Senior Preferred Notes or Senior Non-Preferred Notes if Modification or Substitution of Notes for MREL Disqualification Event or Variation for an Alignment Event is specified in the applicable Final Terms as being applicable. If at any time a MREL Disqualification Event or, if Variation for an Alignment Event is indicated as applicable in the relevant Final Terms, an Alignment Event occurs or in order to ensure the effectiveness and enforceability of Condition 23 (*Contractual Recognition of Bail-in Powers*), then the Issuer may either, subject to giving any notice required to be given to, and receiving any consent required from, the Relevant Authority: (a) substitute new notes for the Senior Preferred Notes or Senior Non-Preferred Notes whereby such new notes shall replace the Senior Preferred Notes or Senior Non-Preferred Notes, or (b) vary the terms of such Senior Preferred Notes or Senior Non-Preferred Notes, at any time without any requirement for consent of the holders of Senior Preferred Notes or Senior Non-Preferred Notes, so that the Senior Preferred Notes or Senior Non-Preferred Notes are substituted for, or as applicable, varied to, become or remain, Qualifying Senior Preferred Notes or Qualifying Senior Non-Preferred Notes, subject to having given not less than 30 nor more than 60 days' notice to the Fiscal Agent and the holders of Senior Preferred Notes or Senior Non-Preferred Notes and subject to receiving the prior consent from the Relevant Authority if and as required therefor under the MREL Requirements in force at the relevant time.

The holders of Senior Preferred Notes and Senior Non-Preferred Notes shall, by virtue of subscribing and/or purchasing and holding any Senior Preferred Notes or Senior Non-Preferred Notes, be deemed to have accepted the substitution and modification of the terms of Senior Preferred Notes or Senior Non-Preferred Notes and to have granted to the Issuer full powers and authority to take any action and/or execute and deliver any document in the name and /or on behalf of the holders of Senior Preferred Notes or Senior Non-Preferred Notes which is necessary or convenient to implement the substitution or modification of the terms of Senior Preferred Notes or Senior Non-Preferred Notes.

For the purposes of this Condition 17(d):

"**Qualifying Senior Preferred Notes**" means securities issued directly or indirectly by the Issuer that:

(i) other than in respect of the effectiveness and enforceability of Condition 23 (*Contractual Recognition of Bail-in Powers*), have terms not materially less favourable to a holder of the Senior Preferred Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing, than the terms of the Senior Preferred Notes, and they shall also (a) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for own funds and eligible liabilities under the then applicable MREL Requirements; (b) provide for a ranking at least equal to that of the Senior Preferred Notes; (c) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Senior Preferred Notes; (d) have the same redemption rights as the Senior Notes; (e) preserve any existing rights under the Senior Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of modification or substitution; and (e) are assigned (or maintain) the same or higher solicited credit ratings with the same outlook as were assigned to the Senior Preferred Notes (if rated) immediately prior to such variation or substitution; and

(ii) are listed or admitted to trading on a recognised stock exchange if the Senior Preferred Notes were listed or admitted to trading immediately prior to such modification or substitution.

"**Qualifying Senior Non-Preferred Notes**" means securities issued directly or indirectly by the Issuer that:

(i) other than in respect of the effectiveness and enforceability of Condition 23 (*Contractual Recognition of Bail-in Powers*), have terms not materially less favourable to a holder of the Senior Non-Preferred Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing, than the terms of the Senior Non-Preferred Notes, and they shall also (a) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for own funds and eligible liabilities under the then applicable MREL Requirements; (b) provide for a ranking at least equal to that of the Senior Non-Preferred Notes; (c) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Senior Non-Preferred Notes; (d) have the same redemption rights as the Senior Non-Preferred Notes; (e) preserve any existing rights under the Senior Non-Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of modification or substitution; and (e) are assigned (or maintain) the same or higher solicited credit ratings with the same outlook as were assigned to the Senior Non-Preferred Notes (if rated) immediately prior to such variation or substitution; and

(ii) are listed or admitted to trading on a recognised stock exchange if the Senior Non-Preferred Notes were listed or admitted to trading immediately prior to such modification or substitution.

18. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the Issue Price, the Issue Date and/or the first payment of interest) so as to form a single series with the Notes.

19. NOTICES

Notices to the Noteholders shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) and, if the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (*http://www.luxse.com/*) or in either case, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders and Receiptholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

20. CURRENCY INDEMNITY

If any sum due from the Issuer in respect of the Notes, the Coupons or any Receipt or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

21. ROUNDING

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

22. GOVERNING LAW AND JURISDICTION

(a) *Governing law*: The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by English law, except for Condition 4 (*Status of the Senior Preferred Notes*), Condition 5 (*Status of the Senior Non-Preferred Notes*), Condition 6 (*Status of the Subordinated Notes*), and Condition 23 (*Contractual recognition of bail-in powers*) which are governed by and shall be construed in accordance with Italian law.

(b) *English courts*: The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including a dispute relating to the existence, validity or termination of the Notes or any non-contractual obligation arising out of or in connection with the Notes) or the consequences of their nullity.

(c) *Appropriate forum*: The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

(d) *Rights of the Noteholders to take proceedings outside England*: Condition 22(b) (*English courts*) is for the benefit of the Noteholders only. As a result, nothing in this Condition 22 prevents any Noteholder from taking proceedings relating to a Dispute ("**Proceedings**") in any other court of

Member States of the European Union in accordance with the Brussels Ia Regulation or of States that are parties to the Lugano II Convention, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction identified in this Condition 22, whether concurrently or not.

In this Condition 22(d):

"**Brussels Ia Regulation**" means Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, as amended; and

"**Lugano II Convention**" means the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, signed on 30 October 2007.

(e) *Process agent*: The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Wilmington Trust SP Services (London) Limited at Third Floor, 1 King's Arms Yard, London EC2R 7AF, United Kingdom, or, if different, its registered office for the time being or at any address of the Issuer in Great Britain at which process may be served on it in accordance with the procedures set out in the Companies Act 2006. If such Person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall, on the written demand of any Noteholder addressed and delivered to the Issuer or to the Specified Office of the Fiscal Agent, appoint a further Person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Noteholder shall be entitled to appoint such a Person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings outside England pursuant to paragraph (d) above.

23. CONTRACTUAL RECOGNITION OF BAIL-IN POWERS

Notwithstanding any provision of these Conditions or any other agreements, arrangements, or understandings between the Issuer and any holder of the Notes and without prejudice to Article 55(1) of the BRRD, each Noteholder, by virtue of its acquisition of the Notes (whether on issuance or in the secondary market) agrees to be bound by and consent to:

(i) the effects of the exercise of the Bail-In Power by the Relevant Authority, which exercise may include and result in any of the following, or some combination thereof: (A) the reduction of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; (B) the conversion of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of these Conditions; (C) the cancellation of the Notes or the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; and (D) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest become payable, including by suspending payment for a temporary period; and

(ii) the variation of these Conditions, as deemed necessary by the Relevant Authority, to give effect to the exercise of the Bail-In Power by the Relevant Authority.

Each Noteholder further agrees that the rights of the Noteholders are subject to, and will be varied if necessary so as to give effect to, the exercise of any Bail-In Power by the Relevant Authority.

Upon the Issuer becoming aware of the exercise of the Bail-In Power by the Relevant Authority with respect to the Notes, the Issuer shall provide a notice to the holders of the Notes in accordance with Condition 19 (*Notices*) as soon as reasonably practicable. Any delay or failure by the Issuer to give notice shall not affect

the validity and enforceability of the Bail-In Power nor the effects on the Notes described in this Condition 23.

The exercise of the Bail-In Power by the Relevant Authority with respect to the Notes shall not constitute an Event of Default and the terms and conditions of the Notes shall continue to apply to the outstanding principal amount of the Notes subject to any modification of the amount of interest payments to reflect the reduction of the outstanding principal amount, and any further modification of the terms that the Relevant Authority may decide in accordance with applicable laws and regulations, including in particular the BRRD and the SRM Regulation.

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of the Bail-In Power.

As used in this Condition:

"**Bail-in Power**" means any statutory write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of credit institutions, investment firms and/or Group Entities incorporated in the relevant Member State in effect and applicable in the relevant Member State to the Issuer or other Group Entities, including (but not limited to) any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of any European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and/or within the context of a relevant Member State resolution regime or otherwise, pursuant to which liabilities of a credit institution, investment firm and/or any Group Entities can be reduced, cancelled and/or converted into shares or obligations of the obligor or any other person;

"**Group Entity**" means the Issuer or any legal person that is part of the Group;

"**Resolution Power**" means any statutory write-down, transfer and/or conversion power existing from time to time under any laws regulations, rules or requirements relating to the resolution of the Issuer or any other entities of the Group, including but not limited to any laws, regulations, rules or requirements implementing the BRRD and/or the SRM Regulation; and

"**SRM Regulation**" means Regulation (EU) No 806/2014 of the European Parliament and Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010, as amended or replaced from time to time.

TERMS AND CONDITIONS OF THE ITALIAN LAW NOTES IN PHYSICAL FORM

The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Summary of Provisions relating to the Notes while in Global Form" below. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

1. INTRODUCTION

(a) *Programme*: ICCREA Banca S.p.A. (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to €5,000,000,000 in aggregate principal amount of notes. Under the Programme, the Issuer may issue notes governed by Italian law (the "**Italian Law Notes in Physical Form**" or the "**Notes**").

(b) *Final Terms*: Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of final terms (the "**Final Terms**") which completes these terms and conditions governed by Italian law (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.

(c) *Agency Agreement*: The Notes are the subject of an issue and paying agency agreement governed by Italian law dated 2 September 2025 (the "**Agency Agreement for the Italian Law Notes in Physical Form**") between the Issuer, BNP PARIBAS, Luxembourg Branch as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and the other paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes).

(d) *The Notes*: All subsequent references in these Conditions to "**Notes**" are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available during normal business hours at the Specified Office of the Fiscal Agent, the initial Specified Office of which is set out below. The Notes may also be senior preferred notes ("**Senior Preferred Notes**"), senior non-preferred notes ("**Senior Non-Preferred Notes**" and, together with the Senior Preferred Notes, the "**Senior Notes**") or subordinated notes ("**Subordinated Notes**"), depending on the status of the Notes specified in the relevant Final Terms.

(e) *Summaries*: Certain provisions of these Conditions are summaries of the Agency Agreement for the Italian Law Notes in Physical Form and are subject to their detailed provisions. The holders of the Notes (the "**Noteholders**"), the holders of related principal receipts for the payment of instalments of principal (other than the final instalment) (the "**Receiptholders**" and the "**Receipts**", respectively) and the holders of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) and, where applicable, talons for further Coupons ("**Talons**") are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement for the Italian Law Notes in Physical Form applicable to them. Copies of the Agency Agreement for the Italian Law Notes in Physical Form are available for inspection during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below.

2. DEFINITIONS AND INTERPRETATION

(a) *Definitions*: In these Conditions the following expressions have the following meanings:

"**2006 ISDA Definitions**" means, in relation to a Series of Notes, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series) as published by ISDA (copies of which may be obtained from ISDA at www.isda.org);

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix

thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of Notes of such Series, as published by ISDA on its website (www.isda.org);

"**Accrual Yield**" has the meaning given in the relevant Final Terms;

"**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Tier 1 Capital**" has the meaning given to such term (or any other equivalent or successor term) in the Applicable Banking Regulations;

an "**Alignment Event**" will be deemed to have occurred if, as a result of a change in or amendment to the Applicable Banking Regulations or interpretation thereof, at any time after the Issue Date, the Issuer is able to issue an instrument (i) in the case of Senior Notes or Senior Non-Preferred Notes, qualifying as eligible liabilities instruments or (ii) in the case of Subordinated Notes, qualifying as Tier 2 Capital, that contains one or more provisions that are, in the reasonable opinion of the Issuer, different in any material respect from those contained in these Conditions;

"**Applicable Banking Regulations**" means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in the Republic of Italy and applicable to the Issuer or the Group (as the case may be), including, without limitation, the BRRD, the BRRD Implementing Decrees, the Banking Reform Package, the SRM Regulation CRD V Package, the Capital Instruments Regulations, the Circular No. 285 and any other regulations, requirements, guidelines and policies relating to capital adequacy then in effect of the Relevant Authority or of the institutions of the European Union (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer or the Group, as the case may be) and standards and guidelines issued by the European Banking Authority;

"**Bail-in Power**" has the meaning given in Condition 23 (*Contractual Recognition of Bail-in Powers*);

"**Bank Creditor Hierarchy Directive**" means Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 amending the BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy, as amended, supplemented or replaced from time to time;

"**Benchmarks Regulation**" means Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014;

"**Broken Amount**" has the meaning given in the relevant Final Terms;

"**BRRD**" means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, supplemented or replaced from time to time;

"**BRRD Implementing Decrees**" means the Legislative Decrees No. 180 and 181 of November 16, 2015, implementing the BRRD in the Republic of Italy, as amended or replaced from time to time (including, without limitation, as a consequence of the transposition of the Banking Reform Package into Italian law);

"**Business Day**" means:

(i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and

(ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

"**Business Day Convention**", in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

(i) "**Following Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day;

(ii) "**Modified Following Business Day Convention**" or "**Modified Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(iii) "**Preceding Business Day Convention**" means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

(iv) "**FRN Convention**", "**Floating Rate Convention**" or "**Eurodollar Convention**" means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred *provided, however, that*:

(A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

(B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

(C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

(v) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"**Calculation Agent**" means the Fiscal Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s);

"**Calculation Amount**" has the meaning given to it in the relevant Final Terms;

"**Capital Instruments Regulations**" means the Delegated Regulation and any other rules or regulations of the Relevant Authority or of the institutions of the European Union or which are otherwise applicable to the Issuer or the Group (as the case may be), whether introduced before or after the Issue Date, which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the Own Funds of the Issuer or the Group (as the case may be) to the extent required under the CRD V Package;

"**CET1 Instruments**" means at any time common equity tier 1 instruments as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Circular No. 285**" means the Bank of Italy Circular No. 285 of 17 December 2013, setting forth the supervisory provisions for banks (*Disposizioni di Vigilanza per le Banche*), as amended, supplemented or replaced from time to time;

"**CMS Rate**" shall mean the applicable swap rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page as at the Specified Time on the Interest Determination Date in question, all as determined by the Calculation Agent and subject to Condition 8(j) (*Benchmark Discontinuation*);

"**CMS Reference Banks**" means (i) where the Reference Currency is Euro, the principal office of five major banks in the Euro-zone inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five major banks in the London inter-bank market, (iii) where the Reference Currency is U.S. dollars, the principal New York City office of five major banks in the New York City inter-bank market, or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five major banks in the Relevant Financial Centre inter-bank market, in each case selected by the Issuer and/or an independent advisor appointed by the Issuer;

"**Consolidated Banking Law**" means Legislative Decree No. 385 of 1 September 1993, as amended or supplemented from time to time;

"**Coupon Sheet**" means, in respect of a Note, a coupon sheet relating to the Note;

"**CRD IV**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended, supplemented or replaced from time to time, lastly by Regulation (EU) No. 2019/876 (CRRII) and Directive (EU) No. 2019/878;

"**CRD V**" means Delegated Regulation (EU) 2015/61 and its supplements and the Implementing Regulation (EU) 2016/313;

"**CRD V Package**" means the CRD IV, the CRD V and the CRR;

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as amended, supplemented or replaced from time to time;

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

(a) if "**Actual/Actual**" or "**Actual/Actual (ISDA)**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(b) if "**Actual/Actual (ICMA)**" is so specified, means:+

(i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(ii) where the Calculation Period is longer than one Regular Period, the sum of:

(A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;

(c) If "**Actual/365 (Fixed)**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365;

(d) If "**Actual/360**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 360;

(e) If "**30/360**", "**360/360**" or "**Bond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

Where

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30; and

(f) If "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows;

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30.

(g) If "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Termination Date or (ii) such number would be 31, in which case D_2 will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

"**Delegated Regulation**" means Commission Delegated Regulation (EU) No. 241/2014 of 7 January 2014 supplementing the CRR with regard to the regulatory technical standards for Own Funds requirements for institutions, as amended, supplemented or replaced from time to time;

"**Designated Maturity**" has the meaning given in the relevant Final Terms;

"**Early Redemption Amount (Regulatory Event)**" means in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Early Termination Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms;

"**EC Proposals**" means the amendments proposed to the CRD IV Directive, the CRD V, the CRR and BRRD published by the European Commission on 23 November 2016 which have been politically agreed within the EU Council in December 2018 and then signed off by the EU27 Ambassadors on February 15, 2018.

"**ECB**" means the European Central Bank;

"**ECB Interest Rate**" means the European banking interest rate determined by the Governing Council of the ECB and used in Eurosystem refinancing operations. The ECB Interest Rate is published by the ECB and is available on its website;

"**EURIBOR**" means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (being, as of the date of this Base Prospectus, Thomson Reuters) in

accordance with the requirements from time to time of the European Money Markets Institute (or any person which takes over administration of that rate);

"**Extraordinary Resolution**" has the meaning given in the Agency Agreement for the Italian Law Notes in Physical Form;

"**Final Redemption Amount**" means:

(i) in respect of any Note that is not an Instalment Note, its principal amount, subject to any purchase, cancellation, early redemption or repayment; and

(ii) in respect of any Instalment Note, the final Instalment Amount;

"**Fixed Coupon Amount**" has the meaning given in the relevant Final Terms;

"**Group Entity**" has the meaning given in Condition 23 (*Contractual Recognition of Bail-in Powers*);

"**Guarantee**" means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation):

(i) any obligation to purchase such Indebtedness;

(ii) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;

(iii) any indemnity against the consequences of a default in the payment and such Indebtedness; and

(iv) any other agreement to be responsible for such Indebtedness;

"**Indebtedness**" means any indebtedness of any Person for money borrowed or raised:

"**Instalment Amount**" means the amount of each instalment of the Instalment Notes;

"**Instalment Date**" means the date on which each Instalment Amount is repayable;

"**Instalment Notes**" means Notes, any part of the principal amount of which is repayable by an Instalment Amount;

"**Interest Amount**" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"**Interest Commencement Date**" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

"**Interest Determination Cut-off Date**" has the meaning given in Condition 8(j) (*Benchmark Discontinuation*);

"**Interest Determination Date**" has the meaning given in the relevant Final Terms;

"**Interest Payment Date**" means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

(i) as the same may be adjusted in accordance with the relevant Business Day Convention; or

(ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest

Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"**Interest Period**" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date (or, if the Notes are redeemed on any earlier date, the relevant redemption date);

"**ISDA**" means the International Swaps and Derivatives Association, Inc. (or any successor);

"**ISDA Definitions**" has the meaning given in the relevant Final Terms;

"**Issue Date**" has the meaning given in the relevant Final Terms;

"**Issue Price**" has the meaning given in the relevant Final Terms;

"**Loss Absorption Requirement**" means the power of the Relevant Authority to impose that Own Funds instruments or other liabilities of the Issuer or entities of the Group (as the case may be) are subject to full or partial write-down of the principal or conversion into CET1 Instruments or other instruments of ownership;

"**Margin**" has the meaning given in the relevant Final Terms;

"**Maturity Date**" has the meaning given in the relevant Final Terms;

"**Maturity Period**" means the period from and including the Issue Date to but excluding the Maturity Date;

"**Maximum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**Minimum Capital**" means the minimum amount of capital of the Issuer, as provided for by the Bank of Italy from time to time for the purposes of obtaining or maintaining the authorisation of the Bank of Italy to carry on banking activities, as certified in writing by two directors of the Issuer;

"**Minimum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**MREL Disqualification Event**" means that, by reason of the introduction of, or a change in, the MREL Requirements, which was not reasonably foreseeable by the Issuer at the Issue Date of the relevant Series of Notes, all or part of the aggregate outstanding nominal amount of a Series of Senior Preferred Notes and/or of Senior Non-Preferred Notes (as the case may be) are or will be excluded fully or partially from the liabilities that are eligible to meet the MREL Requirements. For the avoidance of doubt: (a) the exclusion of a Series of Notes from the liabilities that are eligible to meet the MREL Requirements due to the remaining maturity of such Notes being less than any period prescribed thereunder does not constitute a MREL Disqualification Event; (b) the exclusion of all or some of a Series of Notes from the MREL Requirements due to there being insufficient headroom for such Notes within any prescribed exception to the otherwise applicable general requirements for liabilities that are eligible to meet the MREL Requirements does not constitute a MREL Disqualification Event; and (c) the exclusion of all or some of a Series of Senior Preferred Notes or Senior Non-Preferred Notes from the MREL Requirements as a result of such Notes being purchased by or on behalf of the Issuer or as a result of a purchase which is funded directly or indirectly by the Issuer, does not constitute a MREL Disqualification Event;

"**MREL Requirements**" means the laws, regulations, requirements, guidelines, rules, standards, measures and policies relating to minimum requirements for own funds and eligible liabilities applicable to the Issuer or the Group (as the case may be) from time to time, including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as implementing technical standards or regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards, measures and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Republic of Italy or a Relevant Authority from time to time (whether or not such regulations, requirements, guidelines, rules, standards, measures or policies are applied generally or specifically to the Issuer or the Group (as the case may be)), as any of the

preceding laws, regulations, requirements, guidelines, rules, standards, measures, policies or interpretations may be amended, supplemented, superseded or replaced from time to time;

"**Own Funds**" shall have the meaning given to such term in the CRR, as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Optional Redemption Amount (Call)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Amount (Put)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Date (Call)**" has the meaning given in the relevant Final Terms;

"**Optional Redemption Date (Put)**" has the meaning given in the relevant Final Terms;

"**Participating Member State**" means a Member State of the European Union which adopts the euro as its lawful currency in accordance with the Treaty;

"**Payment Business Day**" means:

(i) if the currency of payment is euro, any day which is:

(A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

(B) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

(ii) if the currency of payment is not euro, any day which is:

(A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

(B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**Principal Financial Centre**" means, in relation to any currency, the principal financial centre for that currency *provided, however, that*:

(i) in relation to euro, it means the principal financial centre of such Member State of the European Union or the United Kingdom as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and

(ii) in relation to Australian dollars, it means either Sydney or Melbourne and, in relation to New Zealand dollars, it means either Wellington or Auckland; in each case as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

"**Put Option Notice**" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Put Option Receipt**" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Rate of Interest**" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

"**Redemption Amount**" means, as appropriate, the Final Redemption Amount, the Instalment Amount, the Early Redemption Amount (Tax), Early Redemption Amount (Regulatory Event), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

"**Reference Currency**" has the meaning given in the relevant Final Terms;

"**Reference Price**" has the meaning given in the relevant Final Terms;

"**Reference Rate**" means EURIBOR, ECB Interest Rate or the CMS Rate as specified in the relevant Final Terms in respect of the currency and period specified in the relevant Final Terms;

"**Regular Period**" means:

(i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and

(iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"**Regulatory Event**" means any change (or pending change which the Relevant Authority considers to be sufficiently certain) in the regulatory classification of the Subordinated Notes from their classification on the Issue Date that results, or would be likely to result, in their exclusion in full or, to the extent permitted under the Applicable Banking Regulations, in part, from the Tier 2 Capital of the Issuer or, where applicable in accordance with the Applicable Banking Regulations, a reclassification as a lower quality form of Own Funds (save where the exclusion from Tier 2 Capital of the Issuer is solely (A) a result of any applicable limitation on the amount of such capital, or (B) in accordance with any requirement that recognition of such Series of Subordinated Notes as part of the Tier 2 Capital of the Issuer be amortised in the five years prior to maturity of such Notes, in either (A) or (B) in accordance with Applicable Banking Regulations in force as at the date on which agreement is reached to issue the first Tranche of such Series of Subordinated Notes) and, in case the Regulatory Event has occurred before five years from the issue of the relevant Subordinated Notes, both of the following conditions are met: (i) the Relevant Authority considers such a change to be sufficiently certain and (ii) the Issuer demonstrates to the satisfaction of the Relevant Authority that the change in regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date;

"**Relevant Authority**" means, as the context may require, (i) the European Central Bank or the Bank of Italy, acting within the framework of the Single Supervisory Mechanism, or any successor or replacement authority having responsibility for the prudential oversight and supervision of the Issuer or the Group (as the case may be), and/or (ii) the Italian resolution authority, the Single Resolution Board (SRB) established pursuant to the SRM Regulation, the European Council, the

European Commission, acting within the framework of the Single Resolution Mechanism, or any successor or replacement authority having responsibility for the resolution of the Issuer or other entities of the Group (as the case may be) and for the exercise of any Resolution Power or Bail-in Power from time to time;

"**Relevant Date**" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"**Relevant Financial Centre**" has the meaning given in the relevant Final Terms;

"**Relevant Screen Page**" means the page, section or other part of a particular information service (including, without limitation, the Reuters Money 3000 Service) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"**Relevant Swap Rate**" means:

(i) where the Reference Currency is Euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed for floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR EURIBOR Reuters (as defined in the ISDA Definitions) with a designated maturity determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions; and

(ii) where the Reference Currency is any other currency or if the Final Terms specify otherwise, the mid-market swap rate as determined in accordance with the applicable Final Terms;

"**Relevant Time**" has the meaning given in the relevant Final Terms;

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market at the relevant time;

"**Reserved Matter**" shall have the meaning given to it in the Agency Agreement for the Italian Law Notes in Physical Form and includes, *inter alia*, any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

"**Reset Date**" has the meaning given in the relevant Final Terms;

"**Resolution Power**" has the meaning given in Condition 23 (*Contractual Recognition of Bail-in Powers*);

"**Single Resolution Mechanism**" means the single resolution mechanism established pursuant to the SRM Regulation;

"**Single Supervisory Mechanism**" means the single supervisory mechanism established pursuant to the SSM Regulation;

"**Specified Currency**" has the meaning given in the relevant Final Terms;

"**Specified Denomination(s)**" has the meaning given in the relevant Final Terms;

"**Specified Office**" has the meaning given in the Agency Agreement for the Italian Law Notes in Physical Form;

"**Specified Period**" has the meaning given in the relevant Final Terms;

"**SRM Regulation**" has the meaning given in Condition 23 (*Contractual Recognition of Bail-in Powers*);

"**SSM Regulation**" means Council Regulation (EU) No. 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions, as amended, supplemented or replaced from time to time;

"**Subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any Person (the "**second Person**") in which:

(i) the majority of the votes capable of being voted in an ordinary shareholders' meeting is held, directly or indirectly, by the first Person; or

(ii) the first Person holds, directly or indirectly, a sufficient number of votes to give the first Person a dominant influence (*influenza dominante*) in an ordinary shareholders' meeting of the second Person,

as provided by Article 2359, paragraph 1, No.1 and 2 of the Italian Civil Code;

"**Talon**" means a talon for further Coupons;

"**T2**" means the real time gross settlement system operated by the Eurosystem or any successor system;

"**TARGET Settlement Day**" means any day on which T2 is open for the settlement of payments in euro;

"**Tax Event**" has the meaning given in Condition 10(b) (*Redemption for tax reasons*);

"**Tier 1 Capital**" means at any time tier 1 capital as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Tier 2 Capital**" means at any time tier 2 capital as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Tier 2 Instruments**" means at any time tier 2 instruments as interpreted and applied in accordance with the Applicable Banking Regulations.

"**Treaty**" means the Treaty on the functioning of the European Union, as amended; and

"**Zero Coupon Note**" means a Note specified as such in the relevant Final Terms.

(b) *Interpretation*: In these Conditions:

(i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;

(ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;

(iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;

(iv) any reference to principal shall be deemed to include the Redemption Amount, any Instalment Amounts, any additional amounts in respect of principal which may be payable

under Condition 12 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;

(v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;

(vi) references to Notes being "**outstanding**" shall be construed in accordance with the Agency Agreement for the Italian Law Notes in Physical Form;

(vii) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "**not applicable**" then such expression is not applicable to the Notes;

(viii) any reference herein to Notes shall, unless the context otherwise requires, be deemed to include a reference to Receipts in respect of any Instalment Notes and any reference herein to Noteholders shall, unless the context otherwise requires, be deemed to include a reference to Receiptholders in respect of any Instalment Notes; and

(ix) any reference in these Conditions to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

3. FORM, DENOMINATION AND TITLE

The Notes are in bearer form in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. If the Notes are Instalment Notes in definitive form, they will be issued with Receipts attached. In the case of a Series of Notes with more than one Specified Denomination, Notes of one Specified Denomination will not be exchangeable for Notes of another Specified Denomination. Title to the Notes, the Coupons and the Receipts will pass by delivery. The holder of any Note, Coupon or Receipt shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder. No Person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

4. STATUS OF THE SENIOR PREFERRED NOTES

(a) *Application*: This Condition 4 applies only to Notes specified in the relevant Final Terms as being Senior Preferred Notes.

(b) *Status*: The Senior Preferred Notes and any related Receipts or Coupons are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves. The payment obligations of the Issuer under the Senior Preferred Notes and the Receipts or Coupons related to them shall at all times rank (save for certain obligations required to be preferred by law, including any obligations permitted by law to rank senior to the Senior Preferred Notes following the Issue Date, if any) equally with all other unsecured and unsubordinated obligations of the Issuer from time to time outstanding (other than obligations ranking junior to the Senior Preferred Notes from time to time, including any obligations under Senior Non-Preferred Notes and any further obligations permitted by law or by their terms to rank junior to the Senior Preferred Notes following the Issue Date, if any).

In relation to each Series of Senior Preferred Notes, all Notes of such Series will be treated equally and all amounts paid by the Issuer in respect of principal and/or interest thereon will be paid *pro rata* on all Notes of such Series.

(c) *Waiver of set-off rights*: Each holder of a Senior Preferred Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Senior Preferred Note.

(d) *No Negative Pledge*: There is no negative pledge in respect of the Senior Preferred Notes.

5. STATUS OF THE SENIOR NON-PREFERRED NOTES

(a) *Application*: This Condition 5 applies only to Notes specified in the relevant Final Terms as being Senior Non-Preferred Notes.

(b) *Status*: The obligations of the Issuer under the Senior Non-Preferred Notes and any related Receipts or Coupons are direct, unconditional, unsubordinated, unsecured and non-preferred obligations of the Issuer that are intended to qualify as *strumenti di debito chirografario di secondo livello* of the Issuer in accordance with, and for the purposes of, Article 12-*bis* of the Consolidated Banking Law.

The payment obligations of the Issuer under the Senior Non-Preferred Notes and the Receipts or Coupons related to them shall at all times rank:

(i) junior to Senior Preferred Notes and all present or future unsecured and unsubordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to the Senior Non-Preferred Notes (including, without limitation, any obligations under the Senior Preferred Notes) including claims arising from the excluded liabilities within the meaning of Article 72a(2) of the CRR;

(ii) *pari passu* among themselves and with any other present or future obligations of the Issuer which do not rank, or are not expressed by their terms to rank, junior or senior to the Senior Non-Preferred Notes; and

(iii) senior to any present or future obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Senior Non-Preferred Notes (including, without limitation, the claims of the shareholders of the Issuer and any other obligations under the Subordinated Notes or any other obligations under instruments or items included in the Tier 1 Capital or Tier 2 Capital of the Issuer),

in all such cases in accordance with the provisions set forth in Article 91, paragraph 1-*bis*, letter c-*bis*) of the Consolidated Banking Law and any relevant regulation which may be enacted from time to time for the purposes of implementing such provisions and/or any laws, regulations or guidelines implementing the rules set forth in the Bank Creditor Hierarchy Directive.

In relation to each Series of Senior Non-Preferred Notes, all Notes of such Series will be treated equally and all amounts paid by the Issuer in respect of principal and/or interest thereon will be paid *pro rata* on all Notes of such Series.

(c) *Waiver of set-off rights*: Each holder of a Senior Non-Preferred Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Senior Non-Preferred Note.

(d) *No Negative Pledge*: There is no negative pledge in respect of the Senior Non-Preferred Notes.

6. STATUS OF THE SUBORDINATED NOTES

(a) *Application:* This Condition 6 applies only to Notes specified in the relevant Final Terms as being Subordinated Notes.

(b) *Status*: The Subordinated Notes and any related Receipts or Coupons are direct, unsecured and subordinated obligations of the Issuer that are intended to qualify for regulatory purposes as Tier 2 Instruments to be included in the Tier 2 Capital of the Issuer in accordance with Article 63 of the CRR and Part II, Chapter 1 of Circular No. 285 (or any successor rules under the Applicable Banking Regulations).

Subject to the following paragraph, for so long as the relevant Series of Subordinated Notes qualify, in whole or in part, as Tier 2 Capital, the payment obligations of the Issuer under the Subordinated Notes and the Receipts or Coupons related to them shall at all times rank:

(i) junior to all present or future unsecured and unsubordinated obligations of the Issuer (including, without limitation, any obligations under the Senior Notes) or any other present

or future subordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to the Subordinated Notes (including any subordinated instruments that have ceased to qualify, in their entirety, as own fund items (*elementi di fondi propri*));

(ii) *pari passu* among themselves and with any other present or future obligations of the Issuer which do not rank, or are not expressed by their terms to rank, junior or senior to the Subordinated Notes, including holders of present or future outstanding Tier 2 Capital of the Issuer; and

(iii) senior to any present or future obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Subordinated Notes (including, without limitation, the claims of the shareholders of the Issuer and any other obligations under instruments or items included in the Tier 1 Capital of the Issuer).

If the relevant Series of Subordinated Notes does not qualify (or ceases to qualify) in its entirety as own funds items (*elementi di fondi propri*), such Subordinated Notes will rank *pari passu* without any preference among the Notes and: (A) at least *pari passu* with the Issuer's obligations in respect of any other subordinated instruments that have ceased to qualify, in their entirety, as own funds items (*elementi di fondi propri*) and with all other subordinated indebtedness of the Issuer that have such ranking; (B) in priority to payments to holders of present or future outstanding indebtedness which qualifies, in whole or in part, as own funds items (*elementi di fondi propri*), including Additional Tier 1 Capital and Tier 2 Capital; and (C) junior in right of payment to the payment of any present or future claims of depositors of the Issuer and any other unsubordinated creditors of the Issuer (including Senior Preferred Notes and Senior Non-Preferred Notes).

In relation to each Series of Subordinated Notes, all Notes of such Series will be treated equally and all amounts paid by the Issuer in respect of principal and/or interest thereon will be paid *pro rata* on all Notes of such Series.

(c) *Waiver of set-off rights*: Each holder of a Subordinated Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Subordinated Note.

The Subordinated Notes (including, for the avoidance of doubt, payments of principal and/or interest) shall be subject to the Loss Absorption Requirement, if so required under the BRRD and/or the SRM Regulation, in accordance with the powers of the Relevant Authority and where the Relevant Authority determines that the application of the Loss Absorption Requirement to the Subordinated Notes is necessary pursuant to applicable law and/or regulation in force from time to time.

(d) *No Negative Pledge*: There is no negative pledge in respect of the Subordinated Notes.

7. FIXED RATE NOTE PROVISIONS

(a) *Application*: This Condition 7 is applicable to the Notes only if: (i) the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable; or (ii) if a Change of Interest Basis is specified in the relevant Final Terms as being applicable, in respect of those periods for which the Fixed Rate Note Provisions are stated to apply.

(b) *Accrual of interest*: The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) *Fixed Coupon Amount*: Other than if the Notes are redeemed on any date that is not an Interest Payment Date, the amount of interest payable in respect of each Note for any Interest Period shall

be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

(d) *Calculation of interest amount*: The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified or if the Notes are redeemed on any date that is not an Interest Payment Date shall be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Fixed Rate Note comprises more than one Calculation Amount, the Amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

7B RESET NOTE PROVISIONS

(a) *Rates of Interest and Interest Payment Dates*: Each Reset Note bears interest:

(i) from (and including) the Interest Commencement Date until (but excluding) the First Reset Date at the Initial Rate of Interest;

(ii) from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the Form of Final Terms, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and;

(iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest,

payable, in each case, in arrear on each Interest Payment Date and on the Maturity Date if that does not fall on an Interest Payment Date. The Rate of Interest and the Interest Amount payable shall be determined by the Calculation Agent, (i) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, subject to Condition 8(j) (*Benchmark Discontinuation*) below, and (ii) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in Condition 7 (*Fixed Rate Note Provisions*). Unless otherwise stated in the applicable Final Terms the Rate of Interest (inclusive of the First or Subsequent Margin) shall not be deemed to be less than zero.

For the purposes of the Conditions:

"**First Margin**" means the margin specified as such in the Form of Final Terms;

"**First Reset Date**" means the date specified in the Form of Final Terms;

"**First Reset Period**" means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the Form of Final Terms, the Maturity Date;

"**First Reset Rate of Interest**" means, in respect of the First Reset Period and subject to Condition 7B(b) (*Fallbacks*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the First Margin;

"**Initial Rate of Interest**" has the meaning specified in the Form of Final Terms;

"**Interest Commencement Date**" means the date specified as such in the Form of Final Terms;

"**Mid-Market Swap Rate**" means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count

basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the Form of Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

"**Mid-Market Swap Rate Quotation**" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

"**Mid-Swap Floating Leg Benchmark Rate**" means EURIBOR if the Specified Currency is euro;

"**Mid-Swap Rate**" means, in relation to a Reset Determination Date and subject to Condition 7B(b) (*Fallbacks*), either:

(iv) if Single Mid-Swap Rate is specified in the Form of Final Terms, the rate for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

(v) if Mean Mid-Swap Rate is specified in the Form of Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

"**Rate of Interest**" means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

"**Reset Date**" means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable);

"**Reset Determination Date**" means, in respect of the First Reset Period, the second Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period;

"**Reset Period**" means the First Reset Period or a Subsequent Reset Period, as the case may be;

"**Second Reset Date**" means the date specified in the Form of Final Terms;

"**Subsequent Margin**" means the margin specified as such in the Form of Final Terms;

"**Subsequent Reset Date**" means the date or dates specified in the Form of Final Terms;

"**Subsequent Reset Period**" means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date; and

"**Subsequent Reset Rate of Interest**" means, in respect of any Subsequent Reset Period and subject to Condition 3(b)(ii), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the relevant Subsequent Margin.

(b) *Fallbacks*

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Issuer shall, subject as provided in Condition 8(j) (*Benchmark Discontinuation*), request each of the Reference Banks (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

For the purposes of this Condition 7B(b) "**Reference Banks**" means the principal office in the principal financial centre of the Specified Currency of four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer on the advice of an investment bank of international repute.

8. FLOATING RATE AND CMS LINKED INTEREST NOTE PROVISIONS

(a) *Application*: This Condition 8 is applicable to the Notes only if: (i) the Floating Rate Note Provisions or CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable; or (ii) if a Change of Interest Basis is specified in the relevant Final Terms as being applicable, in respect of those periods for which the Floating Rate Note Provisions are stated to apply. In addition, Condition 8(j) (*Benchmark Discontinuation*) is applicable to the Notes if the Reset Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Accrual of interest*: The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) *Screen Rate Determination for Floating Rate Notes other than CMS Linked Interest Notes*: If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and "CMS Rate" is not specified as the Reference Rate in the Final Terms, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis, subject to Condition 8(j) (*Benchmark Discontinuation*):

(i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

and the Rate of Interest for such Interest Period shall be:

(i) if "Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined (the "**Determined Rate**");

(ii) if "**Multiplier**" is specified in the relevant Final Terms as being applicable the sum of (i) the Margin and (ii) the relevant Determined Rate multiplied by the Multiplier;

(iii) if "**Reference Rate Multiplier**" is specified in the relevant Final Terms as being applicable, the sum of (i) the Margin, and (ii) the relevant Determined Rate multiplied by the Reference Rate Multiplier,

(iv) *provided, however, that* if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or, as the case may be, the arithmetic mean last determined in relation to the Notes in respect of the immediately preceding Interest Period for which such rate or arithmetic mean was determined.

(d) *Screen Rate Determination for Floating Rate Notes which are CMS Linked Interest Notes*: If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and "CMS Rate" is specified as the Reference Rate in the Final Terms, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent by reference to the following formula, subject to Condition 8(j) (*Benchmark Discontinuation*):

CMS Rate plus Margin

If the Relevant Screen Page is not available, the Issuer and/or an independent advisor appointed by the Issuer shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the Interest Determination Date in question. If at least three of the CMS Reference Banks provide the Calculation Agent with such quotation, the CMS Rate for such Interest Period shall be the arithmetic mean of such quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

If on any Interest Determination Date less than three or none of the CMS Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Rate shall be determined by the Calculation Agent in good faith on such commercial basis as considered appropriate by the Calculation Agent in its absolute discretion, in accordance with standard market practice.

(e) *ISDA Determination*: If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(i) if the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:

(A) the Floating Rate Option is as specified in the relevant Final Terms;

(B) the Designated Maturity is a period specified in the relevant Final Terms; and

(C) the relevant Reset Date, unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions.

(ii) references in the ISDA Definitions to:

(A) "**Confirmation**" shall be references to the relevant Final Terms;

(B) "**Calculation Period**" shall be references to the relevant Interest Period;

(C) "**Termination Date**" shall be references to the Maturity Date;

(D) "**Effective Date**" shall be references to the Interest Commencement Date; and

(iii) if the Final Terms specify "2021 ISDA Definitions" as being applicable:

(A) "Administrator/Benchmark Event" shall be disapplied; and

(B) If the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

(iv) Unless otherwise defined capitalised terms used in this Condition 8(e) shall have the meaning ascribed to them in the ISDA Definitions.

(f) *Maximum or Minimum Rate of Interest*: If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

(g) *Calculation of Interest Amount*: The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount during such Interest Period and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified currency (half a sub-unit being rounded upwards). For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Floating Rate Note or CMS Linked Interest Note comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

(h) *Publication*: The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination (if required by the rules of the relevant competent authority, stock exchange and/or quotation system (if any) but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period). Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) in the event

of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

(i) *Notifications, etc.*: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 8 by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders, the Receiptholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(j) *Benchmark Discontinuation*: If a Benchmark Event occurs in relation to the Reference Rate when the Rate of Interest (or any component part thereof) for any Interest Period remains to be determined by reference to such Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with this Condition 8(j)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 8(j)(iii)) and any Benchmark Amendments (in accordance with Condition 8(j)(iv)).

In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Fiscal Agent or the Noteholders for any determination made by it pursuant to this Condition 8(j).

(i) If (i) the Issuer is unable to appoint an Independent Adviser or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 8(j) prior to the relevant Interest Determination Date or Reset Determination Date, as the case may be, the Reference Rate applicable to the immediate following Interest Period shall be (i) in the case of the Rate of Interest on Floating Rate Notes, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period or (ii) in the case of the First Reset Rate of Interest on Reset Notes, the Rate of Interest shall be equal to the Initial Rate of Interest or (iii) in the case of the Subsequent Reset Rate of Interest on Reset Notes, the Rate of Interest shall be equal to the Subsequent Reset Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Reset Period or if the immediately preceding Reset Period is the First Reset Period, the First Reset Rate of Interest. If there has not been a first Interest Payment Date or First Reset Date, the Rate of Interest for Floating Rate Notes shall be the initial Rate of Interest and the Rate of Interest for Reset Notes shall be the Initial Rate of Interest (as applicable). Where a different Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin (as applicable) is to be applied to the relevant Interest Period or Reset Period (as applicable) from that which applied to the last preceding Interest Period or Reset Period (as applicable), the Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin (as applicable) relating to the relevant Interest Period or Reset Period (as applicable) shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin relating to that last preceding Interest Period or Reset Period (as applicable).

For the avoidance of doubt, any adjustment pursuant to this Condition 8(j)(i) (*Benchmark Discontinuation*) shall apply to the immediately following Interest Period or Reset Period (as applicable) only. Any subsequent Interest Period or Reset Period (as applicable) may be subject to the subsequent operation of this Condition 8(j).

(ii) If the Independent Adviser determines in its discretion that:

(A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 8(j)(iii)) subsequently be used in place of the Reference Rate to determine the Rate of Interest for the immediately following Interest Period or Reset Period (as applicable) and all following Interest Periods or Reset

Periods (as applicable), subject to the subsequent operation of this Condition 8(j)) in the event of a further Benchmark Event affecting the Successor Rate; or

(B) (there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 8(j)(iii)) subsequently be used in place of the Reference Rate to determine the Rate of Interest for the immediately following Interest Period or Reset Period (as applicable) and all following Interest Periods or Reset Periods (as applicable), subject to the subsequent operation of this Condition 8(j) in the event of a further Benchmark Event affecting the Alternative Rate.

(iii) If the Independent Adviser determines in its discretion (A) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall apply to the Successor Rate or the Alternative Rate (as the case may be).

(iv) If any relevant Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 8(j) and the Independent Adviser determines in its discretion (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, following consultation with the Calculation Agent (or the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest and the Interest Amount(s)), subject to giving notice thereof in accordance with this Condition 8(j), without any requirement for the consent or approval of relevant Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice (and for the avoidance of doubt, the Fiscal Agent shall, at the direction and expense of the Issuer, consent to and effect such consequential amendments to the Agency Agreement for the Italian Law Notes in Physical Form and these Conditions as may be required in order to give effect to this Condition 8(j)).

(v) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 8(j) will be notified promptly by the Issuer to the Fiscal Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 19 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(vi) No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer:

(A) confirming (x) that a Benchmark Event has occurred, (y) the relevant Successor Rate, or, as the case may be, the relevant Alternative Rate and, (z) where applicable, any relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 8(j); and

(B) certifying that the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate, Alternative Rate and/or Adjustment Spread.

(vii) The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of such Successor Rate or Alternative Rate and such Adjustment Spread (if any) and such Benchmark Amendments (if any)) be binding on the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agents and the Noteholders.

(viii) Where a different Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin (as applicable) is to be applied to the relevant Interest Period or Reset

Period (as applicable) from that which applied to the last preceding Interest Period or Reset Period (as applicable), the Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin (as applicable) relating to the relevant Interest Period or Reset Period (as applicable) shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin relating to that last preceding Interest Period or Reset Period.

(ix) As used in this Condition 8(j):

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Benchmark Rate (as the case may be) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) (if no such recommendation has been made, or in the case of an Alternative Benchmark Rate), the Independent Adviser, determines is customarily applied to the relevant Successor Rate or Alternative Benchmark Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or

(iii) (if no such recommendation has been made) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Benchmark Rate (as the case may be); or

(iv) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines (acting in good faith and in a commercially reasonable manner) to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Benchmark Rate (as the case may be).

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with this Condition 8(j) is customary in market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) in the Specified Currency.

"**Benchmark Event**" means:

(A) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(B) a public statement by the administrator of the relevant Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased publishing such Reference Rate permanently or indefinitely or that it will cease to do so by a specified future date (the "**Specified Future Date**"); or

(C) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a specified future date (the "**Specified Future Date**"), be permanently or indefinitely discontinued; or

(D) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will, by a specified future date (the "**Specified Future Date**"), be prohibited from being used or that its use will be

subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(E) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, such Reference Rate is or will, by a specified future date (the "**Specified Future Date**"), be no longer representative of an underlying market; or

(F) it has or will, by a specified date within the following six months, become unlawful for the Calculation Agent to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable).

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (B), (C), (D) or (E) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed occur until the date falling six months prior to such Specified Future Date.

"**Benchmark Amendments**" has the meaning given to it in Condition 8(j)(iv).

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense under Condition 8(j).

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"**Successor Rate**" means a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

9. ZERO COUPON NOTE PROVISIONS

(a) *Application*: This Condition 9 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Late payment on Zero Coupon Notes*: If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 days after the Fiscal Agent has notified the Noteholders that it has

received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9A. CHANGE OF INTEREST BASIS

If Change of Interest Basis is specified as applicable in the applicable Final Terms, the interest payable in respect of the Notes will be calculated in accordance with Condition 7 (*Fixed Rate Note Provisions*) or Condition 8 (*Floating Rate and CMS Linked Interest Note Provisions*), each applicable only for the relevant periods specified in the applicable Final Terms.

If Change of Interest Basis is specified as applicable in the applicable Final Terms, and Issuer's Switch Option is also specified as applicable in the applicable Final Terms, the Issuer may, on one or more occasions, as specified in the applicable Final Terms, at its option (any such option, a "**Switch Option**"), having given notice to the Noteholders in accordance with Condition 19 (*Notices*) and delivering such notice to the Paying Agent and the Calculation Agent on or prior to the relevant Switch Option Expiry Date, change the Interest Basis of the Notes from Fixed Rate to Floating Rate or Floating Rate to Fixed Rate or as otherwise specified in the applicable Final Terms with effect from (and including) the Switch Option Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date (or, where more than one Switch Option Effective Date is specified in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date), *provided that* (A) the Switch Option may be exercised only in respect of all the outstanding Notes, (B) upon exercise of a Switch Option, the Interest Basis change will be effective from (and including) the relevant Switch Option Effective Date until the Maturity Date (or, where more than one Switch Option Effective Date is specified as applicable in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date to the extent the related Switch Option is exercised), and (C) where a Switch Option has not been exercised prior to the relevant Switch Option Expiry Date, the Issuer shall no longer be entitled to exercise such Switch Option and the Interest Basis shall not change.

"**Switch Option Expiry Date**" and "**Switch Option Effective Date**" shall mean any date specified as such in the applicable Final Terms *provided that* any date specified in the applicable Final Terms as a Switch Option Effective Date shall be deemed as such subject to the exercise of the relevant Switch Option having been notified by the Issuer pursuant to this Condition and in accordance with Condition 19 (*Notices*) prior to the relevant Switch Option Expiry Date.

10. REDEMPTION AND PURCHASE

(a) *Scheduled redemption*: Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Conditions 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*) and Condition 11 (*Payments*).

Pursuant to Article 12-*bis*, paragraph 1, letter a), of the Consolidated Banking Law, the Maturity Date of the Senior Non-Preferred Notes shall not fall earlier than twelve months after their Issue Date.

The Maturity Date of Subordinated Notes shall not fall earlier than five years after their Issue Date, as provided under the Applicable Banking Regulations.

(b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuer (but subject, in the case of Subordinated Notes, to the prior approval of the Relevant Authority) in whole, but not in part:

(i) at any time (if, neither the Floating Rate Note Provisions nor CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable); or

(ii) on any Interest Payment Date (if the Floating Rate Note Provisions or CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (*Tax*), together with interest accrued (if any) to the date fixed for redemption, if:

(A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes;

(B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; and

(C) in the case of Subordinated Notes only if the circumstances under points (A) and (B) above have occurred within five years of the issue of the relevant Subordinated Notes, the Issuer demonstrates to the satisfaction of the Relevant Authority that such change is material and was not reasonably foreseeable at the Issue Date,

(any such event, a "**Tax Event**")

provided, however, that no such notice of redemption shall be given earlier than: 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent (A) a certificate signed by a legal representative of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 10(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(b).

In the case of Senior Notes, any redemption pursuant to this Condition 10(b) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, any redemption pursuant to this Condition 10(b) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*).

(c) *Redemption for regulatory reasons:*

(i) *Application:* This Condition 10(c) applies only if (A) the Notes are specified in the relevant Final Terms as being Subordinated Notes; and (B) this Condition 10(c) is specified in the relevant Final Terms as being applicable.

(ii) *Redemption*: If, at any time the Issuer determines that a Regulatory Event has occurred, the Notes may be redeemed at the option of the Issuer (subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*) below), in whole, but not in part, at any time (if this Note is neither a Floating Rate Note nor a CMS Linked Interest Note) or on any Interest Payment Date (if the Note is either a Floating Rate Note or a CMS Linked Interest Note), on giving not less than 15 nor more than 30 days' notice to the Fiscal Agent and, in accordance with Condition 19 (*Notices*), to the Noteholders.

Prior to the publication of any notice of redemption pursuant to this Condition 10(c), the Issuer shall deliver or procure that there is delivered to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer stating that the said circumstances prevail and describe the facts

leading thereto, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

Upon the expiry of any such notice as is referred to in this Condition 10(c), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(c), at the Early Redemption Amount (Regulatory Event) described in the relevant Final Terms, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Any redemption pursuant to this Condition 10(c) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*).

(d) *Redemption of Senior Notes due to a MREL Disqualification Event*

This Condition 10(d) applies only to Notes specified in the relevant Final Terms as being Senior Preferred Notes or Senior Non-Preferred Notes.

If an Issuer Call due to a MREL Disqualification Event is specified in the relevant Final Terms as being applicable, then in cases where the Issuer determines that a MREL Disqualification Event has occurred and is continuing with respect to a Series of Senior Preferred Notes or Senior Non-Preferred Notes, any such Series may be redeemed at the option of the Issuer in whole, but not in part:

(i) at any time (if neither the Floating Rate Note Provisions nor the CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable); or

(ii) on any Interest Payment Date (if either the Floating Rate Note Provisions or the CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 days nor more than the maximum period of notice specified in the applicable Final Terms to the Fiscal Agent and, in accordance with Condition 19 (*Notices*), the Noteholders (which notice shall be irrevocable).

Upon the expiry of any such notice as is referred to in this Condition 10(d), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(d), at their Early Redemption Amount (MREL Disqualification Event) described in the relevant Final Terms, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Prior to the publication of any notice of redemption pursuant to this Condition 10(d), the Issuer shall deliver or procure that there is delivered to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred (and such evidence shall be conclusive and binding on the Noteholders and the Couponholders).

Any redemption pursuant to this Condition 10(d) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(e) *Redemption at the option of the Issuer*: If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may (subject, in the case of Subordinated Notes, to prior approval of the Relevant Authority) be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

In the case of Senior Notes, the call option pursuant to this Condition 10(e) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, no call option in accordance with this Condition 10(e) may be exercised by the Issuer to redeem, in whole or in part, such Notes prior to the fifth anniversary of their Issue Date. Starting from the fifth anniversary of their Issue Date, the redemption pursuant to this Condition 10(e) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(f) *Partial redemption*: If the Notes are to be redeemed in part only on any date in accordance with Condition 10(o) (*Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law and the rules of each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation, and the notice to Noteholders referred to in Condition 10(e) (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or less than the minimum so specified.

In the case of Senior Notes, the partial redemption pursuant to this Condition 10(f) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, no partial redemption in accordance with this Condition 10(f) may be exercised by the Issuer to redeem, in part, such Notes prior to the fifth anniversary of their Issue Date. Starting from the fifth anniversary of their Issue Date, the partial redemption pursuant to this Condition 10(f) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(g) *Regulatory conditions for call, redemption, repayment repurchase or modification of Subordinated Notes*

In the case of Subordinated Notes, any call, redemption, repayment or repurchase of such Notes in accordance with Condition 10(a) (*Scheduled redemption*), Condition 10(b) (*Redemption for tax reasons*), Condition 10(c) (*Redemption for regulatory reasons*), Condition 10(e) (*Redemption at the option of the Issuer*), Condition 10(f) (*Partial redemption*), Condition 10(i) (*Clean-up Redemption at the option of the Issuer*) and any purchase in accordance with Condition 10(l) (*Purchase*) is subject to compliance with the then applicable Banking Regulations, including:

(i) the Issuer having obtained the prior permission of the Relevant Authority in accordance with Articles 77 and 78 of the CRR, as amended or replaced from time to time, where either:

(A) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Subordinated Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(B) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds would, following such call, redemption, repayment or repurchase, exceed the capital requirements laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; and

(ii) in respect of a call, redemption repayment or repurchase prior to the fifth anniversary of the Issue Date of the relevant Subordinated Notes, if and to the extent required under Article 78(4) of the CRR or the Capital Instruments Regulation:

(A) in the case of redemption pursuant to Condition 10(b) (*Redemption for tax reasons*), the Issuer having demonstrated to the satisfaction of the Relevant Authority that the change in the applicable tax treatment of the Notes is material and was not reasonably foreseeable as at the Issue Date; or

(B) in case of redemption pursuant to Condition 10(g) (Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes), a Regulatory Event has occurred; or

(C) on or before the relevant call, redemption, repayment or repurchase, the Issuer replaces the Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for income capacity of the Issuer and the Relevant Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or

(D) the Subordinated Notes are repurchased for market making purposes,

subject in any event to any alternative or additional conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) the Subordinated Notes, in the limit of a predetermined amount, which shall not exceed the lower of (i) 10 per cent. (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the aggregate nominal amount of the relevant Subordinated Notes and (ii) 3 per cent. (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the outstanding aggregate nominal amount of the Tier 2 Instruments of the Issuer at the relevant time, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out at letters (A) and (B) of sub-paragraph (i) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78 of the CRR shall not constitute a default of the Issuer for any purposes.

(h) *Redemption at the option of Noteholders:*

(i) *Application*: This Condition 10(h) is applicable only to Senior Preferred Notes and if the Put Option is specified in the relevant Final Terms as being applicable.

(ii) *Put Options*: The Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 10(h), the holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit with any Paying Agent such Note together with all unmatured Coupons and any unmatured Receipts relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 10(h), may be withdrawn; *provided, however, that* if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 10(h), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

(i) *Clean-up Redemption at the option of the Issuer*: If a clean-up redemption option (the "**Clean-Up Redemption Option**") is specified as applicable in the Final Terms, and if 75% or any higher percentage specified in the relevant Final Terms (the "**Clean-Up Percentage**") of the initial aggregate nominal amount of the Notes of the same Series (which for the avoidance of doubt includes, any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) have been redeemed or purchased by, or on behalf of, the Issuer and cancelled, the Issuer may at any time, at its option, and having given to the Paying Agent, the relevant Clearing Systems and, in accordance with Condition 19 (*Notices*), the Noteholders not less than 5 nor more than 30 calendar days' notice (the "**Clean-Up Redemption Notice**") (which

notices shall be irrevocable and shall specify the date fixed for redemption), redeem such outstanding Notes, in whole but not in part, at their clean-up redemption amount ("**Clean-Up Redemption Amount**") together, if appropriate, with accrued interest to (but excluding) the date of redemption, on the date fixed for redemption identified in the Clean-Up Redemption Notice.

In the case of Senior Preferred Notes and Senior Non-Preferred Notes, the redemption referred to in this Condition 10(i) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, the redemption referred to in this Condition 10(i) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*).

(j) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 10(a) (*Scheduled redemption*) to 10(h) (*Redemption at the option of Noteholders*).

(k) *Early redemption of Zero Coupon Notes*: Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption, pursuant to Condition 10 (*Redemption and Purchase*), of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the relevant Final Terms for the purposes of this Condition 10(k) or, if none is so specified, a Day Count Fraction of 30E/360.

In the case of Senior Notes, the call option pursuant to this Condition 10(k) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, no call option in accordance with this Condition 10(k) may be exercised by the Issuer to redeem, in whole or in part, such Notes prior to the fifth anniversary of their Issue Date. Starting from the fifth anniversary of their Issue Date, the redemption pursuant to this Condition 10(f) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(l) *Purchase*: The Issuer or any of its Subsidiaries may purchase Notes in any manner and at any price, *provided that*:

(i) all unmatured Coupons appertaining to the Notes are purchased with such Notes;

(ii) in the case of Subordinated Notes, the purchase of the relevant Subordinated Notes by the Issuer or any of its Subsidiaries shall take place subject as provided in Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*); and

(iii) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, the purchase of the relevant Senior Preferred Notes or Senior Non-Preferred Notes by the Issuer or any of its Subsidiaries shall take place subject as provided in Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(m) *Cancellation*: All Notes which are so redeemed or purchased and subsequently surrendered for cancellation by the Issuer or any of its Subsidiaries and any unmatured Coupons and Receipts attached to or surrendered with them shall be cancelled and may not be reissued or resold.

(n) *Instalments*: Unless previously redeemed, or purchased and cancelled (all as more fully described in this Condition 10), each Instalment Note will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms. In the case of such Notes in definitive form, all instalments (other than the final instalment) will be paid against surrender of the relevant Receipt (which must be presented with the Instalment Note to which it appertains) and in the case of the final instalment against surrender of the relevant Note.

(o) *Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*

Any call, redemption, repayment or repurchase in accordance with Condition 10(b) (*Redemption for tax reasons*), Condition 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), Condition 10(e) (*Redemption at the option of the Issuer*), Condition 10(f) (*Partial redemption*), Condition 10(i) (*Clean-up Redemption at the option of the Issuer*) and any purchase in accordance with Condition 10(l) (*Purchase*) of Senior Preferred Notes or Senior Non-Preferred Notes is subject, to the extent such Senior Preferred Notes or Senior Non-Preferred Notes qualify at such time as liabilities that are eligible to meet the MREL Requirements (Eligible Liabilities Instruments) or, in case of a redemption pursuant to Condition 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), qualified as liabilities that are eligible to meet the MREL Requirements before the occurrence of the MREL Disqualification Event, to compliance with the then applicable Banking Regulations, including the condition that the Issuer has obtained the prior permission of the Relevant Authority in accordance with Article 78a of the CRR, where one of the following conditions is met:

(i) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Relevant Notes with Own Funds instruments or Eligible Liabilities Instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(ii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds and Eligible Liabilities would, following such call, redemption, repayment or repurchase, exceed the requirements for Own Funds and Eligible Liabilities laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; or

(iii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that the partial or full replacement of the relevant notes with Own Funds instruments is necessary to ensure compliance with the Own Funds requirements laid down in the Applicable Banking Regulations for continuing authorisation,

subject in any event to any different conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) Senior Preferred Notes or Senior Non-Preferred Notes, in the limit of a predetermined amount, instruments, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out in sub-paragraphs (i) and (ii) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78a of the CRR shall not constitute a default of the Issuer for any purposes.

11. PAYMENTS

(a) *Principal*: Payments of principal shall be made only against:

(i) presentation and (*provided that* payment is made in full) surrender of Notes;

(ii) in respect of any Instalment Amount which becomes due on an Instalment Date, presentation and (*provided that* payment is made in full) surrender of the appropriate Receipts,

at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London).

(b) *Interest*: Payments of interest shall, subject to Condition 11(i) (*Payments other than in respect of matured Coupons*) below, be made only against presentation and (*provided that* payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in 11(a) (*Principal*) above.

(c) *Payments in New York City*: Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.

(d) *Payments subject to fiscal laws*: All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Section 1471 through 1474 of the Code, any regulation or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

(e) *Commissions or Expenses*: No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(f) *Deductions for unmatured Coupons*: If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable (unless the relevant Final Terms also specify that Condition 11(g) (*Unmatured coupons void*) is applicable) and a Note is presented without all unmatured Coupons relating thereto:

(i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; *provided, however, that* if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

(ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:

(A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; *provided, however, that* where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and

(B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; *provided, however, that*, if the gross amount available for payment is less than the amount of principal due for payment, the sum

deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (*provided that* payment is made in full) surrender of the relevant missing Coupons.

(g) *Unmatured Coupons void*: If the relevant Final Terms specifies that this Condition 11(g) is applicable or that the Floating Rate Note Provisions or CMS Linked Interest Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 10(b) (*Redemption for tax reasons*), Condition 10(c) (*Redemption for regulatory reasons*), Condition 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), Condition 10(e) (*Redemption at the option of the Issuer*), Condition 10(h) (*Redemption at the option of Noteholders*) or Condition 13 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

(h) *Payments on business days*: If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(i) *Payments other than in respect of matured Coupons*: Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted under Condition 11(c) (*Payments in New York City*)).

(j) *Exchange of Talons*: On or after the maturity date of the final Coupon which is (or was at the time of issue) attached to the Notes, the Talon attached to such Note may be exchanged at the Specified Office of the Fiscal Agent for further Coupons, as the case may be (including, if appropriate, a further Talon) but excluding any Coupons in respect of which claims have already become void pursuant to Condition 14 (*Prescription*). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

(k) *Unmatured Receipts Void*: If the relevant Final Terms specifies that this Condition 11(k) is applicable or that the Instalment Note provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 10(b) (*Redemption for tax reasons*), Condition 10(c) (*Redemption for regulatory reasons*), Condition 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), Condition 10(e) (*Redemption at the option of the Issuer*), Condition 10(h) (*Redemption at the option of Noteholders*) or Condition 13 (*Events of Default*), all unmatured Receipts relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

12. TAXATION

(a) *Withholding and deduction*: All payments of principal (if applicable) and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Italy or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law.

(b) *Gross up*: In the event that such withholding or deduction of taxes, duties, assessments, or governmental charges is required by law (as referred to in Condition 12(a)), the Issuer shall pay such additional amounts necessary for the net amounts received by the Noteholders and Couponholders after such withholding or deduction to equal the respective amounts of principal,

in the case of Senior Preferred Notes not qualifying at such time as liabilities that are eligible to meet the MREL Requirements only, or interest, in the case of any Notes, which would otherwise have been receivable in respect of the Notes or Coupons in the absence of such withholding or deduction; except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

(i) in the Republic of Italy;

(ii) by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the Republic of Italy other than the mere holding of such Note or Coupon; or

(iii) by a non-Italian resident entity or individual which is resident for tax purposes in a country which does not allow for a satisfactory exchange of information with the Italian tax authorities; or

(iv) by an Italian resident, to the extent that interest is paid to an Italian individual or an Italian legal entity not carrying on a business (including, but not limited to (A) partnerships, de facto partnerships not carrying on a business and professional associations, (B) public and private resident entities, other than companies, not carrying on a business, and (C) certain other Persons exempt from corporate income tax) or to such other Italian individual engaged in an entrepreneurial activity to which the Notes are connected or resident entities which have been or may be identified by Legislative Decree No. 239 of 1 April 1996 and related regulations of implementation which have been or may subsequently be enacted ("**Decree 239**"); or

(v) in all circumstances in which the requirements and procedures set forth in Decree 239 have not been met or complied with except where such requirements and procedures have not been met or complied with due to the actions or omissions of the Issuer or its agents; or

(vi) more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to such additional amounts if it had presented such Note or Coupon on the last day of such period of 30 days; or

(vii) in respect of Notes or Coupons classified as atypical securities (*titoli atipici*) where such withholding or deduction is required under Law Decree No. 512 of 30 September 1983, as amended or supplemented from time to time.

(c) *Taxing jurisdiction*: If the Issuer becomes subject at any time to any taxing jurisdiction other than the Republic of Italy, references in these Conditions to in the Republic of Italy shall be construed as references to the Republic of Italy and/or such other jurisdiction.

13. EVENTS OF DEFAULT

Events of Default: If any of the following events occurs:

(i) *Winding-up etc.*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent or on terms previously approved by Extraordinary Resolution); or

(ii) *Analogous event*: any event occurs which under the laws of the Republic of Italy has an analogous effect to any of the events referred to in paragraph (i) (*Winding up, etc.*) above,

then any Note may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its Early Termination Amount together with accrued interest (if any) without further action or formality. No Event of Default shall occur other than in the circumstances under paragraphs (i) and (ii) above (and, for the avoidance of doubt, resolution proceeding(s)

or moratoria imposed by a resolution authority in respect of the Issuer shall not constitute an Event of Default for any purpose).

14. PRESCRIPTION

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

15. REPLACEMENT OF NOTES, COUPONS AND RECEIPTS

If any Note, Coupon or Receipt is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Paying Agent having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system), subject to all applicable laws and listing authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Receipts must be surrendered before replacements will be issued.

16. AGENTS

In acting under the Agency Agreement for the Italian Law Notes in Physical Form and in connection with Notes, Coupons and Receipts, the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any holder of any Note, Coupon or Receipt.

The initial Paying Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor fiscal agent or Calculation Agent and additional or successor paying agents; *provided, however, that*:

(a) the Issuer shall at all times maintain a Fiscal Agent; and

(b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and

(c) the Issuer shall at all times maintain a Paying Agent outside the Republic of Italy; and

(d) if and for so long as the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system the rules of which require the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent having its Specified Office in the place required by the rules of such listing authority, stock exchange and/or quotation system.

Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders.

17. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER

(a) *Meetings of Noteholders*: The Agency Agreement for the Italian Law Notes in Physical Form contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however, that* Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more Persons holding or representing not less than three-quarters or, at any adjourned

meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) *Modification and waiver*: The Notes and these Conditions may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement for the Italian Law Notes in Physical Form may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

With respect to the Senior Non-Preferred Notes, any waiver or modification of the Notes may be sanctioned in accordance with the provisions of this Condition 17 only to the extent permitted under Article 12-*bis*, paragraph 4, of the Consolidated Banking Law, and the Issuer shall deliver to the Fiscal Agent a certificate signed by a duly authorised signatory of the Issuer stating that such waiver or modification of the Notes is permitted under Article 12-*bis*, paragraph 4, of the Consolidated Banking Law.

(c) *Modification of Subordinated Notes following a Regulatory Event or a Tax Event*

This Condition 17(c) applies to Subordinated Notes if Modification of Subordinated Notes for Regulatory Event or Tax Event or Variation for an Alignment Event is specified in the applicable Final Terms as being applicable. If at any time a Tax Event or a Regulatory Event or, if Variation for an Alignment Event is indicated as applicable in the relevant Final Terms, an Alignment Event occurs or in order to ensure the effectiveness and enforceability of Condition 23 (*Contractual Recognition of Bail-in Powers*), then the Issuer may, subject to giving any notice required to be given to, and receiving any consent required from, the Relevant Authority vary the terms of the Subordinated Notes, at any time without any requirement for consent of the holders of Subordinated Notes, so that the Subordinated Notes are varied to become or remain Qualifying Subordinated Notes, subject to having given not less than 30 nor more than 60 days' notice to the Fiscal Agent and the holders of Subordinated Notes and subject to receiving the prior consent from the Relevant Authority if and as required therefor under the Applicable Banking Regulations and in accordance with the Applicable Banking Regulations in force at the relevant time.

The holders of Subordinated Notes shall, by virtue of subscribing and/or purchasing and holding any Subordinated Notes, be deemed to have accepted the modification of the terms of Subordinated Notes and to have granted to the Issuer full powers and authority to take any action and/or execute and deliver any document in the name and /or on behalf of the holders of Subordinated Notes which is necessary or convenient to implement the modification of the terms of Subordinated Notes.

For the purposes of this Condition 17(c), "**Qualifying Subordinated Notes**" means securities issued directly or indirectly by the Issuer that:

(i) other than in respect of the effectiveness and enforceability of Condition 23 (*Contractual Recognition of Bail-in Powers*), have the terms not less favourable to the holders of Subordinated Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing, than the terms of the Subordinated Notes, and they shall also (a) contain terms such that they comply with the minimum requirement under the Applicable Banking Regulations for inclusion in the Tier 2 Capital of the Issuer; (b) provide for a ranking at least equal to that of the Subordinated Notes; (c) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Subordinated Notes; (d) have the same redemption rights as the Subordinated Notes; (e) preserve any existing rights under the Subordinated Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of modification; and (f) are assigned (or

maintain) the same or higher solicited credit ratings with the same outlook as were assigned to the Subordinated Notes (if rated) immediately prior to modification;

(ii) are listed or admitted to trading on a recognised stock exchange if the Subordinated Notes were listed or admitted to trading immediately prior to such modification; and

(iii) are not subject, at the time of, or immediately following, such modification, to any early redemption right for taxation reasons.

(d) *Modification of Senior Preferred Notes and Senior Non-Preferred Notes following a MREL Disqualification Event*

This Condition 17(d) applies to Senior Preferred Notes or Senior Non-Preferred Notes if Modification of Notes for MREL Disqualification Event or Variation for an Alignment Event is specified in the applicable Final Terms as being applicable. If at any time a MREL Disqualification Event or, if Variation for an Alignment Event is indicated as applicable in the relevant Final Terms, an Alignment Event occurs or in order to ensure the effectiveness and enforceability of Condition 23 (*Contractual Recognition of Bail-in Powers*), then the Issuer may, subject to giving any notice required to be given to, and receiving any consent required from, the Relevant Authority vary the terms of such Senior Preferred Notes or Senior Non-Preferred Notes, at any time without any requirement for consent of the holders of Senior Preferred Notes or Senior Non-Preferred Notes, so that the Senior Preferred Notes or Senior Non-Preferred Notes are varied to become or remain Qualifying Senior Preferred Notes or Qualifying Senior Non-Preferred Notes, subject to having given not less than 30 nor more than 60 days' notice to the Fiscal Agent and the holders of Senior Preferred Notes or Senior Non-Preferred Notes and subject to receiving the prior consent from the Relevant Authority if and as required therefor under the MREL Requirements in force at the relevant time.

The holders of Senior Preferred Notes and Senior Non-Preferred Notes shall, by virtue of subscribing and/or purchasing and holding any Senior Preferred Notes or Senior Non-Preferred Notes, be deemed to have accepted the modification of the terms of Senior Preferred Notes or Senior Non-Preferred Notes and to have granted to the Issuer full powers and authority to take any action and/or execute and deliver any document in the name and /or on behalf of the holders of Senior Preferred Notes or Senior Non-Preferred Notes which is necessary or convenient to implement the modification of the terms of Senior Preferred Notes or Senior Non-Preferred Notes.

For the purposes of this Condition 17(d):

"**Qualifying Senior Preferred Notes**" means securities issued directly or indirectly by the Issuer that:

(i) other than in respect of the effectiveness and enforceability of Condition 23 (*Contractual Recognition of Bail-in Powers*), have terms not materially less favourable to a holder of the Senior Preferred Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing, than the terms of the Senior Preferred Notes, and they shall also (a) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for own funds and eligible liabilities under the then applicable MREL Requirements; (b) provide for a ranking at least equal to that of the Senior Preferred Notes; (c) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Senior Preferred Notes; (d) have the same redemption rights as the Senior Notes; (e) preserve any existing rights under the Senior Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of modification; and (e) are assigned (or maintain) the same or higher solicited credit ratings with the same outlook as were assigned to the Senior Preferred Notes (if rated) immediately prior to such variation; and

(ii) are listed or admitted to trading on a recognised stock exchange if the Senior Preferred Notes were listed or admitted to trading immediately prior to such modification.

"**Qualifying Senior Non-Preferred Notes**" means securities issued directly or indirectly by the Issuer that:

(i) other than in respect of the effectiveness and enforceability of Condition 23 (*Contractual Recognition of Bail-in Powers*), have terms not materially less favourable to a holder of the Senior Non-Preferred Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing, than the terms of the Senior Non-Preferred Notes, and they shall also (a) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for own funds and eligible liabilities under the then applicable MREL Requirements; (b) provide for a ranking at least equal to that of the Senior Non-Preferred Notes; (c) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Senior Non-Preferred Notes; (d) have the same redemption rights as the Senior Non-Preferred Notes; (e) preserve any existing rights under the Senior Non-Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of modification; and (e) are assigned (or maintain) the same or higher solicited credit ratings with the same outlook as were assigned to the Senior Non-Preferred Notes (if rated) immediately prior to such variation; and

(ii) are listed or admitted to trading on a recognised stock exchange if the Senior Non-Preferred Notes were listed or admitted to trading immediately prior to such modification.

18. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the Issue Price, the Issue Date and/or the first payment of interest) so as to form a single series with the Notes.

19. NOTICES

Notices to the Noteholders shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) and, if the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (*http://www.luxse.com/*) or in either case, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders and Receiptholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

20. CURRENCY INDEMNITY

If any sum due from the Issuer in respect of the Notes, the Coupons or any Receipt or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

21. ROUNDING

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

22. GOVERNING LAW AND JURISDICTION

(a) *Governing law*: The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by Italian law.

(b) *Italian courts*: The courts of Milan have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including a dispute relating to the existence, validity or termination of the Notes or any non-contractual obligation arising out of or in connection with the Notes) or the consequences of their nullity.

(c) *Appropriate forum*: The Issuer agrees that the courts of Milan are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

(d) *Rights of the Noteholders to take proceedings outside Italy*: Condition 22(b) (*Italian courts*) is for the benefit of the Noteholders only. As a result, nothing in this Condition 22 prevents any Noteholder from taking proceedings relating to a Dispute ("**Proceedings**") in any other court of Member States of the European Union in accordance with the Brussels Ia Regulation or of States that are parties to the Lugano II Convention, nor shall the taking of Proceedings in any other jurisdiction identified in this Condition 22, whether concurrently or not.

In this Condition 22(d):

"**Brussels Ia Regulation**" means Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, as amended; and

"**Lugano II Convention**" means the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, signed on 30 October 2007.

23. CONTRACTUAL RECOGNITION OF BAIL-IN POWERS

Notwithstanding any provision of these Conditions or any other agreements, arrangements, or understandings between the Issuer and any holder of the Notes and without prejudice to Article 55(1) of the BRRD, each Noteholder, by virtue of its acquisition of the Notes (whether on issuance or in the secondary market) agrees to be bound by and consent to:

(i) the effects of the exercise of the Bail-In Power by the Relevant Authority, which exercise may include and result in any of the following, or some combination thereof: (A) the reduction of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; (B) the conversion of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of these Conditions; (C) the cancellation of the Notes or the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; and (D) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest become payable, including by suspending payment for a temporary period; and

(ii) the variation of these Conditions, as deemed necessary by the Relevant Authority, to give effect to the exercise of the Bail-In Power by the Relevant Authority.

Each Noteholder further agrees that the rights of the Noteholders are subject to, and will be varied if necessary so as to give effect to, the exercise of any Bail-In Power by the Relevant Authority.

Upon the Issuer becoming aware of the exercise of the Bail-In Power by the Relevant Authority with respect to the Notes, the Issuer shall provide a notice to the holders of the Notes in accordance with Condition 19 (*Notices*) as soon as reasonably practicable. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Bail-In Power nor the effects on the Notes described in this Condition 23.

The exercise of the Bail-In Power by the Relevant Authority with respect to the Notes shall not constitute an Event of Default and the terms and conditions of the Notes shall continue to apply to the outstanding principal amount of the Notes subject to any modification of the amount of interest payments to reflect the reduction of the outstanding principal amount, and any further modification of the terms that the Relevant Authority may decide in accordance with applicable laws and regulations, including in particular the BRRD and the SRM Regulation.

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of the Bail-In Power.

As used in this Condition:

"**Bail-in Power**" means any statutory write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of credit institutions, investment firms and/or Group Entities incorporated in the relevant Member State in effect and applicable in the relevant Member State to the Issuer or other Group Entities, including (but not limited to) any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of any European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and/or within the context of a relevant Member State resolution regime or otherwise, pursuant to which liabilities of a credit institution, investment firm and/or any Group Entities can be reduced, cancelled and/or converted into shares or obligations of the obligor or any other person;

"**Group Entity**" means the Issuer or any legal person that is part of the Group;

"**Resolution Power**" means any statutory write-down, transfer and/or conversion power existing from time to time under any laws regulations, rules or requirements relating to the resolution of the Issuer or any other entities of the Group, including but not limited to any laws, regulations, rules or requirements implementing the BRRD and/or the SRM Regulation;

"**SRM Regulation**" means Regulation (EU) No 806/2014 of the European Parliament and Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010, as amended or replaced from time to time; and

"**SRM II Regulation**" means Regulation (EU) No. 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 806/2014 as regards the loss absorbing and recapitalisation capacity of credit institutions and investment firms.

TERMS AND CONDITIONS OF THE DEMATERIALISED NOTES

*The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Series of Note issued in dematerialised form under the Programme. References in the Conditions to "**Notes**" are to the Notes of one Series issued in dematerialised form only, not to all Notes that may be issued under the Programme.*

*Any reference in these Conditions to "**Noteholders**" in relation to any Notes shall mean the beneficial owners of the Notes and evidenced in book entry form with Monte Titoli S.p.A., with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy ("**Monte Titoli**") pursuant to the relevant provisions of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and in accordance with the CONSOB and Bank of Italy Joint Regulation dated 13 August 2018, as subsequently amended and supplemented from time to time (the "**CONSOB and Bank of Italy Joint Regulation**"). No physical document of title will be issued in respect of the Notes. Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream Banking**") are intermediaries authorised to operate through Monte Titoli.*

1. INTRODUCTION

(a) *Programme*: ICCREA Banca S.p.A. (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to €5,000,000,000 in aggregate principal amount of notes. Under the Programme, the Issuer may issue notes in dematerialized form (the "**Dematerialised Notes**" or the "**Notes**"). The Issuer will also act as paying agent for the Notes (the "**Paying Agent**") save that the Issuer is entitled to appoint a different Paying Agent for the Dematerialised Notes in accordance with Condition 15 (*Paying Agents*). References in these Conditions to "**Paying Agent**" shall mean, for so long as the Issuer acts as paying agent for the Notes, the Issuer in its capacity as such, or such other party from time to time appointed by the Issuer to act as paying agent for the Notes.

(b) *Final Terms*: Dematerialised Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of final terms expressed to apply to the Dematerialised Notes (the "**Final Terms**") which completes these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.

(c) *The Notes*: All subsequent references in these Conditions to "**Notes**" are to the Notes which are the subject of the relevant Final Terms. The Notes may also be senior preferred notes ("**Senior Preferred Notes**"), senior non-preferred notes ("**Senior Non-Preferred Notes**" and, together with the Senior Preferred Notes, the "**Senior Notes**") or subordinated notes ("**Subordinated Notes**"), depending on the status of the Notes specified in the relevant Final Terms. Payment of principal and interest in respect of the Dematerialised Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent to the accounts of the Monte Titoli Account Holders (as defined below) whose accounts with Monte Titoli are credited with those Dematerialised Notes and thereafter credited by such Monte Titoli Account Holders to the accounts of the beneficial owners of those Dematerialised Notes or through Euroclear and Clearstream Banking to the accounts with Euroclear and Clearstream Banking of the beneficial owners of those Dematerialised Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream Banking, as the case may be. No physical document of title will be issued in respect of Notes. In these Conditions, the expression "**Monte Titoli Account Holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository banks appointed by Euroclear, as operator of the Euroclear System, and Clearstream Banking.

2. **DEFINITIONS AND INTERPRETATION**

(a) *Definitions*: In these Conditions the following expressions have the following meanings:

"**2006 ISDA Definitions**" means, in relation to a Series of Notes, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series) as published by ISDA (copies of which may be obtained from ISDA at www.isda.org);

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of Notes of such Series, as published by ISDA on its website (www.isda.org);

"**Accrual Yield**" has the meaning given in the relevant Final Terms;

"**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Tier 1 Capital**" has the meaning given to such term (or any other equivalent or successor term) in the Applicable Banking Regulations;

an "**Alignment Event**" will be deemed to have occurred if, as a result of a change in or amendment to the Applicable Banking Regulations or interpretation thereof, at any time after the Issue Date, the Issuer is able to issue an instrument (i) in the case of Senior Notes or Senior Non-Preferred Notes, qualifying as eligible liabilities instruments or (ii) in the case of Subordinated Notes, qualifying as Tier 2 Capital, that contains one or more provisions that are, in the reasonable opinion of the Issuer, different in any material respect from those contained in these Conditions;

"**Applicable Banking Regulations**" means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in the Republic of Italy and applicable to the Issuer or the Group (as the case may be), including, without limitation, the BRRD, the BRRD Implementing Decrees, the Banking Reform Package, the SRM Regulation CRD V Package, the Capital Instruments Regulations, the Circular No. 285 and any other regulations, requirements, guidelines and policies relating to capital adequacy and/or minimum requirement for own funds and eligible liabilities and/or loss absorbing capacity then in effect of the Relevant Authority or of the institutions of the European Union (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer or the Group, as the case may be) and standards and guidelines issued by the European Banking Authority;

"**Bail-in Power**" has the meaning given in Condition 22 (*Contractual Recognition of Bail-in Powers*);

"**Bank Creditor Hierarchy Directive**" means Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 amending the BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy, as amended, supplemented or replaced from time to time;

"**Benchmarks Regulation**" means Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014;

"**Broken Amount**" has the meaning given in the relevant Final Terms;

"**BRRD**" means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, supplemented or replaced from time to time;

"**BRRD Implementing Decrees**" means the Legislative Decrees No. 180 and 181 of November 16, 2015, implementing the BRRD in the Republic of Italy, as amended or replaced from time to time (including, without limitation, as a consequence of the transposition of the Banking Reform Package into Italian law);

"**Business Day**" means:

(i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and

(ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

"**Business Day Convention**", in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

(i) "**Following Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day;

(ii) "**Modified Following Business Day Convention**" or "**Modified Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(iii) "**Preceding Business Day Convention**" means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

(iv) "**FRN Convention**", "**Floating Rate Convention**" or "**Eurodollar Convention**" means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred *provided, however, that*:

(A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

(B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

(C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

(v) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"**Calculation Agent**" means the Paying Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s);

"**Calculation Amount**" has the meaning given to it in the relevant Final Terms;

"**Capital Instruments Regulations**" means the Delegated Regulation and any other rules or regulations of the Relevant Authority or of the institutions of the European Union or which are otherwise applicable to the Issuer or the Group (as the case may be), whether introduced before or

after the Issue Date, which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the Own Funds of the Issuer or the Group (as the case may be) to the extent required under the CRD V Package;

"**CET1 Instruments**" means at any time common equity tier 1 instruments as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Circular No. 285**" means the Bank of Italy Circular No. 285 of 17 December 2013, setting forth the supervisory provisions for banks (*Disposizioni di Vigilanza per le Banche*), as amended, supplemented or replaced from time to time;

"**CMS Rate**" shall mean the applicable swap rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page as at the Specified Time on the Interest Determination Date in question, all as determined by the Calculation Agent and subject to Condition 8(j) (*Benchmark Discontinuation*);

"**CMS Reference Banks**" means (i) where the Reference Currency is Euro, the principal office of five major banks in the Euro-zone inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five major banks in the London inter-bank market, (iii) where the Reference Currency is U.S. dollars, the principal New York City office of five major banks in the New York City inter-bank market, or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five major banks in the Relevant Financial Centre inter-bank market, in each case selected by the Issuer and/or an independent advisor appointed by the Issuer;

"**CONSOB and Bank of Italy Joint Regulation**" means the joint regulation issued by Consob and the Bank of Italy dated 13 August 2018, as amended, supplemented or replaced from time to time;

"**Consolidated Banking Law**" means Legislative Decree No. 385 of 1 September 1993, as amended or supplemented from time to time;

"**CRD IV**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended, supplemented or replaced from time to time, lastly by Regulation (EU) No. 2019/876 (CRRII) and Directive (EU) No. 2019/878;

"**CRD V**" means Delegated Regulation (EU) 2015/61 and its supplements and the Implementing Regulation (EU) 2016/313;

"**CRD V Package**" means the CRD IV, the CRD V and the CRR;

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as amended, supplemented or replaced from time to time;

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

(a) if "**Actual/Actual**" or "**Actual/Actual (ISDA)**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(b) if "**Actual/Actual (ICMA)**" is so specified, means:

(i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the

product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(ii) where the Calculation Period is longer than one Regular Period, the sum of:

(A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;

(c) If "**Actual/365 (Fixed)**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365;

(d) If "**Actual/360**" is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 360;

(e) If "**30/360**", "**360/360**" or "**Bond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

Where

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30; and

(f) If "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows;

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

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30.

(g) If "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Termination Date or (ii) such number would be 31, in which case D_2 will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

"**Delegated Regulation**" means Commission Delegated Regulation (EU) No. 241/2014 of 7 January 2014 supplementing the CRR with regard to the regulatory technical standards for Own Funds requirements for institutions, as amended, supplemented or replaced from time to time;

"**Designated Maturity**" has the meaning given in the relevant Final Terms;

"**Early Redemption Amount (Regulatory Event)**" means in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Early Termination Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms;

"**EC Proposals**" means the amendments proposed to the CRD IV Directive, the CRD V, the CRR and BRRD published by the European Commission on 23 November 2016 which have been politically agreed within the EU Council in December 2018 and then signed off by the EU27 Ambassadors on February 15, 2018.

"**ECB**" means the European Central Bank;

"**ECB Interest Rate**" means the European banking interest rate determined by the Governing Council of the ECB and used in Eurosystem refinancing operations. The ECB Interest Rate is published by the ECB and is available on its website;

"**EURIBOR**" means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (being, as of the date of this Base Prospectus, Thomson Reuters) in accordance with the requirements from time to time of the European Money Markets Institute (or any person which takes over administration of that rate);

"**Extraordinary Resolution**" has the meaning given to it in the Provisions for Meetings of Noteholders;

"**Final Redemption Amount**" means in respect of any Note, its principal amount, subject to any purchase, cancellation, early redemption or repayment; and

"**Fixed Coupon Amount**" has the meaning given in the relevant Final Terms;

"**Group Entity**" has the meaning given in Condition 22 (*Contractual Recognition of Bail-in Powers*);

"**Guarantee**" means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation):

(i) any obligation to purchase such Indebtedness;

(ii) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;

(iii) any indemnity against the consequences of a default in the payment and such Indebtedness; and

(iv) any other agreement to be responsible for such Indebtedness;

"**Indebtedness**" means any indebtedness of any Person for money borrowed or raised:

"**Interest Amount**" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"**Interest Commencement Date**" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

"**Interest Determination Cut-off Date**" has the meaning given in Condition 8(j) (*Benchmark Discontinuation*);

"**Interest Determination Date**" has the meaning given in the relevant Final Terms;

"**Interest Payment Date**" means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

(i) as the same may be adjusted in accordance with the relevant Business Day Convention; or

(ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the

relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"**Interest Period**" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date (or, if the Notes are redeemed on any earlier date, the relevant redemption date);

"**ISDA**" means the International Swaps and Derivatives Association, Inc. (or any successor);

"**ISDA Definitions**" has the meaning given in the relevant Final Terms;

"**Issue Date**" has the meaning given in the relevant Final Terms;

"**Issue Price**" has the meaning given in the relevant Final Terms;

"**Loss Absorption Requirement**" means the power of the Relevant Authority to impose that Own Funds instruments or other liabilities of the Issuer or entities of the Group (as the case may be) are subject to full or partial write-down of the principal or conversion into CET1 Instruments or other instruments of ownership;

"**Margin**" has the meaning given in the relevant Final Terms;

"**Maturity Date**" has the meaning given in the relevant Final Terms;

"**Maturity Period**" means the period from and including the Issue Date to but excluding the Maturity Date;

"**Maximum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**Minimum Capital**" means the minimum amount of capital of the Issuer, as provided for by the Bank of Italy from time to time for the purposes of obtaining or maintaining the authorisation of the Bank of Italy to carry on banking activities, as certified in writing by two directors of the Issuer;

"**Minimum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**Monte Titoli Account Holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository banks appointed by Euroclear, as operator of the Euroclear System, and Clearstream Banking.

"**MREL Disqualification Event**" means that, by reason of the introduction of, or a change in, the MREL Requirements, which was not reasonably foreseeable by the Issuer at the Issue Date of the relevant Series of Notes, all or part of the aggregate outstanding nominal amount of a Series of Senior Preferred Notes and/or of Senior Non-Preferred Notes (as the case may be) are or will be excluded fully or partially from the liabilities that are eligible to meet the MREL Requirements. For the avoidance of doubt: (a) the exclusion of a Series of Notes from the liabilities that are eligible to meet the MREL Requirements due to the remaining maturity of such Notes being less than any period prescribed thereunder does not constitute a MREL Disqualification Event; (b) the exclusion of all or some of a Series of Notes from the MREL Requirements due to there being insufficient headroom for such Notes within any prescribed exception to the otherwise applicable general requirements for liabilities that are eligible to meet the MREL Requirements does not constitute a MREL Disqualification Event; and (c) the exclusion of all or some of a Series of Senior Preferred Notes or Senior Non-Preferred Notes from the MREL Requirements as a result of such Notes being purchased by or on behalf of the Issuer or as a result of a purchase which is funded directly or indirectly by the Issuer, does not constitute a MREL Disqualification Event;

"**MREL Requirements**" means the laws, regulations, requirements, guidelines, rules, standards, measures and policies relating to minimum requirements for own funds and eligible liabilities applicable to the Issuer or the Group (as the case may be) from time to time (including any applicable transitional provisions), including, without limitation to the generality of the foregoing,

any delegated or implementing acts (such as implementing technical standards or regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards, measures and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Republic of Italy or a Relevant Authority from time to time (whether or not such regulations, requirements, guidelines, rules, standards, measures or policies are applied generally or specifically to the Issuer or the Group (as the case may be)), as any of the preceding laws, regulations, requirements, guidelines, rules, standards, measures, policies or interpretations may be amended, supplemented, superseded or replaced from time to time;

"**Own Funds**" shall have the meaning given to such term in the CRR, as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Optional Redemption Amount (Call)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Amount (Put)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Date (Call)**" has the meaning given in the relevant Final Terms;

"**Optional Redemption Date (Put)**" has the meaning given in the relevant Final Terms;

"**Participating Member State**" means a Member State of the European Union which adopts the euro as its lawful currency in accordance with the Treaty;

"**Payment Business Day**" means:

(i) if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

(ii) if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**Principal Financial Centre**" means, in relation to any currency, the principal financial centre for that currency *provided, however, that*:

(i) in relation to euro, it means the principal financial centre of such Member State of the European Union or the United Kingdom as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and

(ii) in relation to Australian dollars, it means either Sydney or Melbourne and, in relation to New Zealand dollars, it means either Wellington or Auckland; in each case as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

"**Provisions for Meetings of Noteholders**" means the provisions for meetings of noteholders attached to these Conditions as Schedule 1.

"**Put Option Notice**" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Put Option Receipt**" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Rate of Interest**" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

"**Redemption Amount**" means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), Early Redemption Amount (Regulatory Event), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

"**Reference Currency**" has the meaning given in the relevant Final Terms;

"**Reference Price**" has the meaning given in the relevant Final Terms;

"**Reference Rate**" means EURIBOR, ECB Interest Rate or the CMS Rate as specified in the relevant Final Terms in respect of the currency and period specified in the relevant Final Terms;

"**Regular Period**" means:

(i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and

(iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"**Regulatory Event**" means any change (or pending change which the Relevant Authority considers to be sufficiently certain) in the regulatory classification of the Subordinated Notes from their classification on the Issue Date that results, or would be likely to result, in their exclusion in full or, to the extent permitted under the Applicable Banking Regulations, in part, from the Tier 2 Capital of the Issuer or, where applicable in accordance with the Applicable Banking Regulations, a reclassification as a lower quality form of Own Funds (save where the exclusion from Tier 2 Capital of the Issuer is solely (A) a result of any applicable limitation on the amount of such capital, or (B) in accordance with any requirement that recognition of such Series of Subordinated Notes as part of the Tier 2 Capital of the Issuer be amortised in the five years prior to maturity of such Notes, in either (A) or (B) in accordance with Applicable Banking Regulations in force as at the date on which agreement is reached to issue the first Tranche of such Series of Subordinated Notes) and, in case the Regulatory Event has occurred before five years from the issue of the relevant Subordinated Notes, both of the following conditions are met: (i) the Relevant Authority considers such a change to be sufficiently certain and (ii) the Issuer demonstrates to the satisfaction of the Relevant Authority that the change in regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date;

"**Relevant Authority**" means, as the context may require, (i) the European Central Bank or the Bank of Italy, acting within the framework of the Single Supervisory Mechanism, or any successor or replacement authority having responsibility for the prudential oversight and supervision of the Issuer or the Group (as the case may be), and/or (ii) the Italian resolution authority, the Single Resolution Board (SRB) established pursuant to the SRM Regulation, the European Council, the

European Commission, acting within the framework of the Single Resolution Mechanism, or any successor or replacement authority having responsibility for the resolution of the Issuer or other entities of the Group (as the case may be) and for the exercise of any Resolution Power or Bail-in Power from time to time;

"**Relevant Date**" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Paying Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"**Relevant Financial Centre**" has the meaning given in the relevant Final Terms;

"**Relevant Screen Page**" means the page, section or other part of a particular information service (including, without limitation, the Reuters Money 3000 Service) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"**Relevant Swap Rate**" means:

(i) where the Reference Currency is Euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed for floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR EURIBOR Reuters (as defined in the ISDA Definitions) with a designated maturity determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions; and

(ii) where the Reference Currency is any other currency or if the Final Terms specify otherwise, the mid-market swap rate as determined in accordance with the applicable Final Terms;

"**Relevant Time**" has the meaning given in the relevant Final Terms;

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market at the relevant time;

"**Reserved Matter**" shall have the meaning given to it in the Provisions for Meetings of Noteholders and includes, *inter alia*, any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

"**Reset Date**" has the meaning given in the relevant Final Terms;

"**Resolution Power**" has the meaning given in Condition 22 (*Contractual Recognition of Bail-in Powers*);

"**Single Resolution Mechanism**" means the single resolution mechanism established pursuant to the SRM Regulation;

"**Single Supervisory Mechanism**" means the single supervisory mechanism established pursuant to the SSM Regulation;

"**Specified Currency**" has the meaning given in the relevant Final Terms;

"**Specified Denomination(s)**" has the meaning given in the relevant Final Terms;

"**Specified Office**" means Via Lucrezia Romana 41/47, 00178 Rome, Italy or such other address of the relevant Paying Agent notified by the Issuer to the Noteholders in accordance with Condition 18 (*Notices*);

"**Specified Period**" has the meaning given in the relevant Final Terms;

"**SRM Regulation**" has the meaning given in Condition 22 (*Contractual Recognition of Bail-in Powers*);

"**SSM Regulation**" means Council Regulation (EU) No. 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions, as amended, supplemented or replaced from time to time;

"**Subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any Person (the "**second Person**") in which:

(i) the majority of the votes capable of being voted in an ordinary shareholders' meeting is held, directly or indirectly, by the first Person; or

(ii) the first Person holds, directly or indirectly, a sufficient number of votes to give the first Person a dominant influence (*influenza dominante*) in an ordinary shareholders' meeting of the second Person,

as provided by Article 2359, paragraph 1, No.1 and 2 of the Italian Civil Code;

"**T2**" means the real time gross settlement system operated by the Eurosystem or any successor system;

"**TARGET Settlement Day**" means any day on which T2 is open for the settlement of payments in euro;

"**Tax Event**" has the meaning given in Condition 10(b) (*Redemption for tax reasons*);

"**Tier 1 Capital**" means at any time tier 1 capital as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Tier 2 Capital**" means at any time tier 2 capital as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Tier 2 Instruments**" means at any time tier 2 instruments as interpreted and applied in accordance with the Applicable Banking Regulations.

"**Treaty**" means the Treaty on the functioning of the European Union, as amended; and

"**Zero Coupon Note**" means a Note specified as such in the relevant Final Terms.

(b) *Interpretation*: In these Conditions:

(i) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 12 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;

(ii) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;

(iii) references to Notes being "**outstanding**" shall be construed in accordance with the Provisions for Meetings of Noteholders;

(iv) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "**not applicable**" then such expression is not applicable to the Notes; and

(v) any reference in these Conditions to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

3. FORM, DENOMINATION AND TITLE

The Notes will be in held in dematerialised form in the Specified Denomination(s) on behalf of the beneficial owners by Monte Titoli for the account of the relevant Monte Titoli Account Holders as of their respective date of issue. Monte Titoli shall act as depository for Euroclear and Clearstream Banking.

The Notes will at all times be evidenced by, and title to the Notes will be established or transferred by way of, book-entries pursuant to the relevant provisions of the Financial Services Act and in accordance with the CONSOB and Bank of Italy Joint Regulation. No physical document of title will be issued in respect of the Notes.

4. STATUS OF THE SENIOR PREFERRED NOTES

(a) *Application*: This Condition 4 applies only to Notes specified in the relevant Final Terms as being Senior Preferred Notes.

(b) *Status*: The Senior Preferred Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves. The payment obligations of the Issuer under the Senior Preferred Notes shall at all times rank (save for certain obligations required to be preferred by law, including any obligations permitted by law to rank senior to the Senior Preferred Notes following the Issue Date, if any) equally with all other unsecured and unsubordinated obligations of the Issuer from time to time outstanding (other than obligations ranking junior to the Senior Preferred Notes from time to time, including any obligations under Senior Non-Preferred Notes and any further obligations permitted by law or by their terms to rank junior to the Senior Preferred Notes following the Issue Date, if any).

In relation to each Series of Senior Preferred Notes, all Notes of such Series will be treated equally and all amounts paid by the Issuer in respect of principal and/or interest thereon will be paid *pro rata* on all Notes of such Series.

(c) *Waiver of set-off rights*: Each holder of a Senior Preferred Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Senior Preferred Note.

(d) *No Negative Pledge*: There is no negative pledge in respect of the Senior Preferred Notes.

5. STATUS OF THE SENIOR NON-PREFERRED NOTES

(a) *Application*: This Condition 5 applies only to Notes specified in the relevant Final Terms as being Senior Non-Preferred Notes.

(b) *Status*: The obligations of the Issuer under the Senior Non-Preferred Notes are direct, unconditional, unsubordinated, unsecured and non-preferred obligations of the Issuer that are intended to qualify as *strumenti di debito chirografario di secondo livello* of the Issuer in accordance with, and for the purposes of, Article 12-*bis* of the Consolidated Banking Law.

The payment obligations of the Issuer under the Senior Non-Preferred Notes related to them shall at all times rank:

(iii) junior to Senior Preferred Notes and all present or future unsecured and unsubordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to the Senior Non-Preferred Notes (including, without limitation, any obligations under the

Senior Preferred Notes) including claims arising from the excluded liabilities within the meaning of Article 72a(2) of the CRR;

(iv) *pari passu* among themselves and with any other present or future obligations of the Issuer which do not rank, or are not expressed by their terms to rank, junior or senior to the Senior Non-Preferred Notes; and

(v) senior to any present or future obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Senior Non-Preferred Notes (including, without limitation, the claims of the shareholders of the Issuer and any other obligations under the Subordinated Notes or any other obligations under instruments or items included in the Tier 1 Capital or Tier 2 Capital of the Issuer),

in all such cases in accordance with the provisions set forth in Article 91, paragraph 1-*bis*, letter c-*bis*) of the Consolidated Banking Law and any relevant regulation which may be enacted from time to time for the purposes of implementing such provisions and/or any laws, regulations or guidelines implementing the rules set forth in the Bank Creditor Hierarchy Directive.

In relation to each Series of Senior Non-Preferred Notes, all Notes of such Series will be treated equally and all amounts paid by the Issuer in respect of principal and/or interest thereon will be paid *pro rata* on all Notes of such Series.

(c) *Waiver of set-off rights*: Each holder of a Senior Non-Preferred Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Senior Non-Preferred Note.

(d) *No Negative Pledge*: There is no negative pledge in respect of the Senior Non-Preferred Notes.

6. STATUS OF THE SUBORDINATED NOTES

(a) *Application:* This Condition 6 applies only to Notes specified in the relevant Final Terms as being Subordinated Notes.

(b) *Status*: The Subordinated Notes are direct, unsecured and subordinated obligations of the Issuer that are intended to qualify for regulatory purposes as Tier 2 Instruments to be included in the Tier 2 Capital of the Issuer in accordance with Article 63 of the CRR and Part II, Chapter 1 of Circular No. 285 (or any successor rules under the Applicable Banking Regulations).

Subject to the following paragraph, for so long as the relevant Series of Subordinated Notes qualify, in whole or in part, as Tier 2 Capital, the payment obligations of the Issuer under the Subordinated Notes related to them shall at all times rank:

(i) junior to all present or future unsecured and unsubordinated obligations of the Issuer (including, without limitation, any obligations under the Senior Notes) or any other present or future subordinated obligations of the Issuer which rank, or are expressed by their terms to rank, senior to the Subordinated Notes (including any subordinated instruments that have ceased to qualify, in their entirety, as own fund items (*elementi di fondi propri*));

(ii) *pari passu* among themselves and with any other present or future obligations of the Issuer which do not rank, or are not expressed by their terms to rank, junior or senior to the Subordinated Notes, including holders of present or future outstanding Tier 2 Capital of the Issuer; and

(iii) senior to any present or future obligations of the Issuer which rank, or are expressed by their terms to rank, junior to the Subordinated Notes (including, without limitation, the claims of the shareholders of the Issuer and any other obligations under instruments or items included in the Tier 1 Capital of the Issuer).

If the relevant Series of Subordinated Notes does not qualify (or ceases to qualify) in its entirety as own funds items (*elementi di fondi propri*), such Subordinated Notes will rank *pari passu* without any preference among the Notes and: (A) at least *pari passu* with the Issuer's obligations

in respect of any other subordinated instruments that have ceased to qualify, in their entirety, as own funds items (*elementi di fondi propri*) and with all other subordinated indebtedness of the Issuer that have such ranking; (B) in priority to payments to holders of present or future outstanding indebtedness which qualifies, in whole or in part, as own funds items (*elementi di fondi propri*), including Additional Tier 1 Capital and Tier 2 Capital; and (C) junior in right of payment to the payment of any present or future claims of depositors of the Issuer and any other unsubordinated creditors of the Issuer (including Senior Preferred Notes and Senior Non-Preferred Notes).

In relation to each Series of Subordinated Notes, all Notes of such Series will be treated equally and all amounts paid by the Issuer in respect of principal and/or interest thereon will be paid *pro rata* on all Notes of such Series.

(c) *Waiver of set-off rights*: Each holder of a Subordinated Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Subordinated Note.

The Subordinated Notes (including, for the avoidance of doubt, payments of principal and/or interest) shall be subject to the Loss Absorption Requirement, if so required under the BRRD and/or the SRM Regulation, in accordance with the powers of the Relevant Authority and where the Relevant Authority determines that the application of the Loss Absorption Requirement to the Subordinated Notes is necessary pursuant to applicable law and/or regulation in force from time to time.

(d) *No Negative Pledge*: There is no negative pledge in respect of the Subordinated Notes.

7. FIXED RATE NOTE PROVISIONS

(a) *Application*: This Condition 7 is applicable to the Notes only if: (i) the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable; or (ii) if a Change of Interest Basis is specified in the relevant Final Terms as being applicable, in respect of those periods for which the Fixed Rate Note Provisions are stated to apply.

(b) *Accrual of interest*: The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 days after the Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) *Fixed Coupon Amount*: Other than if the Notes are redeemed on any date that is not an Interest Payment Date, the amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

(d) *Calculation of interest amount*: The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified or if the Notes are redeemed on any date that is not an Interest Payment Date shall be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Fixed Rate Note comprises more than one Calculation Amount, the Amount of interest payable in respect of such Fixed Rate Note shall be

the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

7B RESET NOTE PROVISIONS

(a) *Rates of Interest and Interest Payment Dates:* Each Reset Note bears interest:

(i) from (and including) the Interest Commencement Date until (but excluding) the First Reset Date at the Initial Rate of Interest;

(ii) from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the Form of Final Terms, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and;

(iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest,

payable, in each case, in arrear on each Interest Payment Date and on the Maturity Date if that does not fall on an Interest Payment Date. The Rate of Interest and the Interest Amount payable shall be determined by the Calculation Agent, (i) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, subject to Condition 8(j) (*Benchmark Discontinuation*) below, and (ii) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in Condition 7 (*Fixed Rate Note Provisions*). Unless otherwise stated in the applicable Final Terms the Rate of Interest (inclusive of the First or Subsequent Margin) shall not be deemed to be less than zero.

For the purposes of the Conditions:

"**First Margin**" means the margin specified as such in the Form of Final Terms;

"**First Reset Date**" means the date specified in the Form of Final Terms;

"**First Reset Period**" means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the Form of Final Terms, the Maturity Date;

"**First Reset Rate of Interest**" means, in respect of the First Reset Period and subject to Condition 7B(b) (*Fallbacks*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the First Margin;

"**Initial Rate of Interest**" has the meaning specified in the Form of Final Terms;

"**Interest Commencement Date**" means the date specified as such in the Form of Final Terms;

"**Mid-Market Swap Rate**" means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the Form of Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

"**Mid-Market Swap Rate Quotation**" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

"**Mid-Swap Floating Leg Benchmark Rate**" means EURIBOR if the Specified Currency is euro;

"**Mid-Swap Rate**" means, in relation to a Reset Determination Date and subject to Condition 7B(b) (*Fallbacks*), either:

(i) if Single Mid-Swap Rate is specified in the Form of Final Terms, the rate for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

(ii) if Mean Mid-Swap Rate is specified in the Form of Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

"**Rate of Interest**" means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

"**Reset Date**" means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable);

"**Reset Determination Date**" means, in respect of the First Reset Period, the second Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period;

"**Reset Period**" means the First Reset Period or a Subsequent Reset Period, as the case may be;

"**Second Reset Date**" means the date specified in the Form of Final Terms;

"**Subsequent Margin**" means the margin specified as such in the Form of Final Terms;

"**Subsequent Reset Date**" means the date or dates specified in the Form of Final Terms;

"**Subsequent Reset Period**" means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date; and

"**Subsequent Reset Rate of Interest**" means, in respect of any Subsequent Reset Period and subject to Condition 3(b)(ii), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the relevant Subsequent Margin.

(b) *Fallbacks*

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Issuer shall, subject as provided in Condition 8(j) (*Benchmark Discontinuation*), request each of the Reference Banks (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

For the purposes of this Condition 7B(b) "**Reference Banks**" means the principal office in the principal financial centre of the Specified Currency of four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer on the advice of an investment bank of international repute.

8. FLOATING RATE AND CMS LINKED INTEREST NOTE PROVISIONS

(a) *Application*: This Condition 8 is applicable to the Notes only if: (i) the Floating Rate Note Provisions or CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable; or (ii) if a Change of Interest Basis is specified in the relevant Final Terms as being applicable, in respect of those periods for which the Floating Rate Note Provisions are stated to apply. In addition, Condition 8(j) (*Benchmark Discontinuation*) is applicable to the Notes if the Reset Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Accrual of interest*: The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 days after the Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) *Screen Rate Determination for Floating Rate Notes other than CMS Linked Interest Notes*: If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and "CMS Rate" is not specified as the Reference Rate in the Final Terms, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis, subject to Condition 8(j) (*Benchmark Discontinuation*):

(i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

and the Rate of Interest for such Interest Period shall be:

(iii) if "Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined (the "**Determined Rate**");

(iv) if "**Multiplier**" is specified in the relevant Final Terms as being applicable the sum of (i) the Margin and (ii) the relevant Determined Rate multiplied by the Multiplier;

(v) if "**Reference Rate Multiplier**" is specified in the relevant Final Terms as being applicable, the sum of (i) the Margin, and (ii) the relevant Determined Rate multiplied by the Reference Rate Multiplier,

(vi) *provided, however, that* if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or, as the case may be, the arithmetic mean last determined in relation to the Notes in respect of the immediately preceding Interest Period for which such rate or arithmetic mean was determined.

(d) *Screen Rate Determination for Floating Rate Notes which are CMS Linked Interest Notes*: If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and "CMS Rate" is specified as the Reference Rate in the Final Terms, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent by reference to the following formula, subject to Condition 8(j) (*Benchmark Discontinuation*):

CMS Rate plus *Margin*

If the Relevant Screen Page is not available, the Issuer and/or an independent advisor appointed by the Issuer shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the Interest Determination Date in question. If at least three of the CMS Reference Banks provide the Calculation Agent with such quotation, the CMS Rate for such Interest Period shall be the arithmetic mean of such quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

If on any Interest Determination Date less than three or none of the CMS Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Rate shall be determined by the Calculation Agent in good faith on such commercial basis as considered appropriate by the Calculation Agent in its absolute discretion, in accordance with standard market practice.

(e) *ISDA Determination*: If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(i) if the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:

(A) the Floating Rate Option is as specified in the relevant Final Terms;

(B) the Designated Maturity is a period specified in the relevant Final Terms; and

(C) the relevant Reset Date, unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions.

(ii) references in the ISDA Definitions to:

(A) "**Confirmation**" shall be references to the relevant Final Terms;

(B) "**Calculation Period**" shall be references to the relevant Interest Period;

(C) "**Termination Date**" shall be references to the Maturity Date;

(D) "**Effective Date**" shall be references to the Interest Commencement Date; and

(iii) if the Final Terms specify "2021 ISDA Definitions" as being applicable:

(A) "**Administrator/Benchmark Event**" shall be disapplied; and

(B) If the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

(iv) Unless otherwise defined capitalised terms used in this Condition 8(e) shall have the meaning ascribed to them in the ISDA Definitions.

(f) *Maximum or Minimum Rate of Interest*: If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

(g) *Calculation of Interest Amount*: The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount during such Interest Period and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified currency (half a sub-unit being rounded upwards). For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Floating Rate Note or CMS Linked Interest Note comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

(h) *Publication*: The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agent, Monte Titoli and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination (if required by the rules of the relevant competent authority, stock exchange and/or quotation system (if any) but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period). Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

(i) *Notifications, etc.*: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 8 by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agent, the Noteholders and Monte Titoli and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(j) *Benchmark Discontinuation*: If a Benchmark Event occurs in relation to the Reference Rate when the Rate of Interest (or any component part thereof) for any Interest Period remains to be determined by reference to such Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with this Condition 8(j)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 8(j)(iii)) and any Benchmark Amendments (in accordance with Condition 8(j)(iv)).

In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agent or the Noteholders for any determination made by it pursuant to this Condition 8(j).

(i) If (i) the Issuer is unable to appoint an Independent Adviser or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 8(j) prior to the relevant Interest Determination Date or Reset Determination Date, as the case may be, the Reference Rate applicable to the immediate following Interest Period shall be (i) in the case of the Rate of Interest on Floating Rate Notes, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period or (ii) in the case of the First Reset Rate of Interest on Reset Notes, the Rate of Interest shall be equal to the Initial Rate of Interest or (iii) in the case of the Subsequent Reset Rate of Interest on Reset Notes, the Rate of Interest shall be equal to the Subsequent Reset Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Reset Period or if the immediately preceding Reset Period is the First Reset Period, the First Reset Rate of Interest. If there has not been a first Interest Payment Date or First Reset Date, the Rate of Interest for Floating Rate Notes shall be the initial Rate of Interest and the Rate of Interest for Reset Notes shall be the Initial Rate of Interest (as applicable). Where a different Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin (as applicable) is to be applied to the relevant Interest Period or Reset Period (as applicable) from that which applied to the last preceding Interest Period or Reset Period (as applicable), the Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin (as applicable) relating to the relevant Interest Period or Reset Period (as applicable) shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin relating to that last preceding Interest Period or Reset Period (as applicable).

For the avoidance of doubt, any adjustment pursuant to this Condition 8(j)(i) (*Benchmark Discontinuation*) shall apply to the immediately following Interest Period or Reset Period (as applicable) only. Any subsequent Interest Period or Reset Period (as applicable) may be subject to the subsequent operation of this Condition 8(j).

(ii) If the Independent Adviser determines in its discretion that:

(A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 8(j)(iii)) subsequently be used in place of the Reference Rate to determine the Rate of Interest for the immediately following Interest Period or Reset Period (as applicable) and all following Interest Periods or Reset Periods (as applicable), subject to the subsequent operation of this Condition 8(j)) in the event of a further Benchmark Event affecting the Successor Rate; or

(B) (there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 8(j)(iii)) subsequently be used in place of the Reference Rate to determine the Rate of Interest for the immediately following Interest Period or Reset Period (as applicable) and all following Interest Periods or Reset Periods (as applicable), subject to the subsequent operation of this Condition 8(j) in the event of a further Benchmark Event affecting the Alternative Rate.

(iii) If the Independent Adviser determines in its discretion (A) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall apply to the Successor Rate or the Alternative Rate (as the case may be).

(iv) If any relevant Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 8(j) and the Independent Adviser determines in its discretion (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such

amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, following consultation with the Calculation Agent (or the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest and the Interest Amount(s)), subject to giving notice thereof in accordance with this Condition 8(j), without any requirement for the consent or approval of relevant Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice (and for the avoidance of doubt, the Paying Agent shall, at the direction and expense of the Issuer, consent to and effect such consequential amendments to these Conditions as may be required in order to give effect to this Condition 8(j)).

(v) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 8(j) will be notified promptly by the Issuer to the Paying Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 18 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(vi) No later than notifying the Paying Agent of the same, the Issuer shall deliver to the Paying Agent a certificate signed by two authorised signatories of the Issuer:

(A) confirming (x) that a Benchmark Event has occurred, (y) the relevant Successor Rate, or, as the case may be, the relevant Alternative Rate and, (z) where applicable, any relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 8(j); and

(B) certifying that the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate, Alternative Rate and/or Adjustment Spread.

(vii) The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of such Successor Rate or Alternative Rate and such Adjustment Spread (if any) and such Benchmark Amendments (if any)) be binding on the Issuer, the Paying Agent, the Calculation Agent, the Paying Agents and the Noteholders.

(viii) Where a different Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin (as applicable) is to be applied to the relevant Interest Period or Reset Period (as applicable) from that which applied to the last preceding Interest Period or Reset Period (as applicable), the Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin (as applicable) relating to the relevant Interest Period or Reset Period (as applicable) shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest or First Margin or Subsequent Margin relating to that last preceding Interest Period or Reset Period.

(ix) As used in this Condition 8(j):

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Benchmark Rate (as the case may be) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) (if no such recommendation has been made, or in the case of an Alternative Benchmark Rate), the Independent Adviser, determines is customarily applied to the relevant Successor Rate or Alternative Benchmark Rate (as the case may be) in international debt

capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or

(iii) (if no such recommendation has been made) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Benchmark Rate (as the case may be); or

(iv) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines (acting in good faith and in a commercially reasonable manner) to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Benchmark Rate (as the case may be).

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with this Condition 8(j) is customary in market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) in the Specified Currency.

"**Benchmark Event**" means:

(A) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(B) a public statement by the administrator of the relevant Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased publishing such Reference Rate permanently or indefinitely or that it will cease to do so by a specified future date (the "**Specified Future Date**"); or

(C) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a specified future date (the "**Specified Future Date**"), be permanently or indefinitely discontinued; or

(D) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will, by a specified future date (the "**Specified Future Date**"), be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(E) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, such Reference Rate is or will, by a specified future date (the "**Specified Future Date**"), be no longer representative of an underlying market; or

(F) it has or will, by a specified date within the following six months, become unlawful for the Calculation Agent to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable).

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (B), (C), (D) or (E) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed occur until the date falling six months prior to such Specified Future Date.

"**Benchmark Amendments**" has the meaning given to it in Condition 8(j)(iv).

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense under Condition 8(j).

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"**Successor Rate**" means a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

9. ZERO COUPON NOTE PROVISIONS

(a) *Application*: This Condition 9 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Late payment on Zero Coupon Notes*: If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 days after the Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9A. CHANGE OF INTEREST BASIS

If Change of Interest Basis is specified as applicable in the applicable Final Terms, the interest payable in respect of the Notes will be calculated in accordance with Condition 7 (*Fixed Rate Note Provisions*) or Condition 8 (*Floating Rate and CMS Linked Interest Note Provisions*), each applicable only for the relevant periods specified in the applicable Final Terms.

If Change of Interest Basis is specified as applicable in the applicable Final Terms, and Issuer's Switch Option is also specified as applicable in the applicable Final Terms, the Issuer may, on one or more occasions, as specified in the applicable Final Terms, at its option (any such option, a "**Switch Option**"), having given notice to the Noteholders in accordance with Condition 18 (*Notices*) and delivering such notice to the Paying Agent and the Calculation Agent on or prior to the relevant Switch Option Expiry Date, change the Interest Basis of the Notes from Fixed Rate to Floating Rate or Floating Rate to Fixed Rate or as otherwise specified in the applicable Final Terms with effect from (and including) the Switch Option Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date (or, where more than one Switch Option Effective Date is specified in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date), *provided that* (A) the Switch Option may be exercised only in respect of all the outstanding Notes, (B) upon exercise of a Switch Option, the Interest Basis change will be effective from (and including) the relevant Switch Option Effective Date until the Maturity Date (or, where more than one Switch Option Effective Date is specified as applicable in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date to the extent the related Switch Option is exercised), and (C) where a Switch Option has not been exercised prior

to the relevant Switch Option Expiry Date, the Issuer shall no longer be entitled to exercise such Switch Option and the Interest Basis shall not change.

"**Switch Option Expiry Date**" and "**Switch Option Effective Date**" shall mean any date specified as such in the applicable Final Terms *provided that* any date specified in the applicable Final Terms as a Switch Option Effective Date shall be deemed as such subject to the exercise of the relevant Switch Option having been notified by the Issuer pursuant to this Condition and in accordance with Condition 18 (*Notices*) prior to the relevant Switch Option Expiry Date.

10. REDEMPTION AND PURCHASE

(a) *Scheduled redemption*: Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Conditions 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*) and Condition 11 (*Payments*).

Pursuant to Article 12-*bis*, paragraph 1, letter a), of the Consolidated Banking Law, the Maturity Date of the Senior Non-Preferred Notes shall not fall earlier than twelve months after their Issue Date.

The Maturity Date of Subordinated Notes shall not fall earlier than five years after their Issue Date, as provided under the Applicable Banking Regulations.

(b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuer (but subject, in the case of Subordinated Notes, to the prior approval of the Relevant Authority) in whole, but not in part:

(i) at any time (if, neither the Floating Rate Note Provisions nor CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable); or

(ii) on any Interest Payment Date (if the Floating Rate Note Provisions or CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (*Tax*), together with interest accrued (if any) to the date fixed for redemption, if:

(A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes;

(B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; and

(C) in the case of Subordinated Notes only if the circumstances under points (A) and (B) above have occurred within five years of the issue of the relevant Subordinated Notes, the Issuer demonstrates to the satisfaction of the Relevant Authority that such change is material and was not reasonably foreseeable at the Issue Date,

(any such event, a "**Tax Event**")

provided, however, that no such notice of redemption shall be given earlier than: 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall make available, upon request, to relevant Noteholders (A) a certificate signed by a legal representative of the Issuer stating that the Issuer is entitled to effect such redemption and setting

forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 10(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(b).

In the case of Senior Notes, any redemption pursuant to this Condition 10(b) shall be subject to Condition 10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, any redemption pursuant to this Condition 10(b) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*).

(c) *Redemption for regulatory reasons***:**

(i) *Application:* This Condition 10(c) applies only if (A) the Notes are specified in the relevant Final Terms as being Subordinated Notes; and (B) this Condition 10(c) is specified in the relevant Final Terms as being applicable.

(ii) *Redemption*: If, at any time the Issuer determines that a Regulatory Event has occurred, the Notes may be redeemed at the option of the Issuer (subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*) below), in whole, but not in part, at any time (if this Note is neither a Floating Rate Note nor a CMS Linked Interest Note) or on any Interest Payment Date (if the Note is either a Floating Rate Note or a CMS Linked Interest Note), on giving not less than 15 nor more than 30 days' notice to the Paying Agent, Monte Titoli and, in accordance with Condition 18 (*Notices*), to the Noteholders.

Prior to the publication of any notice of redemption pursuant to this Condition 10(c), the Issuer shall make available, upon request, to the relevant Noteholder a certificate signed by two authorised signatories of the Issuer stating that the said circumstances prevail and describe the facts leading thereto, in which event it shall be conclusive and binding on the Noteholders.

Upon the expiry of any such notice as is referred to in this Condition 10(c), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(c), at the Early Redemption Amount (Regulatory Event) described in the relevant Final Terms, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Any redemption pursuant to this Condition 10(c) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*).

(d) *Redemption of Senior Notes due to a MREL Disqualification Event*

This Condition 10(d) applies only to Notes specified in the relevant Final Terms as being Senior Preferred Notes or Senior Non-Preferred Notes.

If an Issuer Call due to a MREL Disqualification Event is specified in the relevant Final Terms as being applicable, then in cases where the Issuer determines that a MREL Disqualification Event has occurred and is continuing with respect to a Series of Senior Preferred Notes or Senior Non-Preferred Notes, any such Series may be redeemed at the option of the Issuer in whole, but not in part:

(i) at any time (if neither the Floating Rate Note Provisions nor the CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable); or

(ii) on any Interest Payment Date (if either the Floating Rate Note Provisions or the CMS Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 days nor more than the maximum period of notice specified in the applicable Final Terms to the Paying Agent and Monte Titoli and, in accordance with Condition 18 (*Notices*), the Noteholders (which notice shall be irrevocable).

Upon the expiry of any such notice as is referred to in this Condition 10(d), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(d), at their Early Redemption Amount (MREL Disqualification Event) described in the relevant Final Terms, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Prior to the publication of any notice of redemption pursuant to this Condition 10(d), the Issuer shall make available, upon request, to the relevant Noteholder a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred (and such evidence shall be conclusive and binding on the Noteholders).

Any redemption pursuant to this Condition 10(d) shall be subject to Condition 10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(e) *Redemption at the option of the Issuer*: If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may (subject, in the case of Subordinated Notes, to prior approval of the Relevant Authority) be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice to the Paying Agent, Monte Titoli and the Noteholders (which notices shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

In the case of Senior Notes, the call option pursuant to this Condition 10(e) shall be subject to Condition 10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, no call option in accordance with this Condition 10(e) may be exercised by the Issuer to redeem, in whole or in part, such Notes prior to the fifth anniversary of their Issue Date. Starting from the fifth anniversary of their Issue Date, the redemption pursuant to this Condition 10(e) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(f) *Partial redemption*: If the Notes are to be redeemed in part only on any date in accordance with Condition 10(e) (*Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected in accordance with the rules of Monte Titoli (to be reflected in the records of Monte Titoli as a *pro rata* reduction in principal amount), subject to compliance with applicable laws and the rules of each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or less than the minimum so specified.

In the case of Senior Notes, the partial redemption pursuant to this Condition 10(f) shall be subject to Condition 10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, no partial redemption in accordance with this Condition 10(f) may be exercised by the Issuer to redeem, in part, such Notes prior to the fifth anniversary of their Issue Date. Starting from the fifth anniversary of their Issue Date, the partial redemption pursuant to this Condition 10(f) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(g) *Regulatory conditions for call, redemption, repayment repurchase or modification of Subordinated Notes*

In the case of Subordinated Notes, any call, redemption, repayment or repurchase of such Notes in accordance with Condition 10(a) (*Scheduled redemption*), Condition 10(b) (*Redemption for tax reasons*), Condition 10(c) (*Redemption for regulatory reasons*), Condition 10(e) (*Redemption at the option of the Issuer*), Condition 10(f) (*Partial redemption*), Condition 10(i) (*Clean-up Redemption at the option of the Issuer*) and any purchase in accordance with Condition 10(l) (*Purchase*) is subject to compliance with the then applicable Banking Regulations, including:

(i) the Issuer having obtained the prior permission of the Relevant Authority in accordance with Articles 77 and 78 of the CRR, as amended or replaced from time to time, where either:

(A) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Subordinated Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(B) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds would, following such call, redemption, repayment or repurchase, exceed the capital requirements laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; and

(ii) in respect of a call, redemption repayment or repurchase prior to the fifth anniversary of the Issue Date of the relevant Subordinated Notes, if and to the extent required under Article 78(4) of the CRR or the Capital Instruments Regulation:

(A) in the case of redemption pursuant to Condition 10(b) (*Redemption for tax reasons*), the Issuer having demonstrated to the satisfaction of the Relevant Authority that the change in the applicable tax treatment of the Notes is material and was not reasonably foreseeable as at the Issue Date; or

(B) in case of redemption pursuant to Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*), a Regulatory Event has occurred; or

(C) on or before the relevant call, redemption, repayment or repurchase, the Issuer replaces the Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for income capacity of the Issuer and the Relevant Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or

(D) the Subordinated Notes are repurchased for market making purposes,

subject in any event to any alternative or additional conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) the Subordinated Notes, in the limit of a predetermined amount, which shall not exceed the lower of (i) 10 per cent. (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the aggregate nominal amount of the relevant Subordinated Notes and (ii) 3 per cent. (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the outstanding aggregate nominal amount of the Tier 2 Instruments of the Issuer at the relevant time, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out at letters (A) and (B) of sub-paragraph (i) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78 of the CRR shall not constitute a default of the Issuer for any purposes.

(h) *Redemption at the option of Noteholders:*

(i) *Application*: This Condition 10(h) is applicable only to Senior Preferred Notes and if the Put Option is specified in the relevant Final Terms as being applicable.

(ii) *Put Options*: The Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 10(h), the holder of a Note must deliver to any Paying Agent a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent to which a Note is so delivered shall deliver a duly completed Put Option Receipt to the relevant Noteholder. Upon delivery of a Put Option Notice and up to including the Optional Redemption Date (Put), no transfer of title to the Note(s) for which the Put Option Notice has been delivered will be allowed. At least 5 Business Days prior to the Optional Redemption Date (Put), the Issuer and the Paying Agent shall notify Monte Titoli of the amount of Notes to be redeemed on the Optional Redemption Date(s) (Put) and the aggregate Optional Redemption Amount (Put).

(i) *Clean-up Redemption at the option of the Issuer*: If a clean-up redemption option (the "**Clean-Up Redemption Option**") is specified as applicable in the Final Terms, and if 75% or any higher percentage specified in the relevant Final Terms (the "**Clean-Up Percentage**") of the initial aggregate nominal amount of the Notes of the same Series (which for the avoidance of doubt includes, any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) have been redeemed or purchased by, or on behalf of, the Issuer and cancelled, the Issuer may at any time, at its option, and having given to the Paying Agent, the relevant Clearing Systems and, in accordance with Condition 18 (*Notices*), the Noteholders not less than 5 nor more than 30 calendar days' notice (the "**Clean-Up Redemption Notice**") (which notices shall be irrevocable and shall specify the date fixed for redemption), redeem such outstanding Notes, in whole but not in part, at their clean-up redemption amount ("**Clean-Up Redemption Amount**") together, if appropriate, with accrued interest to (but excluding) the date of redemption, on the date fixed for redemption identified in the Clean-Up Redemption Notice.

In the case of Senior Preferred Notes and Senior Non-Preferred Notes, the redemption referred to in this Condition 10(i) shall be subject to Condition 10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, the redemption referred to in this Condition 10(i) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment or, repurchase or modification of Subordinated Notes*).

(j) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 10(a) (*Scheduled redemption*) to 10(h) (*Redemption at the option of Noteholders*).

(k) *Early redemption of Zero Coupon Notes*: Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption, pursuant to Condition 10 (*Redemption and Purchase*), of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the relevant Final Terms for the purposes of this Condition 10(k) or, if none is so specified, a Day Count Fraction of 30E/360.

In the case of Senior Notes, the call option pursuant to this Condition 10(k) shall be subject to Condition 10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

In the case of Subordinated Notes, no call option in accordance with this Condition 10(k) may be exercised by the Issuer to redeem, in whole or in part, such Notes prior to the fifth anniversary of their Issue Date. Starting from the fifth anniversary of their Issue Date, the redemption pursuant to this Condition 10(k) shall be subject to Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(l) *Purchase*: The Issuer or any of its Subsidiaries may purchase Notes in any manner and at any price, *provided that*:

(i) in the case of Subordinated Notes, the purchase of the relevant Subordinated Notes by the Issuer or any of its Subsidiaries shall take place subject as provided in Condition 10(g) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*); and

(ii) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, the purchase of the relevant Senior Preferred Notes or Senior Non-Preferred Notes by the Issuer or any of its Subsidiaries shall take place subject as provided in Condition 10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(m) *Cancellation*: All Notes which are so redeemed or purchased and subsequently surrendered for cancellation by the Issuer or any of its Subsidiaries shall be cancelled and may not be reissued or resold.

(n) Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes

Any call, redemption, repayment or repurchase in accordance with Condition 10(b) (*Redemption for tax reasons*), Condition 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), Condition 10(e) (*Redemption at the option of the Issuer*), Condition 10(f) (*Partial redemption*), Condition 10(i) (*Clean-up Redemption at the option of the Issuer*) and any purchase in accordance with Condition 10(l) (*Purchase*) of Senior Preferred Notes or Senior Non-Preferred Notes is subject, to the extent such Senior Preferred Notes or Senior Non-Preferred Notes qualify at such time as liabilities that are eligible to meet the MREL Requirements (Eligible Liabilities Instruments) or, in case of a redemption pursuant to Condition 10(d) (*Redemption of Senior Notes due to a MREL Disqualification Event*), qualified as liabilities that are eligible to meet the MREL Requirements before the occurrence of the MREL Disqualification Event, to compliance with the then applicable Banking Regulations, including the condition that the Issuer has obtained the prior permission of the Relevant Authority in accordance with Article 78a of the CRR, where one of the following conditions is met:

(i) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Relevant Notes with Own Funds instruments or Eligible Liabilities Instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(ii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds and Eligible Liabilities would, following such call, redemption, repayment or repurchase, exceed the requirements for Own Funds and Eligible Liabilities laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; or

(iii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that the partial or full replacement of the relevant notes with Own Funds instruments is necessary to ensure compliance with the Own Funds requirements laid down in the Applicable Banking Regulations for continuing authorisation,

subject in any event to any different conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) Senior Preferred Notes or Senior Non-Preferred Notes, in the limit of a predetermined amount, instruments, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out in sub-paragraphs (i) and (ii) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78a of the CRR shall not constitute a default of the Issuer for any purposes.

11. PAYMENTS

(a) *Principal*: Payment of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent to the accounts of the Monte Titoli Account Holders whose accounts with Monte Titoli are credited with those Notes and thereafter credited by such Monte Titoli Account Holders to the accounts of the beneficial owners of those Notes or through Euroclear and Clearstream Banking to the accounts with Euroclear and Clearstream Banking of the beneficial owners of those Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream Banking, as the case may be.

(b) *Payments subject to fiscal laws*: All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Section 1471 through 1474 of the Code, any regulation or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

(c) *Commissions or Expenses*: No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(d) *Payments on business days*: If the due date for payment of any amount in respect of any Note is not a Payment Business Day, the holder shall not be entitled to payment of the amount due until the next succeeding Payment Business Day and shall not be entitled to any further interest or other payment in respect of any such delay.

12. TAXATION

(a) *Withholding and deduction*: All payments of principal (if applicable) and interest in respect of the Notes by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Italy or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law.

(b) *Gross up*: In the event that such withholding or deduction of taxes, duties, assessments, or governmental charges is required by law (as referred to in Condition 12(a)), the Issuer shall pay such additional amounts necessary for the net amounts received by the Noteholders after such withholding or deduction to equal the respective amounts of principal, in the case of Senior Preferred Notes not qualifying at such time as liabilities that are eligible to meet the MREL Requirements only, or interest, in the case of any Notes, which would otherwise have been receivable in respect of the Notes in the absence of such withholding or deduction; except that no such additional amounts shall be payable in respect of any Note requested for payment:

(i) in the Republic of Italy;

(ii) by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of its having some connection with the Republic of Italy other than the mere holding of such Note; or

(iii) by a non-Italian resident entity or individual which is resident for tax purposes in a country which does not allow for a satisfactory exchange of information with the Italian tax authorities; or

(iv) by an Italian resident, to the extent that interest is paid to an Italian individual or an Italian legal entity not carrying on a business (including, but not limited to (A) partnerships, de facto partnerships not carrying on a business and professional associations, (B) public and private resident entities, other than companies, not carrying on a business, and (C) certain other Persons exempt from corporate income tax) or to such other Italian individual engaged in an entrepreneurial activity to which the Notes are connected or resident entities which have been or may be identified by Legislative Decree No. 239 of 1 April 1996 and related regulations of implementation which have been or may subsequently be enacted ("**Decree 239**"); or

(v) in all circumstances in which the requirements and procedures set forth in Decree 239 have not been met or complied with except where such requirements and procedures have not been met or complied with due to the actions or omissions of the Issuer or its agents; or

(vi) more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to such additional amounts if it had presented such Note on the last day of such period of 30 days; or

(vii) in respect of Notes classified as atypical securities (*titoli atipici*) where such withholding or deduction is required under Law Decree No. 512 of 30 September 1983, as amended or supplemented from time to time.

(c) *Taxing jurisdiction*: If the Issuer becomes subject at any time to any taxing jurisdiction other than the Republic of Italy, references in these Conditions to in the Republic of Italy shall be construed as references to the Republic of Italy and/or such other jurisdiction.

13. EVENTS OF DEFAULT

Events of Default: If any of the following events occurs:

(i) *Winding-up etc.*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent or on terms previously approved by Extraordinary Resolution); or

(ii) *Analogous event*: any event occurs which under the laws of the Republic of Italy has an analogous effect to any of the events referred to in paragraph (i) (*Winding up, etc.*) above,

then any Note may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Paying Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its Early Termination Amount together with accrued interest (if any) without further action or formality. No Event of Default shall occur other than in the circumstances under paragraphs (i) and (ii) above (and, for the avoidance of doubt, resolution proceeding(s) or moratoria imposed by a resolution authority in respect of the Issuer shall not constitute an Event of Default for any purpose).

14. PRESCRIPTION

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date.

15. PAYING AGENT

The initial Paying Agent is the Issuer. The initial Calculation Agent (if any) is specified in the applicable Final Terms. The Issuer reserves the right at any time to appoint another person to act as Paying Agent or vary or terminate the appointment of any paying agent appointed under the terms of an agency agreement

in a customary form and/or appoint additional or other paying agents and appoint a successor issuing and principal paying agent or Calculation Agent, provided it will at all times maintain:

(a) a Paying Agent; and

(b) if a Calculation Agent is specified in the applicable Final Terms, the Issuer shall at all times maintain a Calculation Agent.

Notice of any change in the Paying Agent or it Specified Offices will promptly be given to the Noteholders in accordance with Condition 18 (*Notices*).

16. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER

(a) *Meetings of Noteholders*: The Provisions for Meetings of Noteholders contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however, that* Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) *Modification and waiver*: The Notes and these Conditions may be amended without the consent of the Noteholders to correct a manifest error. In addition, the Issuer may not effect, without the consent of the Noteholders, any modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

With respect to the Senior Non-Preferred Notes, any waiver or modification of the Notes may be sanctioned in accordance with the provisions of this Condition 16 only to the extent permitted under Article 12-*bis*, paragraph 4, of the Consolidated Banking Law, and the Issuer shall deliver to the Paying Agent a certificate signed by a duly authorised signatory of the Issuer stating that such waiver or modification of the Notes is permitted under Article 12-*bis*, paragraph 4, of the Consolidated Banking Law.

(c) *Modification of Subordinated Notes following a Regulatory Event or a Tax Event*

This Condition 16(c) applies to Subordinated Notes if Modification of Subordinated Notes for Regulatory Event or Tax Event or Variation for an Alignment Event is specified in the applicable Final Terms as being applicable. If at any time a Tax Event or a Regulatory Event or, if Variation for an Alignment Event is indicated as applicable in the relevant Final Terms, an Alignment Event occurs or in order to ensure the effectiveness and enforceability of Condition 22 (*Contractual Recognition of Bail-in Powers*), then the Issuer may, subject to giving any notice required to be given to, and receiving any consent required from, the Relevant Authority vary the terms of the Subordinated Notes, at any time without any requirement for consent of the holders of Subordinated Notes, so that the Subordinated Notes are varied to become or remain Qualifying Subordinated Notes, subject to having given not less than 30 nor more than 60 days' notice to the Paying Agent and the holders of Subordinated Notes and subject to receiving the prior consent

from the Relevant Authority if and as required therefor under the Applicable Banking Regulations and in accordance with the Applicable Banking Regulations in force at the relevant time.

The holders of Subordinated Notes shall, by virtue of subscribing and/or purchasing and holding any Subordinated Notes, be deemed to have accepted the modification of the terms of Subordinated Notes and to have granted to the Issuer full powers and authority to take any action and/or execute and deliver any document in the name and /or on behalf of the holders of Subordinated Notes which is necessary or convenient to implement the modification of the terms of Subordinated Notes.

For the purposes of this Condition 16(c), "**Qualifying Subordinated Notes**" means securities issued directly or indirectly by the Issuer that:

(i) other than in respect of the effectiveness and enforceability of Condition 22 (*Contractual Recognition of Bail-in Powers*), have the terms not less favourable to the holders of Subordinated Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing, than the terms of the Subordinated Notes, and they shall also (a) contain terms such that they comply with the minimum requirement under the Applicable Banking Regulations for inclusion in the Tier 2 Capital of the Issuer; (b) provide for a ranking at least equal to that of the Subordinated Notes; (c) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Subordinated Notes; (d) have the same redemption rights as the Subordinated Notes; (e) preserve any existing rights under the Subordinated Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of modification; and (f) are assigned (or maintain) the same or higher solicited credit ratings with the same outlook as were assigned to the Subordinated Notes (if rated) immediately prior to modification;

(ii) are listed or admitted to trading on a recognised stock exchange if the Subordinated Notes were listed or admitted to trading immediately prior to such modification; and

(iii) are not subject, at the time of, or immediately following, such modification, to any early redemption right for taxation reasons.

(d) *Modification of Senior Preferred Notes and Senior Non-Preferred Notes following a MREL Disqualification Event*

This Condition 16(d) applies to Senior Preferred Notes or Senior Non-Preferred Notes if Modification of Notes for MREL Disqualification Event or Variation for an Alignment Event is specified in the applicable Final Terms as being applicable. If at any time a MREL Disqualification Event or, if Variation for an Alignment Event is indicated as applicable in the relevant Final Terms, an Alignment Event occurs or in order to ensure the effectiveness and enforceability of Condition 22 (*Contractual Recognition of Bail-in Powers*), then the Issuer may, subject to giving any notice required to be given to, and receiving any consent required from, the Relevant Authority vary the terms of such Senior Preferred Notes or Senior Non-Preferred Notes, at any time without any requirement for consent of the holders of Senior Preferred Notes or Senior Non-Preferred Notes, so that the Senior Preferred Notes or Senior Non-Preferred Notes are varied to become or remain Qualifying Senior Preferred Notes or Qualifying Senior Non-Preferred Notes, subject to having given not less than 30 nor more than 60 days' notice to the Paying Agent and the holders of Senior Preferred Notes or Senior Non-Preferred Notes and subject to receiving the prior consent from the Relevant Authority if and as required therefor under the MREL Requirements in force at the relevant time.

The holders of Senior Preferred Notes and Senior Non-Preferred Notes shall, by virtue of subscribing and/or purchasing and holding any Senior Preferred Notes or Senior Non-Preferred Notes, be deemed to have accepted the modification of the terms of Senior Preferred Notes or Senior Non-Preferred Notes and to have granted to the Issuer full powers and authority to take any action and/or execute and deliver any document in the name and /or on behalf of the holders of Senior Preferred Notes or Senior Non-Preferred Notes which is necessary or convenient to implement the modification of the terms of Senior Preferred Notes or Senior Non-Preferred Notes.

For the purposes of this Condition 16(d):

"**Qualifying Senior Preferred Notes**" means securities issued directly or indirectly by the Issuer that:

(i) other than in respect of the effectiveness and enforceability of Condition 22 (*Contractual Recognition of Bail-in Powers*), have terms not materially less favourable to a holder of the Senior Preferred Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing, than the terms of the Senior Preferred Notes, and they shall also (a) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for own funds and eligible liabilities under the then applicable MREL Requirements; (b) provide for a ranking at least equal to that of the Senior Preferred Notes; (c) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Senior Preferred Notes; (d) have the same redemption rights as the Senior Notes; (e) preserve any existing rights under the Senior Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of modification; and (e) are assigned (or maintain) the same or higher solicited credit ratings with the same outlook as were assigned to the Senior Preferred Notes (if rated) immediately prior to such variation; and

(ii) are listed or admitted to trading on a recognised stock exchange if the Senior Preferred Notes were listed or admitted to trading immediately prior to such modification.

"**Qualifying Senior Non-Preferred Notes**" means securities issued directly or indirectly by the Issuer that:

(i) other than in respect of the effectiveness and enforceability of Condition 22 (*Contractual Recognition of Bail-in Powers*), have terms not materially less favourable to a holder of the Senior Non-Preferred Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing, than the terms of the Senior Non-Preferred Notes, and they shall also (a) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for own funds and eligible liabilities under the then applicable MREL Requirements; (b) provide for a ranking at least equal to that of the Senior Non-Preferred Notes; (c) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Senior Non-Preferred Notes; (d) have the same redemption rights as the Senior Non-Preferred Notes; (e) preserve any existing rights under the Senior Non-Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of modification; and (e) are assigned (or maintain) the same or higher solicited credit ratings with the same outlook as were assigned to the Senior Non-Preferred Notes (if rated) immediately prior to such variation; and

(ii) are listed or admitted to trading on a recognised stock exchange if the Senior Non-Preferred Notes were listed or admitted to trading immediately prior to such modification.

17. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Noteholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the Issue Price, the Issue Date and/or the first payment of interest) so as to form a single series with the Notes.

18. NOTICES

For so long as the Notes are held through Monte Titoli, all notices regarding the Notes will be deemed to be validly given if published through the systems of Monte Titoli and, if the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the

Luxembourg Stock Exchange (*http://www.luxse.com/*) or in either case, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

19. CURRENCY INDEMNITY

If any sum due from the Issuer in respect of the Notes or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Paying Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

20. ROUNDING

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

21. GOVERNING LAW AND JURISDICTION

(a) *Governing law*: The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by Italian law.

(b) *Italian courts*: The courts of Milan have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including a dispute relating to the existence, validity or termination of the Notes or any non-contractual obligation arising out of or in connection with the Notes) or the consequences of their nullity.

(c) *Appropriate forum*: The Issuer agrees that the courts of Milan are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

(d) *Rights of the Noteholders to take proceedings outside Italy*: Condition 21(b) (*Italian courts*) is for the benefit of the Noteholders only. As a result, nothing in this Condition 21 prevents any Noteholder from taking proceedings relating to a Dispute ("**Proceedings**") in any other court of Member States of the European Union in accordance with the Brussels Ia Regulation or of States that are parties to the Lugano II Convention, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction identified in this Condition 21, whether concurrently or not.

In this Condition 21(d):

"**Brussels Ia Regulation**" means Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, as amended; and

"**Lugano II Convention**" means the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, signed on 30 October 2007.

22. CONTRACTUAL RECOGNITION OF BAIL-IN POWERS

Notwithstanding any provision of these Conditions or any other agreements, arrangements, or understandings between the Issuer and any holder of the Notes and without prejudice to Article 55(1) of the BRRD, each Noteholder, by virtue of its acquisition of the Notes (whether on issuance or in the secondary market) agrees to be bound by and consent to:

(i) the effects of the exercise of the Bail-In Power by the Relevant Authority, which exercise may include and result in any of the following, or some combination thereof: (A) the reduction of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; (B) the conversion of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of these Conditions; (C) the cancellation of the Notes or the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; and (D) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest become payable, including by suspending payment for a temporary period; and

(ii) the variation of these Conditions, as deemed necessary by the Relevant Authority, to give effect to the exercise of the Bail-In Power by the Relevant Authority.

Each Noteholder further agrees that the rights of the Noteholders are subject to, and will be varied if necessary so as to give effect to, the exercise of any Bail-In Power by the Relevant Authority.

Upon the Issuer becoming aware of the exercise of the Bail-In Power by the Relevant Authority with respect to the Notes, the Issuer shall provide a notice to the holders of the Notes in accordance with Condition 18 (*Notices*) as soon as reasonably practicable. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Bail-In Power nor the effects on the Notes described in this Condition 22.

The exercise of the Bail-In Power by the Relevant Authority with respect to the Notes shall not constitute an Event of Default and the terms and conditions of the Notes shall continue to apply to the outstanding principal amount of the Notes subject to any modification of the amount of interest payments to reflect the reduction of the outstanding principal amount, and any further modification of the terms that the Relevant Authority may decide in accordance with applicable laws and regulations, including in particular the BRRD and the SRM Regulation.

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of the Bail-In Power.

As used in this Condition:

"**Bail-in Power**" means any statutory write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of credit institutions, investment firms and/or Group Entities incorporated in the relevant Member State in effect and applicable in the relevant Member State to the Issuer or other Group Entities, including (but not limited to) any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of any European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and/or within the context of a relevant Member State resolution regime or otherwise, pursuant to which liabilities of a credit institution, investment firm and/or any Group Entities can be reduced, cancelled and/or converted into shares or obligations of the obligor or any other person;

"**Group Entity**" means the Issuer or any legal person that is part of the Group;

"**Resolution Power**" means any statutory write-down, transfer and/or conversion power existing from time to time under any laws regulations, rules or requirements relating to the resolution of the Issuer or any other entities of the Group, including but not limited to any laws, regulations, rules or requirements implementing the BRRD and/or the SRM Regulation;

"**SRM Regulation**" means Regulation (EU) No 806/2014 of the European Parliament and Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010, as amended or replaced from time to time; and

"**SRM II Regulation**" means Regulation (EU) No. 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 806/2014 as regards the loss absorbing and recapitalisation capacity of credit institutions and investment firms.

SCHEDULE 1 TO THE TERMS AND CONDITIONS FOR THE DEMATERIALISED NOTES

PROVISIONS FOR MEETINGS OF NOTEHOLDERS

The following provisions (the "**Provisions for Meetings of Noteholders**") will apply to the meetings of the holders of the Dematerialised Notes and will remain in full force and effect until full repayment or cancellation of the Dematerialised Notes to which the Provisions apply.

The contents of these Provisions for Meetings of Noteholders are subject to any mandatory provisions of Italian law (including, without limitation, those set out in the Financial Services Act) and the Issuer's By-Laws in force from time to time.

Unless otherwise provided in these Provisions for Meetings of Noteholders, any capitalised term shall have the meaning attributed to it in the Terms and Conditions for the Dematerialised Notes.

In these Provisions for Meetings of Noteholders, the terms below shall have the following meaning:

"**Block Voting Instruction**" means, in relation to any Meeting, a document requested by any Noteholder and issued by the relevant Monte Titoli Account Holder in accordance with applicable laws and regulations, delivered to the Paying Agent:

(a) certifying that certain specified Notes (the "**Blocked Notes**") are blocked in an account with the relevant Monte Titoli Account Holder and will not be released until the earlier of:

(i) the conclusion of the Meeting; and

(ii) the surrender to such Paying Agent, not less than 48 hours before the time fixed for the Meeting (or, if the Meeting has been adjourned, the time fixed for its resumption), of the receipt for the Blocked Notes by the Paying Agent to the Issuer;

(b) certifying that the holder of each Blocked Note has instructed that the votes attributable to such Blocked Note are to be cast in a particular way on each resolution to be put to the Meeting and that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;

(c) listing the total number of the Blocked Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and

(d) authorising a named individual or individuals to vote in respect of the Blocked Notes in accordance with such instructions;

"**Chairman**" means, in relation to any Meeting, the individual who takes the chair in accordance with paragraph 6 (*Chairman*);

"**Extraordinary Resolution**" means a resolution passed at a Meeting duly convened and held in accordance with these Provisions for Meetings of Noteholders by a majority of not less than three quarters of the votes cast;

"**Meeting**" means a meeting of Noteholders (whether originally convened or resumed following an adjournment);

"**Proxy**" means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction other than:

(a) any such person whose appointment has been revoked and in relation to whom the Paying Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and

(b) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed;

"**Relevant Fraction**" means:

(a) for all business other than voting on an Extraordinary Resolution, one tenth;

(b) for voting on any Extraordinary Resolution other than one relating to a Reserved Matter, one more than half; and

(c) for voting on any Extraordinary Resolution relating to a Reserved Matter, three quarters;

(d) *provided, however, that*, in the case of a Meeting which has resumed after adjournment for want of a quorum it means:

(i) for all business other than voting on an Extraordinary Resolution relating to a Reserved Matter, the fraction of the aggregate principal amount of the outstanding Notes represented or held by the Voters actually present at the Meeting; and

(ii) for voting on any Extraordinary Resolution relating to a Reserved Matter, one quarter;

"**Reserved Matter**" means any proposal:

(a) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment;

(b) to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;

(c) to change the currency in which amounts due in respect of the Notes are payable;

(d) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or

(e) to amend this definition;

"**Voter**" means, in relation to any Meeting, the bearer of a Voting Certificate or a Proxy;

"**Voting Certificate**" means, in relation to any Meeting, a certificate issued by the relevant Monte Titoli account Holder in accordance with applicable laws and regulations in which it is stated:

(a) that the Blocked Notes have been blocked in an account with the relevant Monte Titoli Account Holder and will not be released until the earlier of:

(i) the conclusion of the Meeting; and

(ii) the surrender of such certificate to the relevant Monte Titoli Account Holder and the notification of release thereof to the Issuer; and

(b) that the bearer of such certificate is entitled to attend and vote at the Meeting in respect of the Blocked Notes;

"**Written Resolution**" means a resolution in writing signed by or on behalf of all holders of Notes who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of these Provisions for Meetings of Noteholders, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes;

"**24 hours**" means a period of 24 hours including all or part of a day upon which banks are open for business in both the places where the relevant Meeting is to be held and in each of the places where the Paying Agents has its Specified Offices (disregarding for this purpose the day upon which such Meeting is to be held) and such period shall be extended by one period or, to the extent

necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid; and

"**48 hours**" means 2 consecutive periods of 24 hours.

1. **ISSUE OF VOTING CERTIFICATES AND BLOCK VOTING INSTRUCTIONS**

The holder of a Note may obtain a Voting Certificate from the relevant Monte Titoli Account Holder or require the relevant Monte Titoli Account Holder to issue a Block Voting Instruction in respect of such Note, in each case not later than 48 hours before the time fixed for the relevant Meeting. A Voting Certificate or Block Voting Instruction shall be valid until the release of the Blocked Notes to which it relates. So long as a Voting Certificate or Block Voting Instruction is valid, the bearer thereof (in the case of a Voting Certificate) or any Proxy named therein (in the case of a Block Voting Instruction) shall be deemed to be the holder of the Notes to which it relates for all purposes in connection with the Meeting. A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

2. **REFERENCES TO BLOCKING/RELEASE OF NOTES**

References to the blocking, or release of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of the relevant clearing system.

3. **VALIDITY OF BLOCK VOTING INSTRUCTIONS**

A Block Voting Instruction shall be valid only if it is deposited at the Specified Office of the Paying Agent, or at some other place approved by the Paying Agent, at least 48 hours before the time fixed for the relevant Meeting or the Chairman decides otherwise before the Meeting proceeds to business. If the Paying Agent requires, a notarised copy of each Block Voting Instruction and satisfactory proof of the identity of each Proxy named therein shall be produced at the Meeting, but the Paying Agent shall not be obliged to investigate the validity of any Block Voting Instruction or the authority of any Proxy.

4. **CONVENING OF MEETING**

The Issuer may convene a Meeting at any time and shall be obliged to do so upon the request in writing of Noteholders holding not less than one tenth of the aggregate principal amount of the outstanding Notes.

5. **NOTICE**

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the Noteholders and the Paying Agents (with a copy to the Issuer). The notice shall set out the full text of any resolutions to be proposed and shall state that the Notes may be blocked with the relevant Monte Titoli Account Holder for the purpose of obtaining Voting Certificates or appointing Proxies not later than 48 hours before the time fixed for the Meeting.

6. **CHAIRMAN**

An individual (who may, but need not, be a Noteholder) nominated in writing by the Issuer may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, the Issuer may appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was the Chairman of the original Meeting.

7. **QUORUM**

The quorum at any Meeting shall be at least two Voters representing or holding not less than the Relevant Fraction of the aggregate principal amount of the outstanding Notes; *provided, however, that*, so long as at least the Relevant Fraction of the aggregate principal amount of the outstanding Notes is represented by a Global Note, a single Proxy representing the holder thereof shall be deemed to be two Voters for the purpose of forming a quorum.

8. **ADJOURNMENT FOR WANT OF QUORUM**

If within 15 minutes after the time fixed for any Meeting a quorum is not present, then:

(a) in the case of a Meeting requested by Noteholders, it shall be dissolved; and

(b) in the case of any other Meeting, it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and to such place as the Chairman determines; *provided, however, that*:

(i) the Meeting shall be dissolved if the Issuer so decides; and

(ii) no Meeting may be adjourned more than once for want of a quorum.

9. **ADJOURNED MEETING**

The Chairman may, with the consent of (and shall if directed by) any Meeting, adjourn such Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

10. **NOTICE FOLLOWING ADJOURNMENT**

Paragraph 5 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for want of a quorum save that:

(a) 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and

(b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

11. **PARTICIPATION**

The following may attend and speak at a Meeting:

(a) Voters;

(b) representatives of the Issuer and the Paying Agent;

(c) the financial advisers of the Issuer;

(d) the legal counsel to the Issuer and the Paying Agent; and

(e) any other person approved by the Meeting.

12. **SHOW OF HANDS**

Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution. Where there is only one Voter, this paragraph shall not apply and the resolution will immediately be decided by means of a poll.

13. **POLL**

A demand for a poll shall be valid if it is made by the Chairman, the Issuer or one or more Voters representing or holding not less than one fiftieth of the aggregate principal amount of the outstanding Notes. The poll may be taken immediately or after such adjournment as the Chairman

directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the Chairman directs.

14. **VOTES**

Every Voter shall have:

(a) on a show of hands, one vote; and

(b) on a poll, the number of votes obtained by dividing the aggregate principal amount of the outstanding Note(s) represented or held by him by the unit of currency in which the Notes are denominated.

In the case of a voting tie the Chairman shall have a casting vote.

Unless the terms of any Block Voting Instruction state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way.

15. **VALIDITY OF VOTES BY PROXIES**

Any vote by a Proxy in accordance with the relevant Block Voting Instruction shall be valid even if such Block Voting Instruction or any instruction pursuant to which it was given has been amended or revoked, *provided that* the Fiscal Agent has not been notified in writing of such amendment or revocation by the time which is 48 hours before the time fixed for the relevant Meeting. Unless revoked, any appointment of a Proxy under a Block Voting Instruction in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; *provided, however, that* no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such a Meeting must be re-appointed under a Block Voting Instruction Proxy to vote at the Meeting when it is resumed.

16. **POWERS**

A Meeting shall have power (exercisable by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:

(a) to approve any Reserved Matter;

(b) to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of any of the Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;

(c) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes;

(d) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Notes or any act or omission which might otherwise constitute an event of default under the Notes;

(e) to authorise the Paying Agent or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

(f) to give any other authorisation or approval which is required to be given by Extraordinary Resolution; and

(g) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution.

17. EXTRAORDINARY RESOLUTION BINDS ALL HOLDERS

An Extraordinary Resolution shall be binding upon all Noteholders whether or not present at such Meeting and irrespective of how their vote was cast at such meeting, and each of the Noteholders shall be bound to give effect to it accordingly. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Noteholders and the Paying Agents (with a copy to the Issuer) within 14 days of the conclusion of the Meeting.

18. MINUTES

Minutes shall be made of all resolutions and proceedings at each Meeting. The Chairman shall sign the minutes, which shall be prima facie evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

19. WRITTEN RESOLUTION

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

FORM OF FINAL TERMS

The Final Terms in respect of each Tranche of Notes will be substantially in the following form, duly completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.

[**PROHIBITION OF SALES TO EEA 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**"). 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, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.]

[**PROHIBITION OF SALES TO 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 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 (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the Financial Services and Markets Act 2000 (the "**FSMA**") to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[**EU MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in EU MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.]

[**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

Final Terms dated [•]

ICCREA Banca S.p.A.

Issue of [currency] [aggregate principal amount of Tranche] [description] Notes

under the €5,000,000,000

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the [Terms and Conditions for the English Law Notes in Physical Form] [Terms and Conditions for the Italian Law Notes in Physical Form] [Terms and Conditions for the Dematerialised Notes] (the "**Conditions**") set forth in the Base Prospectus dated 2 September 2025 [and the supplement to the Base Prospectus dated [*insert date*] [*delete if not applicable*],] which [together] constitute[s] a base prospectus for the purposes of Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation. These Final Terms contain the final terms of the Notes and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the supplement to the Base Prospectus] [is/are] available for viewing at and copies may be available from the address of the Issuer at Via Lucrezia Romana 41/47, 00178 Rome (Italy) and the website of the Issuer (www.iccreabanca.it). The Base Prospectus and, [in the case of Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange], the applicable Final Terms will also be published on the website of the [Luxembourg Stock Exchange (*http://www.luxse.com/*) and [•].]

[Terms used herein shall be deemed to be defined as such for the purposes of the [Terms and Conditions for the Italian Law Notes in Physical Form] [Terms and Conditions for the Dematerialised Notes] (the "**Conditions**") set forth in the Base Prospectus dated 5 September 2024. This document constitutes the Final Terms of the Notes described herein for the purposes of Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**") and, save in respect of the Conditions, must be read in conjunction with the Base Prospectus dated 2 September 2025 [and the supplement to the Base Prospectus dated [*insert date*] [*delete if not applicable*],] ([together,] the "**Base Prospectus**") in order to obtain all the relevant information. The Base Prospectus constitutes a base prospectus for the purposes of Prospectus Regulation. The Conditions are incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the supplement to the Base Prospectus] [is/are] available for viewing at and copies may be available from the address of the Issuer at Via Lucrezia Romana 41/47, 00178 Rome (Italy) and the website of the Issuer (www.iccreabanca.it). The Base Prospectus and, [in the case of Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange,] the applicable Final Terms will also be published on the website of the [Luxembourg Stock Exchange (*http://www.luxse.com/*) [and [•]].]

(*Include whichever of the following apply or specify as* "*Not Applicable*" (*N/A*)*. Note that the numbering should remain as set out below, even if* "*Not Applicable*" *is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.*)

(When completing any final terms, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 23 of the Prospectus Regulation).

1.	[(i)]	[Series Number:]	[•]
	[(ii)]	[Tranche Number:]	[•]
	[(iii)]	Date on which the Notes become fungible:	[Not Applicable]/[The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [•] on [[•]/the Issue Date/exchange of the Temporary Global Note for interests in the

			Permanent Global Note, as referred to in paragraph 24 below [which is expected to be on or about [•].]]]
2.	**Specified Currency or Currencies**: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Specified Currency*"))		[•]
3.	**Aggregate Principal Amount**:		[•]
	[(i)]	[Series:]	[•]
	[(ii)]	[Tranche:]	[•]
4.	**Issue Price**: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Issue Price*"))		[•] per cent. of the Aggregate Principal Amount [plus accrued interest from [insert date]] (*in the case of fungible issues only, if applicable*)
5.	(i)	**Specified denominations**: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Specified Denominations*"))	[•] [and integral multiplies of [•] in excess thereof [up to and including [•]]. No Notes in definitive form will be issued with a denomination above [•].] (*The minimum denomination of Notes admitted to trading on a regulated market within the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Regulation will be €100,000* (*or, if the Notes are denominated in a currency other than euro, the equivalent amount of such currency*). *In the case of Senior Non-Preferred Notes, Notes will have a minimum denomination of €150,000* (*or equivalent*) *and in the case of Subordinated Notes, Notes will have a minimum denomination of €200,000* (*or equivalent*), *or such other minimum denomination provided by applicable law from time to time.*) (*Notes including Notes denominated in Sterling, in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or, whose issue otherwise, constitutes a contravention of Financial Services and Markets Act 2000 and which have a maturity of less than one year must have a minimum redemption value of £100,000* (*or its equivalent in other currencies*).)
	(ii)	**Calculation Amount**: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Calculation Amount*"))	(*If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. There must be a common factor in the case of two or more Specified Denominations.*)

6.	[(i)]	**Issue Date**: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Issue Date*"))	[•]
	[(ii)]	Interest Commencement Date (if different from the Issue Date): (Condition 2(a) (*Definitions and Interpretation – Definitions – "Interest Commencement Date*"))	[Issue Date]/[Not Applicable]/ [•]
7.		**Maturity Date**: (Condition 2(a) (*Definitions and Interpretation – Definitions –"Maturity Date*"))	(*Specify date or* (*for Floating Rate Notes*) *Interest Payment Date falling in the relevant month and year*) (*If the Maturity Date is less than one year from the Issue Date and either* (*a*) *the issue proceeds are received by the Issuer in the United Kingdom or* (*b*) *the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom,* (*i*) *the Notes must have a minimum redemption value of £100,000* (*or its equivalent in other currencies*) *and be sold only to "professional investors" or* (*ii*) *another applicable exemption from section 19 of the FSMA must be available.*)
8.		**Interest Basis**: (Condition 7 (*Fixed Rate Note Provisions*) / Condition 7B (*Reset Note Provisions*) Condition 8 (*Floating Rate and CMS Linked Interest Note Provisions*) and Condition 9 (*Zero Coupon Note Provisions*))	[[•] per cent. Fixed Rate] [[•] per cent. Fixed Rate from [•] to [•], then [•] per cent. Fixed Rate from [•] to [•]] [[•] per cent. to be reset on [•] [and [•]] and every [•] anniversary thereafter] [[EURIBOR]/ [ECB Interest Rate] +/- [ ] per cent. per annum Floating Rate] [Floating Rate: CMS Linked Interest] [Zero Coupon] (further particulars specified below)
9.		**Redemption/Payment Basis**:	[Redemption at par]/[Redemption at par in Instalment Amounts]

10.	**Change of Interest Basis**:		[Applicable / Not Applicable]
	(Condition 9A (*Change of Interest Basis*))		(*if applicable, specify the date when any fixed to floating rate or vice-versa change occurs or cross refer to paragraphs 13 and 14* (*as appropriate*) *below and identify there*) (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) (*N.B. To be completed in addition to paragraphs 13 and 14* (*as appropriate*) *if any fixed to floating or fixed reset rate change occurs*)
	(i)	Reset Date(s):	[•]
	(ii)	Switch Options:	[Applicable – [*specify details of the change*(*s*) *in Interest Basis and the relevant Interest Periods to which the change*(*s*) *in Interest Basis applies*]/[Not Applicable]] (N.*B. The Issuer must give notice of the exercise of the Switch Option to Noteholders in accordance with Condition 19 of the Terms and Conditions of the English Law Notes in Physical Form, Condition 19 of the Terms and Conditions of the Italian Law Notes in Physical Form or Condition 18 of the Dematerialised Notes on or prior to the relevant Switch Option Expiry Date*)
	(iii)	Switch Option Expiry Date:	[•]
11.	**Put/Call Options**:		[Investor Put]
	(Condition 10(e) (*Redemption and Purchase – Redemption at the option of the Issuer*)) or (Condition 10(h) (*Redemption and Purchase – Redemption at the option of Noteholders*) and Condition 10(f) (*Redemption and Purchase – Partial redemption*))		[Issuer Call] [Issuer Call due to MREL Disqualification Event] Clean-up Redemption at the option of the Issuer [(further particulars specified in paragraph [17]/[18]/[19]/[20]/[21]/[22] below)]
12.	(i)	**Status of the Notes**: (Condition 4 (*Status of Senior Preferred Notes*)) or Condition 5 (*Status of Senior Non -Preferred Notes*) or Condition 6 (*Status of Subordinated Notes*)	[Senior Preferred Notes]/[Senior Non-Preferred Notes]/[Subordinated Notes]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13.	**Fixed Rate Note Provisions**: (Condition 7 (*Fixed Rate Note Provisions*))		[Applicable/Not Applicable/(*if a Change of Interest Basis applies*): Applicable for the period starting from [and including] [•] ending on [but excluding] [•]] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Rate(s) of Interest: (Condition 7(b) (*Fixed Rate Note Provisions – Accrual of interest*))	[•] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
	(ii)	Interest Payment Date(s): (Condition 2(a) (*Definitions and Interpretation – Definitions – "Interest Payment Date"*))	[•] in each year up to and including the Maturity Date
	(iii)	Fixed Coupon Amount(s): (Condition 2(a) (*Definitions and Interpretation – Definitions – "Fixed Coupon Amount"*))	[[•] per Calculation Amount] (*Specify different Fixed Coupon Amounts if different Rates of Interest are specified as being applicable in respect of different Interest Periods.*) / (*for Instalment Notes only:*) [See column "Fixed Coupon Amount per Note of a denomination of the Calculation Amount" in the Appendix to the Final Terms for details of the Fixed Coupon Amount per Note of a denomination of the Calculation Amount payable on each Interest Payment Date]
	(iv)	Broken Amount(s): (Condition 2(a) (*Definitions and Interpretation – Definitions – "Broken Amount"*))	[[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]] / [Not Applicable]
	(v)	Day Count Fraction: (Condition 2(a) (*Definitions and Interpretation – Definitions –"Day Count Fraction"*))	[Actual/Actual (ICMA)]/[Actual/365]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/360]/[30/360]/[30/360]/[Eurobond basis]
	(vi)	Unmatured Coupons void: (Condition 11(f) (*Unmatured Coupons void*) of the Terms and Conditions of the English Law Notes in Physical Form, and Condition 11(g) (*Unmatured Coupons void*) of the Terms and Conditions of the Italian Law Notes in Physical Form	[Applicable/Not Applicable]

14.	**Reset Note Provisions**:		[Applicable/Not Applicable]
	(i)	Initial Rate of Interest:	[ ] per cent. per annum payable in arrear [on each Interest Payment Date]
	(ii)	First Margin:	[+/-][ ] per cent. per annum
	(iii)	Subsequent Margin:	[[+/-][ ] per cent. per annum] [Not Applicable]
	(iv)	Interest Payment Date(s):	[ ] [and [ ]] in each year up to and including the Maturity Date [until and excluding [ ]]
	(v)	Fixed Coupon Amount up to (but excluding) the First Reset Date:	[[ ] per Calculation Amount][Not Applicable]
	(vi)	Broken Amount(s):	[[ ] per Calculation Amount payable on the Interest Payment Date falling [in/on] [ ]][Not Applicable]
	(vii)	First Reset Date:	[ ]
	(viii)	Second Reset Date:	[ ]/[Not Applicable]
	(ix)	Subsequent Reset Date(s):	[ ] [and [ ]]
	(x)	Relevant Screen Page:	[•]/[Not Applicable]
	(xi)	Mid-Swap Rate:	[Single Mid-Swap Rate/Mean Mid-Swap Rate]
	(xii)	Mid-Swap Maturity	[ ]
	(xiii)	Day Count Fraction:	[Actual/Actual / Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360/360/360/Bond Basis] [30E/360/Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual ICMA]
	(xiv)	Determination Dates:	[ ] in each year
	(xv)	Business Centre(s):	[ ]
	(xvi)	Calculation Agent:	[the Fiscal Agent] / [ ]
15.	**Floating Rate Note Provisions:** (Condition 8 (*Floating Rate and CMS Linked Interest Note Provisions*))		[Applicable/Not Applicable/(*if a Change of Interest Basis applies*): Applicable for the period starting from [and including] [•] ending on [but excluding] [•]] (*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)
	(i)	Interest Payment Dates: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Interest Payment Date*"))	[•]

(ii)	Business Day Convention: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Business Day Convention*"))	[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention]
(iii)	Specified Period: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Specified Period"*))	[Not Applicable]/ [•]
(iv)	Additional Business Centre(s): (Condition 2(a) (*Definitions and Interpretation – Definitions – "Additional Business Centre(s)*"))	[Not Applicable/[•]]
(v)	Manner in which the Rate(s) of Interest is/are to be determined: (Condition 8 (*Floating Rate and CMS Linked Interest Note Provisions*))	[Screen Rate Determination/ISDA Determination]
(vi)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Fiscal Agent): (Condition 2(a) (*Definitions and Interpretation – Definitions – "Calculation Agent"*))	[[Fiscal Agent/*an institution other than the Fiscal Agent*] shall be the Calculation Agent] (*no need to specify if the Fiscal Agent is to perform this function*)
(vii)	Screen Rate Determination: (Condition 8 (*Floating Rate and CMS Linked Interest Note Provisions*))	[Applicable/Not Applicable] (*If not applicable delete the remaining sub-paragraphs of this paragraph*)
	- Reference Rate: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Reference Rate*"))	[EURIBOR/ECB Interest Rate/CMS Rate]
	- Reference Banks: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Reference Banks*"))	[Not Applicable]/ [•]
	- Interest Determination Date(s): (Condition 2(a) (*Definitions and Interpretation – Definitions – "Interest Determination Date*"))	[The first Business Day in the relevant Interest Period]/ (*select where Interest Determination Date has the meaning specified in* [•]). [•]

		(*in the case of a CMS Rate where the Reference Currency is euro*):[Second TARGET Settlement Day prior to the start of each Interest Period] (*in the case of a CMS Rate where the Reference Currency is other than euro*):[Second [specify type of day] prior to the start of each Interest Period]
	- Relevant Screen Page: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Relevant Screen Page*"))	[*For example, Reuters page EURIBOR01*] (*In the case of CMS Linked Interest Note, specify relevant screen page and any applicable headings and captions*)
	- Relevant Time: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Relevant Time*"))	[*For example, 11.00 a.m.*[*London/Brussels*] *time*]
	- Relevant Financial Centre: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Relevant Financial Centre*"))	(*For example, London/Euro-zone* (*where Euro-zone means the region comprised of the countries whose lawful currency is the euro*))
	- [Reference Currency:] *(only relevant where the CMS Rate is the Reference Rate)* (Condition 2(a) (*Definitions and Interpretation – Definitions – "Reference Currency*"))	[•]
	- [Designated Maturity:] *(only relevant where the CMS Rate is the Reference Rate)* (Condition 2(a) (*Definitions and Interpretation – Definitions – "Designated Maturity*"))	[•]
	- [Provisions relating to the occurrence of a Regulatory Event in case of Replacement Reference Rate:]	[Applicable/Not Applicable]
(viii)	ISDA Determination: (Condition 8(e) (*Floating Rate and CMS Linked Interest Note Provisions – ISDA Determination*))	[Applicable/Not Applicable] (*If not applicable delete the remaining sub-paragraphs of this paragraph*)
	- ISDA Definitions:	[2006 ISDA Definitions / 2021 ISDA Definitions]

	-	Floating Rate Option:	[•] (*The Floating Rate Option should be selected from one of: EUR-EURIBOR-Reuters* (*if 2006 ISDA Definitions apply*) *or EUR-EURIBOR* (*if 2021 ISDA Definitions apply*) (*each as defined in the ISDA Definitions*). *These are the options envisaged by the terms and conditions.*)
	-	Designated Maturity:	[•] (*Delegated maturity will not be relevant where the Floating Rate Option is a risk-free rate*)
	-	Reset Date:	[•]/[as specified in the ISDA Definitions][the first day of the relevant Interest Period, subject to adjustment in accordance with the Business Day Convention set out in (ii) above and as specified in the ISDA Definitions] (*In the case of EURIBOR or ECB Interest Rate or CMS Rate based option, the first day of the Interest Period*)
(ix)	Margin(s): (Condition 2(a) (*Definitions and Interpretation – Definitions – "Margin*"))		[+/-][•] per cent. per annum
(x)	Minimum Rate of Interest: (Condition 8(f) (*Floating Rate and CMS Linked Interest Note Provisions – Maximum or Minimum Rate of Interest*))		[Not Applicable/[•] per cent. per annum]
(xi)	Maximum Rate of Interest: (Condition 8(f) (*Floating Rate and CMS Linked Interest Note Provisions – Maximum or Minimum Rate of Interest*))		[Not Applicable/[•] per cent. per annum]
(xii)	Day Count Fraction: (Condition 2(a) (*Definitions and Interpretation – Definitions – "Day Count Fraction*"))		[Actual/Actual (ICMA)]/ [Actual/365]/ [Actual/Actual (ISDA)]/ [Actual/365 (Fixed)]/ [Actual/360]/[30/360]/[30/360]/[Eurobond basis]
16.	**Zero Coupon Note Provisions:**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Accrual Yield:		[•] per cent. per annum

(Condition 2(a) (*Definitions and Interpretation – Definitions – "Accrual Yield*"))

(ii) Reference Price: [•]

(Condition 2(a) (*Definitions and Interpretation – Definitions – "Reference Price*"))

PROVISIONS RELATING TO REDEMPTION

17. **Call Option**: [Applicable/Not Applicable]

(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Optional Redemption Date(s) (Call): [•]

Condition 10(e) *(Redemption and Purchase – Redemption at the option of the Issuer) and Condition 10(f) (Redemption and Purchase – Partial redemption*)

(*If the Notes are Subordinated Notes, unless otherwise permitted by current laws, regulations, directives and/or the Relevant Authority's requirements applicable to the issue of Subordinated Notes by the Issuer, the Optional Redemption Date shall not be earlier than five years after the Issue Date*)

(*If the Notes are Senior Non-Preferred Notes, unless otherwise permitted by current laws, regulations, directives and/or the Relevant Authority's requirements applicable to the issue of Senior Non-Preferred Notes by the Issuer, the Optional Redemption Date shall not be earlier than twelve months after the Issue Date*)

(ii) Optional Redemption Amount(s) (Call): [•] per Calculation Amount

(Condition 2(a) (*Definitions and Interpretation – Definitions – "Optional Redemption Amount (Call)*"))

(iii) If redeemable in part:

(a) Minimum Redemption Amount: [•]

(Condition 2(a) (*Definitions and Interpretation – Definitions – "Minimum Redemption Amount*"))

(b) Maximum Redemption Amount: [•]

(Condition 2(a) (*Definitions and Interpretation – Definitions – "Maximum Redemption Amount*"))

(iv) Notice period (if other than as set out in the Conditions): [•]

	Condition 10(e) (*Redemption and Purchase – Redemption at the option of the Issuer*) and Condition 10(f) (*Redemption and Purchase – Partial redemption*)	(*N.B. If setting notice periods which are different from those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Paying Agent*)
18.	**Regulatory Call:** (Condition 10(c) (*Redemption and Purchase – Redemption for regulatory reasons*))	[Condition 10(c) is applicable/Not Applicable] (*Only applicable for Subordinated Notes. If not applicable, delete the remaining sub-paragraphs of this paragraph*)
19.	**Issuer Call due to a MREL Disqualification Event** (Condition 10(d))	[Condition 10(d) is applicable/Not Applicable] (*Only relevant in the case of Senior Preferred Notes or Senior Non-Preferred Notes. If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(a) Notice period (if other than as set out in the Conditions):	[•] (*N.B. If setting notice periods which are different from those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Paying Agent*)
20.	**Put Options:** (Condition 10(h) (*Redemption and Purchase – Redemption at the option of Noteholders*))	[Applicable/Not Applicable] (*Applicable only to Senior Notes/if not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s) (Put): (Condition 2(a) (*Definitions and Interpretation – Definitions – "Optional Redemption Date (Put)"*))	[•]
	(ii) Optional Redemption Amount(s) (Put): (Condition 2(a) (*Definitions and Interpretation – Definitions – "Optional Redemption Amount (Put)"*))	[•] per Calculation Amount
	(iii) Notice period (if other than as set out in the Conditions):	[•] (*N.B. If setting notice periods which are different from those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example,*

	(Condition 10(h) (*Redemption and Purchase – Redemption at the option of Noteholders*))	*clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Paying Agent*)
21.	**Final Redemption Amount:**	[(*for all Notes other than Instalment Notes or Zero Coupon Notes:*) [at 100 per cent. of their nominal amount] / (*for Zero Coupon Notes only:*) [[•] per Calculation Amount] / (*for Instalment Notes only:*) [Notes will be redeemed by payment of Instalment Amounts on each Interest Payment Date in accordance with the Appendix to the Final Terms hereto and in the amount set out therein. Upon payment of each Instalment Amount, the outstanding principal amount of each Note shall be reduced by the relevant Instalment Amount for all purposes.] The Final Redemption Amount will be the final Instalment Amount as set out in the Appendix to the Final Terms hereto.]
22.	**Clean-up Redemption at the option of the Issuer**:	[Applicable/Not Applicable] (If not applicable, delete the remaining subparagraphs of this paragraph)
	(a) Clean-Up Percentage	[75 per cent. / [•] per cent.]
	(b) Clean-Up Redemption Amount and method, if any, of calculation of such amount(s):	[•] per Calculation Amount / [•]
23.	**Early Redemption Amount**:	
	(a) Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default: (Condition 2(a) (*Definitions Interpretation – Definitions – "Early Redemption Amount (Tax)" and "Early Redemption Amount (Regulatory Event)*)")	[Not Applicable]/ [•]/(*for Instalment Notes only:*) [The Early Redemption Amount will be, in respect of each Note, the principal amount of the Notes outstanding following the payment of any Instalment Amounts paid by the Issuer prior to the relevant date for redemption, as set out in the Appendix to the Final Terms hereto.] (*If the Early Redemption Amount* (*Tax*)*, Early Redemption Amount* (*Regulatory Event*) *and the Early Termination Amount are the principal amount of the Notes/specify the Early Redemption Amount* (*Tax*) *and/or Early Redemption Amount* (*Regulatory Event*) *and/or the Early Termination Amount if different from the principal amount of the Notes.*)
	(b) Early Redemption Amount payable on redemption upon the occurrence of a MREL Disqualification Event as contemplated by Condition 10(d):	[•] per Calculation Amount/[•]
24.	**Instalment Notes**:	[Applicable]/[Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Instalment Amount(s)	The amounts set out in the table in the Appendix to the Final Terms.

		Notes will be redeemed by payment of the Instalment Amounts on each Interest Payment Date in accordance with the Appendix to the Final Terms hereto and in the amount set out therein. Upon payment of each Instalment Amount, the outstanding principal amount of each Note shall be reduced by the relevant Instalment Amount for all purposes.
(ii)	Instalment Date(s):	Each Interest Payment Date as set out in the Appendix to the Final Terms.

25. **Modification or Substitution of Notes (for English Law Notes in Physical Form), Modification of Notes (for Italian Law Notes in Physical Form) and Modification of Notes (for Dematerialised Notes)**

(a)	Modification or Substitution of Subordinated Notes for Regulatory Event/Tax Event (for English Law Notes in Physical Form); Modification of Subordinated Notes for Regulatory Event/Tax Event (for Italian Law Notes in Physical Form); Modification of Subordinated Notes for Regulatory Event/Tax Event (for Dematerialised Notes):	[Applicable]/[Not Applicable] in relation to [Regulatory Event/Tax Event]
(b)	Modification or Substitution of Senior Preferred Notes and Senior Non-Preferred Notes for MREL Disqualification Event (for English Law Notes in Physical Form); Modification of Senior Preferred Notes and Senior Non-Preferred Notes for MREL Disqualification Event (for Italian Law Notes in Physical Form); Modification of Senior Preferred Notes and Senior Non-Preferred Notes for MREL Disqualification Event (for Dematerialised Notes):	[Applicable]/[Not Applicable]
(c)	Variation for an Alignment Event:	[Applicable]/[Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26.	**Form of Notes**:	[Temporary Global Note exchangeable for Definitive Notes on [30] days' notice.] [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [30] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note.] [Permanent Global Note exchangeable for Definitive Notes on [30] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]. [Dematerialised Note held by Monte Titoli on behalf of the beneficial owners, until redemption or cancellation thereof, for the account of the relevant Monte Titoli Account Holders]
27.	**New Global Note Form**:	[Applicable/Not Applicable]
28.	**Additional Financial Centre(s) or other special provisions relating to Payment Business Days**:	[Not Applicable/[•].] (*Note that this paragraph relates to the place of payment*)
29.	**Talons for future Coupons for Notes in Physical Form or Receipts to be attached to Definitive Notes** (and dates on which such Talons mature):	[Yes/No. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupons are left.]

THIRD PARTY INFORMATION

[The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [(*specify source*)], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING**

(i)	Listing:	[Official List of the Luxembourg Stock Exchange / MOT (Mercato Telematico Obbligazionario) / other (specify) /other place of listing] / [Not Applicable]
(ii)	Admission to trading:	[Application [has been/is expected to be] made for the Notes to be admitted to trading on [[□] / the regulated market of the Luxembourg Stock Exchange / the MOT (Mercato Telematico Obbligazionario)] with effect from [□]] / [Not Applicable](*Where documenting a fungible issue need to indicate that original securities are already admitted to trading.*)
(iii)	Estimated total expenses of admission to trading:	[•] / [Not Applicable]

2. **RATINGS**

Ratings: [The Notes to be issued have been rated:

[Fitch: [•] [*insert definition of rating provided as defined by the rating agency*]]

[S&P: [•][*insert definition of rating provided as defined by the rating agency*]]

[[Other]: [•][*insert definition of rating provided as defined by the rating agency*]]]

(*Insert where the issue has been specifically rated*)

[The following ratings reflect the ratings allocated to the Notes of the type being issued under the Programme generally:

[Fitch: [•][*insert definition of rating provided as defined by the rating agency*]]

[S&P: [•][*insert definition of rating provided as defined by the rating agency*]]

[Morningstar DBRS: [•][*insert definition of rating provided as defined by the rating agency*]]

[[Other]: [•][*insert definition of rating provided as defined by the rating agency*]]

(*Insert where the issue has not been specifically rated*)

(*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.*)]

Option 1 - CRA established in the EEA and registered under the EU CRA Regulation and details of whether rating is endorsed by a credit rating

agency established and registered in the UK or certified under the UK CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**"). [[*Insert legal name of particular credit rating agency entity providing rating*] appears on the latest update of the list of registered credit rating agencies (as of [*insert date of most recent list*]) on the ESMA website http://www.esma.europa.eu.]. [The rating [*Insert legal name of particular credit rating agency entity providing rating*] has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").] /[[*Insert legal name of particular credit rating agency entity providing rating*] has been certified under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]/ [[*Insert legal name of particular credit rating agency entity providing rating*] has not been certified under Regulation (EC) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the UK and registered under the CRA Regulation (UK).]

Option 2 - CRA established in the EEA, not registered under the CRA Regulation but has applied for registration and details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the CRA Regulation (UK)

[*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and has applied for registration under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the [relevant competent authority] /[European Securities and Markets Authority]. [[*Insert legal name of particular credit rating agency entity providing rating*] appears on the latest update of the list of registered credit rating agencies (as of [*insert date of most recent list*]) on the ESMA website http://www.esma.europa.eu.]. [The rating [*Insert legal name of particular credit rating agency entity providing rating*] has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the

"**CRA Regulation (UK)**").] /[[*Insert legal name of particular credit rating agency entity providing rating*] has been certified under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**CRA Regulation (UK)**").]/ [[*Insert legal name of particular credit rating agency entity providing rating*] has not been certified under Regulation (EC) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**CRA Regulation (UK)**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the UK and registered under the CRA Regulation (UK).]

Option 3 - CRA established in the EEA, not registered under the EU CRA Regulation and not applied for registration and details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the UK CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and is neither registered nor has it applied for registration under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**"). [[*Insert legal name of particular credit rating agency entity providing rating*] appears on the latest update of the list of registered credit rating agencies (as of [*insert date of most recent list*]) on the ESMA website http://www.esma.europa.eu.]. [The rating [*Insert legal name of particular credit rating agency entity providing rating*] has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation (UK)**").] /[[*Insert legal name of particular credit rating agency entity providing rating*] has been certified under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]/ [[*Insert legal name of particular credit rating agency entity providing rating*] has not been certified under Regulation (EC) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation.]

Option 4 - CRA established in the UK and registered under the UK CRA Regulation and details of whether rating is endorsed by a credit rating agency

established and registered in the EEA or certified under the EU CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**"). [[*Insert legal name of particular credit rating agency entity providing rating*] appears on the latest update of the list of registered credit rating agencies (as of [*insert date of most recent list*]) on [FCA]. [The rating [*Insert legal name of particular credit rating agency entity providing rating*] has given to the Notes to be issued under the Programme is endorsed by [insert legal name of credit rating agency], which is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**").]] [[*Insert legal name of particular credit rating agency entity providing rating*] has been certified under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**").] [[*Insert legal name of particular credit rating agency entity providing rating*] has not been certified under Regulation (EC) No 1060/2009, as amended (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation.]

Option 5 - CRA not established in the EEA or the UK but relevant rating is endorsed by a CRA which is established and registered under the CRA Regulation (EU) AND/OR under the CRA Regulation (UK)

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA or the UK but the rating it has given to the Notes to be issued under the Programme is endorsed by [[*insert legal name of credit rating agency*], which is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**")][and][[*insert legal name of credit rating agency*], which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**")].

Option 6 - CRA not established in the EEA or the UK and relevant rating is not endorsed under the CRA Regulation (EU) or the CRA Regulation (UK) but CRA is certified under the CRA Regulation (EU) AND/OR under the CRA Regulation (UK)

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA or the UK but is certified under [Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**")][and][Regulation (EC) No 1060/2009 as

it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**")].

Option 7 - CRA neither established in the EEA or the UK nor certified under the EU CRA Regulation or the UK CRA Regulation and relevant rating is not endorsed under the EU CRA Regulation or the UK CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA or the UK and is not certified under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**") or Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in either the EEA and registered under the EU CRA Regulation or in the UK and registered under the UK CRA Regulation.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

[Need to include a description of any interest, including a conflict of interest, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save for any fees payable to the [[Joint Lead] Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."] (*Amend as appropriate if there are other interests*).

4. USE AND ESTIMATED NET AMOUNT OF PROCEEDS

(i)	The use and estimated net amount of the proceeds:	[•] [See ["Use of Proceeds"] in Base Prospectus] (*If use of proceeds is different from what is disclosed in the Base Prospectus, will need to include those use of proceeds here. If the Notes are Social Bonds or Green Bonds or Sustainability Bonds describe the relevant projects to which the net proceeds of the Tranche of Notes will be applied or make reference to the relevant bond framework to which the net proceeds of the Notes will be applied.*)
(ii)	Estimated net proceeds:	[•]
(iii)	[Green/Sustainable/Social] Bond	[Yes/Not Applicable]
	(a) Second Party Opinion Provider:	[*insert name of relevant external reviewer*]
	(b) Date of Second Party Opinion:	[*date*]

5. [***Fixed Rate Notes only***] YIELD

Indication of yield: [Not Applicable]/[•]

6. [***Floating Rate Notes and CMS Index Linked Interest Notes only***] **HISTORIC INTEREST RATES**

[Not Applicable]

[Details of historic [EURIBOR/ECB Interest Rate/CMS Rate] rates can be obtained from [Reuters] /[•].]

[Benchmarks: Amounts payable under the Notes will be calculated by reference to [•] which is provided by [•]. As at [•], [•] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) No. 2016/1011) (the "Benchmarks Regulation"). [As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that [•] is not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence).]]

THIRD PARTY INFORMATION

[(Relevant third party information in respect of the Notes) has been sourced from (specify source). [Each of] the Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (specify source), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

7. **OPERATIONAL INFORMATION**

(i)	ISIN:	[•]
(ii)	Common Code:	[•]

(*For Notes in Physical Form only:*)

(iii)	New Global Note intended to be held in a manner which would allow Eurosystem eligibility	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] / [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon

the ECB being satisfied that Eurosystem eligibility criteria have been met.]]

(iv)	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, société anonyme, Luxembourg or Monte Titoli and the relevant identification number(s) and addresses:	[Not Applicable/[•] (*give name*(*s*)*, number*(*s*) *and addresses*)]
(v)	Delivery:	Delivery [against/free of] payment
(vi)	Names and addresses of additional Paying Agent(s) (if any):	[•]

8. **DISTRIBUTION**

(i)	Method of distribution:		[Syndicated/Non-syndicated]
	(a)	If syndicated, names of Managers:	[Not Applicable/[•] (*give names, addresses and underwriting commitments*) (*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.*)]
	(b)	Date of Subscription Agreement:	[•]
	(c)	Stabilisation Manager(s) (if any):	[Not Applicable/[•] (*give name*)]
(ii)	If non-syndicated, name of Dealer:		[Not Applicable/[•] (*give name and address*)]
(iii)	US Selling Restrictions:		[Reg. S Compliance Category [1/2] / [TEFRA [C]/[D]] / [TEFRA not applicable]]
(iv)	Prohibition of Sales to EEA Retail Investors:		[Applicable]/[Not Applicable] (*If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Notes may constitute "packaged" products, "Applicable" should be specified.*)
(v)	Prohibition of Sales to UK Retail Investors:		[Applicable]/[Not Applicable] (*If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be*

specified. If the Notes may constitute "packaged" products, "Applicable" should be specified.)

(*for Instalment Notes only:*)

[APPENDIX TO THE FINAL TERMS]

Instalment Date	**Aggregate Nominal Amount outstanding at each date prior to the scheduled redemption of Instalment Amount (in [*Specified Currency*])**	**Instalment Amount (in [*Specified Currency*])**	**Principal Amount outstanding following payment of Instalment Amount (in [*Specified Currency*])**	**Aggregate of Interest payable on each Interest Payment Date and on the Maturity Date in respect of the last payment (in [*Specified Currency*])**	**Instalment Amount per Note of a denomination of [*Calculation Amount*] (in [*Specified Currency*])**	**Fixed Coupon Amount per Note of a denomination of [*Calculation Amount*] (in [*Specified Currency*])**
[•]	[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]	[•]

[*To be completed in respect of each Instalment Note*]

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used for (a) the general corporate purposes of the Issuer and/or the Group (b) in respect of any Notes which will be issued as Green Bonds, Social Bonds, or Sustainability Bonds, to finance and/or refinance green or social or sustainable projects, as the case may be, in accordance with the Issuer's Green, Social and Sustainability Bond Framework (as amended, supplemented, replaced, restated or otherwise updated from time to time, the "**Green, Social and Sustainability Bond Framework**").

If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

The latest version of the Green, Social and Sustainability Bond Framework is available on the Issuer's website at: https://www.gruppobcciccrea.it/Documents/Green%2C%20Social%20and%20Sustainability%20Bond%20Framework.pdf.

In accordance with the Issuer's Green, Social and Sustainability Bond Framework, an amount equal to the net proceeds raised from the issue of any Green Bond, or Social Bond or Sustainability Bond will be exclusively allocated to finance and or re-finance, in whole or in part, new and/or existing loans/projects as defined within the list of the Eligible Green Assets or Eligible Social Assets set out under the Green, Social and Sustainability Framework, aligned to the Green Bond Principles ("**GBP**"), the Social Bond Principles ("**SBP**") or the Sustainability Bond Guidelines ("**SBG**")), as the case may be, set out by the International Capital Market Association ("**ICMA**").

The criteria for qualification as Eligible Green Assets or Eligible Social Assets are defined under the Green, Social and Sustainability Bond Framework and/or described in the relevant Final Terms, and such criteria may change from time to time. Recognizing that the green, social and sustainable bond market, best practices and legislation are still evolving, the Issuer will strive to monitor market developments and, when deemed necessary in the Issuer's sole discretion, make appropriate updates to the Green, Social and Sustainability Bond Framework in order to reflect best market practice.

The Green, Social and Sustainability Bond Framework and any other documentation relevant to Notes issued as Green Bonds, Social Bonds, or Sustainability Bonds are subject to review and change and may be amended, updated, supplemented, replaced or withdrawn from time to time and any subsequent version(s) may differ from the description given in this Prospectus. Potential investors in Notes issued as Green Bonds, Social Bonds, or Sustainability Bonds should access the latest version of the relevant document on the Issuer's website at: https://www.gruppobcciccrea.it/Pagine/InvestorRelations/ESG.aspx. Any such amendment, update, supplementing, replacing and/or withdrawal after the issue date of any Notes which are Green Bonds, Social Bonds, or Sustainability Bonds may be applied in respect of such Notes already issue.

Prospective investors in Green Bonds, Social Bonds, or Sustainability Bonds should refer also to "*Risk Factors – Notes issued, if any, as "Green Bonds", "Social Bonds" or "Sustainability Bonds" may not be a suitable investment for all investors seeking exposure to green assets or social assets or sustainable assets*".

For the purpose of this section:

"**Eligible Green Assets**" means the projects identified as such in and selected in accordance with the Issuer's Green, Social and Sustainability Bond Framework, published by the Issuer on its website (https://www.gruppobcciccrea.it/Pagine/InvestorRelations/ESG.aspx) as may be amended, supplemented or replaced before the Issue Date of the relevant Series or Tranche, belonging as at the date of this Base Prospectus to the following categories: Green Buildings; Energy Efficiency; Renewable Energy; Clean Transportation; Sustainable Water & Wastewater Management;

"**Eligible Social Assets**" means the projects identified as such in and selected in accordance with the Issuer's Green, Social and Sustainability Bond Framework, published by the Issuer on its website (https://www.gruppobcciccrea.it/Pagine/InvestorRelations/ESG.aspx) as may be amended, supplemented or replaced before the Issue Date of the relevant Series or Tranche, belonging as at the date of this Base Prospectus to the following categories: Employment Generation; Affordable Housing; Access to Essential

Services – Financial Services; Socioeconomic Advancement and Empowerment; Access to Essential Services – Healthcare & Education;

"**Eligible Assets Portfolio**" means the combination of Eligible Green Assets and Eligible Social Assets.

The allocation of the net proceeds deriving from the issue of any Green Bonds or Social Bonds or Sustainability Bonds are subject to certain eligibility criteria set forth under the Green, Social and Sustainability Bond Framework including as at the date of this Base Prospectus, *inter alia*:

1. **Eligible Green Assets**

(a) with respect to the Green Buildings category:

- the financing and/or refinancing of new or existing residential and commercial buildings:
  - built before 31 December 2020: EPC of at least A or belonging to the top 15% of the local or regional building stock based on Primary Energy Demand ("**PED**");
  - built after 31 December 2020: PED at least 10% lower than the threshold set for the nearly zero-energy building ("**NZEB**") requirements in national measures; and
  - certified sustainable buildings: LEED (Gold or better), BREEAM (Excellent or better), HQE (Excellent or better).
- the financing and/or refinancing of the renovation of residential and commercial buildings complying with the applicable requirements for major renovations or alternatively resulting in a reduction in PED of ≥30% and validated through an Energy Performance Certificate ("**EPC**"); and
- the financing and/or refinancing of other interventions aimed at improving the energy performance of buildings;

(b) with respect to the Energy Efficiency category, the financing and/or refinancing of the manufacturing and/or installation of energy efficient equipment and technology, such as smart grid, smart meters, smart thermostats, LED lighting and district heating and cooling;

(c) with respect to the Renewable Energy category:

- the financing and/or refinancing of the operation, construction, installation, maintenance or repair, and manufacturing of renewable energy projects and components, including solar photovoltaic, on shore and offshore wind, ocean energy, small-scale hydropower (<10MW), geothermal energy and bioenergy.
- the financing and/or refinancing of the construction, operation and maintenance of electricity transmission, storage and distribution systems designed to integrate renewable energy into the grid, such as:
  - direct connections, or expansion of existing direct connections of renewable energy sources; and
  - battery storage systems connected to renewable energy projects;

(d) with respect to the Clean Transportation category, the financing and/or refinancing of low carbon transportation and related infrastructure, including zero direct CO2 emissions passenger cars and commercial vehicles, hybrid vehicles (passenger cars and light commercial vehicles) with an emissions threshold of 50 gCO2/km (until 31 December 2025), and electric vehicle charging stations;

(e) with respect to the Sustainable Water & Wastewater Management category, the financing and/or refinancing of the construction, extension, operation and renewal of water and wastewater collection, treatment and supply systems and related infrastructure.

2. **Eligible Social Assets**

(a) with respect to the Employment Generation category, the financing and/or refinancing of loans to microenterprises and SMES ("**MSMEs**"):

- located in disadvantaged areas, defined as areas with a GDP below the national average; and
- affected by natural disasters / health emergencies (such as the COVID-19 pandemic).

(b) with respect to the Affordable Housing category, the financing and/or refinancing of the construction, renovation or acquisition of social housing in Italy.

(c) with respect to the Access to Essential Services – Financial Services category, the financing and/or refinancing of mortgages under the 80% public guarantee of the First Home Mortgage Guarantee Fund (*Fondo Prima Casa*) administered by CONSAP (*Concessionaria Servizi Assicurativi Pubblici*), such as loans to first-time buyers with ISEE (Equivalent Economic Situation Indicator) of <€40K/year, for applicants who are (i) young people below the age of 36, or (ii) single parent families with minor children. For these mortgages, a controlled rate of the loan is envisaged;

(d) with respect to the Socioeconomic Advancement and Empowerment category, the financing and/or refinancing of loans:

- to specific target groups (young entrepreneurs, woman-owned enterprises and students);
- to third sector organisations, associations, foundations and philanthropic entities focused on:
  - art, culture and sport (e.g. recreational facilities and services, visual and performing arts, etc.); and
  - welfare and solidarity (e.g. education, vocational skills training, housing, and medical care).

(e) with respect to the Access to Essential Services – Healthcare and Education category, the financing and/or refinancing of loans to schools, hospitals, sport facilities and elderly care centres which provide broadly accessible (to the whole public) healthcare and education services through government spending, subsidiaries or social security.

Pursuant to the Issuer's Green, Social and Sustainability Bond Framework, the Issuer will report annually on the allocation of the proceeds of the Green Bonds, Social Bonds, or Sustainability Bonds and the environmental and social impacts of the Eligible Asset Portfolio at the category level. Such report will be available on the sustainability page of the Issuer's website at: https://www.gruppobcciccrea.it/Pagine/InvestorRelations/ESG.aspx.

The Issuer has mandated S&P Global to perform an evaluation of its Green, Social and Sustainability Bond Framework its general alignment with ICMA's Green Bond Principles, Social Bond Principles and the Sustainability Bond Guidelines (the "**Second Party Opinion**"). The Second Party Opinion also includes an assessment on the alignment of nominated Eligible Green Assets with the technical screening criteria of the EU Taxonomy for substantial contribution to climate change mitigation. The Second Party Opinion is available on Iccrea Banca's website at: https://www.gruppobcciccrea.it/Pagine/InvestorRelations/ESG.aspx.

In addition, pursuant to the Issuer's Green, Social and Sustainability Bond Framework, the Issuer intends to request external verification or limited assurance from an independent third party on the allocation of net

proceeds from Green Bonds, Social Bonds, or Sustainability Bonds on an annual basis, until full allocation, or in the event of significant changes in the Eligible Asset Portfolio. Such report will be made available on Iccrea Banca's website at: https://www.gruppobcciccrea.it/Pagine/InvestorRelations/ESG.aspx.

For the avoidance of doubt, none of the Green, Social and Sustainability Bond Framework or any other certification, report or opinion relating to the Green, Social and Sustainability Bond Framework (including the Second Party Opinion) or Notes issued as Green Bonds, Social Bonds, or Sustainability Bonds are, or shall be deemed to be, incorporated in and/or form part of this Base Prospectus.

OVERVIEW OF PROVISIONS RELATING TO THE NOTES IN PHYSICAL FORM WHEN IN GLOBAL FORM

Clearing System Accountholders

Each Global Note will be in bearer form. Consequently, in relation to any Tranche of Notes represented by a Global Note, references in the Terms and Conditions of the English Law Notes in Physical Form or the Terms and Conditions of the Italian Law Notes in Physical Form to "Noteholder" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary (in the case of a CGN) or a common safekeeper (in the case of an NGN) for Euroclear and/or Clearstream Banking and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream Banking and/or any other relevant clearing system as being entitled to an interest in a Global Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream Banking and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the bearer of such Global Note and in relation to all other rights arising under the Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note will be determined by the respective rules and procedures of Euroclear and Clearstream Banking and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by the Global Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the bearer of the Global Note.

Exchange of Temporary Global Notes

Whenever any interest in a Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure:

(a) in the case of first exchange, the prompt delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated and (in the case of an NGN) effectuated, to the bearer of the Temporary Global Note; or

(b) in the case of any subsequent exchange, an increase in the principal amount of such Permanent Global Note in accordance with its terms,

in each case in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream Banking and/or any other relevant clearing system and received by the Fiscal Agent against presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 7 days of the bearer requesting such exchange.

Whenever a Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons, Talons and Receipts attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

(c) a Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (Luxembourg time) on the seventh day after the bearer of a Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or

(d) Definitive Notes have not been delivered by 5.00 p.m. (Luxembourg time) on the forty-fifth day after the bearer of a Temporary Global Note has requested exchange of the Temporary Global Note for Definitive Notes; or

(e) a Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the English Law Notes in Physical Form or the Terms and Conditions of

the Italian Law Notes in Physical Form or the date for final redemption of a Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver a Permanent Global Note or increase the principal amount thereof or deliver Definitive Notes, as the case may be) will become void at 5.00 p.m. (Luxembourg time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (Luxembourg time) on such forty-fifth day (in the case of (b) above) or at 5.00 p.m. (Luxembourg time) on such due date (in the case of (c) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under a deed of covenant dated 5 September 2024 (the "**Deed of Covenant**") executed by the Issuer in connection with the English Law Notes in Physical Form and the Italian Law Notes in Physical Form). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream Banking and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Temporary Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream Banking and/or any other relevant clearing system.

Definitive Notes will not be printed in respect of an amount of Notes which are less than the Minimum Denomination.

Where the Notes are listed on the Luxembourg Stock Exchange and its rules so require, the Issuer will give notice of the exchange of the Permanent Global Note for Definitive Notes pursuant to Condition 19 (*Notices*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 19 (*Notices*) of the Terms and Conditions of the Italian Law Notes in Physical Form.

In addition to the requirements and procedures set out in this section, any exchange of Temporary Global Notes will be subject to the requirements and procedures set out under "*Form of the Notes*".

Exchange of Permanent Global Notes

Whenever a Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and, where applicable, with Coupons, Talons and Receipts attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note at the Specified Office of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

(a) Definitive Notes have not been delivered by 5.00 p.m. (Luxembourg time) on the forty-fifth day after the bearer of a Permanent Global Note has duly requested exchange of the Permanent Global Note for Definitive Notes; or

(b) a Permanent Global Note (or any part of it) has become due and payable in accordance with the Terms and Conditions of the English Law Notes in Physical Form or the Terms and Conditions of the Italian Law Notes in Physical Form or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Permanent Global Note in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (Luxembourg time) on such forty-fifth day (in the case of (a) above) or at 5.00 p.m. (Luxembourg time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream Banking and/or any other relevant clearing system as being entitled to an interest in a Permanent Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Permanent Global Note became void, they had been

the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream Banking and/or any other relevant clearing system.

Definitive Notes will not be printed in respect of an amount of Notes which are less than the Minimum Denomination.

Where the Notes are listed on the Luxembourg Stock Exchange and its rules so require, the Issuer will give notice of the exchange of the Permanent Global Note for Definitive Notes pursuant to Condition 19 (*Notices*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 19 (*Notices*) of the Terms and Conditions of the Italian Law Notes in Physical Form.

In addition to the requirements and procedures set out in this section, any exchange of Permanent Global Notes will be subject to the requirements and procedures set out under "*Form of the Notes*".

Conditions applicable to Global Notes

Each Global Note will contain provisions which modify the Terms and Conditions of the English Law Notes in Physical Form or the Terms and Conditions of the Italian Law Notes in Physical Form as they apply to the Global Note. The following is a summary of certain of those provisions:

- *Payments*: All payments in respect of the Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that, in respect of a CGN, the payment is noted on a schedule thereto and, in respect of an NGN, the payment is entered *pro rata* in the records of Euroclear and Clearstream Banking.

- *Exercise of put option*: In order to exercise the option contained in Condition 10(h) (*Redemption at the option of Noteholders*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 10(h) (*Redemption at the option of Noteholders*) of the Terms and Conditions of the Italian Law Notes in Physical Form, the bearer of the Permanent Global Note must, within the period specified in the Terms and Conditions of the English Law Notes in Physical Form or the Terms and Conditions of the Italian Law Notes in Physical Form for the deposit of the relevant Note and Put Option Notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

- *Partial exercise of call option*: In connection with an exercise of the option contained in Condition 10(e) (*Redemption at the option of the Issuer*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 10(e) (*Redemption at the option of the Issuer*) of the Terms and Conditions of the Italian Law Notes in Physical Form in relation to some only of the Notes, the Permanent Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Terms and Conditions of the English Law Notes in Physical Form or the Terms and Conditions of the Italian Law Notes and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream Banking (to be reflected in the records of Euroclear and Clearstream Banking, at their discretion, as either a pool factor or a reduction in principal amount).

- *Notices*: Notwithstanding Condition 19 (*Notices*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 19 (*Notices*) of the Terms and Conditions of the Italian Law Notes in Physical Form, while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary or a common depositary for Euroclear and/or Clearstream Banking and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream Banking and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 19 (*Notices*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 19 (*Notices*) of the Terms and Conditions of the Italian Law Notes in Physical Form

on the date of delivery to Euroclear and/or Clearstream Banking and/or any other relevant clearing system; except that for so long as such Notes are admitted to trading on the Luxembourg Stock Exchange and it is also a requirement of applicable laws or regulations, such notices shall also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (*http://www.luxse.com/*).

- *Payment Business Day*: Notwithstanding the definition of "Payment Business Day" in Condition 2(a) (*Definitions*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 2(a) (*Definitions*) of the Terms and Conditions of the Italian Law Notes in Physical Form, while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary or a common depositary for Euroclear and/or Clearstream Banking and/or any other relevant clearing system, "Payment Business Day" means:

  (a) if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

  (b) if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

Calculation of interest: the calculation of any interest amount in respect of any Note which is represented by a Global Note will be calculated on the aggregate outstanding nominal amount of the Notes represented by such Global Note and not by reference to the Calculation Amount.

DESCRIPTION OF THE ISSUER

Introduction

ICCREA Banca S.p.A. (the "**Issuer**") is a bank incorporated in Italy as a limited liability company (*società per azioni*). The full legal name of the Issuer is "Iccrea Banca S.p.A. – *Istituto Centrale del Credito Cooperativo*", and its abbreviated form is "Iccrea Banca S.p.A.".

The Issuer, a member of Gruppo IVA Gruppo Bancario Cooperativo Iccrea, is registered in the companies register of Rome under tax code and registration number 04774801007, VAT number 15240741007 and with the register of banks held by the Bank of Italy under number 5251. Its registered office is located at Via Lucrezia Romana 41/47, 00178 Rome (Italy) and its telephone number is +39 06 72071. The Issuer's website is https://www.iccreabanca.it.

The Issuer's business authorisation is valid until 31 December 2050, with the possibility of this term being extended by an extraordinary shareholders' meeting under article 2 of the Issuer's by-laws.

In February 2016, Law Decree No. 18 of 14 February 2016 was published in the Official Gazette of the Italian Republic (and subsequently converted into law with amendments by Law no. 49/2016) (the "**BCC Reform Law**") introducing a series of important reforming measures for Italy's cooperative credit banks (*banche di credito cooperativo*).

The Issuer has since undergone a corporate reorganisation pursuant to the BCC Reform Law, and has become group head company (*capogruppo* for the purposes of the BCC Reform Law) of the Iccrea Cooperative Banking Group (*Gruppo Bancario Cooperative Iccrea*) (the "**Group**") which, at the date of this Base Prospectus comprises 113 cooperative credit banks (*banche di credito cooperativo*) (the "**BCCs**") and the Group Companies (defined below).

As at the date of this Base Prospectus, 97,75% of the Issuer's shares are held by the BCCs, Raiffeisen Landesbank Sudtirol Cassa Centrale dell'Alto Adige. The remaining shares in the Issuer are owned by other entities permitted under the BCC Reform Law. For more information, see "*Shareholdings in the Issuer*" below.

The Issuer has majority shareholdings in the following companies which, together with the BCCs and the Issuer form the Group: BCC Gestione Crediti S.p.A. (100% as of 27 July 2018), BCC Leasing S.p.A. (100% as of 29 December 2020), BCC Factoring S.p.A. (100% as of 1 January 2021), BCC CreditoConsumo S.p.A. (100% as of 21 December 2020), BCC Risparmio&Previdenza SGR (100% as of 14 January 2021), BCC Servizi Assicurativi S.r.l. (100% as of 15 October 2021), BCC Financing S.p.A. (100% as of 15 September 2022), BCC Sinergia S.p.A. (100% as of 1 January 2023), BCC Rent&Lease S.p.A. (100% as of 27 February 2023), Banca Sviluppo S.p.A. (100% as of 28 November 2023), BCC Beni Immobili S.r.l.(100%) BCC Sistemi Informatici S.c.p.A. (90%), BIT S.p.A. (97,40%), Brianza Elaborazione Dati S.p.A. (100%) Iccrea Covered Bond S.r.l. (90%) and Iccrea Covered Bond 2 S.r.l. (90%) (the "**Group Companies**").

In addition, the Issuer also holds minority participations in BCC Assicurazioni S.p.A. (49%), BCC Vita S.p.A (49%), Numia Group S.p.A. (40%), Vorvel SIM. (20%), H-Benchmark (10%), and Pitagora Finanziamenti Contro Cessione del Quinto S.p.A. (20%. Such companies fall outside the perimeter of the Group.

History and Development

The origins of the Issuer and its current corporate structure can be traced back to the 1960's. "*Istituto di Credito delle Casse Rurali e Artigiane*" abbreviated "ICCREA", (Credit Institution of Rural and Artisan Banks), (the "**Credit Institution**") was incorporated on 30 November 1963, with approximately 190 rural banks signing its charter.

In the early years of its business activities, the Credit Institution provided services to a growing number of banks.

Twenty years after its establishment, and following high growth in the agricultural banking system, the role of the Credit Institution became increasingly important.

In 1995, the Issuer was established, and the banking activities of the Credit Institution were transferred to the Issuer.

On 1 July 1995, the Issuer became an official member of the UNICO Banking Group.

In 1997, the Issuer joined the newly established "*Fondo di Garanzia dei Depositanti del Credito Cooperativo*", and a year later it became active in a number of the divisions of the Milan stock exchange (including in shares, bonds and derivatives). Ultimately the Issuer became a primary dealer on the wholesale market for Government bonds.

On 29 July 1999, by an extraordinary resolution of the shareholders, the name of Iccrea S.p.A. was changed to "ICCREA BANCA – *Istituto Centrale del Credito Cooperativo* – joint-stock company" with effect from 1 January 2000.

Reform of Cooperative Credit Banks

Pursuant to the BCC Reform Law, cooperative credit banks (*banche di credito cooperativo*) can join a cooperative banking group (*gruppo bancario cooperativo*) as long as the group head company (*capogruppo* for the purposes of the BCC Reform Law) is a public limited company with assets of no less than Euro 1 billion. Under the BCC Reform Law, the group head company is required to perform certain management and coordination activities pursuant to a cohesion contract (*contratto di coesione*) that is entered into between the members of the relevant banking group. Adherence to such a cooperative banking group and entering into a cohesion contract with the group head are pre-conditions for obtaining authorisation, from the Bank of Italy, for a bank to operate banking activities in the form of a cooperative credit bank.

In line with the BCC Reform Law described above, on 1 June 2016, the Bank of Italy authorised the reverse merger of Iccrea Banca S.p.A. and Iccrea Holding S.p.A pursuant to Article 57 of Legislative Decree No. 385 of 1 September 1993, as subsequently amended and supplemented (the "**Consolidated Banking Act**"). The merger took place in Rome with the signing of a deed of merger between the two companies, and became effective from 1 October 2016 (1 January 2016, for accounting purposes).

As a result of the merger, the Issuer became the head group company of the Iccrea banking group (in line with European practices related to banking groups monitored by the European Central Bank (the "**ECB**")), replacing Iccrea Holding S.p.A., by universal succession, in all its roles including as a member of the UNICO Banking Group.

On 27 April 2018, the Issuer's board of directors resolved to assume the role of group head company (*capogruppo*) of the Iccrea cooperative banking group, and sent to the ECB and the Bank of Italy its request to establish the Group comprising, at such date, 142 BCCs.

The establishment of the Group was authorised by the ECB on 24 July 2018.

On 10 January 2019, a shareholders' meeting of the Issuer approved certain amendments to its by-laws, to bring them in line with the Issuer's new role as head (*capogruppo*) of the Group pursuant to the BCC Reform Law, and to increase the Issuer's share capital by Euro 250 million, from Euro 1.15 billion to Euro 1.4 billion.

On 4 March 2019, the ECB gave its final approval to the establishment of the Group (comprising, at such date, 142 BCCs), which was then formally registered in the Italian register of banking groups (*Albo dei Gruppi Bancari*) by the Bank of Italy.

Since such approval date, there have been several BCC mergers and, as at the date of this Base Prospectus, the total number of BCCs is 113.

The Cohesion Contract

In January 2019, the Issuer and the BCCs entered into a cohesion contract (the "**Cohesion Contract**") in accordance with the BCC Reform Law.

Pursuant to the Cohesion Contract each BCC accepts that it is to be subject to the Issuer's management and coordination in accordance with the terms set out therein.

Amongst other things, the Cohesion Contract sets out the Group's corporate governance and administrative rules, so as to allow the Issuer to provide strategic guidelines and ensure that the Group's operational objectives are set and subsequently achieved.

More specifically, the Cohesion Contract:

(a) regulates the Issuer's powers of appointment and dismissal of the members of the individual BCC's administrative bodies pursuant to the principle that the shareholders' meetings may approve such matters unless the persons proposed for such offices are deemed by the Issuer to be:

- not adequate with respect to the Group's governance needs or the effectiveness of the management and coordination of the Issuer, or
- unsuitable with respect to ensuring a sound and prudent management of the individual BCC, having regard to, in particular, already demonstrated skills and results achieved as a company representative.

In such cases, on the basis of reasonably justified considerations, the Issuer can exercise powers of direct appointment and dismissal; and

(b) describes the Issuer's supervisory functions in respect of the risk appetite framework, individual BCCs' internal controls and outsourcing of the Group functions.

Moreover, to ensure operational continuity of the Group's strategic, managerial and technical-operational oversight and the management equilibrium of individual BCCs, the Cohesion Contract gives the Issuer powers to set (and then monitor) strategies, policies and principles of evaluation and measurement of Group risks.

To this end, the Cohesion Contract envisages that it is the Issuer that sets (at group level) individual BCC's policies relating to its exposure to financial risks (including equity and real estate investment decisions), the granting of credit and the management of conflicts of interest.

Supervisory and intervention activities

As well as regulating the Issuer's general framework of oversight and powers of intervention, the Cohesion Contract defines a whole series of prevention (and where necessary correction) measures. These include, amongst others, the ability to intervene regarding an individual BCC's liquidity and risk profile, its disposal of participatory and real estate investments and distribution of dividends.

Compliance with prudential and reporting requirements

The Cohesion Contract gives the Issuer powers to issue individual BCCs with binding prudential and reporting requirements. It also gives the Issuer sole responsibility for setting regulatory risks measurement methodologies.

Strategic operations

The Cohesion Contract gives the Issuer powers to approve individual BCC's strategically important operations, which could include asset acquisitions and disposals, the opening of new branches (both in Italy and abroad) and the provisions of services at an international level.

Cross Guarantee Scheme

The Cohesion Contract provides, among other things, for a liability-sharing mechanism governed by Italian law which, pursuant to Circular No. 285, has been defined also to meet the requirements for a "*cross guarantee scheme*" as defined under the CRR (the "**Cross Guarantee Scheme**"). In particular:

(a) the Issuer guarantees to the BCCs that it will support the obligations assumed by them. In turn, each BCC cross-guarantees to the Issuer and to the other BCCs that it will support the obligations of the Issuer and all other BCCs;

(b) the existence of the Cross Guarantee Scheme means that the liabilities of the Issuer and the individual BCCs are classified as joint and several liabilities of all BCCs and the Issuer;

(c) in order to implement the liability-sharing mechanism as required by Italian law and the guidelines of the Bank of Italy contained in Circular No. 285, the Issuer and the BCCs have put in place arrangements to ensure the prompt provision of financial means in terms of capital and liquidity if required. In particular, the Issuer and the BCCs have committed funds readily available to them which may be applied by the Issuer in its discretion and as it determines, in order to meet the obligations of the Issuer and the BCCs, thereby providing inter-group financial support; and

(d) the individual BCCs and the Issuer participate with the necessary funds, the amount of which, in the case of the BCCs is represented by a pre-established quota agreed with the Issuer plus a quota that can be called on by the Issuer on demand if needed.

This Cross Guarantee Scheme mechanism is an integral part of any such cohesion contract, so its provision is an unavoidable condition. Prospective Noteholders should be aware, therefore, of the risk that the Cross Guarantee Scheme could place an obligation on the Issuer to commit, if necessary, its own assets to provide the financial support necessary to ensure the performance of the cross-guarantee obligations.

The Cross Guarantee Scheme is structured to create different levels of the Issuer's and BCCs' joint and several liability, whereby the degree of liability and exposure is linked to the capital resource of the Issuer and the individual BCCs (as the case may be). In order to pursue the objectives defined, such scheme is also based on an estimate of the overall guarantee requirements through an analysis of potential vulnerability in adverse conditions, an EBA compliant stress test for each member of the Group.

Within the limits mentioned above, the Cross Guarantee Scheme is an inter-group financial support mechanism within which the participating banks provide each other with financial support to ensure solvency and liquidity (particularly for the purpose of their compliance with prudential requirements and any requirements of the supervisory authority) and to avoid, where necessary, submission to resolution procedures pursuant to Legislative Decree no. 180/2015 or to compulsory administrative liquidation procedures pursuant to art. 80 and following of the Consolidated Banking Act.

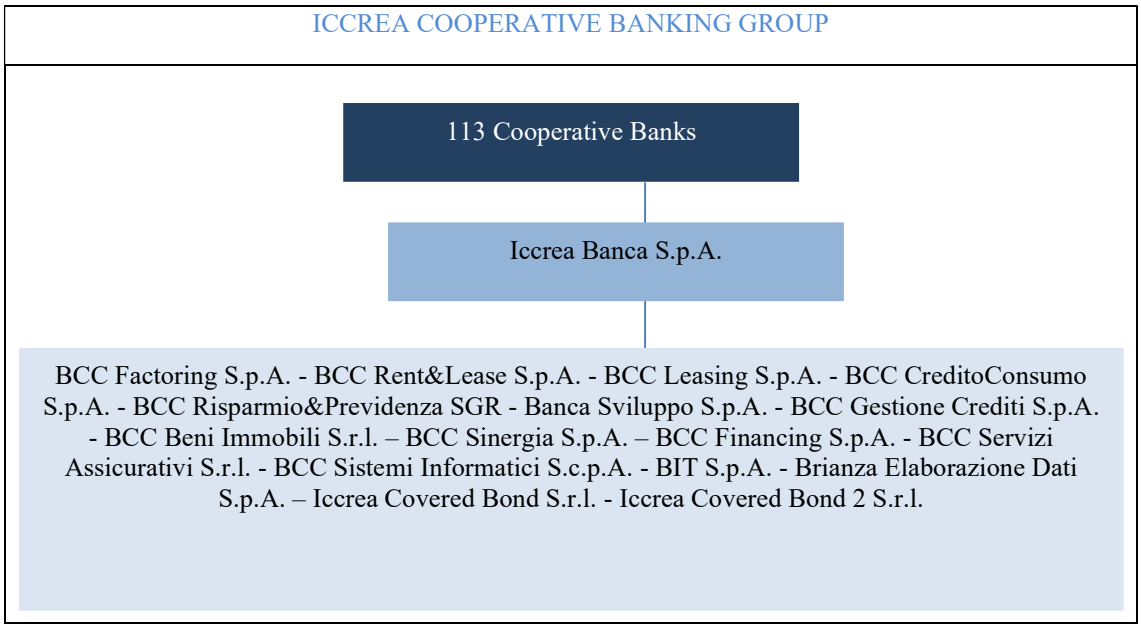
Shareholdings in the Issuer

As at the date of this Base Prospectus, shares in the Issuer are held by approximately 129 shareholders. The table below shows the shareholdings in excess of 2 per cent. of the entire share capital.

Shareholders of the Issuer	**% of share capital held**
Banca di Credito Cooperativo di Roma	9.594%
Banca di Credito Cooperativo Carate Brianza e Treviglio	4.131%
Banca di Credito Cooperativo di Milano	3.989%
Credito Cooperativo Ravennate, Forlivese e Imolese	3.611%
Emilbanca Credito Cooperativo	3.546%
Banca di Credito Cooperativo di Alba, Langhe, Roero e del Canavese	3.504%
Cassa Rurale ed Artigiana di Cantù	2.841%
BCC Veneta Credito Cooperativo	2.436%
Banca di Credito Cooperativo ""G. Toniolo" e San Michele di San Cataldo	2.413%
Rivierabanca Credito Cooperativo di Rimini e Gradara	2.368%
Terre Etrusche di Valdichiana e di Maremma - Credito Cooperativo	2.337%
Banca di Credito Cooperativo Pordenonese e Monsile – Società Cooperativa	2.044%
Banca Centro - Credito Cooperativo Toscana - Umbria Società Cooperativa	2.000%

As at the date of this Base Prospectus, the banks affiliated to the Cassa Centrale Group do not hold Issuer's shares.

The Group's structure



Developments in the Group's network of bank branches

The Iccrea Cooperative Banking Group is the largest Cooperative Banking Group nationwide and Italy's third-largest banking group in terms of number of branches[1], with 2,415 branches (12.3% of the market share) operated by 113 mutual banks and by Banca Sviluppo. The Group has approximately 902,571 shareholders. In terms of assets the Group is the fourth-largest banking group of Italy with a total asset of Euro 164.6 billion and total own funds equal to Euro 15.8 billion. The Group has an extensive retail customer base (comprising families and SMEs). Direct funding from ordinary customers, excluding repos with institutional counterparties and including outstanding debt securities (bonds and certificates of deposit), as at 31 December 2024 are Euro 124.4[2] billion while net loans to customers at the same date were Euro 93.5 billion. The strong link of the Group with its Italian customer base is the basis of the high component of such direct funding which is largely represented by deposits from customers (especially current accounts and deposits) equal to Euro 109.4 billion and to a lesser extent by bonds and certificates of deposit equal to Euro 14 billion.

In recent years, the mutual banking system has also undergone a process of rationalising the network, which — although manifesting itself to a lesser extent than for Italy's broader banking industry — is to be seen within the context of the affiliated banks' characteristics of having a physical presence close to their communities as being of fundamental importance in their relationships with customers and with the communities themselves.

This trend continued in 2019 with the creation of the new Group and in 2020, a period in which the affiliated banks further rationalized their branch networks by closing branches, some of which were replaced by branches opened in areas that were not adequately served, thereby resulting in only a slight decline in number of branches.

In order to ensure a proper balance between physical presence and economic sustainability, following creation of the Group, an initial territory-development plan has been defined, the goals of which include increasing the market share of gross banking operations by repositioning branches in more attractive markets and rationalizing the branch network in order to achieve a greater reduction in branches than in recent years.

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1 Second-largest banking group in terms of number of branches considering only UniCredit's domestic branch network.

2 Direct funding is composed as follows: current accounts and demand deposits Euro 103.3 billion, time deposits Euro 6.1 billion, securities issued Euro 14.0 billion, other payables Euro 1.0 billion.

De-risking and NPE reduction

Since its foundation, the Group brought forward ambitious derisking initiatives that, in just a few years, have progressively brought its Gross NPL Ratio in line with the average of its main national competitors (source: "EU Wide Transparency exercise").

In line with the target set out in the NPE Plan 2024-2026, approved in March 2024, several derisking initiatives were finalised in 2024, involving also significant counterparties classified as UTP. Simultaneously, positive performance was recorded in terms of both managing Non-Performing counterparts and collecting proceeds. Such actions, combined with a default rate that remained lower than expectations, allowed the Group to achieve a Gross NPL Ratio of 3.1% by the end of 2024, below the forecast (3.6%) and better than the target set for the end of 2026 (3.3%).

In March 2025, the Issuer approved a new business plan for the years 2025-2027 which, in view of the results illustrated above was developed considering the actions to be taken in terms of acceptance rules at origination, proactive management during monitoring and derisking strategies (such as disposals, NPL workout, enforcement of guarantees, etc.) with the goal of maintaining the Gross NPL Ratio in line with market averages and, in any case, around 2.7% at the end of 2027.

Regarding the composition of the asset quality of the Group's loans to customers, as at 31 December 2024, the total gross amount of Euro 96.4 billion was made up of: performing loans (Euro 93.5 billion) and non-performing loans (Euro 2.9 billion), including bad loans (Euro 0.8 billion), UTP (Euro 1.8 billion) and past due loans (Euro 0.3 billion).

As at 31 December 2024 the Gross NPL ratio was equal to 3%[3] (compared with 3.9% as at 31 December 2023) while the Net NPL ratio was equal to 0.8%[4] (compared with 1.1% as at 31 December 2023). Coverage of NPLs rose to 73.8% at the end of December 2024 (compared with 72.2% as at 31 December 2023) while bad loans amounted to Euro 0.8 billion (compared with Euro 1.1 billion as at 31 December 2023).

Strategy

The Group's strategic plan

The procedure for the establishment and authorisation of the Iccrea Cooperative Banking Group, which began following the 2016 reform of the mutual banking industry, was completed with the registration of the Group by the Bank of Italy in the Register of Banking Groups on 4 March 2019.

Since its incorporation, the Issuer has aimed to become an efficient platform for governance services, shared services and products available to BCCs; hence, the need for the Issuer to face an important challenge of efficiency improvement related to an investment programme to (i) complete the Group's operating structure, (ii) improve the level of service for the BCCs and (iii) review the territorial model and management of professional resources.

On 26 March 2025, the Board of Directors of the Issuer approved the 2025-2027 Strategic Plan (the "**Plan**").

As part of the periodic review of the Issuer's performance-financial targets, in accordance with the rolling approach to strategic planning adopted by the Group, the time horizon of the Plan was extended to 2027, factoring in the changed macroeconomic conditions and the results achieved in 2024, with KPIs exceeding the targets of the first year of the business plan for the years 2024-2026.

[3] Excluding operations with institutional counterparties at December 31, 2024, the indicator stands at 3.1%, compared with 3.9% at December 31, 2023.

[4] Excluding operations with institutional counterparties at December 31, 2024, the indicator stands at 0.8%, compared with 1.1% at December 31 2023.

The extension of the business plan horizon to 2027 confirms the Group's strong local and mutual approach in support of local communities, respecting the values that inspire mutual banking and its focus on:

- sustainable profitability and growth in the medium term, buoyed by diversifying sources of revenue and maintaining cost discipline, supported by a robust capital position and a solid, efficient liquidity position;
- asset quality in line with the average of the main banks in Italy;
- the further acceleration of the digitalization process, development of the IT sourcing model and a focus on ESG issues.

As regards credit quality, the Plan targets a gross NPL ratio of 2.7% in 2027 (with a net NPL ratio of 0.9% in 2027), with a higher cost of risk compared with 2024, equal to 57 bps on average over the three-year period, leveraging the continuation of the derisking initiatives already activated by the Group since its establishment, focused on the proactive management of performing positions characterized by a high risk of impairment, on a more attentive selection of new credit positions, on measures to strengthen cure and workout activities, and on recourse to the sale of unlikely to pay ("**UTP**") positions and bad loans.

On the profitability side, the Plan targets a return on equity ("**ROE**") equal to 7.3% in 2027. Net interest income is expected to be close to € 3.9 billion at the end of the Plan's time frame. Profitability is supported by growth in the contribution of net fee and commission income as a consequence of development initiatives for customer services, in particular in wealth management and by initiatives to containing the growth of operating expenses, with a cost/income ratio expected to reach 60.5% in 2027.

With regard to the capital profile, the Total Capital ratio is expected to reach 27.5% in 2027 and MREL capacity will ensure an adequate buffer with respect to the regulatory requirements. The liquidity profile remains solid both at short term (an LCR of 248% by 2027) and on a structural basis (an NSFR of 163% by 2027).

The Group's digital strategy aims to increase the ability of mutual banks to create value through the introduction of technological solutions designed to improve production, distribution and relationship processes with both current and potential customers. This will be directed through the following strategic themes:

- Digital Transformation Plan, implementation of the three-year project roadmap to availability of the new families of digital products related to Online Accounts, Wealth Management, E-Money and Consumer Credit by 2027;
- Digital Adoption, further impetus to the digital transformation of the affiliated banks through joint work within the framework of the Digital Plan;
- Implementation of the partnership program with Accenture, aimed at accelerating digital transformation in the fields of applications and infrastructure and related revision of the operating model, with investments over the plan period of approximately €300 million.

The 2025-2027 ESG Plan includes not only initiatives that were part of the previous plan, but also a commitment to the following strategic themes:

- decarbonization of the credit portfolio, implementing initiatives aimed at reducing "financed" emissions with reference to the sectors considered priorities on the basis of the Group's exposures, identified, initially, in Agriculture and in Home Loans;
- reduction of CO2 emissions, implementing initiatives aimed at reducing direct (Scope 1) and indirect (Scope 2) emissions;
- diversity, equity and inclusion, implementing initiatives aimed at enhancing inclusive leadership and raising employee awareness on issues of gender, ethnicity and diversity;

definition of the social framework, proactively measuring and governing the social dimension of the communities, enhancing the differentiating aspects of mutual banking.

Overview of business activities

The Issuer's primary purpose is to support and strengthen the banking businesses of the BCCs through all forms of lending, the delivery of technical and financial assistance in accordance with the procedures set out in the relevant BCC's by-laws and through other initiatives aimed at facilitating the interests of the BCCs and pursuing the interest of the Group.

The BCCs are local and rural banks that provide banking services in a defined and limited geographical area, and mainly to their shareholders.

The corporate purpose of the Issuer also includes the collection of savings, lending in its various forms, purchase of trade receivables and factoring. The Issuer may carry out, subject to and in compliance with applicable banking regulations, financial transactions and services, as well as any transactions which may be instrumental to, or related to, the business of the Group.

The Issuer may, subject to and in accordance with existing laws and regulations, issue bonds, hold equity interests in other companies (including majority interest holdings in companies which carry out business activities) *provided that* these contribute towards the fulfilment of the Issuer's corporate purpose.

The Issuer prepares a regular management report, in accordance with a specific "data model", reporting on the results obtained by the individual business areas into which the Issuer's activities are subdivided.

Business Areas

The individual business areas of the Issuer are the following:

1. Finance and Lending;

2. Payment Systems; and

3. Corporate Centre.

These business areas are made up of an aggregation of units and business lines which have similar characteristics with regard to the type of products and services provided and regulatory requirements with which the Issuer needs to comply in conducting its business.

The Finance and Lending area includes the Capital Market, Treasury, Structured Finance and Institutional Lending units, the Payment System segment comprises the Collections and Payments units and the institutional services and ICT functions are grouped under the Corporate Centre.

Business Units

The Issuer carries out certain activities on its own account and, at the same time, provides services to the BCCs in accordance with its corporate purpose.

The Issuer's individual business units can be summarised as follows:

1. Chief Financial Officer Area ("**CFO Area**" or "**Finance Area**"). This comprises Group Finance (*Finanza di Gruppo*);

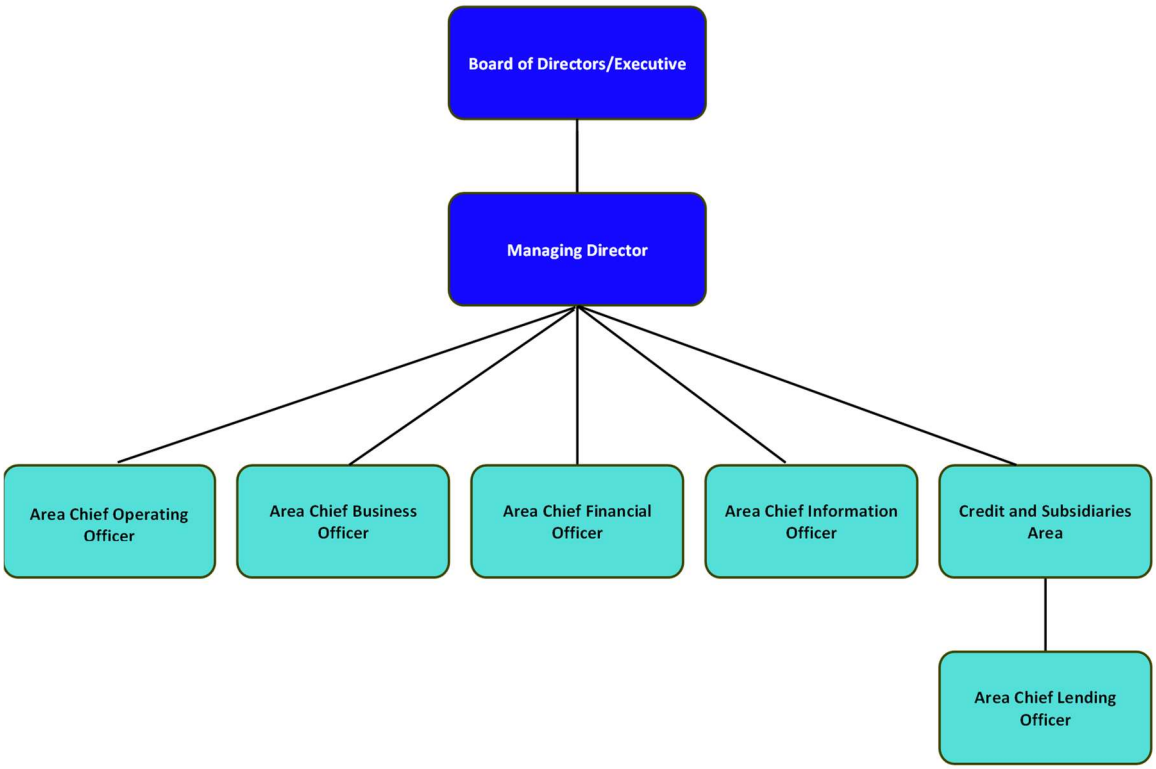
2. Credit and Subsidiaries Area, which comprises the Chief Lending Officer Area ("**CLO Area**");

3. Chief Operating Officer Area ("**COO Area**");

4. Chief Business Officer Area ("**CBO Area**");

5. Chief Information Officer Area ("**CIO Area**").

The following table is a diagrammatic representation of the organisation of the Issuer's business units.



Descriptions of Business Units

The following is a description of each business unit.

1. **Chief Financial Officer ("CFO") Area and Group Finance**

   The CFO Area ensures the proper management of the Group's financial assets, recommending investment strategies and ensuring financial stability, managing its liquidity, funding, and related risks. The CFO ensures the implementation of such strategies, the proper, timely execution of separate and consolidated financial reporting, and the fulfillment of all accounting, tax and regulatory obligations.

   Group Finance works under the header of the CFO Area and is responsible for the management of the financial business of the Group, proposing investment strategies and guaranteeing the Group's financial stability through liquidity/funding management and risk control. It also manages relations with investors and with rating agencies.

2. **Chief Lending Officer Area (the "CLO Area")**

   The CLO Area, which is part of the Credit and Subsidiaries Area, is responsible for monitoring all aspects of loans on behalf of the Issuer and the Group, from the granting stage to the management of non-performing loans. It is also responsible for overseeing credit quality, defining credit policies and verifying their application on an on-going basis.

3. **Chief Operating Officer Area ("COO Area")**

   The COO Area comprises the Back Office, within which the Collection and Payments Organisational Unit and the Institutional Services Organisational Unit operate. These units are responsible for defining the strategies and the overall operating model of the Group's operations, ensuring that they are managed efficiently by the other companies in the management and coordination perimeter.

   The COO Area is responsible for ensuring the centralised governance of the Group back office activities, relating to collections and payments, post-trading of securities, the tax obligations related

to the management of financial instruments and personnel administrative services and supervising the activities carried out by the subordinate Organisational Units.

4. **Chief Business Officer Area ("CBO Area")**

The CBO Area is responsible for defining and implementing the Group's business strategy with the goal of supporting profitability, ensuring the ongoing development of the approach to the market, developing market positioning, and ensuring the strategic and operational support of the mutual banks.

The area oversees several business divisions (*i.e.* Retail, Corporate, Private Banking and Wealth Management) that are responsible for defining and implementing the Group's commercial policies, as well as the regional market areas that are responsible for supporting local operations of the business divisions in line with the general strategies of the area and of the Group.

Moreover, the area manages the Group's press and institutional communications, and is responsible for coordinating the activities of BCC Risparmio & Previdenza SGR, BCC POS, and BCC Servizi Assicurativi S.r.l.

5. **Chief Information Officer Area ("CIO Area")**

The CIO Area is responsible for ensuring the governance of the Group's Information and Communication Technology ("**ICT**") issues, through the definition of ICT strategies as well as the management of relationships with the main internal and external stakeholders to the Group, consistently with the Group's strategic guidelines and the Group ICT Plan, and through the supervision and monitoring of the services provided by BCC SI both to the Issuer and to the other Group companies.

The CIO Area oversees the governance and coordination at Group level of activities related to the management of business continuity, information security and IT security.

Moreover, the area performs the role of Crisis Manager for Operational Continuity and it is responsible for the functional coordination of BCC Sistemi Informatici and the ICT systems of the other subsidiaries.

Financial Information

Deposits

The Issuer's deposits primarily consist of interbank deposits, As at 31 December 2024, interbank deposits amounted to Euro 25,657 million with a decrease of 26 per cent, as at 31 December 2023 (a decrease of Euro 9,019 million); within the inter-bank deposits of this aggregate, cooperative banks and rural banks deposits increased by 13 per cent, (from Euro 16,920 million as at 31 December 2023 to Euro 19,068 million as at 31 December 2024) while other banks decreased by 63 per cent, (from Euro 17,757 million as at 31 December 2023 to Euro 6,589 million as at 31 December 2024).

As at 31 December 2024, funding from ordinary customers decreased of 13% (Euro 12,963 million compared to Euro 14,926 million as at 31 December 2023[5]).

The following tables show the aggregate and breakdown of amounts due to banks as at 31 December 2024 and 31 December 2023:

Due to Banks	As at 31 December 2024	As at 31 December 2023	Change	Change
	Thousands of Euro			*%*
Cooperative banks and rural banks.....	19,068,145	16,920,694	2,147,451	13%
Other Credit institution.....	6,589,776	17,756,888	(11,167,113)	-63%
TOTAL	**25,657,921**	**34,677,583**	**(9,019,662)**	**-26%**

[5] The item corresponds to the amount of liabilities to customers, as represented in the financial statements.

Breakdown of Amounts due to Banks	As at 31 December 2024	As at 31 December 2023	Change	Change
	Thousands of Euro		*%*	
Due to central banks	4,701,855	16,204,661	(11,502,806)	-71%
Current accounts and demand deposits	9,413,862	8,921,360	492,502	6%
Fixed-term deposits	10,375,172	8,340,348	2,034,824	24%
Loans	1,166,790	640,566	526,224	82%
Other payables	242	570,647	(570,405)	-100%
Total Amounts	**25,657,921**	**34,677,583**	**(9,019,661)**	**-26%**

The following table shows the breakdown of amounts due to customers as at 31 December 2024 and 31 December 2023:

Breakdown of Amounts due to Customers	As at 31 December 2024	As at 31 December 2023	Change	Change
	Thousands of Euro		*%*	
Current Accounts and demand deposits	1,006,972	932,178	74,794	8%
Fixed-term deposits	-	-	-	-
Loans	11,654,596	13,618,668	(1,964,072)	-14%
Leasing liabilities	4,857	2,110	2,747	130%
Other payables	297,529	373,352	(75,823)	-20%
Total amounts due to customers	**12,963,954**	**14,926,308**	**(1,962,353)**	**-13%**

Lending activities

The Issuer's lending activity is primarily with banks (demonstrated by the fact that as at 31 December 2024, the aggregate of loans to banks was Euro 21,355 million, whereas, as at such date, the aggregate of loans to customers was Euro 19,559 million[6]), Within the aggregate of amounts due from banks (Euro 30,806 million as at 31 December 2023), those due from cooperative banks and rural banks decreased by 34 per cent, (from Euro 24,490 million as at 31 December 2023 to Euro 16,098 million as at 31 December 2024) while the receivables from other credit institutions decreased by 17 per cent, (from Euro 6,316 million as at 31 December 2023 to Euro 5,258 million as at 31 December 2024).

The following table shows the aggregate and breakdown of amounts due from banks as at 31 December 2024 and 31 December 2023:

Due from Banks	As at 31 December 2024	As at 31 December 2023	Change	Change
	Thousands of Euro		*%*	
BCCs	16,097,897	24,490,718	(8,392,821)	-34%
Other credit institutions	5,257,950	6,315,579	(1,057,629)	-17%
TOTAL	**21,355,847**	**30,806,297**	**(9,450,450)**	**-31%**

The following table shows the breakdown of amounts due from banks as at 31 December 2024 and 31 December 2023:

Breakdown of Amounts due from Banks	As at 31 December 2024	As at 31 December 2023	Change	Change
	Thousands of Euro		*%*	
Due from Central Banks:- Obligatory Reserve	1,625,051	1,947,020	(321,969)	-17%
Due from Banks	19,730,797	28,859,276	(9,128,480)	-32%
- Current accounts and demand deposits		-	-	-
- Time deposits	165,662	2,060	163,602	7942%
- Other	16,617,845	26,324,741	(9,706,896)	-37%
- Debt securities	2,947,289	2,532,475	414,814	16%
TOTAL DUE FROM BANKS	**21,355,848**	**30,806,296**	**(9,450,449)**	**-31%**

[6] The item also includes exposures represented by debt securities.

The following table shows the breakdown of loans to customers as at 31 December 2024 and 31 December 2023:

Breakdown of Loans to Customers	As at 31 December 2024	As at 31 December 2023	Change	Change
	Thousands of Euro		*%*	
Current accounts	292,195	398,307	(106,112)	-27%
Medium/long-term loans	2,822,190	2,692,419	129,771	5%
Repurchase agreements	1,149,016	793,621	355,395	45%
Other transactions	4,661,313	3,621,336	1,039,977	29%
Debt securities	10,590,506	10,138,169	452,315	4%
Impaired assets	43,394	52,758	(9,364)	-18%
TOTAL LOANS TO CUSTOMERS	**19,558,614**	**17,696,610**	**1,862,004**	**11%**

Risks and related hedging policies

The Issuer places particular emphasis on its risk protection and control systems. It aims to meet the highest standard of governance in performing its risk and control management functions and to apply well-established risk management practices. Risk management means striving to ensure that the Issuer uses its risk capacity in the most efficient way in relation to the achievement of a stable and sustainable generation of value, protecting financial solidity and allowing for adequate management of portfolios of assets and liabilities.

In accordance with its role of group head company (*capogruppo*) of the Iccrea Cooperative Banking Group and focusing on its lending activity, the Issuer is specialised in:

(a) supporting the BCCs in the agricultural sector;

(b) developing relations with companies, within the BCCs areas, which have a strong international approach;

(c) being the main centre for subsidised loans for the BCCs;

(d) funding the needs of the BCCs by, for example, granting overdrafts, ceilings and maximum operational limits;

(e) developing, with the cooperative community, loans pooled with the BCCs to the members of the *Confcooperative* organisation (the Confederation of Italian Cooperatives); and

(f) the expansion of business activity with large corporate entities, consistent with the development of relations between these companies, the BCCs and the payment and electronic money services offered by the Issuer.

Credit Risk Management

Monitoring

In order to maintain the quality of its loan portfolio, the Issuer has a policy of careful evaluation of creditworthiness and the constant monitoring of its loan positions.

Lending risk

A centralised department establishes the procedures for evaluating the types of risks arising from each loan granted by the Issuer. The department also monitors the overall risk, verifies capital adequacy and evaluates the performance of lending activities in terms of risk/return. In addition, the process of debt recovery is supervised centrally and the debt recovery activities of the Issuer are coordinated.

Bad Debts

In accordance with the Bank of Italy's system of classification, the Issuer divides its loans into separate categories including, amongst others, (i) "substandard loans" for borrowers which are experiencing financial or economic difficulties that are likely to be temporary ("*inadempienze probabili*") and (ii) "bad loans" for borrowers against whom insolvency or similar proceedings have been instituted ("*sofferenze*").

The Issuer's loan portfolio is monitored on a regular basis to review the prospects of recovery and estimated losses and the Issuer makes specific provisions tied to the expected loss on each non-performing loan, problem loan or, if deemed necessary, on certain performing loans.

As at 31 December 2024, the amount of net bad loans was Euro 1,151 thousands, decreasing from Euro 2,046 thousands as at 31 December 2023,

The following table sets out the breakdown of the Issuer's bad loans (*sofferenze*) as at 31 December 2024 and 31 December 2023:

Bad Loans	**As at 31 December 2024**	**As at 31 December 2023**
	Thousands of Euro	
Gross bad loans	11,159	20,131
Adjustments	10,008	18,085
Net bad loans	1,151	2,046

The following table sets out the breakdown of the Issuer's substandard loans (*deteriorate diverse da sofferenze*) as at 31 December 2024 and 31 December 2023:

Substandard Loans	**As at 31 December 2024**	**As at 31 December 2023**
	Thousands of Euro	
Gross substandard loans	104,636	158,834
Adjustments	62,393	108,123
Net substandard loans	42,243	50,711

As at 31 December 2024, net substandard loans amounted to Euro 42,243 thousands and the sum of net bad loans plus net substandard loans amounted to Euro 43,394 thousands.

Funding

The total amount of funds borrowed by the Issuer as at 31 December 2024 was Euro 6,451,419 thousands which represented an increase of Euro 1,254,552 thousands compared to Euro 5,196,867 thousands as at 31 December 2023.

Capital Ratios

The Issuer (as head group company of the Iccrea Cooperative Banking Group) was required to meet, for 2024, the following capital ratios at consolidated level: (i) Total SREP Capital Requirement of 10.5% (including a minimum total capital requirement maintained on an ongoing basis, of 8%); (ii) an additional Pillar 2 own-funds requirement (to be held in the form of CET 1 capital on an ongoing basis) of 2.5%; (iii) a total capital requirement (including a capital conservation buffer of 2.5%) of 13%, while no specific requirements are imposed on the individual level.

The Issuer's capital ratios as at 31 December 2024 and 31 December 2023, which are set out in the table below, exceeded the minimum levels prescribed by the European Central Bank.

Capital Ratios	**As at 31 December 2024**	**As at 31 December 2023**
	Thousands of Euro	
Tier I Capital	2,266,243	2,097,535
Tier II Capital	301,571	689,232
Elements to be deducted	-60,523	-131,563
Total Capital	**2,567,814**	**2,786,767**
Credit Risk	601,461	589,696
Total risk exposure amount for credit valuation adjustment	16,187	18,952
Market Risk	8,524	36,672
Operation Risk	**80,523**	**81,793**
Total requirements	717,044	736,774
Risk weighted assets	7,647,622	7,491,940
Tier I Ratio	**25.26%**	**22.77%**
Total Capital Ratio	**28.62%**	**30.26%**

Consolidated Balance Sheet and Income Statement

The following tables contain respectively:

(a) audited consolidated financial statements as at 31 December 2024 related to the Iccrea Cooperative Banking Group;

(b) limited reviewed consolidated financial statements as at 30 June 2024 related to the Iccrea Cooperative Banking Group;

(c) audited consolidated financial statements as at 31 December 2023 related to the Iccrea Cooperative Banking Group.

Balance Sheet

Assets	**TOTAL as at 31 December 2024 for the Group (EURO)**	**TOTAL as at 30 June 2024 for the Group (EURO)**	**TOTAL as at 31 December 2023 for the Group (EURO)**
Cash and cash equivalents	3,316,821	1,561,729	4,956,422
Financial assets measured at fair value through profit or loss	1,493,522	1,444,579	1,494,234
a) financial assets held for trading	87,418	198,970	227,299
b) financial assets measured at fair value	324,693	323,853	317,077
c) other financial assets mandatorily measured at fair value	1,081,411	921,756	949,858
Financial assets measured at fair value through other comprehensive income	6,914,461	7,603,530	7,693,412
Financial assets measured at amortised cost	143,283,468	145,472,627	145,480,601
a) Due from banks	3,390,631	2,928,445	4,175,943
b) Due from customers	139,892,837	142,544,182	141,304,658
Hedging derivatives	725,478	1,132,212	951,258
Value adjustment of financial assets hedged generically (+/-)	(528,043)	(718,939)	(637,827)
Equity Investments	300,366	323,200	239,807
Property, plant and equipment	2,292,185	2,381,492	2,441,827
Intangible assets	200,283	152,383	174,591
- goodwill	18,408	18,718	39,011
Tax assets	1,012,498	1,221,208	1,346,472
a) current	272,195	266,304	290,851
b) deferred	740,303	954,904	1,055,621
Non-current assets and disposal groups held for sale	109,553	43,559	4,593,316
Other assets	5,491,321	5,573,668	5,778,531
TOTAL ASSETS	**164,611,913**	**166,191,248**	**174,512,644**

Liabilities	**TOTAL as at 31 December 2024 for the Group (EURO)**	**TOTAL as at 30 June 2024 for the Group (EURO)**	**TOTAL as at 31 December 2023 for the Group (EURO)**
Financial liabilities measured at amortised cost	143,756,450	147,647,504	152,795,976
a) Due to banks	6,554,016	10,102,578	17,922,680
b) Due to customers	123,234,220	122,991,257	122,522,919
Securities issued	13,968,214	14,553,669	12,350,377
Financial liabilities held for trading	63,920	85,435	111,588
Financial liabilities measured at fair value	–	–	–
Hedging derivatives	244,789	158,220	220,477
Value adjustment of financial liabilities hedged generically (+/-)	-	(57)	(560)
Tax liabilities	83,193	100,003	71,536
a) current	45,771	75,145	43,061
b) deferred	37,422	24,858	28,475
Liabilities associated with assets held for sale	30,922	1,438	4,320,959
Other liabilities	3,699,492	2,593,149	2,315,342
Employee termination benefits	197,279	201,502	215,977
Provisions for risks and charges	658,124	655,300	572,459
a) commitments and guarantees issued	268,203	302,575	307,960
b) other provisions for risk and charges	389,921	352,725	264,499
Valuation reserves	201,291	100,213	47,360
Equity instruments	30,139	30,139	30,139
Reserves	12,543,839	12,497,767	10,894,741
Share premiums reserves	154,624	153,509	152,967
Share capital	2,292,445	2,295,122	2,290,202
Treasury shares (-)	(1,387,018)	(1,383,958)	(1,382,888)
Non-controlling interests (+/-)	11,837	–	–

Net profit (loss) for the period (+/-)	2,030,587	1,055,962	1,856,369
TOTAL LIABILITIES	**164,611,913**	**166,191,248**	**174,512,644**

Income Statement

INCOME STATEMENT	TOTAL as at 31 December 2024 for the Group (EURO)	TOTAL as at 30 June 2024 for the Group (EURO)	TOTAL as at 31 December 2023 for the Group (EURO)
Interest and similar income	6,766,179	3,475,551	6,112,576
Interest and similar expenses	(2,402,647)	(1,274,807)	(2,017,643)
Net interest income	4,363,532	2,200,744	4,094,933
Fee and commission income	1,689,398	821,001	1,616,762
Fee and commission expense	(284,879)	(140,031)	(268,573)
Net fee and commission income (expense)	1,404,519	680,970	1,348,189
Dividends and similar income	25,005	22,915	24,057
Net gain (loss) on trading activities	40,306	24,817	36,216
Net gain (loss) on hedging activities	(1,687)	(1,928)	15,069
Net gain (loss) on the disposal or repurchase of:	92,025	52,435	61,841
a) financial assets measured at amortised cost	89,671	49,971	92,229
b) financial assets measured at fair value through other comprehensive income	2,130	2,603	(31,463)
c) financial liabilities	224	(139)	1,075
Net gain (loss) of other financial assets and liabilities measured at fair value through profit or loss	(6,175)	7,298	9,427
a) financial assets and liabilities measured at fair value	2,184	1,142	2,088
b) other financial assets mandatorily measured at fair value	(8,359)	6,156	7,339
Gross income	5,917,525	2,987,251	5,589,732
Net losses/recoveries for credit risk in respect of:	(336,913)	(173,930)	(401,937)
a) financial assets measured at amortised cost	(336,324)	(173,197)	(401,745)
b) financial assets measured at fair value through other comprehensive income	(589)	(733)	(192)
Gains/losses from contractual modifications without derecognition	(7,433)	(4,936)	(5,581)
Net income (loss) from financial operations	5,573,179	2,808,385	5,182,214
Net income (loss) from financial and insurance operations	5,573,179	2,808,385	5,182,214
Administrative expenses:	(3,252,135)	(1,613,086)	(3,151,010)
a) personnel expenses	(2,104,039)	(1,010,078)	(1,898,920)
b) other administrative expenses	(1,148,096	(603,008)	(1,252,090)
Net provisions for risks and charges	13,899	(25,709)	(49,048)
a) commitments and guarantees issued	40,877	6,129	(13,937)
b) other net provisions	(26,978)	(31,838)	(35,111)
Net adjustments of property, plant and equipment	(186,501)	(92,327)	(199,740)
Net adjustments of intangible assets	(45,417)	(23,053)	(49,187)
Other operating expenses/income	378,686	178,421	353,506
Operating costs	(3,091,468)	(1,575,754)	(3,095,479)
Profit (loss) from equity investments	9,801	6,620	29,641
Net gain (loss) from valuation at fair value of property, plant and equipment and intangible assets	(21,448)	64	(19,815)
Goodwill impairment	(310)	-	(971)
Profit (loss) from disposal of investments	(252)	(415)	(1,136)
Income (loss) from continuing operations, before taxes	2,469,502	1,238,900	2,094,454
Income taxes for the period relating to continuing operations	(418,411)	(212,480)	(334,514)
Profit (loss) after tax on continuing operations	2,051,091	1,026,420	1,759,940
Profit (loss) after tax on discontinued operations	(20,946)	29,542	97,666
Net profit (loss) for the period	2,030,145	1,055,962	1,857,606
Net profit (loss) for the period – non-controlling interests	(442)	-	1,237
Net profit (loss) for the period – shareholders of the Issuer	2,030,587	1,055,962	1,856,369

As regards the consolidated own funds and capital adequacy, as at 31 December 2024, the CET1 ratio came to 23.3% with a capital equal to Euro 15.5 billion and the TC ratio came to 23.8%, with a capital equal to Euro 15.8 billion.

As at 30 June 2024, the CET1 ratio came to 22.7% with a capital equal to Euro 14.5 billion and the TC ratio came to 23.8%, with a capital equal to Euro 15.2 billion.

As at 31 December 2023 the CET1 ratio came to 21.1% with a capital equal to Euro 13.6 billion and the TC ratio came to 22.2%, with a capital equal to Euro 14.3 billion.

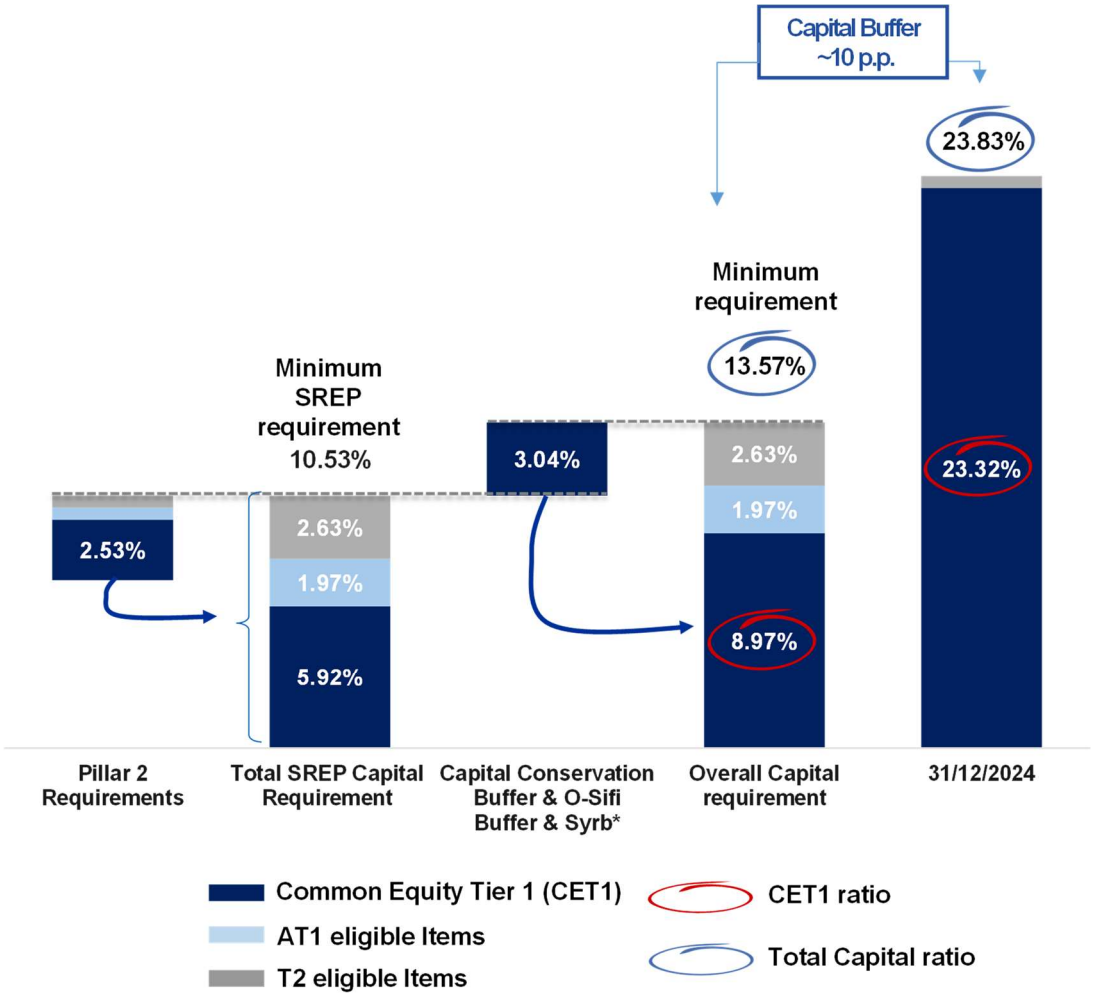
As regards RWA values of the Group, these were equal to: Euro 66.4 billion as at 31 December 2024, Euro 63.9 billion as at 30 June 2024 and Euro 64.4 billion as at 31 December 2023.

The Group's business model aims for full territorial coverage with an extensive client base over the long term. As at 31 December 2024, the amount of gross loans to customers was Euro 96.4 billion (while the net amount was equal to Euro 93.5 billion) of which approximately 76.7% comprised loans granted to individuals (Euro 46.7 billion) and SMEs (Euro 27.3 billion) which represent, respectively, 48.4% and the 28.3% of the total loans granted. Accordingly, such breakdown of loans by counterparty type bears out the business model of the affiliated BCCs.

The Group's financial investments amount to approximately Euro 56.2 billion, of which 85% is allocated to the portfolio valued at amortised cost (Hold to Collect - HTC business model) in line with the traditional business model that characterises the BCCs, aimed at benefiting from the coupon yield and at not exposing its own funds to volatility risks.

With regards to capital requirements, the Group's capital position as at 31 December 2024 was above the SREP requirements in force from 1 January 2024.

Capital position vs SREP requirement



**O-Sifi buffer and SYrb as of 31.12.2024 (transitional)*

Organisational Structure

The members of the Board of Directors, Management Board, and Board of Auditors of the Issuer as of the date of this Base Prospectus are listed hereunder, together with details of their positions and any principal activities carried out in other companies in which these may overlap with the office held in the context of the Issuer:

Board of Directors

The Board of Directors of the Issuer is composed of fifteen members, appointed by the Shareholders' Meeting. The Chairman and the two Vice Chairmen with duties as a Substitute (Vicario), are appointed by the Board of Directors.

The ordinary shareholders' Meeting of the Issuer, held on 15 May 2025, renewed the members of the Board of Directors for the 2025-2027 financial years. They will remain in place until the shareholders' meeting is called to approve the 2027 financial statements.

The members of the Board of Directors in office at the date of approval of this Base Prospectus and the list of main activities performed by them outside of their role at ICCREA Banca S.p.A., which are significant for the Issuer, are indicated in the following table:

Name	**Responsibilities within the Issuer**	**Principal activity outside the Issuer**
Maino Giuseppe	Chairman	Chairman of BCC Milano;
	(*Presidente*)	Vice Chairman of Federazione Lombarda BCC S.C.;
		Director of Federcasse-Federazione Italiana CRA-BCC, Tertio Millennio ETS, Fondazione Oltre Onlus; and
		Director and Executive Committee member ABI.
Fiordelisi Teresa	Vice Chairman with vicarious functions	Chairman of BCC Basilicata
	(*Vice Presidente Vicario*)	Director of Federcasse-Federazione Italiana BCC/CRA, Federazione BCC Puglia e Basilicata S.C.; and
		Member of the Management Board and the Executive Committee: Fondazione Tertio Millennium ETS.
Carri Francesco	Vice Chairman	Chairman of Terre Etrusche di Valdichiana e di Maremma Credito Cooperativo S.C.;
	(*Vice Presidente*)	Director of Federazione Toscana BCC S.c.r.l., Fondazione Tertio Millennio ETS;
		Chairman of the Board of Statutory Terme di Saturnia S.p.A.
Benabdallah Nadia	Independent Director and Executive Committee member	
	(*Consigliere Indipendente e Componenete Comitato Esecutivo*)	
Cappiello Laura	Independent Director (*Consigliere Indipendente*)	Director of Digital Value SpA; Fondazione Prada; Juventus Football Club SpA.

Name	Responsibilities within the Issuer	Principal activity outside the Issuer
Elefanti Marco	Independent Director	Chairman of Gemelli Service Spa;
	(*Consigliere Indipendente*)	General Manager of: Fondazione Policlinico Universitario Agostino Gemelli IRCCS;
		Director of Gemelli Isola Società Benefit Spa;Istituto della Enciclopedia Italiana fondata da Giovanni Treccani Spa; Mather Olbia Spa;
		Chairman of the Board of Statutory Auditors Egea Holding Spa.
Gambi Giuseppe	Director	Chairman of BCC Ravennate, Forlivese e Imolese S.C.;
	(*Consigliere*)	Chairman of the Board of Statutory Auditors of Gemos S.C., Fondo Sviluppo SpA;
		Auditor: Valfrutta Fresco S.p.A., Alegra Soc. coop., Aurel S.p.A., Conserve Italia Soc. Coop.; and
		Auditor of: Confcooperative - Unione territoriale della Romagna, Confcooperative - Confederazione Cooperative Italiane and Soc. Servizi Elaborazione Elettronica Dati SELED Soc Coop.
Longhi Maurizio	Director and Chairman of the Executive Committee	Chairman of BCC di Roma S.C.; Banca per lo Sviluppo della Cooperazione di Credito S.p.A., BCC Sinergia S.p.A.; CRAMAS Società di Mutuo Soccorso; and
	(*Consigliere e Presidente del Comitato Esecutivo*)	Director of Camera di Commercio di Roma, Fondazione Enzo Badioli.
Manzo Amedeo	Director	Chairman of BCC di Napoli; BCC Servizi Assicurativi; Federazione Banche di Comunità CC Campania e Calabria;
	(*Consigliere*)	Vice Chairman of Spici srl;
		Director of Federazione italiana delle BCC (Federcasse), Confcooperative; M.A.S. Mutua Assistenza Sanitaria (Società di Mutuo Soccorso); Fondazione in Nome della Vita ONLUS;
		Sole Director of Napoli Holding srl; Smart Malico srl.
Ottoboni Roberto	Director and Executive Committee Member	Chairman of BCC dell'Oglio e del Serio;
	(*Consigliere e Componente del Comitato Esecutivo*)	Vice Chairman with vicarious functions of Federazione Lombarda delle BCC;
Petrini Paola	Director	Chairman of BCC Ostra e Morro d'Alba;

Name	Responsibilities within the Issuer	Principal activity outside the Issuer
	(*Consigliere*)	Auditor of Federazione Marchigiana BCC, Cassa Mutua Nazionale BCC; and
		Director of Associazione Idee Donne del Credito Cooperativo.
Piva Flavio	Director and Executive Committee Member (*Consigliere e Componente del Comitato Esecutivo*)	Chairman of Bcc Veneta C.C., Federazione Veneta delle BCC SC; BCC Vita;Director of Federcasse-Federazione Italiana CRA-BCC; Aeroporto V. Catullo di Verona Villafranca S.p.A., Fondazione Arena di Verona.
Rimoldi Enrica	Independent Director	Supervisory Board member and Chairwoman of the IT Committee: JSB "UKRGASBANK";
	(*Consigliere Indipendente*)	Board member and treasurer of INSEAD Alumni Association of Italy;
		Non-executive director / Supervisory Board and Audit Committee member: UniCredit Bank Czech Republic and Slovakia a.s. UniCredit Group;
		Chairman of the Board of Statutory Auditors and Supervisory Body pursuant to Legislative Decree no.231/2001: Uni Credit Subito Casa S.p.A.;
		Auditor: Istituto della Enciclopedia Italiana Giovanni Treccani S.p.A.;
		Member of Supervisory Board pursuant to Legislative Decree no.231/2001: Acque Minerali d'Italia S.p.A.; and
		Member of the Board: International Women's Forum - Northern Italy.
Stra Pierpaolo	Director and Executive Committee Member	Vice Chairman and Executive Committee Chairman of Banca d'Alba, Langhe e Roero e del Canavese S.C.;
	(*Consigliere e Componente del Comitato Esecutivo*)	Chairman of the Board of Statutory Auditors of, Telenergia S.R.L., Tecnoedil S.p.A., Valenza Rete Gas S.p.A.;
		Auditor: Langhe Roero Leader Soc. Cons. a r.l., Alta Langhe Servizi S.p.A., Carmagnola Energia S.R.L., S.E.P. Società energetica Piossasco S.p.A., Tanaro Power S.R.L., Valbormida Energia S.p.A., Egea Commerciale S.R.L., Open dot com S.p.A.
		Managing Director: Dimar S.p.A; and
		Director: Fondazione Bottari Lattes, Fondazione Banca d'Alba Onlus and Fondazione Banca del Canavese.

Name	Responsibilities within the Issuer	Principal activity outside the Issuer
Zoni Laura	Independent Director	
	(*Consigliere Indipendente*)	

All members of the Board of Directors are in possession of the requisites of professionalism, integrity and independence provided for by the legal and regulatory provisions and, for the purposes of their office, are domiciled at the registered office of the Issuer.

Directorate General

The Directorate General is made up of the General Manager and two Deputy General Managers. The General Manager was appointed on 17 June 2019 and the Deputy General Managerswere appointed by the Board of Directors of the Issuer on 16 January 2020. On 9 October 2020, one of them, was appointed as Deputy General Manager with vicarious functions.

The following table comprises a list of the members of the Directorate General and the main activities performed by them outside of their role at ICCREA Banca S.p.A., which are significant for the Issuer, as of the date of approval of this Base Prospectus.

Name	Responsibilities within the Issuer	Principal activity outside Iccrea Banca S.p.A.
Mauro Pastore	Managing Director (*Direttore Generale*)	Director of Comitato Gestione Fondo Temporaneo C.C., ABI.
Francesco Romito	Deputy General Manager with vicarious functions	
	(*Vicedirettore Generale Vicario*)	
Pietro Galbiati	Deputy General Manager	Chairman of BCC Sistemi Informatici S.p.A;
	(*Vicedirettore Generale*)	Vice Chairman of Numia SpA, Numia Group SpA; and
		Director of Pitagora S.p.A., Bancomat S.p.A.

All members of the Directorate General of the Issuer are, for the purposes of the office held, domiciled at the registered office of the Issuer.

Board of Statutory Auditors

The Board of Statutory Auditors of the Issuer is composed of three auditors and two substitute auditors, appointed by the Shareholders' Meeting which, among them, appoints the Chairman. The ordinary Shareholders' Meeting of the Issuer, held on 15 May 2025, renewed the members of the Board of Statutory Auditors for the years 2025-2027. Starting from 23 April 2013, the Board of Statutory Auditors of the Issuer has assumed the role of Supervisory Body (*organismo di vigilanza*) for the purposes of Legislative Decree 231/01.

The following table comprises a list of the members of the Issuer's Board of Statutory Auditors and the main activities performed by them outside of their role at ICCREA Banca S.p.A., which are significant for the Issuer, as of the date of approval of this Base Prospectus:

Name	**Responsibilities within the Issuer**	**Principal activity outside the Issuer**
Zanardi Barbara	Chairman (*Presidente*)	Chairman of the Board of Statutory Auditors of BCC Rent & Lease S.p.A., Hawort Italy Holding S.r.l., Soc. Benefit Gemelli Medical Center S.p.A., Cap Design S.p.A.;
		Chairman of the Board of Statutory Auditors of Utilitalia;
		Director of Avvenire S.p.A., Techshop SGR S.p.A.;
		Auditor of Gemelli Casa S.p.A., Federcalcio Servizi S.r.l., Cassina S.p.A., Poltrona Frau S.p.A., Rai Way S.p.A., Cooperativa San Martino Scarl;
		Member of the Board of Statutory Auditors of Fondo Pegaso; and
		Auditor of Università Cattolica del Sacro Cuore.
Andriolo Riccardo	Auditor (*Sindaco effettivo*)	Auditor of BCC Servizi Assicurativi S.r.l.;
		Auditor of BCC Risparmio e Previdenza SGR SpA, Clessidra Capital Credit SGR S.p.A; and
		Chairman of the Board of Statutory Auditors of Alpes S.r.l., Clessidra Private Equity SGR S.p.A., Kervis SGR S.p.A.
Capuano Claudia	Auditor (*Sindaco effettivo*)	Chairman of the Board of Statutory Auditors of Financit S.p.A.;
		Auditor of BCC Leasing SpA, BCC Financing SpA;
		Auditor: Acea S.p.A.; and
		Sole Director SIR S.r.l. (sequestred), Iniziative Commerciali S.r.l.
Rocchetti Vittorio	Substitute auditor (*Sindaco supplente*)	Chairman of Board of Statutory Auditors of Azimut Capital Management Sgr S.p.A. and Numia S.p.A.;

Name	Responsibilities within the Issuer	Principal activity outside the Issuer
		Auditor of Azimut Financial Insurance S.p.A., Fos S.p.A., Ligurcapital S.p.A.; and
		Director of Alfio Bardolla Training Group S.p.A.
Cignolini Michela	Substitute auditor (*Sindaco supplente*)	Auditor of BCC Rent & Lease, Adacta Advisory S.p.A.;
		Director of Pronet S.r.l.; and Chairman of the Supervisory Body of Bluenergy Group S.p.A., CGI Holding S.r.l., Gas Sales S.r.l.

The members of the Board of Statutory Auditors are all domiciled for the purpose of their appointment at the registered office of the Issuer at Via Lucrezia Romana 41/47, 00178 Rome.

Conflicts of Interest

There are no potential conflicts of interest between the duties of the Board of Directors, Management Board, and Board of Statutory Auditors of the Issuer and their private interests or other duties.

However, certain members of the Board of Directors, Management Board, and Board of Statutory Auditors of the Issuer hold identical offices in other companies (as described in the tables above), and this situation, together with other circumstances which may arise from time to time, may lead to conflicts of interest. If such conflicts arise, the Issuer has in place procedures to manage the situation in accordance with applicable laws. More specifically, the Issuer manages conflicts of interest in accordance with article 2391 of the Italian Civil Code and article 136 of the Consolidated Banking Act.

Financial Statements

The Issuer prepares consolidated and separate annual financial statements and interim financial statements, As the head group company of the Iccrea Cooperative Banking Group (*Gruppo Bancario Cooperativo Iccrea*), the Issuer also prepares the consolidated financial statements.

Auditors

The consolidated and separate financial statements of the Issuer as at 31 December 2024 and 31 December 2023 together with the Issuer's limited reviewed consolidated financial statements of the Issuer as at and for the six month period ended on 30 June 2024 incorporated by reference herein have been audited, without qualification and in accordance with generally accepted standards in the Republic of Italy, by Forvis Mazars S.p.A. The audit reports of Forvis Mazars S.p.A. are available to the public and incorporated by reference herein.

Forvis Mazars S.p.A. ("**Mazars**") is an independent registered public accounting firm and a member of the ASSIREVI – Associazione Nazionale Revisori Contabili, being the Italian Auditors Association. The business address of "Forvis Mazars S.p.A." is Via Ceresio, 7, 20154 Milan.

At the Issuer's annual general meeting held on 28 May 2021, the Issuer appointed Forvis Mazars S.p.A. as its independent auditor for the years 2021-2029.

Values and Sustainable Development Goals

The Group aims to include several of the 17 Sustainable Development Goals adopted by the United Nations in 2015 as part of the Group's business objectives. It encourages sustainable, fair and responsible economic development in Italy by providing financial support to entrepreneurs and small businesses. The concept of sustainability is part of the DNA and a core value of the BCC; article 2 of the by-laws of the BCC and the

so-called "Charter of Values" (*Carta dei Valori*) of the BCC show that it is central to its principles, values and growth in terms of market and business for cooperative credit.

Legal and Arbitration Proceedings

As of the date of this Base Prospectus, the Issuer and the Group are involved in certain administrative, legal and arbitration proceedings relating to its ordinary business activities.

Although the outcome of these proceedings is difficult to forecast, the Issuer does not believe that they will have a significant effect on the financial situation or profitability of the Issuer or the Group.

In any case, based on an assessment of the possible risk of these litigations, the Group has made a provision to the Risks and Charges account (Item 100 c. of the consolidated balance sheet as at 31 December 2024, as can be found on page 306 of the audited consolidated annual financial statements as at 31 December 2024, which are in turn incorporated by reference in this Base Prospectus) for the amount of Euro 389.9 million.

TAXATION

The statements herein regarding taxation are based on the laws in force as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.

Republic of Italy

Pending Tax reform

Law No. 111 of 9 August 2023, published in the Official Gazette No. 189 of 14 August 2023 ("**Law 111**"), delegates power to the Italian Government to enact, within twenty-four months from its publication, one or more legislative decrees implementing the reform of the Italian tax system ("**Tax Reform**"). With Law No. 120 of 8 August 2025, published on the Official Gazette No. of 8 August 2025 and in force from 24 August 2025, the Italian Parliament extended the delegation to the Government for the enactment of such Tax Reform to thirty-six months (i.e. to 29 August 2026).

According to Law 111, the Tax Reform may significantly change the taxation of financial incomes and capital gains and introduce various amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be quantified or foreseen with certainty at this stage. The information provided herein may not reflect the future tax landscape accurately. Therefore, investors in the Notes should be aware that the amendments that may be introduced to the tax regime of financial incomes and capital gains could increase the taxation on interest, similar income and/or capital gains accrued or realised under the Notes, resulting in a possible lower return of their investment, and this will not result in any obligation of the Issuer to pay the Noteholders any additional sum by way of compensation for such greater tax burden.

In implementation of Law No. 111, the Italian government published in the Official Gazette, Dec. 27, 2023, Legislative Decree No. 209. Legislative Decree 209/2023 in Articles 1 and 2 made changes to the criteria for determining the tax residence of individuals, companies and entities.

1. **Tax treatment of Notes which qualify as "*obbligazioni*" (bonds) or "*titoli similari alle obbligazioni*" (securities similar to bonds)**

Italian Legislative Decree No. 239 of 1 April 1996 ("**Decree 239**") sets out the applicable regime regarding the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) (hereinafter collectively referred to as "**Interest**") from notes falling within the category of bonds ("*obbligazioni*") or securities similar to bonds ("*titoli similari alle obbligazioni*") issued, *inter alia*, by Italian banks.

For these purposes, securities similar to bonds are defined as securities that incorporate an unconditional obligation to pay, at maturity, an amount not less than their nominal value and that do not give any right to directly or indirectly participate in the management of the issuer or of the business in relation to which they are issued nor any type of control on the management.

1.1 ***Italian resident Noteholders***

Where the Italian resident Noteholder is:

(a) an individual not engaged in an entrepreneurial activity to which the Notes are connected (unless he has opted for the application of the *risparmio gestito regime* – see under "*Capital gains tax*" below);

(b) a non-commercial partnership;

(c) a non-commercial private or public institution, including the Italian State and public and territorial entities; or

(d) an investor exempt from Italian corporate income taxation,

interest, premium and other income relating to the Notes, accrued during the relevant holding period, are subject to a withholding tax, referred to as "*imposta sostitutiva*", levied at the rate of 26% (unless the Noteholders under (a), (b) or (c) above opted for the application of the *risparmio gestito* regime – see under "Capital gains tax" below). In the event that the Noteholders described under (a) and (c) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on interest, premium and other income relating to the Notes if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth under Italian law.

Where an Italian resident Noteholder is a company or similar commercial entity, or a permanent establishment in the Republic of Italy of a foreign company to which the Notes are effectively connected, and the Notes are deposited with an authorised intermediary, Interest from the Notes will not be subject to *imposta sostitutiva*. They must, however, be included in the relevant Noteholder's income tax return and are therefore subject to general Italian corporate taxation (and, in certain circumstances, depending on the "status" of the Noteholder, also to IRAP, the regional tax on productive activities).

Under the current regime provided by Law Decree No. 351 of 25 September 2001, converted into Law No. 410 of 23 November 2001, Law Decree No. 78 of 31 May 2010, converted into Law No. 122 of 30 July 2010 and Legislative Decree No. 44 of 4 March 2014, all as amended, Italian real estate investment funds created under Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and Article 14-bis of Law No. 86 of 25 January 1994 and Italian real estate SICAFs (the "**Real Estate SICAFs**") are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the real estate investment fund or the Real Estate SICAF, but subsequent distributions made in favour of unitholders or shareholders will be subject, in certain circumstances, to a withholding tax of 26%; subject to certain conditions, depending on the status of the investor and percentage of participation, income of the real estate investment fund or the Real Estate SICAF is subject to taxation in the hands of the unitholder or shareholder regardless of distribution.

If an investor is resident in Italy and is an open-ended or closed-ended investment fund subject to the tax regime provided by Law No. 77 of 23 March 1983 (the "**Fund**"), a SICAV or a SICAF and the Notes are held by an authorised intermediary, Interest accrued during the holding period on the Notes will not be subject to *imposta sostitutiva* but must be included in the management results of the Fund accrued at the end of each tax period. The Fund, the SICAV or the SICAF will not be subject to taxation on such result, but a substitutive tax, up to 26%, will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by article 17 of the Italian Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary, Interest relating to the Notes 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% substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, Interest may be excluded from the taxable base of the 20% substitute tax if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth under Italian law.

Pursuant to Decree 239, *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* ("**SIMs**"), fiduciary companies, *società di gestione del risparmio* ("**SGRs**"), stockbrokers and other entities identified by a decree of the Ministry of Finance (each an "**Intermediary**").

An Intermediary must (a) be resident in the Republic of Italy or be a permanent establishment in the Republic of Italy of a non-Italian resident financial intermediary or an entity or a company not resident in Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Ministry of Economy and Finance having appointed an Italian representative for the purposes of Decree 239, and (b) intervene, in any way, in the collection of interest or in the transfer of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian financial intermediary paying interest to a Noteholder or, absent that, by the issuer.

1.2 ***Non-Italian resident Noteholders***

Where the Noteholder is a non-Italian resident without a permanent establishment in the Republic of Italy to which the Notes are effectively connected, an exemption from the *imposta sostitutiva* applies *provided that* the non-Italian resident Noteholder is:

(a) the beneficial owner and is resident, for tax purposes, in a country which allows for a satisfactory exchange of information with the Republic of Italy (the "**White List States**") as listed, pursuant to Article 11, paragraph 4, of Decree 239, in the Ministerial Decree of 4 September 1996, as amended from time to time. Pursuant to Article 1-*bis* of Ministerial Decree of 4 September 1996, the Ministry of Economy and Finance holds the right to test the actual compliance of each country included in the list with the exchange of information obligation and, in case of reiterated violations, to remove from the list the uncooperative countries; or

(b) an international body or entity set up in accordance with international agreements which have entered into force in the Republic of Italy; or

(c) a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or

(d) an "institutional investor", whether or not subject to tax, which is established in a White List State.

In order to ensure gross payment, non-Italian resident Noteholders without a permanent establishment in the Republic of Italy to which the Notes are effectively connected must:

(a) deposit, directly or indirectly, the Notes with a resident bank or SIM or a permanent establishment in the Republic of Italy of a non-Italian resident bank or SIM or with a non-Italian resident entity or company participating in a centralised securities management system which is in contact, via computer, with the Ministry of Economy and Finance; and

(b) file with the relevant depository, prior to or concurrently with the deposit of the Notes, a statement of the relevant Noteholder, which remains valid until withdrawn or revoked, in which the Noteholder declares to be eligible to benefit from the applicable exemption from *imposta sostitutiva*. This statement, which is not requested for international bodies or entities set up in accordance with international agreements which have entered into force in the Republic of Italy nor in the case of foreign Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State, must comply with the requirements set forth by Ministerial Decree of 12 December 2001.Additional statements may be required for non-Italian resident Noteholders which are institutional investors.

The *imposta sostitutiva* will be applicable at the rate of 26% to Interest paid to Noteholders who do not qualify for the exemption (including as a result of not timely complying with the procedures established by Decree 239 and its related implementing regulations).

However, non-Italian resident Noteholders who are subject to the *imposta sostitutiva* might be eligible for a total or partial relief under any applicable tax treaty.

2. **Interest and other proceeds from Notes not having 100% capital protection guaranteed by the Issuer - Atypical securities**

In case the Notes representing debt instruments implying a "use of capital" do not incorporate an unconditional obligation to pay, at maturity, an amount not less than their nominal value (whether or not providing for interim payments) and/or they give any right to directly or indirectly participate in the management of the relevant issuer or of the business in relation to which they are issued and/or any type of control on the management (i.e. Notes are not deemed to fall within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*)), they qualify as atypical securities (*titoli atipici*) and Interest in respect of such Notes may be subject to a withholding tax, levied at the rate of 26% pursuant to Law Decree No. 512 of 30 September 1983.

Where the Noteholder is (a) an Italian individual engaged in an entrepreneurial activity to which the Notes are connected, (b) an Italian company or a similar Italian commercial entity pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities), (c) a permanent establishment in Italy of a foreign entity, (d) an Italian commercial partnership or (e) an Italian commercial private or public institution, such withholding tax is a provisional withholding tax; in all other cases, including when the Noteholder is a non-Italian resident, the withholding tax is a final withholding tax.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on interest, premium and other income relating to the Notes if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth under Italian law.

In the case of non-Italian resident Noteholders without a permanent establishment in Italy to which the Notes are effectively connected, the withholding tax may be reduced by the applicable double tax treaty, if any.

3. **Capital gains tax**

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of the net value of the production for IRAP purposes) if realised by an Italian company, a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Where an Italian resident Noteholder is (i) an individual not engaged in an entrepreneurial activity to which the Notes are connected, (ii) a non-commercial partnership or (iii) a non-commercial private or public institution, any capital gain realised from the sale or redemption of the Notes would be subject to an *imposta sostitutiva*, levied at the rate of 26%. Under some conditions and limitations, Noteholders may set off any losses with their gains.

Under the "tax declaration" regime (*regime della dichiarazione*), which is the default regime for the taxation of capital gains realised by Noteholders under (i) to (iii) above, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains (net of any incurred capital loss) realised by the relevant Noteholder holding the Notes. In this instance, "capital gains" means any capital gain not connected with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. Italian resident individuals holding the Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay the *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four subsequent tax years.

As an alternative to the "tax declaration" regime, Italian resident Noteholders under (i) to (iii) above may elect to pay the *imposta sostitutiva* separately on capital gains realised on each disposal of the Notes (the *risparmio amministrato* regime provided for by Article 6 of the Legislative Decree No. 461 of 21 November 1997, as subsequently amended, "**Decree No. 461**"). Such separate taxation of capital gains is allowed subject to (a) the Notes being deposited with an Intermediary and (b) an express election for the *risparmio*

amministrato regime being made timely in writing by the relevant Noteholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each disposal of the Notes, net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio amministrato* regime, where a disposal of the Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Noteholder is not required to declare the capital gains in the annual tax return.

Any capital gains realised or accrued by Italian Noteholders under (i) to (iii) above who have entrusted the management of their financial assets, including the Notes, to an authorised Intermediary and have opted for the so-called *risparmio gestito* regime (regime provided by Article 7 of Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26% substitute tax, to be paid by the managing authorised Intermediary. Under this *risparmio gestito* regime, any decrease in value of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the Noteholder is not required to declare the capital gains realised in the annual tax return.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on interest, premium and other income relating to the Notes if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth under Italian law.

Any capital gains realised by a Noteholder who is an Italian real estate investment fund will neither be subject to *imposta sostitutiva* nor to any other income tax at the level of the real estate investment fund or the Real Estate SICAF, but subsequent distributions made in favour of unitholders or shareholders will be subject, in certain circumstances, to a withholding tax of 26%; subject to certain conditions, depending on the status of the investor and percentage of participation, income of the real estate investment fund or the Real Estate SICAF is subject to taxation in the hands of the unitholder or shareholder regardless of distribution.

Any capital gains realised by a Noteholder which is a Fund (as defined above), a SICAV or a SICAF will be included in the results of the relevant portfolio accrued at the end of the tax period. The Fund, the SICAV or the SICAF will not be subject to taxation on such result, but a substitutive tax, up to 26%, will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

Any capital gains realised by a Noteholder who is an Italian pension fund (subject to the regime provided for by article 17 of the Italian 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 a 20% substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, capital gains realised upon sale or redemption of the Notes may be excluded from the taxable base of the 20% substitute tax if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements from time to time applicable as set forth under Italian law.

Capital gains realised by non-Italian resident Noteholders without a permanent establishment in the Republic of Italy to which the Notes are effectively connected from the sale or redemption of Notes issued by an Italian resident issuer and traded on regulated markets are not subject to the *imposta sostitutiva*. The exemption applies *provided that* the non-Italian resident Noteholders file in due course with the authorised financial intermediary an appropriate affidavit (*autocertificazione*) stating that the Noteholder is not resident in the Republic of Italy for tax purposes.

Capital gains realised by non-Italian resident Noteholders without a permanent establishment in the Republic of Italy to which the Notes are effectively connected from the sale or redemption of Notes issued by an Italian resident issuer not traded on regulated markets are not subject to the *imposta sostitutiva*, *provided that* such Noteholder is: (a) the beneficial owner of the relevant income and resident in a White List State; (b) an international entity or body set up in accordance with international agreements which have

entered into force in the Republic of Italy; (c) a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or (d) an "institutional investor", whether or not subject to tax, which is established in a White List State; in all of the above cases subject to timely filing of the required documentation. If none of the conditions above is met, capital gains realised by non-Italian resident Noteholders without a permanent establishment in the Republic of Italy to which the Notes are effectively connected from the sale or redemption of Notes issued by an Italian resident issuer and not traded on regulated markets may be subject to the *imposta sostitutiva* at the current rate of 26%. However, Noteholders may benefit from an applicable tax treaty with the Republic of Italy providing that capital gains realised upon the sale or redemption of the Notes are to be taxed only in the resident tax country of the recipient.

4. **Inheritance and gift taxes**

Transfers of any valuable asset (including shares, Notes or other securities) as a result of death or donation are taxed as follows:

(a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4% on the value of the inheritance or gift exceeding €1,000,000;

(b) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax at a rate of 6% on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6% inheritance and gift tax on the value of the inheritance or gift exceeding €100,000; and

(c) any other transfer is subject to an inheritance and gift tax applied at a rate of 8% on the entire value of the inheritance or gift.

If the transfer is made in favour of persons with severe disabilities, the tax is levied at the rate, mentioned above in (a), (b) and (c) on the value exceeding, for each beneficiary, €1,500,000.

The transfer of financial instruments as a result of death (*mortis causa*) is exempt from inheritance tax when such financial instruments are included in a long-term saving account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth from time to time by Italian tax law. Otherwise, the previous listed provisions (a) to (c) should be applicable when the financial instruments are not included in a long-term saving account (*piano individuale di risparmio a lungo termine*).

5. **Transfer tax**

Contracts relating to the transfer of securities are subject to a €200 registration tax as follows: (i) public deeds and notarised deeds are subject to mandatory registration; (ii) private deeds are subject to registration only in the case of in case of use (*caso d'uso*), explicit reference (*enunciazione*) or voluntary registration.

6. **Stamp duty**

Article 13, paragraph 2-*ter*, of the First Part of the Tariff attached to Presidential Decree No. 642 of 26 October 1972 ("**Stamp Duty Law**"), as amended by Law Decree No. 201 of 6 December 2011, converted into Law No. 214 of 22 December 2011, and by Law No. 147 of 27 December 2013 introduces a stamp duty on the value of the financial products and/or financial instruments included in the statement sent to clients as of 1 January 2012 ("**Statement Duty**"). The statement is deemed to be sent to the clients on an annual basis, irrespective of any legal or contractual obligation to do so. The Statement Duty is levied at the rate 0.20% (but, in any case, not exceeding €14,000 only for entities other than individuals). According to a literal interpretation of the amended Article 13, the Statement Duty seems to be applicable to the value of the Notes included in any statement sent to the clients, as the Notes are to be characterised for tax purposes as "financial instruments".

7. **Wealth Tax on securities deposited abroad**

Pursuant to Article 19(18-23) of Law Decree No. 201 of 6 December 2011, converted with Law No. 214 of 22 December 2011, as subsequently amended and supplemented, Italian resident individuals, non-commercial entities and certain partnerships including *società semplici* or similar partnerships pursuant to Article 5 of TUIR holding the Notes outside the Italian territory are required to pay a wealth tax at a rate of

0.20% (starting from January 1, 2024, the wealth tax applies at a rate of 0.40% if the Notes are held in a country listed in the Italian Ministerial Decree dated 4 May 1999, pursuant to the provisions of Law No. 213/2023), which is calculated in proportion to the period of ownership. The wealth tax cannot exceed Euro 14,000 per year for taxpayers other than individuals.

This tax is calculated on the market value of the securities at the end of the relevant year or – if no market value figure is available – the nominal value or the redemption value or – if the nominal or redemption values cannot be determined – on the purchase price of such financial assets held outside the Italian territory. If the financial products are no longer held on December 31 of the relevant year, reference is made to the value at the end of the holding period. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid, if any, in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

If the financial assets are held outside of Italy and are thus subject to the wealth tax, the above mentioned stamp duty provided for by Article 13(2-*ter*) of the Stamp Duty Law does not apply.

8. **Tax monitoring obligations**

Pursuant to Law Decree No. 167 of 28 June 1990, converted by Law No. 227 of 4 August 1990, as amended from time to time, Italian resident individuals, non-commercial entities and certain partnerships (*società semplici* or similar partnerships in accordance with Article 5 of Decree No. 917) resident in Italy who hold investments abroad or have financial activities abroad or are the beneficial owners, under the Italian money-laundering law, provided by Italian Legislative Decree No. 231 of 21 November 2007, of investments abroad or foreign financial assets must, in certain circumstances, disclose the aforesaid to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return).

The above reporting requirement is not required to be complied with in respect of: (i) Notes deposited for management with qualified Italian financial intermediaries; (ii) contracts entered into through Italian financial intermediaries intervention, upon condition that the items of income derived from the Notes have been subject to tax by the same intermediaries; or (iii) if the foreign investments are only composed by deposits and/or bank accounts and their aggregate value does not exceed a €15,000 threshold throughout the year.

The Proposed Financial Transaction Tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "C**ommission's proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's proposal, FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

U.S. Foreign Account Tax Compliance Act

Pursuant to sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986, as amended, which sections are commonly referred to as the U.S. Foreign Account Tax Compliance Act ("**FATCA**"), certain issuers of

debt instruments and financial intermediaries may be required to withhold U.S. tax on payments on such debt instruments. However, FATCA withholding on the Notes currently does not apply pursuant to an intergovernmental agreement between the United States and the Republic of Italy. Furthermore, in accordance with a grandfathering rule, even if the payments on the Notes are otherwise potentially subject to FATCA withholding, the Notes, so long as they are characterized as indebtedness for U.S. federal income tax purposes, should only become subject to FATCA withholding if the Notes are materially modified after the date that is six months after the date final Treasury regulations defining the term "*foreign passthru payment*" are published. No such final Treasury regulations have been published yet. In the event any withholding under FATCA is required with respect to any payments on the Notes, there will be no additional amounts payable to compensate for the withheld amount. The scope of these rules remains unclear and potentially subject to material changes. Holders should consult their own tax advisors on how these rules may apply to their investment in the Notes.

SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of the Dealers. The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in a Dealer Agreement dated on or about the date hereof (the "**Dealer Agreement**") and made between the Issuer and the original Dealer. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes. Each new Dealer so appointed will be required to represent, warrant, undertake and agree to the following selling restrictions as part of its appointment.

The relevant Dealers will be entitled in certain circumstances to be released and discharged from their obligations in respect of a proposed issue of Notes under or pursuant to the Dealer Agreement prior to the closing of the issue of such Notes, including in the event that certain conditions precedent are not delivered or met to their satisfaction on or before the issue date of such Notes. In this situation, the issuance of such Notes may not be completed. Investors will have no rights against the Issuer or the relevant Dealers in respect of any expense incurred or loss suffered in these circumstances.

United States of America: *Regulation S Category 2; TEFRA D or TEFRA C as specified in the relevant Final Terms or neither if TEFRA is specified as not applicable in the relevant Final Terms or Drawdown Prospectus.*

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

NEITHER THE PROGRAMME NOR THE NOTES HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF ANY OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche within the United States or to, or for the account or benefit of, U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

If the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", each Dealer has represented, warranted, undertaken and agreed 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. 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, "**EU MiFID II**"); or

(ii) a customer within the meaning Directive (EU) 2016/97 ("**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II.

Public Offer Selling Restriction Under the Prospectus Regulation

If the Final Terms in respect of any Notes does not include a legend entitled "Prohibition of Sales to EEA Retail Investors", in relation to each Member State of the European Economic Area, each Dealer has represented, warranted, undertaken and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant, undertake and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this 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 Member State except that it may make an offer of such Notes in that Member 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 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 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 and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129, as amended.

Prohibition of sales to UK Retail Investors

Unless the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes incudes the legend "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented, warranted, undertaken and agreed 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 in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to any retail investor in the United Kingdom. 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 (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA.

If the Final Terms in respect of any Notes does not include the legend "Prohibition of Sales to UK Retail Investors", each Dealer has represented, warranted, undertaken and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant, undertake and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this 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 the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

(A) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to section 86 of the FSMA (a **Public Offer**), following the date of publication of a prospectus in relation to such Notes which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, *provided that* any such prospectus has subsequently been completed by final terms contemplating such Public Offer, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Public Offer;

(B) at any time to any legal entity which is a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA;

(C) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(D) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (B) to (D) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA.

For the purposes of this provision, the expression **an offer of Notes to the public** in relation to any Notes 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 and the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA.

Selling restrictions addressing additional United Kingdom Securities Laws

Each Dealer has represented, warranted, undertaken and agreed that:

(a) ***No deposit-taking***: in relation to any Notes having a maturity of less than one year:

(i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and

(ii) it has not offered or sold and will not offer or sell any Notes other than to persons:

(A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or

(B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention by the Issuer of Section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**");

(b) ***Financial promotion***: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(c) ***General compliance***: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

The Republic of Italy

The offering of the Notes has not been registered with the CONSOB pursuant to Italian securities legislation and, accordingly, each Dealer has represented, warranted, undertaken and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant, undertake and agree, that sales of the Notes in Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Without prejudice to the paragraph entitled "*Prohibition of Sales to EEA and UK Retail Investors*" above, each Dealer has represented, warranted, undertaken and agreed that, save as set out below, no Notes may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except in circumstances falling within Article 1(4) of the Prospectus Regulation or Article 3(2) of the Prospectus Regulation and Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time.

Any such offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy must be:

(a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 and Legislative Decree No. 385 of 1 September 1993 (the "**Italian Banking Act**") (in each case as amended from time to time);

(b) in compliance with Article 129 of the Italian Banking Act, as amended, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy and the relevant implementing guidelines of the Bank of Italy, issued on 25 August 2015 (as amended on 10 August 2016 and 2 November 2020), and

(c) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or any other Italian authority.

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, accordingly, each Dealer has represented, warranted, undertaken and agreed that has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

General

Each Dealer has represented, warranted, undertaken and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all

applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall as a result of any change(s), or any change(s) in official interpretation, after the date hereof of applicable laws and regulations no longer be applicable, but without prejudice to the obligations of the Dealers described in the preceding paragraph headed "*General*" above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in a supplement to this Base Prospectus.

GENERAL INFORMATION

Listing and admission to trading

Application has been made to the CSSF to approve this Base Prospectus as a base prospectus for the purposes of the Prospectus Regulation and the relevant implementing measures in Luxembourg. Application has been made for Notes issued under the Programme to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of EU MiFID II.

However, Notes may be issued pursuant to the Programme which will not be listed on the official list of the Luxembourg Stock Exchange or admitted to trading on the Luxembourg Stock Exchange or any other stock exchange or which will be listed on or admitted to trading on such stock exchange as the Issuer and the relevant Dealer(s) may agree.

At the date hereof, the Issuer has requested the CSSF to send an Attestation Certificate and copy of this Base Prospectus to Consob in its capacity as competent authority in Italy.

Authorisations

The update of the Programme was authorised by the Board of Directors of the Issuer on 24 April 2025. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Legal Entity Identifier

The Legal Entity Identifier (LEI) of the Issuer is NNVPP80YIZGEY2314M97.

Clearing of the Notes

The Notes in Physical Form have been accepted for clearance through Euroclear and Clearstream Banking. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream Banking SA is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

The Dematerialised Notes have been accepted for clearance by Monte Titoli. The Dematerialised Notes will be in bearer form and held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli S.p.A. (with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy), for the account of the relevant Monte Titoli Account Holders (including Euroclear and Clearstream Banking). The relevant Final Terms (or Drawdown Prospectus, as the case may be) shall specify any other clearing system as shall have accepted the relevant Dematerialised Notes for clearance together with any further appropriate information.

The appropriate common code and the International Securities Identification Number (ISIN) in relation to the Notes of each Tranche will be specified in the relevant Final Terms. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

Litigation

The Issuer, and the Issuer's subsidiaries have not been involved in any governmental, legal, arbitration or administrative proceedings in the 12 months preceding the date of this document, relating to claims or amounts which may have, or have had in the recent past, a significant effect on the Issuer's financial position or profitability and, so far as the Issuer is aware, no such litigation, arbitration or administrative proceedings are pending or threatened.

No material adverse change

Since 31 December 2024 (being the last day of the financial period in respect of which the most recent audited annual financial statements of the Issuer have been prepared), there has been no material adverse change in the financial condition or prospects of the Issuer or its subsidiaries.

No significant change

Since 30 June 2025 (being the last day of the financial period in respect of which the most recent financial information of the Issuer has been published), there has been no significant change in the financial position or financial performance of the Issuer and the Group.

Auditor

The Issuer's annual separate and consolidated financial statements as at and for the years ended 31 December 2023 and 31 December 2024 have been audited without qualification by Forvis Mazars S.p.A. with its registered office at Via Ceresio, 7, 20154 Milan, Italy, independent accountants ("**Mazars**").

Mazars is authorized and regulated by the Italian Ministry of Economy and Finance and registered on the special register of auditing firms held by the MEF.

The Issuer's limited reviewed consolidated and separate financial statements as at and for the six month period ended 30 June 2024 have been reviewed in accordance with the International Standard on Review Engagements 2410 without qualification by Mazars.

Material Contracts

The Issuer has not entered into any contracts in the last two years outside the ordinary course of business that have been or may be reasonably expected to be material to their ability to meet their obligations to Noteholders.

Rating Agencies

Each of Fitch Ratings Ireland Limited and S&P Global Ratings Europe Limited is established in the EEA or UK and registered under the CRA Regulation, and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at *http://www.esma.europa.eu/page/List-registered-and-certified-CRAs*.

Minimum denomination

Where Notes issued under the Programme are admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Regulation, such Notes will not have a denomination of less than €100,000 (or, where the Notes are issued in a currency other than euro, the equivalent amount in such other currency) and, in the case of Senior Non-Preferred Notes, €150,000 (or the equivalent amount where the Notes are denominated in a currency other than euro) and, in the case of Subordinated Notes, €200,000 (or the equivalent amount where the Notes are denominated in a currency other than euro), or such other minimum denomination provided by applicable law from time to time.

Documents on display

For so long as the Programme remains in effect or any Notes are outstanding, electronic copies of the following documents may be inspected (and, in the case of (d) and (e) below, are available for collection) during normal business hours at the specified office of the Fiscal Agent, namely:

(a) the Agency Agreement for the English Law Notes in Physical Form;

(b) the Agency Agreement for the Italian Law Notes in Physical Form;

(c) the Deed of Covenant;

(d) the Programme Manual (being a manual signed for the purposes of identification by the Issuer and the Fiscal Agent, containing suggested forms and operating procedures for the Programme, including the forms of the Notes in global and definitive form);

(e) any Final Terms relating to Notes which are listed on any stock exchange (save that Final Terms relating to Notes which are neither admitted to trading on a regulated market in the European Economic Area or offered in the European Economic Area in circumstances where a base

prospectus is required to be published under the Prospectus Regulation will only be available for inspection by the relevant Noteholders and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Notes and identity);

(f) this Base Prospectus and any supplement to this Base Prospectus and any other document incorporated by reference herein on therein;

Publication on the Internet

The By-laws (*Statuto*) of the Issuer are available on the Issuer's website at:

https://www.gruppobcciccrea.it/Lists/DocumentiSocietari/Attachments/2/Statuto%20IB_EN_ASS_16_05_2024_PER%20PUBBLICAZIONE.pdf

This Base Prospectus and the documents listed in paragraphs (d)-(e) above are available on the Issuer's website at:

https://www.iccreabanca.it/it-IT/Pagine/obbligazioni2.aspx

Any Second-party Opinion relating to Notes issued, if any, as "Green Bonds", "Social Bonds" or "Sustainability Bonds" will be made available at:

https://www.gruppobcciccrea.it/en/Pages/InvestorRelations/GSS-Bond-Framework.aspx

The Issuer's single framework for the issuance of Green, Social and/or Sustainable bonds entitled the "Green, Social and Sustainability Bond Framework" ("GSS") is available at:

https://www.gruppobcciccrea.it/en/Pages/InvestorRelations/GSS-Bond-Framework.aspx

For the avoidance of doubt, neither the Issuer's Green, Social and Sustainability Bond Framework nor any Second-party Opinion are incorporated by reference into or form part of this Base Prospectus.

Unless specifically incorporated by reference into this Base Prospectus, information contained on the Issuer's website does not form part of this Base Prospectus.

In addition, this Base Prospectus, each Final Terms relating to Notes 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 (*http://www.luxse.com/*). Where Notes are listing on the MOT, this Base Prospectus, each Final Terms relating to Notes which are admitted to trading on the MOT and each document incorporated by reference are available on the website of the Issuer.

Issue Price and Yield

Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and the issue price of the relevant Notes or the method of determining the price and the process for its disclosure will be set out in the applicable Final Terms. In the case of different Tranches of a Series of Notes, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

The yield of each Tranche of Notes set out in the applicable Final Terms will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.

Passporting

At the date hereof, the Issuer has requested the CSSF to send an Attestation Certificate and copy of this Base Prospectus to Consob in its capacity as competent authority in Italy.

Post-issuance information

The Issuer does not intend to provide any post-issuance information, except if required by any applicable laws and regulations.

Interests of natural and legal persons involved in the issue/offer

Certain of the Dealers and their affiliates (including parent companies) have engaged, and may in the future engage, in financing, investment banking and/or commercial banking transactions and may perform

services for the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. The relevant Final Terms will specify any other interests of natural and legal persons involved in each issue/offer of Notes under the Programme. For the purposes of this paragraph the term "affiliates" also includes the parent company.

Validity of base prospectus and base prospectus supplements

For the avoidance of doubt, the Issuer shall have no obligation to supplement this base prospectus after the end of its 12-month validity period.

REGISTERED OFFICE OF THE ISSUER AND PAYING AGENT IN RESPECT OF DEMATERIALISED NOTES

ICCREA Banca S.p.A
Via Lucrezia Romana 41/47
00178 Rome
Italy

SOLE ARRANGER AND DEALER

Mediobanca – Banca di Credito Finanziario S.p.A.
Piazzetta E.Cuccia, 1
20121 Milan
Italy

PRINCIPAL PAYING AGENT, FISCAL AGENT (IN RESPECT OF NOTES IN PHYSICAL FORM) AND LISTING AGENT

BNP PARIBAS, Luxembourg Branch
60, avenue J.F. Kennedy
L-1855 Luxembourg
Grand-Duchy of Luxembourg

LEGAL ADVISERS

To the Arranger and Sole Dealer
as to English and Italian law

Clifford Chance Società tra Avvocati S.r.l.
Via Broletto, 16
20121 Milan
Italy

To the Issuer
as to English and Italian law

Hogan Lovells Studio Legale

Via Santa Maria alla Porta, 2
Milan, 20123
Italy

Via Marche, 1-3
Rome, 00161
Italy

AUDITOR TO THE ISSUER IN RELATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024 AND 31 DECEMBER 2023

Forvis Mazars S.p.A.
Via Ceresio, 7
20154 Milan
Italy