PRYSMIAN S.p.A.

(*incorporated as joint stock company in the Republic of Italy*)

€1,000,000,000 Perpetual Subordinated Non-Call 5.25 Fixed Rate Reset Securities

Issue price: 99.466 per cent.

The €1,000,000,000 Perpetual Subordinated Non-Call 5.25 Fixed Rate Reset Securities (the **Securities**) will be issued by Prysmian S.p.A. (the **Issuer**) on 21 May 2025 (the **Issue Date**).

The Securities will bear interest on their principal amount (a) from (and including) the Issue Date to (but excluding) 21 August 2030 (the **First Reset Date**), at the rate of 5.250 per cent. per annum, payable annually in arrear on each Interest Payment Date, commencing on 21 August 2025, (b) from (and including) the First Reset Date to (but excluding) the date of any redemption or repurchase pursuant to Condition 7 (*Redemption and Purchase*) of the Terms and Conditions of the Securities, at, in respect of each Reset Period, the relevant EUR 5-year Swap Rate plus: (A) in respect of the Reset Period commencing on the First Reset Date and ending on but excluding the Reset Date falling on 21 August 2035 (the **First Reset Period**), 3.012 per cent. per annum, (B) in respect of the Reset Periods commencing on or after 21 August 2035 and ending on but excluding the Reset Date falling on 21 August 2050 (the **Second Reset Period**), 3.262 per cent. per annum and (C) in respect of the Reset Periods commencing on or after 21 August 2050 and any Reset Period following thereafter (the **Third Reset Period**), 4.012 per cent. per annum. Interest on the Securities will be payable annually in arrear on 21 August in each year (each an **Interest Payment Date**) commencing on 21 August 2025.

Payments of interest on the Securities may be deferred at the option of the Issuer in certain circumstances, as set out in Condition 4 of Terms and Conditions of the Securities.

The Securities will be issued in bearer form, with interest coupons appertaining to the Securities (the **Coupons**) and one talon for further interest coupons (the **Talon**) attached on issue, each pursuant to a fiscal agency agreement dated 21 May 2025 between the Issuer and Deutsche Bank AG, London Branch as fiscal agent (the **Fiscal Agent**) and the other agents named in the agency agreement (the **Agency Agreement**). The Securities will be issued in denominations of €100,000 and integral multiples of €1,000 in excess thereof, up to and including €199,000.

The Securities will be perpetual securities and have no fixed date for redemption. Unless previously redeemed or purchased and cancelled by the Issuer as provided below, the Securities will become due and payable at an amount equal to their principal amount, together with any outstanding interest accrued up to (but excluding) the Liquidation Event Date (as defined below) and any outstanding Arrears of Interest on the date on which a winding up, dissolution or liquidation of the Issuer (other than for the purpose of a Permitted Reorganisation) is instituted (the **Liquidation Event Date**), including in connection with any Insolvency Proceedings (each such term as defined in the Terms and Conditions of the Securities), in accordance with (i) any applicable legal provision, or any decision of any judicial or administrative authority, or (ii) any resolution passed at a shareholders' meeting of the Issuer or (iii) any provision which is set out in the by-laws of the Issuer from time to time (including the maturity of the Issuer which, as of 19 May 2025, is set in its by-laws at 31 December 2100).

The Issuer may redeem all of the Securities (but not some only) on any Call Date at their principal amount together with any interest accrued up to (but excluding) the applicable Call Date and any outstanding Arrears of Interest. See "*Terms and Conditions of the Securities – Redemption and Purchase – Optional Redemption*".

The Issuer may also redeem all of the Securities (but not some only) at the applicable Early Redemption Price at any time upon the occurrence of a Change of Control Step-Up Event, a Withholding Tax Event, a Tax Deductibility Event, a Rating Methodology Event or an Accounting Event (each as defined in the Terms and Conditions of the Securities). See "*Terms and Conditions of the Securities – Redemption and Purchase – Early Redemption following a Change of Control Step-Up Event*", "*Terms and Conditions of the Securities – Redemption and Purchase – Early Redemption following a Withholding Tax Event*", "*Terms and Conditions of the Securities – Redemption and Purchase – Early Redemption following a Tax Deductibility Event*", "*Terms and Conditions of the Securities – Redemption and Purchase – Early Redemption following a Rating Methodology Event*" and "*Terms and Conditions of the Securities – Redemption and Purchase – Early Redemption following an Accounting Event*". The Issuer may also redeem all of the Securities (but not some only) at the applicable Early Redemption Price in the event of an Acquisition Event at any time during the Acquisition Event Call Period (each as defined in the Terms and Conditions of the Securities). See "*Terms and Conditions of the Securities – Redemption and Purchase – Acquisition Event Redemption*".

The Issuer may redeem all of the Securities (but not some only) on any day prior to 21 May 2030 (the **First Call Date**) at the Make-whole Redemption Amount (as defined in the Terms and Conditions of the Securities). See "*Terms and Conditions of the Securities – Redemption and Purchase – Make-whole Redemption at the Option of the Issuer*".

In the event that at least 75 per cent. of the aggregate principal amount of the Securities issued on the Issue Date has been purchased by or on behalf of the Issuer or any of its Subsidiaries (as defined in the Terms and Conditions of the Securities) and cancelled, the Issuer may redeem all, but not some only, of the outstanding Securities at the applicable Early Redemption Price. See "*Terms and Conditions of the Securities – Redemption and Purchase – Purchases and Substantial Repurchase Event*".

The Securities and the Coupons, including the obligations of the Issuer in respect of any Arrears of Interest, constitute direct, unsecured and subordinated obligations of the Issuer and rank and will at all times rank *pari passu* without any preference among themselves and with the Issuer's payment obligations in respect of any Parity Securities and senior only to the Issuer's payment obligations in respect of any Junior Securities (each as defined in the Terms and Conditions of the Securities). The Securities constitute *obbligazioni* pursuant to Article 2410 *et seq.* of the Italian Civil Code. The Securities will not be guaranteed.

This Prospectus has been approved as a prospectus by the *Commission de Surveillance du Secteur Financier* (the **CSSF**), as competent authority under Regulation (EU) 2017/1129 (as amended) (the **Prospectus Regulation**). The CSSF only approves this 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 Securities. Investors should make their own assessment as to the suitability of investing in the Securities.

The CSSF assumes no responsibility for the economic and financial soundness of the transaction contemplated by this Prospectus or the quality or solvency of the Issuer. Application has been made to the Luxembourg Stock Exchange for the Securities to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange.

References in this Prospectus to Securities being **listed** (and all related references) shall mean that the Securities have been admitted to trading on the Luxembourg Stock Exchange's regulated market and have been admitted to the Official List 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 (**MiFID II**).

This Prospectus will be valid for 12 months from its date until 19 May 2026. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy will not apply when this Prospectus is no longer valid. For this purpose, "valid" means valid for making offers to the public

or admissions to trading on a regulated market by or with the consent of the Issuer and the obligation to supplement this Prospectus is only required within its period of validity between the time when this Prospectus is approved and the closing of the offer period for the Securities or the time when trading on a regulated market begins, whichever occurs later.

The Issuer has been rated BBB- by S&P Global Ratings Europe Limited (**S&P**) and the Securities are expected to be rated "BB" by S&P. S&P is established in the European Economic Area (**EEA**) and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). As such S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation. S&P is not established in the United Kingdom and has not applied for registration under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **UK CRA Regulation**). Accordingly the Issuer and Securities' ratings issued by S&P have been endorsed by S&P Global Ratings UK Limited in accordance with the UK CRA Regulation and have not been withdrawn. S&P Global Ratings UK Limited is established in the United Kingdom 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. A suspension, reduction or withdrawal of the rating assigned to the Securities may adversely affect the market price of the Securities.

The determination of the Prevailing Interest Rate in respect of the Securities is dependent upon the EUR 5-year Swap Rate appearing on the Thomson Reuters Screen Page "ICESWAP2/EURSFIXA" provided by ICE Benchmark Administration Limited and the 6-month EURIBOR rate administered by the European Money Markets Institute. As at the date of this Prospectus, the European Money Markets Institute is included in 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, as amended (the **Benchmarks Regulation**). ICE Benchmark Administration Limited does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation. However, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that ICE Benchmark Administration Limited is not currently required to obtain recognition, endorsement or equivalence.

The Securities will initially be represented by a temporary global security (the **Temporary Global Security**), without Coupons, which will be deposited on or about the Issue Date with a common depositary for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, S.A. (**Clearstream, Luxembourg**). Interests in the Temporary Global Security will be exchangeable for interests in a permanent global security (the **Permanent Global Security** and, together with the Temporary Global Security, the **Global Securities**), without Coupons, on or after 30 June 2025 (the **Exchange Date**), upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Security will be exchangeable for definitive Securities only in certain limited circumstances – see "*Overview of Provisions relating to the Securities in Global Form*".

The Securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or any U.S. State securities laws and are subject to U.S. tax law requirements. The Securities may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons as defined in Regulation S under the Securities Act unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. For a further description of certain restrictions on the offering and sale of the Securities and on distribution of this document, see "*Subscription and Sale*" below.

An investment in the Securities involves certain risks. Prospective investors should have regard to the factors described under the heading "*Risk Factors*" on page 11.

Sole Structuring Agent and Joint Lead Manager

Crédit Agricole CIB

Joint Lead Managers

BofA Securities **J.P. Morgan**

Crédit Agricole CIB **Mediobanca**

UniCredit

The date of this Prospectus is 19 May 2025

IMPORTANT INFORMATION

This Prospectus comprises a prospectus for the purposes of Article 6(3) of the Prospectus Regulation. When used in this Prospectus, Prospectus Regulation means Regulation (EU) 2017/1129, as amended.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

In respect of information in this Prospectus that has been extracted from a third party, 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 third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Although the Issuer believes that the external sources used are reliable, the Issuer has not independently verified the information provided by such sources.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*"). This Prospectus shall be read and construed on the basis that such documents are incorporated by reference and form part of this Prospectus.

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*"), the information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the CSSF.

None of the Joint Lead Managers (as defined in "*Subscription and Sale*") or Crédit Agricole Corporate and Investment Bank as sole structuring agent to the Issuer and joint lead manager (the **Sole Structuring Agent and Joint Lead Manager**) nor any of their respective affiliates (including parent companies) have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Joint Lead Managers and the Sole Structuring Agent and Joint Lead Manager or any of their respective affiliates (including parent companies) as to the accuracy or completeness of the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer in connection with the issue and offering of the Securities. None of the Joint Lead Managers, the Sole Structuring Agent and Joint Lead Manager nor any of their respective affiliates (including parent companies) accepts any liability in relation to the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer in connection with the issue and offering of the Securities.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the issue and offering of the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Joint Lead Managers and/or the Sole Structuring Agent and Joint Lead Manager.

Neither this Prospectus nor any other information supplied in connection with the issue and offering of the Securities (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or any Joint Lead Manager or the Sole Structuring Agent and Joint Lead Manager that any recipient of this Prospectus or any other information supplied in connection with the issue and offering of the Securities should purchase any Securities. Each investor contemplating purchasing any Securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the issue and offering of the Securities constitutes an offer or invitation by or on behalf of the Issuer or any Joint Lead Manager or the Sole Structuring Agent and Joint Lead Manager to any person to subscribe for or to purchase any Securities.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Securities shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the issue and offering

of the Securities is correct as of any time subsequent to the date indicated in the document containing the same. The Joint Lead Managers and/or the Sole Structuring Agent and Joint Lead Manager expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Securities or to advise any investor in the Securities of any information coming to their attention.

This Prospectus does not constitute an offer to sell or the solicitation of an offer, or an invitation, to buy any Securities in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Securities may be restricted by law in certain jurisdictions. The Issuer, the Joint Lead Managers and the Sole Structuring Agent and Joint Lead Manager do not represent that this Prospectus may be lawfully distributed, or that any Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular no action has been taken by the Issuer, the Joint Lead Managers or the Sole Structuring Agent and Joint Lead Manager which is intended to permit a public offering of any Securities or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Securities may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Securities may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Securities. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Securities in the United States, the EEA (including, for these purposes, without limitation, the Republic of Italy and Belgium), the United Kingdom, Japan, Singapore and Switzerland and such other restrictions as may be required in connection with the offering and sale of the Securities. See "*Subscription and Sale*".

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Securities 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 (the **EEA**). For these purposes, a retail investor means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UNITED KINGDOM RETAIL INVESTORS

The Securities 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 both) 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**); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the **FSMA**) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, 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 (**UK MiFIR**). 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 Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Securities has led to the conclusion that: (i) the target market for the Securities is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Securities (a **distributor**) should take into consideration the EU manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (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 manufacturer's product approval process, the target market assessment in respect of the Securities has led to the conclusion that: (i) the target market for the Securities is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in UK MiFIR; and (ii) all channels for distribution of the Securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Securities (a **distributor**) should take into consideration the manufacturer'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 Securities (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

SUITABILITY OF INVESTMENT

The Securities may not be a suitable investment for all investors. Each potential investor in the Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

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

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

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

(iv) understands thoroughly the terms of the Securities and is familiar with the behaviour of any relevant indices and financial markets; and

(v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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 and tax advisers to determine whether and to what extent (1) Securities are legal investments for it, (2) Securities can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Securities. Financial institutions should consult their legal and tax advisors or the appropriate regulators to determine the appropriate treatment of Securities under any applicable risk-based capital or similar rules.

PRESENTATION OF FINANCIAL AND CERTAIN OTHER INFORMATION

Historical Financial Information

Unless otherwise indicated, the historical financial information included in this Prospectus and the English translations of which are incorporated by reference herein (see "*Documents Incorporated by Reference*") relating to the Issuer has been derived from: (i) the consolidated financial statements of the Issuer as of and for the year ended 31 December 2024 prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (**IAS**) and adopted by the European Union (**IFRS**); (ii) the consolidated financial statements of the Issuer as of and for the year ended 31 December 2023 prepared in accordance with IFRS; (iii) the consolidated financial statements of the Issuer as of and for the year ended 31 December 2022 prepared in accordance with IFRS (cumulatively (i), (ii) and (iii), the **Audited Consolidated Financial Statements**); (iv) the interim condensed consolidated financial statements of the Issuer as of and for the six months ended 30 June 2024 prepared in accordance with IFRS applicable to interim reporting (IAS 34) (the **Unaudited Half-Year Condensed Consolidated Financial Statements**); (v) the interim condensed consolidated financial statements of the Issuer as of and for the nine months ended 30 September 2024 prepared in accordance with IFRS applicable to interim reporting (IAS 34) (the **Unaudited Interim Condensed Consolidated Financial Statements**, and jointly with the Audited Consolidated Financial Statements and the Unaudited Half-Year Condensed Consolidated Financial Statements, the **Financial Statements**).

EY S.p.A. issued the audit reports on the Audited Consolidated Financial Statements on 10 March 2025, on 15 March 2024 and on 17 March 2023 respectively, the review report on the Unaudited Half-Year Condensed Consolidated Financial Statements on 1 August 2024, and the review report on the Unaudited Interim Condensed Consolidated Financial Statements on 6 November 2024.

Unaudited Pro Forma Financial Information

This Prospectus also incorporates by reference the pro forma consolidated financial information of the Issuer as at 31 December 2023 included in the Issuer's information document regarding the acquisition of 100% of the share capital of Encore Wire Corporation dated 12 July 2024 (the **Unaudited Pro Forma Financial Information**).

In accordance with ESMA Guidelines on Disclosure Requirements under the Prospectus Regulation (ESMA 32-382-1138), the effects of the Encore Wire acquisition have been shown retroactively, as if it had occurred, in the case of the effects on the statement of financial position, at 31 December 2023, and in the case of the effects on the income statement, as of 1 January 2023. However, if such transaction had actually been executed on such date, the results that are presented herein would not necessarily have been obtained.

Finally, the rules and regulations related to the preparation of Unaudited Pro Forma Financial Information in other jurisdictions may vary significantly from the requirements applicable in Italy. The Unaudited Pro Forma Financial Information is for information purposes only and is intended to show investors the effects of the acquisition of Encore Wire Corporation on the results and financial situation of the Group as though it had been executed on the date that the pro forma statements refer to. The Unaudited Pro Forma Financial Information does not intend to represent what the actual results of transactions would have been if the events for which the pro forma adjustments were made had occurred on the dates assumed, nor does it intend to project the Group's results of operations for any future period or the Group's financial condition at any future date.

Non-IFRS financial measures

In this Prospectus and in the documents incorporated by reference herein, the Issuer and its subsidiaries (the **Group**) presents certain financial measures and ratios that are not recognized by IFRS or any other generally accepted accounting principles. These measures as referred to as "non-IFRS" or "alternative performance measures" (**non-IFRS** or **Alternative Performance Measures**) as they exclude amounts that are included in, or include amounts that are excluded from, the most directly comparable measure calculated and presented in

accordance with IFRS, or are calculated using financial measures that may not be calculated in accordance with IFRS.

The Group believes that these non-IFRS measures are important supplementary measures of its underlying performance and liquidity (as a whole and at a business unit level) and that they are widely used by investors comparing performance between companies. It also believes that these and similar measures are used widely by the investment community, securities analysts and other interested parties, as supplemental measures of performance and liquidity and are intended to assist investors in their analysis of the Group's results of operations, profitability and ability to service its debt.

The non-IFRS measures presented in this Prospectus may be used by different companies for different purposes and are often calculated in ways that reflect the circumstances of those companies. Investors should exercise caution in comparing such measures to similar measures used by other companies. The information presented by each non-IFRS measure is unaudited and has not been prepared in accordance with IFRS or any other accounting standards. In addition, the presentation of these measures is not intended to and does not comply with the reporting requirements of the SEC; compliance with its requirements may require the Group to make changes to the presentation of this information.

Further, these non-IFRS measures are not measurements of performance under IFRS and investors should not consider them an alternative to pre-tax income or operating income determined in accordance with IFRS, or, as the case may be, to cash flows from/(used in) operating activities, cash requirements used in investing activities or cash flow from/(used in) financing activities. In particular, investors should not consider adjusted operating income and EBITDA as an alternative to: (i) operating income or income for the period (as determined in accordance with IFRS) as a measure of operating performance; (ii) cash flows provided by operating, investing and financing activities as a measure of the ability to meet cash needs; or (iii) any other measures of performance under generally accepted accounting principles. Adjusted operating income and EBITDA and other non-IFRS measures have limitations as an analytical tool, and investors should not consider them in isolation, or as a substitute for an analysis of the Group's results as reported under IFRS. Additionally, these non-IFRS measures should not be considered as an alternative to operating income or operating margin as a measure of operating performance. Further, these non-IFRS measures should not be considered in isolation or construed as a substitute for measures in accordance with IFRS.

Presentation of Non-IFRS Measures of the Group

In this Prospectus and in the documents incorporated by reference herein, the following Alternative Performance Measures are presented for the Group:

- **EBITDA** is defined as earnings/(loss) for the year, before the fair value change in metal derivatives and in other fair value items, amortisation, depreciation and impairment, finance costs and income, dividends from other companies and taxes.

- **Adjusted EBITDA** is defined as EBITDA before income and expense for company reorganisation, non-recurring items and other non-operating income and expense.

- **Adjusted operating income** is defined as operating income before income and expense for company reorganisation, non-recurring items and other non-operating income and expense, and before the fair value change in metal derivatives and in other fair value items.

- **Net fixed assets** is defined as sum of the following items contained in the statement of financial position: – Intangible assets – Property, plant and equipment – Equity-accounted investments – Other investments at fair value through other comprehensive income – Assets held for sale involving Land and Buildings (excluding financial assets and liabilities held for sale)

- **Net working capital** is defined as sum of the following items contained in the statement of financial position: – Inventories – Trade receivables – Trade payables – Other non-current receivables and payables, net of long-term financial receivables classified in net financial debt – Other current receivables and payables, net of short-term financial receivables classified in net financial debt –

Derivatives, net of interest rate and forex risk hedges of financial transactions classified in net financial debt – Current tax payables – Current assets and current liabilities held for sale.

- **Net operating working capital** is defined as Net working capital net of derivatives not classified in net financial debt.

- **Provisions and net deferred taxes** are defined as sum of the following items contained in the statement of financial position: – Provisions for risks and charges – current portion – Provisions for risks and charges – non-current portion – Provisions for deferred tax liabilities – Deferred tax assets

- **Net invested capital** is defined as sum of Net fixed assets, Net working capital and Provision.

- **Net capital expenditure** reflects cash inflow from disposals of Assets held for sale and outflow for additions to Property, plant and equipment and Intangible assets not acquired under specific financing arrangements, meaning that additions of leased assets are excluded.

- **Net financial debt** is defined as sum of the following items: – Borrowings from banks and other lenders – non-current portion – Borrowings from banks and other lenders – current portion – Derivatives on financial transactions recorded as Non-current derivatives and classified under Long-term financial receivables – Derivatives on financial transactions recorded as Current derivatives and classified under Short-term financial receivables – Derivatives on financial transactions recorded as Non-current derivatives and classified under Long-term financial payables – Derivatives on financial transactions recorded as Current derivatives and classified under Short-term financial payables – Medium/long-term financial receivables recorded in Other non-current receivables – Loan arrangement fees recorded in Other non-current receivables – Short-term financial receivables recorded in Other current receivables – Loan arrangement fees recorded in Other current receivables – Financial assets at amortised cost – Financial assets at fair value through profit or loss – Financial assets at fair value through other comprehensive income – Cash and cash equivalents

Certain Defined Terms and Conventions

Capitalised terms which are used but not defined in any particular section of this Prospectus will have the meaning attributed to them in the section headed "*Terms and Conditions of the Securities*" or any other section of this Prospectus.

Presentation of Other Information

In this Prospectus:

- all references to **U.S. dollars**, **U.S.$** and **$** refer to United States dollars;

- all references to **euro** and **€** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;

- certain figures and percentages 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;

- certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law;

- unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

Forward-Looking Statements

All statements other than statements of historical fact included in this Prospectus and in the documents incorporated by reference herein regarding the Issuer's business financial condition, results of operations and certain of the Issuer's plans, objectives, assumptions, expectations or beliefs with respect to these items and statements regarding other future events or prospects are forward-looking statements. These statements include, without limitation, those concerning: the Issuer's strategy and the Issuer's ability to achieve it; expectations regarding revenues, profitability and growth; plans for the launch of new services; the Issuer's possible or assumed future results of operations; research and development, capex and investment plans; adequacy of capital; and financing plans. The words "aim", "may", "will", "expect", "anticipate", "believe", "future", "continue", "help", "estimate", "plan", "intend", "should", "could", "would", "shall" or the negative or other variations thereof as well as other statements regarding matters that are not historical fact, are or may constitute forward-looking statements. In addition, this Prospectus and the documents incorporated by reference herein includes forward-looking statements relating to the Issuer's potential exposure to various types of market risks, such as foreign exchange rate risk, interest rate risks and other risks related to financial assets and liabilities. These forward-looking statements have been based on the Issuer's management's current view with respect to future events and financial performance. These views reflect the best judgment of the Issuer's management but involve a number of risks and uncertainties which could cause actual results to differ materially from those predicted in such forward-looking statements and from past results, performance or achievements. Although the Issuer believes that the estimates reflected in the forward-looking statements are reasonable, such estimates may prove to be incorrect. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-thinking statements. Prospective investors are cautioned not to place undue reliance on these forward-looking statements. The Issuer does not undertake any obligation to republish revised forward-looking statements to reflect events or circumstances after the date hereof. Prospective purchasers are also urged carefully to review and consider the various disclosures made by the Issuer in this Prospectus which attempt to advise interested parties of the factors that affect the Issuer, the Group and their business, including the disclosures made under "*Risk Factors*" and "*Description of the Group*".

The Issuer does not intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributable to the Issuer or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements contained throughout this Prospectus. As a result of these risks, uncertainties and assumptions, investors should not place undue reliance on these forward-looking statements as a prediction of actual results or otherwise.

Stabilisation

In connection with the issue of the Securities, Crédit Agricole Corporate and Investment Bank as the stabilisation manager (the Stabilisation Manager) (or persons acting on its behalf) may over-allot Securities or effect transactions with a view to supporting the market price of the Securities 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 Securities 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 Securities and 60 days after the date of the allotment of the Securities. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager (or person(s) acting on behalf of the Stabilisation Manager) in accordance with all applicable laws and rules.

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RISK FACTORS

In purchasing the Securities, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Securities. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified in this Prospectus a number of factors which could materially adversely affect its business and ability to make payments due.

In addition, factors which are material for the purpose of assessing the market risks associated with the Securities are also described below.

Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES

Risks related to the Issuer's and Prysmian's business activities and industry

Risks associated with the competitive environment

Many of the products offered by the Prysmian Group (the **Group**, **the Prysmian Group** or **Prysmian**), primarily in the Industrial & Construction and Power Distribution businesses, are made in conformity with specific industrial standards and so are interchangeable with those offered by major competitors. Price is therefore a key factor in customer choice of supplier. The entry into mature markets (e.g. Europe) of non-traditional competitors, meaning small to medium-sized manufacturing companies with low production costs, and the need to saturate production capacity, together with the possible occurrence of a contraction in market demand, translate into strong competitive pressure on prices, with possible consequences for the Group's expected margins.

Moreover, despite the existence of certain barriers to entry (such as those related to ownership of technology and know-how), high value-added businesses like high voltage underground and submarine cables and optical cables are seeing an escalation in competition both from existing operators and from new players, not necessarily from within the industry but with leaner more flexible organisational models, and/or significant financial resources, with a potentially negative impact on both the Group's sales volumes and prices.

In addition, the acceleration of technological innovation observed in recent years, with an increasingly widespread use of renewable energy and a shift towards digitalisation, also fostered by the Covid-19 pandemic, represents another area of competition in the medium and long term.

Prysmian may be unable either to reduce its costs sufficiently to offset the reduction in demand and the increased pressure on prices, or to effectively limit the greater competition from both new entrants and existing players, which could have a material adverse effect on its economic and financial condition and/or results of operations and may affect the Issuer’s ability to fulfil its obligations under the Securities.

Risks associated with changes in macroeconomic conditions and demand

Factors such as trends in GDP and interest rates, the ease of borrowing, the cost of raw materials, and the general level of energy costs, significantly influence market demand. In such circumstances, government incentives for alternative energy sources and to develop telecommunication networks could diminish.

Shortages of equipment, materials and labour in some sectors could hamper the production of goods, causing delays in contract execution and holding back economic recovery. Economic downturns could have negative

impacts on the business, financial condition and results of operations of Prysmian and may affect the Issuer's ability to fulfil its obligations under the Securities.

To counter this risk, Prysmian pursues a policy of geographical diversification on the one hand and a strategy of cost reduction on the other.

In addition, Prysmian constantly monitors developments on the global geopolitical stage which, as a result - for example - of the introduction of specific industrial policies by individual countries, could require it to revise existing business strategies and/or adopt mechanisms to safeguard its competitive position.

Risks associated with failure to meet contractual conditions in turnkey projects

Turnkey projects involve operational and management complexities that can affect delivery times, the quality of the cables produced, the costs estimated at the contractual stage and, consequently, the agreed consideration and any costs of warranties.

Prysmian uses the percentage of completion method to account for such projects, whereby the margins recognised in its financial statements depend on a project's progress and its estimated margins at completion. Consequently, work in progress and margins on incomplete projects may not be recognised correctly if the revenues and costs of completion, including any contractual variations and cost overruns and penalties that might reduce expected margins, have not been estimated correctly. The percentage of completion method requires Prysmian to estimate the costs of project completion and involves making estimates based on factors that could change over time and therefore have a significant impact on the recognition of revenues and margins. Although Prysmian has policies and procedures designed to manage and monitor the implementation of each project, there can be no assurance that such problems will not arise. This could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Specifically, projects for high/medium voltage submarine or underground power cables are characterised by types of contract entailing "turnkey" or end-to-end project management that therefore demands compliance with deadlines and quality standards, guaranteed by penalties calculated as an agreed percentage of the contract value and that can even result in contract termination if Prysmian (or its subcontractors and/or other third parties used by Prysmian in the execution of these projects) fails to comply with specific deadlines and quality standards.

The application of such penalties, the obligation to pay damages, as well as indirect effects on the supply chain in the event of late delivery or manufacturing problems, could significantly affect project performance and hence Prysmian's margins. Possible damage to market reputation cannot be ruled out.

Any of the foregoing may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risk in relation to business interruption on key assets

The submarine cables business is heavily dependent on certain key assets, particularly the plants in Pikkala (Finland) and Arco Felice (Italy) for the production of a particular type of cable, and the cable-laying vessels owned by Prysmian, some of whose technical capabilities are hard to find on the market. Construction of a new vessel named "Monna Lisa", a sister to the "Leonardo da Vinci", was announced in 2022 and is currently in progress with the new vessel due to enter service in 2025.

The loss, if only partial, of one of these assets due to unforeseen natural events (e.g. earthquakes, storms, or other natural disasters) or other incidents (including fire, terrorist attacks, or other events) and the consequent prolonged business interruption could have a critical economic impact on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risk of instability in the Group's countries of operation

Prysmian operates and has production facilities and/or companies in Asia, Latin America, the Middle East, Africa and Eastern Europe. Prysmian's operations in these countries are exposed to different risks linked to local regulatory and legal systems, the imposition of tariffs or taxes, exchange rate volatility, and political and economic instability affecting the ability of business and financial partners to meet their obligations.

Some of Prysmian's facilities, particularly in certain locations, are at greater risk of experiencing economic and political destabilisation, international conflicts, restrictive actions by foreign governments, nationalisation or expropriation, and changes in regulatory requirements. Other difficulties could arise from having to contend with terrorist activities, natural disasters, the introduction of adverse tax laws as well as the development of potential pandemics in countries that do not have the resources to deal with such outbreaks.

Significant changes in the macroeconomic, political (for instance, the current geopolitical crises, like the one between Russia and Ukraine and that in the Middle East), fiscal or legislative environment in such countries could have an adverse impact on Prysmian's business, results of operations, assets and financial condition and may affect the Issuer's ability to fulfil its obligations under the Securities.

Prysmian faces risks associated with sources of financing

As at 31 December 2024, the Prysmian Group's total available financial resources amounted to Euro 2,285 million, comprising total financial assets for Euro 1,033 million and undrawn committed credit lines for Euro 1,252 million.

Prysmian's main sources of financing as of 31 December 2024 are the following: (i) the Encore Wire acquisition financing from a syndicate of primary banks composed by a five-year Term Loan of USD 1,070 million and two 18 months (with renewable option of six months) Bridge Loans of Euro 230 million and of USD 250 million respectively (entered into by the Issuer in June 2024), (ii) a five-year (with option to extend to six and seven years, the first one already exercised) revolving credit facility for Euro 1,000 million from a syndicate of leading banks (entered into by the Issuer in June 2023), (iii) a four-and-a-half-year loan of Euro 75 million from CDP (entered into by the Issuer in January 2021), (iv) a six-year loan of Euro 120 million from CDP (entered into by the Issuer in March 2023), (v) a seven year loan of Euro 135 million from the European Investment Bank (EIB) (entered into by the Issuer in February 2022), (vi) a five-year loan of Euro 1,200 million with a syndicate of leading banks (entered into by the Issuer in July 2022), (vii) an eight-year loan for a total amount of Euro 450 million from the EIB with a first drawdown by the Issuer in August 2024 for Euro 198 million, (viii) a five year loan of Euro 150 million from Mediobanca – Banca di Credito Finanziario S.p.A. (entered into by the Issuer in December 2024), (ix) a five year loan of Euro 150 million from UniCredit S.p.A. (entered into by the Issuer in December 2024), (x) Euro 850 million 3.625% Senior Unsecured Notes due in November 2028 and (xi) Euro 650 million 3.875% Senior Unsecured Notes due in November 2031.

The contractual documentation relating to Prysmian's financial debt contains customary terms for financing transactions, including representations and warranties, events of default and covenants restricting Prysmian's ability, among other things, to incur additional indebtedness beyond specified levels, undergo a deterioration of its economic performance, pledge assets beyond specified levels, make material disposals, and/or merge and change its business. Events beyond the control of Prysmian could affect its ability to comply with such obligations. If a default occurs and is not waived by the lending banks, this could result in the acceleration of Prysmian's outstanding indebtedness and cause the debt to become immediately due and payable. In addition, Prysmian may need to refinance part of its existing financial debt from time to time upon its expiry and is exposed to the risk that a failure to comply with the covenants and requirements included in the agreements governing its indebtedness may, among other things, result in the loss of the benefit of the full term of those financing arrangements. For further information, please refer to paragraph "*12. Borrowing from banks and other lenders*" of Explanatory Notes in the consolidated financial statements of the Issuer as at and for the financial year ended 31 December 2024.

Any of the above scenarios could have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Exchange rate volatility

Prysmian operates internationally and is therefore exposed to exchange rate risk on the currencies of the different countries in which it operates. Exchange rate risk occurs when future transactions or assets and liabilities recognised in the statement of financial position are denominated in a currency other than the functional currency of the company which undertakes the transaction.

To manage exchange rate risk arising from future trade transactions and from the recognition of foreign currency assets and liabilities, most of Prysmian's companies use forward contracts arranged by Group Treasury, which manages the various positions in each currency.

However, since Prysmian prepares its consolidated financial statements in Euro, fluctuations in the exchange rates used to translate the financial statements of subsidiaries, originally expressed in a foreign currency, could affect Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Interest rate volatility

Changes in interest rates affect the market value of Prysmian's financial assets and liabilities as well as its net finance costs.

The interest rate risk to which Prysmian is exposed is mainly on long-term financial liabilities, carrying both fixed and variable rates.

Fixed rate debt exposes Prysmian to a fair value risk. Prysmian does not operate any particular hedging policies in relation to the risk arising from such contracts since it considers this risk to be immaterial.

Variable rate debt exposes Prysmian to a rate volatility risk (cash flow risk). In order to hedge this risk, Prysmian uses Interest Rate Swaps (**IRS**), which transform the variable rate into a fixed rate, thus reducing the risk caused by interest rate volatility. IRS contracts make it possible to exchange on specified dates the difference between the fixed rates contracted and the variable rate calculated with reference to the loan's notional value.

A potential rise in interest rates, could represent a risk factor in coming periods and may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Credit risk

Credit risk is represented by Prysmian's exposure to potential losses arising from the failure of business or financial partners to discharge their obligations.

This risk is monitored centrally by the Group Finance department, while customer-related credit risk is managed operationally by the individual subsidiaries.

Prysmian does not have any excessive concentrations of credit risk but given the economic and social difficulties faced by some countries in which it operates, the exposure could undergo a deterioration that would require closer monitoring. Accordingly, Prysmian has procedures in place to ensure that its business partners are of proven reliability and that its financial partners have high credit ratings. In addition, Prysmian has a global trade credit insurance program covering almost all its operating companies; this is managed centrally by the Risk Management function, which monitors, with the assistance of Prysmian's Credit Management function, the level of exposure to risk and intervenes when tolerance limits are exceeded due to difficulty in finding coverage on the market.

However, any late payment or failure to pay, whether in part or in whole, of sums due from significant counterparties could have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Liquidity risk

Liquidity risk indicates the sufficiency of an entity's financial resources to meet its obligations to business or financial partners on the agreed due dates.

With regard to Prysmian's working capital cash requirements, these increase significantly during the first half of the year when it commences production in anticipation of order intake, with a consequent temporary increase in net financial debt.

Prudent management of liquidity risk involves the maintenance of adequate levels of cash, cash equivalents and short-term securities, the availability of sufficient committed credit lines, and timely renegotiation of loans before their maturity. Given the dynamic nature of the business in which Prysmian operates, the Group Finance department prefers flexible forms of funding in the form of committed credit lines.

At 31 December 2024, Prysmian's cash and cash equivalents and undrawn committed credit lines totalled approximately Euro 2,285 million.

If Prysmian should fail to maintain its payment obligations to counterparties due to seasonal working capital fluctuations, this could have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Commodity price volatility risk

Prysmian's operating results could be affected by changes in the prices of commodities and strategic materials (such as copper, aluminium, lead, resins and polyethylene compounds as well as fuels and energy), which are subject to market volatility.

The main commodities purchased by Prysmian are copper, aluminium and lead, accounting for more than 50% of the total raw materials used to manufacture its products.

Prysmian neutralises the impact of possible variations in the price of copper, aluminium and, although less significant, lead through hedging activities and automatic sales price adjustment mechanisms. Hedging activities are based on sales contracts or sales forecasts, which if not met, could expose Prysmian to the risk of price volatility in the underlying assets. This could have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risks relating to the outbreak and persistence of the Russia-Ukraine and Middle-East conflicts

On 24 February 2022, Russia has launched an invasion of Ukraine, marking a steep escalation in the Russia-Ukraine conflict (the **Conflict**). The Conflict is still having a severe impact on global economy and the resulting negative outcomes may continue for an unforeseeable period.

The Conflict has led to certain other countries imposing or strengthening sanctions against Russia. These measures have generated uncertainty about what the effects on world economies might be, particularly for Europe, which, by geographic proximity and trade relations, is the macro area most vulnerable to the impacts of the crisis. In response to the foregoing sanctions, Russia replied with countersanctions on so-called "unfriendly" states (which specifically include countries of the European Union). Should economic sanctions escalate further, Russia could take further legal action, which could affect European businesses (with their domicile in an "unfriendly State" from a Russian perspective).

Furthermore, the economic consequences derived from the Conflict includes, *inter alia*, (i) a significant disruption in the energy markets with a steep increase in the price of gas, oil and other related products that translated in an increase of the energy prices for corporates and families in those countries which rely the most in Russian fossil resources, including Italy; (ii) the risk of deterioration of the credit profile of a considerable number of countries (including Italy), that are extremely dependent on imports from Russian; and (iii) severe financial difficulties for many businesses.

In addition, recent tensions in the Middle East, including the Israel-Hamas conflict commenced in October 2023, the escalation to a series of direct confrontations between Israel and Iran in April 2024 and the recent escalation of hostilities between Israel and the Hezbollah militant group in September 2024, have caused volatility and instability and there is a risk that these events could potentially escalate into a wider regional conflict. Since November 2023, the Al-Houthi militia in Yemen has also launched several attacks on commercial shipping vessels in the Red Sea, which resulted in significant disruption to global trade routes. The current situation is affecting consumer price pressure and could also affect the economic growth of the Eurozone. These elements of uncertainty could lead to an alteration of normal market dynamics and, more generally, of business operating conditions.

Therefore, Prysmian may be affected as a result of the volatility in the prices of commodities originating from the countries affected by the Russia Ukraine conflict and the conflict in the Middle-East, with a possible generalised increase in inflation and specifically of energy commodities (e.g., oil, gas and coal), particularly because many of Prysmian's customers' cash flows are extremely dependent on the energy price, leading to the possibility of insolvencies and income issues for the Issuer.

The extent and duration of the conflict, sanctions and resulting market disruptions have already been significant and could potentially continue to have substantial impact on the global economy and Prysmian's business for an unknown period of time. Any of the abovementioned factors could have a material adverse effect on the business, results of operations and financial condition of the Issuer and its ability to fulfil its payment obligations under the Securities.

Liability for product quality/defects

Possible defects in the design and manufacture of Prysmian's products could give rise to civil or criminal liability towards its customers or third parties. Therefore, Prysmian, like other companies in the industry, is exposed to the risk of product liability legal actions in its countries of operation.

In line with the practice followed by many industry operators, Prysmian has taken out insurance which it considers to provide adequate protection against the risks arising from such liability. However, should such insurance coverage prove insufficient, Prysmian's results of operations and financial condition could be adversely affected and this may affect the Issuer’s ability to fulfil its obligations under the Securities.

Risks of dependence on key distributors and resellers for the non-exclusive sale of Prysmian's products

Distributors and resellers account for a significant portion of the Group's sales. These distributors and resellers are not contractually obliged to purchase the Group's products on an exclusive basis. Therefore, they may purchase competitor products or cease to purchase the Group's products at any time. The loss of one or more major distributors could have a material adverse effect on the Group's business, financial condition and/or results of operations and may affect the Issuer’s ability to fulfil its obligations under the Securities.

Key supplier dependence risks

In carrying out its operations, Prysmian uses numerous suppliers of goods and services, some of which are important suppliers of raw materials, including certain metals (copper, aluminium and lead) and some polymer compounds, especially in the high voltage and submarine cables business.

Dependence on key suppliers obviously constitutes a risk in the event of delivery problems, quality issues or price rises, especially in the current macroeconomic climate, where the pandemic, recent geopolitical crises and even localised events have clearly demonstrated the vulnerability of a complex and now globalised supply chain. In particular, for certain raw material suppliers, Prysmian is potentially exposed to the industrial risk of such suppliers (including fire, explosion, or flood). The risk is also assessed through scenario/sensitivity analyses, which look at the unavailability of a given raw material and its impact on Prysmian's business.

Any of these circumstances may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer’s ability to fulfil its obligations under the Securities.

Risks related to the sustainability of Prysmian supply chain

Prysmian's business model, with a global presence in over 50 countries and a high diversification of product applications, is based on a complex supply chain that requires a continuous interface with numerous suppliers of different sizes and cultural backgrounds. Without prior investigation and control, the management of a complex supply chain might result in Prysmian procuring goods and services from suppliers that do not comply with its guidelines and policies, with the risk of supporting suppliers that do not operate in line with international standards. In addition, Prysmian believes it has a responsibility that goes beyond its organisational boundaries and, therefore, by managing the sustainability of its supply chain (upstream or downstream activities and customers), it is also able to limit any reputational risks that may arise.

In addition to its commitment to the evaluation of counterparties, Prysmian has adopted guidelines and policies with which suppliers are required to comply (for example, the Code of Ethics and the Code of Business Conduct). There will be an immediate reaction should it emerge that third parties involved in the supply chain have implemented actions not conforming to the principles of environmental and social sustainability, which would expose Prysmian to potentially significant image and reputational risks. If the issues flagged are not promptly resolved and eliminated, Prysmian reserves the right to activate a procedure for the termination of existing business activities and temporary, or, in serious cases, definitive exclusion from Prysmian's supplier list. The assessment of risks related to the sustainability of third parties is a fundamental step in the entire supply chain management process that defines clear rules for (i) the introduction of new suppliers, (ii) the periodic evaluation of the supply chain, and (iii) the monitoring and improvement of the supply chain management strategy. In this regard, with a view to enhancing its social and environmental strategies in the supply chain area, Prysmian has defined a supply chain strategy and related actions that supplement the ESG factors throughout the value chain.

Any of these risks could have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer’s ability to fulfil its obligations under the Securities.

Risk of loss of competitiveness or leadership in the energy transition business

The new energy transition policies and resulting new market opportunities are rapidly changing an already competitive context, with the potential entry or strengthening of new players and the development of new technologies, which may reduce or interrupt Prysmian's leadership. Exposure to this risk has been analysed over the 2022-2035 time horizon, considering the four International Energy Agency emission scenarios: Stated Policy Scenario (STEPS), Announced Pledges Scenario (APS), Sustainable Developed Scenario (SDS) and Net Zero Emissions (NZE), with an impact in the form of lower revenues and/or profitability assessed as low-medium over the medium term and medium-high over the long term.

Any of these risks could have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer’s ability to fulfil its obligations under the Securities.

Prysmian has carried out an in-depth analysis of its business activities in relation to the entry of new competitors into the HV Underground, Submarine Energy and Submarine Telecom sectors. Assessment of the risk of new players also considered companies with significant financial resources, not necessarily active in the cables sector, that might see the energy transition sector as an important business opportunity.

Risks related to acquisitions and disposals

Prysmian reviews potential acquisition targets on an ongoing basis and whenever it acquires new companies, their integration may pose challenges, particularly if management information and accounting systems are substantially different from those used elsewhere in the Group. It is also possible that unforeseen problems may be encountered in one or more of the acquired entities.

In addition, Prysmian may have to incur additional debt to finance acquisitions.

Most recently, on 14 April 2024 the Issuer, Applause Merger Sub Inc, a company incorporated under the law of Delaware (USA) and whose share capital is indirectly and wholly owned by the Issuer, Prysmian Cables

and Systems USA LLC, a indirectly wholly owned subsidiary of the Issuer, and Encore Wire entered into an agreement (**Agreement and Plan of Merger**) under which, upon fulfilment of the conditions precedent on which the Agreement's closing depended, the Issuer would, at the Encore Wire Acquisition closing date, obtain indirectly, 100% of the share capital of Encore Wire, a company incorporated under US law whose shares, prior to completion of the Encore Wire Acquisition, were listed on the NASDAQ (the **Encore Wire Acquisition**).

With particular reference to the policies for managing strategic metals such as copper and aluminium and the hedging of the related price risk, and for managing exchange rate risk, trade credit risk and inventory obsolescence risk, it cannot be ruled out that any delays in implementing the processes to harmonise group policies after the Encore Wire Acquisition may in the future have an adverse effect on Prysmian's prospects, financial position, results of operations and cash flows.

It is also not possible at this stage to confirm that the integration of Encore Wire's information system into the existing system applied to companies in Prysmian will take place without impacting business operations and that any delays in this process might have a negative impact on Prysmian's prospects, financial position, results of operations and cash flows.

Under the Agreement and Plan of Merger, Encore Wire Corporation has made representations and warranties that were binding only up until the time of closing the Encore Wire Acquisition. Therefore, if any contingent liabilities should arise in relation to Encore Wire Corporation, for example in relation to tax matters, environmental matters, contracts, lawsuits or arbitration proceedings, the Issuer will have no means of seeking indemnity from the other party, with potentially material adverse effects on Prysmian's prospects, financial position, results of operations and cash flows. Furthermore, Prysmian has also undertaken, for a period of six years following completion of the merger, to indemnify and hold harmless, to the fullest extent permitted by applicable law, all current and former directors and officers of Encore Wire Corporation, as well as any person who, at the request of Encore Wire Corporation, acted as a director, officer, employee, trustee or fiduciary of other companies, entities or joint ventures, with respect to all costs, expenses, legal rulings, penalties, losses, claims, damages or liability incurred by such persons in relation to any claims, legal actions, proceedings or investigations (whether civil, criminal or administrative) arising out of activities performed for Encore Wire Corporation prior to the merger's effective date (including those related to the Encore Wire Acquisition and other activities contemplated by the Agreement and Plan of Merger).

On 25 March 2025, Prysmian announced that it has agreed to acquire Channell Commercial Corporation, a leading connectivity solutions provider in the United States (the **Channell Acquisition**). For information on the Channell Acquisition please see "*Description of the Group—Recent Developments—Acquisition of Channell*", and see the section "*Documents Incorporated by Reference*" for the incorporation by reference of the press release of Prysmian dated 25 March 2025 in respect of the Channell Acquisition.

The Channell Acquisition is subject to customary closing conditions, including regulatory clearances, and is expected to close in the second quarter of 2025. There can be no assurance that the Channell Acquisition will close by the envisaged timetable, or at all. If the Channell Acquisition does not close as envisaged and an Acquisition Event (as defined in the of the Terms and Conditions of the Securities), occurs at any time during the Acquisition Event Call Period (as defined in the of the Terms and Conditions of the Securities), the Issuer may redeem all of the Securities (but not some only) at the applicable Early Redemption Price, as more fully described in Condition 7.9 (*Acquisition Event Redemption*) of the Terms and Conditions of the Securities. See also "*–Factors which are material for the Purpose of Assessing the Market Risks Associated with the Securities—Risks related to the structure of the Securities—Early redemption risk*)".

More broadly, Prysmian may also dispose of some of its businesses through M&A transactions, themselves subject to uncertainty. Agreements entered into as part of disposal transactions typically provide for mutual obligations as well as representations and warranties and seller obligations to indemnify the buyer for any liabilities arising from the breach of such representations and warranties. In addition, such agreements typically contain conditions precedent that must be satisfied prior to completion, otherwise triggering the buyer's termination rights, meaning that there is no guarantee that outstanding transactions not yet completed will actually be concluded within the specified timeframe.

Any of the foregoing could have a material adverse effect on Prysmian's business, financial condition and/or results of operations and have a consequential adverse impact on the market value of the Securities and/or on the Issuer's ability to fulfil its obligations under the Securities.

Cybersecurity attacks or other technological risks

Prysmian is exposed to cybersecurity attacks or other technological risks and in a rapidly changing world where information has significant value and there is growing interoperability between networks, systems and applications, it is increasingly complex to manage and protect information assets, ensuring compliance with applicable regulations. This increased complexity – combined with the proliferation and evolution of persistent cyber threats – exposes companies to new kinds of risks, whose harmful effects could have a serious impact in terms of financial loss, brand reputation, compliance, data leakage and business interruption. Furthermore, the acceleration of technological innovation in recent years, exposes Prysmian's cultural and organizational model to the risk of being unprepared for such rapid change.

In this ever-changing scenario, it is progressively challenging to achieve a secure environment, minimizing potential adverse impacts on business operations, and guaranteeing compliance with regulatory requirements.

This complexity is particularly relevant for manufacturers that continue to focus on significant innovation in products, services, production processes and industry ecosystems in order to be competitive in a changing global marketplace, adopting new technologies to ensure customer centricity and increase value-added services as well as business efficiency.

Prysmian carried out a quantitative assessment, including scenario/sensitivity analyses, of the impact of cyber-attack risk on manufacturing operations, considering the entire life cycle of assets, the increasing use of IoT systems in operations, and the likely acceleration of these technologies due to energy transition programs. Based on the "possible" future scenarios defined by the IEA, this analysis confirms a medium impact in the mid-term, with rising operating costs and a medium to high impact in the long term.

In this context, Prysmian has developed its Information Security Strategy, the main objective of which is to establish general guidelines for effectively and efficiently managing, monitoring and protecting the Group's information assets.

The Group has adopted a comprehensive set of policies, procedures and operating instructions with the aim of managing and governing, at different levels of detail, issues and processes related to information security, in application of the Information Security Strategy and its Framework.

In 2023, the Group's second Cyber Security program was completed, the three-year strategic roadmap was successfully implemented and activities aimed at strengthening information security and consolidating the maturity achieved were carried out through a set of actions to reduce overall cyber and compliance risks.

Dependency on Group vendors and on outsourced products and services for the support of critical IT operations increases the Company's exposure to cyber risks and attacks. The latest and most advanced vectors of cyber-attacks are directed at suppliers, making additional requirements for constant supervision and monitoring of the security of the Group's third parties necessary.

The Group is continuously and consistently monitoring the security of its digital footprint with the support of cyber scoring agencies and this discipline is applied across the extended ecosystem.

Security incidents as well as identifiable and attributable vulnerabilities can have a negative impact on the overall assessment and must be considered and resolved in a timely manner. The Group is committed to ensuring and maintaining a score that exceeds 85/100.

The Prysmian Group, a strategic business for its national and European know-how, has continued the collaborations envisaged by its membership of associations and consortia, as well as under conventions with domestic and international institutions, in the form of information sharing about significant cyber events, including attacks on its own IT infrastructure.

Growing concerns about an increasingly fragmented and unpredictable world have also triggered a major change in the perceived effectiveness of the cyber security and privacy regulations.

Some aspects of the standards today represent genuine compliance challenges; however, local and international certification and attestation regulations and standards are increasingly seen as a suitable and appropriate approach to ensuring greater IT security and system resilience.

In addition, it is worth mentioning that Artificial intelligence (AI) technologies have significant potential to transform society and people's lives – from commerce and health to transportation and cybersecurity to the environment and our planet. AI technologies can drive inclusive economic growth and support scientific advancements that improve the conditions of our world, including our industry. AI technologies, however, also pose risks that can negatively impact individuals, groups, organizations, communities, society, the environment, and the planet. Like risks for other types of technology, AI risks can emerge in a variety of ways and can be characterized as long- or short-term, high or low-probability, systemic or localized, and high- or low-impact.

In this context, the Prysmian is developing its AI strategy, the main objective of which is to establish general guidelines for effectively and efficiently exploiting and managing this new technology, minimizing potential negative impacts.

Any of the above could have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risks associated with meeting pension plan obligations

Prysmian's companies have defined benefit pension plans in place throughout the world, into which they are required to pay specific contributions. Under these plans, Prysmian is obliged to provide a defined level of benefits to plan participants and is therefore subject to the risk that the related assets are insufficient to cover the benefits. If a fund is in deficit, its managing trustee will require Prysmian to fund the plan. In addition, Prysmian may be called upon to advance substantial contributions or provide further financial support to certain plans if their creditworthiness declines or if beneficiaries withdraw en masse from the plans and require immediate coverage of their deficits.

The costs of defined benefit pension plans are determined on the basis of a number of actuarial assumptions, including an expected long-term rate of return on assets and a discount rate. The use of these assumptions makes pension expense and cash contributions subject to volatility from year to year.

The foregoing risks may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risks related to personnel management (not having or losing key resources, talent management etc.)

Prysmian promotes the creation and development of an experienced and well-trained workforce, supporting them in their diversity, in order to create an ever more inclusive working environment. Prysmian remains exposed to the risk of not having or losing key resources in strategic operational functions, especially in a new market context characterized by the energy transition and the strong push towards digitalization, which require new skills. These persons can be identified by their managerial responsibilities and/or the specific know-how needed to implement business strategies. They are difficult to replace in the short term.

In order to guarantee business continuity in line with strategic objectives, Prysmian has established various programs designed to incentivize continuous training, professional growth and employee involvement, as well as appropriate systems of remuneration. Among these: global recruiting and development programs – Build The Future, Stem It, Sell It and Sum It; performance and talent management systems – Group Academies and Local Schools, the MyMentorship project, Internal Job Postings and Job Banding; short- and long-term variable remuneration mechanisms, linked in part to sustainability objectives; non-compete agreements and broad share ownership. In addition, each year the Group organizes a global engagement survey, inviting all

employees to respond and share their opinions anonymously. This makes it possible to initiate global and local action plans for the continuous improvement of the working environment.

Notwithstanding Prysmian's adoption of certain measures including, among others, the "Long-Term Incentive" (for more details please refer to the annual report 2023) programme and certain recruitment programmes aimed at creating a pipeline of professionals and managers for the future, an inability to attract and retain highly qualified personnel and competent managers capable of managing growth, may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risks related to the social sustainability of the organizational structure and business model

Prysmian faces daily complexities arising from the management of organizational and business activities carried out by persons with different social and cultural backgrounds. Despite constant commitment, careful supervision and periodic awareness building, with the provision of specific information and training sessions, it is never possible to exclude episodic improper conduct in violation of policies, procedures and the Code of Ethics and, therefore, of current regulations concerning human rights by those who carry out activities on behalf of Prysmian, with consequent possible penalties, significant reputational damage and business impacts.

As an international business operating in many countries and communities, Prysmian is passionately committed to respecting and safeguarding the human rights of all employees and all those affected by our activities. The objective is to ensure that the Prysmian Group is not involved in any way, either directly or indirectly, in activities that violate human rights.

With this in mind, the Group Human Rights Policy was introduced in 2017. This policy, available on the corporate website of the Group, is based on various international standards (such as the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO), the United Nations Global Compact etc.) and applied at all locations and in all Prysmian activities.

In addition, a Human Rights Due Diligence process, available on the Corporate website, has been in operation since 2018, enabling Prysmian to map the potential impacts that Group operations may have on respect for human rights.

Any of the above circumstances may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Health and safety risks

The main health and safety risks to which Prysmian personnel and contractors are exposed are linked to the work carried out by them at production locations, on vessels and at construction sites.

Prysmian has always been committed to protecting the integrity, health and welfare of workers in their workplaces and has adopted a centralized management system based on the identification and evaluation of factors deemed critical at various levels: Group, country and business unit. This approach provides a complete picture of the risks associated with individual production activities, in order to manage, monitor and minimize the health and safety risks.

In order to apply the health and safety standards defined at Group level, Prysmian uses tools and operating procedures for collecting, evaluating, aggregating and reporting data at central level, as well as the implementation and verification of corrective and preventive actions and the monitoring of significant events (injuries, near misses, non-conformities and reporting). Prysmian also trains its staff not only for the transfer of technical knowledge, but also to impart an understanding of the approach taken and the risks incurred as a result of non-compliance with H&S rules and procedures.

In 2023 the Group promoted a multi-year audit program (the **Safety Assessment Program**) conducted by a third party, with the aim of measuring the maturity of the safety culture at Prysmian's sites through a

customized protocol to assess safety performance across 4 main streams (Governance, Employee Engagement, Risk Assessment and Frequency Index). Through the Safety Assessment Program, Prysmian aims to raise awareness of key plant risks and issues at every organizational level and, through specific improvement plans, to cultivate a continuous improvement mindset by identifying strengths and weaknesses for each site while also aiming to reduce injuries.

Notwithstanding the above, any of the above circumstances may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Environmental risks

Prysmian's manufacturing activities are subject to specific environmental regulations. These include the management of raw materials, energy resources, hazardous substances, water discharges, atmospheric emissions and waste, as well as the prevention of pollution and minimization of the impact on environmental matrices (soil, sub-soil, water resources, atmosphere, biodiversity and impacts on nature). Furthermore, changes in these regulations tend to impose increasingly stringent requirements on firms, often calling for improvements in technology (best available techniques) and the relevant risk prevention systems, which generate additional costs. For these reasons, despite the Group's strong, ongoing commitment to environmental protection, its business operations might still have an impact on environmental matrices, with possible implications for the continuity of production and economic and reputational consequences and may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Prysmian could be facing a possible increase in production costs that could result from the adoption of more restrictive GHG emission laws and regulations, both in the form of taxation (carbon taxes) and participation in the emissions market (Emission Trading Schemes – ETS).

The exposure to risk over the 2022-2035 time horizon and with respect to the IEA scenarios analysed – STEPS, APS, SDS and NZE – does not appear critical overall, with a low impact over the medium term and a medium impact over the long term, although the impact on operating costs could vary markedly across geographical areas.

Prysmian strives to constantly monitor changes in the laws and regulations governing GHG emissions at an international level, especially in the countries where its production plants are located. In addition, Prysmian has established a strategic plan, reflected in the Sustainability Scorecard, which includes quantitative targets for reducing greenhouse gas emissions, amongst others. Emission reduction targets have been scientifically validated by the Science-Based Target initiative (SBTi).

In addition, the Group constantly monitors the exposure of all its production sites, considering the entire life cycle of the assets, to such weather events as storms, floods, hail etc. using CatNet®, a profiling tool that measures the exposure to geo-specific risks developed by Swiss Re. An exposure assessment with an extended time horizon to 2035 in a conservative scenario of high CO2 emissions (RCP 8.5) was carried out using this tool, confirming a low overall exposure. Lastly, a sensitivity analysis was carried out for the 2023-2040 period, assuming a further increase in the severity and frequency of the extreme weather events that have affected Group assets over the past 20 years. This analysis confirmed medium exposure to this risk, involving increased operating costs. The assessment of risks linked to the increased severity of extreme weather events has been extended to the entire supply chain, for both upstream and downstream activities, considering a selection of strategic suppliers and customers.

Furthermore, the Group monitors the risk of climate change and, in particular, of rising sea levels, with a view to evaluating the potential impact on all production locations, considering the entire life cycle of key assets. A detailed analysis of the exposure to rising sea levels is carried out every year, which confirmed, over a time horizon extending out to 2080, the absence of direct impacts on the Group's production plants. Nevertheless, the rise in sea level could increase exposure to the risk of coastal flooding caused by storms; this situation would however affect a very limited number of production factories (< 2%). The impact, mainly in the form of increased operating costs or lost sales, would be low. The exposure will be monitored so that action can be

taken ahead of time, including the introduction of additional control systems, where necessary. The assessment of risks linked to the rise in sea level has been extended to the entire supply chain for both upstream or downstream activities, considering a selection of strategic suppliers and customers.

Another environmental risk is related to the fact that water is consumed at Prysmian factories mainly for industrial use and, in particular, for cooling purposes during certain processes. Each year, Prysmian carries out a water stress analysis, considering the ratio of water demand to water available. The assessment of water availability risks has been extended to the entire supply chain (upstream or downstream activities and customers), considering a selection of strategic suppliers and customers.

Prysmian regularly measures the volume of water drawn at its production locations, analysing and checking the cooling process parameters to ensure the efficiency of water consumption; in this regard, water supply systems are maintained appropriately in order to avoid significant leakages.

Considering the quantity and quality of water sources, the type of usage and existing recirculation systems, it was determined that the most significant water-related impact is not directly associated with organizational activities, but rather with the supply chain and, in particular, with the production cycles of suppliers of raw materials, especially metals. For this reason, in addition to continuing to track and audit “critical” suppliers with reference to sustainability criteria and indicators, Prysmian extended assessment of the risks related to water availability to the entire supply chain in 2021.

Finally, the environmental aspects potentially impacted by Prysmian, with possible adverse consequences for the condition of the biosphere, include the biodiversity of animal and plant species. In line with its HSEE Policy, updated in 2023, Prysmian is committed to identifying and assessing any biodiversity-related risks, applying a hierarchical mitigation approach (avoid, minimize, restore and compensate) to all operations.

With reference to Prysmian's operating units, Prysmian has established an inventory of protected areas, which shows that most plants belonging to Prysmian are not located in or near protected areas or where endangered species are potentially present.

In 2023, to meet and reinforce the commitments made, Prysmian has decided to quantify any impacts on animals and/or plants in the vicinity of the areas in which it operates, as well as any impacts/dependencies on ecosystem services that the Group's units rely on, in order to seek opportunities to reduce and mitigate these risks.

Prysmian applies best practices that can ensure that any material used as an erosion and offshore cable protection system is made from natural or engineered stone in order not to inhibit the growth of epibenthic species, by providing three-dimensional complexity in height and in interstitial spaces where feasible. Prysmian decided to employ bioactive concrete (i.e., containing bio-enhancing mixtures) to strengthen primary erosion protection (e.g., concrete mattresses) and to promote biotic growth. In addition, because this type of mattress replicates the local marine environment, marine species use the infrastructure as their habitat, thus resulting in a more environmentally sustainable alternative that offers better protection than traditional concrete mattresses.

Bird populations whether wintering, migratory, habitually present and/or breeding species are protected in accordance with European nature directives (Habitats Directive 79/409/EC and Birds Directive 92/43/EC).

Special Protection Areas (SPAs) for rare or vulnerable species, as well as for all regularly migrating species, are identified and monitored during project implementation, paying special attention to the presence of waterways, lakes, swamps and marshes of international significance.

In 2023, project-based risk analyses that include an assessment of environmental aspects associated with biodiversity impacts have shown a residual risk that deems the occurrence of potentially relevant scenarios unlikely.

Notwithstanding the above, any of the above circumstances may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risk of goodwill or other intangible write-down

Prysmian's statement of financial position includes certain amounts recorded as intangible assets, including with respect to goodwill. As of 31 December 2024, the goodwill amounted to Euro 3,499 million.

Goodwill is subject to an "impairment test" at least once a year

As this analysis is based on estimates derived from Prysmian's business, performance, interest rates, growth rates and other factors that exist at the time the analysis is performed, there may be discrepancies between estimates and actual developments. Any possible future disruptions in business and financial condition may result in an impairment loss and may affect the Issuer's ability to fulfil its obligations under the Securities.

Pro Forma

The pro forma financial information incorporated by reference in this Prospectus may not be indicative of what our actual financial position or results of operations would have been.

Legal and regulatory risks

Prysmian is presently involved in legal proceedings

Prysmian is presently involved in a number of legal proceedings involving substantial amounts. See "*Description of the Group—Legal Proceedings*" of the Base Prospectus prepared for the EMTN Programme as incorporated by reference in this Prospectus. With respect to pending litigation, provisions considered appropriate have been made in the financial statements on the best estimate of the liability in light of the circumstances and relevant accounting principles. However, if legal proceedings are resolved to the detriment of Prysmian, actual future losses may be significantly in excess of those provisions. Moreover, adverse judgments may result in reputational damage. All of the above may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risks relating to non-compliance with antitrust laws, rules and regulations

Its strong international presence in more than 50 countries means Prysmian is subject to antitrust laws in Europe and every other country in the world in which it operates, each with rules on the civil, administrative and criminal liability of the perpetrators of anti-competitive practices. In the last decade, local antitrust authorities have shown increasing attention to commercial activities by market players, also revealing a tendency for international collaboration between authorities.

As at 31 December 2024, Prysmian has specific provisions in its financial statements relating to antitrust investigations amounting to Euro 189 million. For details of such investigations and legal proceedings relating to the Group please see "*Description of the Group—Legal Proceedings—Antitrust Matters*" of the Base Prospectus prepared for the EMTN Programme as incorporated by reference in this Prospectus.

The Board of Directors of the Issuer has adopted an Antitrust Code of Conduct applicable to all employees, directors and managers of Prysmian in the course of their duties and in their dealings with third parties.

However, there can be no assurance that personnel will not take actions in violation of Prysmian's policies or applicable laws, rules and regulations. Any such violations could subject Prysmian to sanctions and third parties' damages claims, which may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risks related to the compliance with anti-bribery and corruption laws and regulations applicable to international operations

In recent years, legislators and regulators have devoted significant efforts to the fight against bribery and corruption, with a growing tendency to extend responsibility to legal entities as well as to natural persons. With growing globalisation, organisations increasingly operate in locations and contexts with a risk of bribery and must comply with the many related regulations, such as Italian Legislative Decree 231/2001, Italy's Anti-bribery Law (Law 190/2012), the Foreign Corrupt Practices Act of 1977, as amended (FCPA) and the UK Bribery Act of 2010, among others.

With a global presence in over 50 countries and a wide array of applications for Prysmian's products, the Issuer and its subsidiaries have regular contact with multiple third parties (including suppliers, intermediaries, agents and customers). In particular, in Project and Energy, the management of large international projects involves commercial relationships between local commercial agents and public officials in countries at potential risk of corruption.

Prysmian has implemented a series of policies and actions designed to prevent instances of bribery and corruption, and Prysmian has a whistleblowing policy in order to facilitate the reporting of any wrongdoing occurring in the organisation, including that of its subsidiaries and business partners, but such policies and actions may nevertheless fail to prevent future violations of the relevant laws and regulations, subjecting Prysmian to the risk of litigation, investigation, and material sanctions and penalties.

Any failure to comply with ongoing anti-corruption and anti-bribery obligations could result in additional criminal and/or civil penalties and/or additional requirements imposed by the applicable regulators and continued or increased expenses related to additional compliance costs and/or additional investigations and defence costs, which may have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Notwithstanding the compliance policies and procedures adopted by Prysmian, there can be no assurance that employees, contractors and agents will not take actions in violation of its policies. Any such violations could subject the Issuer or other companies of Prysmian to civil or criminal penalties, including material fines or prohibitions on Prysmian's ability to offer its products in one or more countries, and could also materially damage its reputation and brand, which may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risks relating to the introduction of export restrictions, commercial tariffs and other changes in trade policy

Certain of the businesses of Prysmian require the shipping and transfer of finished products, semi-finished products and raw materials between different countries, exposing Prysmian to risks related to changes in different jurisdictions' tax regimes, customs tariffs, and trade policy. An inability to swiftly comply with any such changes may expose Prysmian to fines and penalties. In addition, many countries regulate international trade transactions and enforce laws and regulations governing trade in products, software, technology and services, including financial transactions and brokering. For example, export control regimes, governed by laws of the United States, the EU (article 215 of the Treaty on the Functioning of the EU) and the United Nations (Chapter VII of the UN Charter) identify the parties (natural or legal persons) to whom the application of targeted restrictions (e.g. arms embargoes, travel bans, financial or diplomatic sanctions, etc.) is mandatory. Failure to comply may result in the imposition of fines and criminal and/or civil penalties, including imprisonment. Any of the above-mentioned circumstances could lead to a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risks related to possible infringement of third-party patents

The increase in new product offerings and the opening to new markets, in part also accelerated by decarbonization policies, increases the likelihood that the Prysmian Group's products will include solutions patented by third parties with the risk of incurring litigation costs. Any of these risks could have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Employees and others acting on behalf of Prysmian may violate laws and regulations to which Prysmian is subject

There can be no assurance that those acting on behalf of Prysmian will not engage in improper conduct, violating prevailing laws and regulations and incurring legal or administrative sanctions, material financial losses or reputational damage.

Prysmian has implemented a series of organizational measures, including a managerial and control model aimed at preventing the offences set out in Italian Legislative Decree 231/2001 and a Code of Ethics, which enumerates the ethical standards and behavioural guidelines applicable to anyone engaged in activities on its behalf (including managers, officers, employees, agents, representatives, contractors, suppliers and consultants). In addition, Prysmian's system of values applies to conduct of individuals within and outside the business. Prysmian also has a whistleblowing policy, which facilitates reporting by stakeholders, and which includes systems designed in line with ethical and compliance best practices, as well as a whistleblowing committee which meets at least quarterly and evaluates the reports received, conducts investigations and takes relevant action as appropriate.

Notwithstanding these efforts, there can be no assurance that those acting on Prysmian's behalf will not engage in improper conduct or breach its policy, procedures or Code of Ethics and applicable rules and regulations, which may result in legal sanctions, fines or reputational damage. This may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risks related to compliance with environmental legislation, health and safety legislation and environmental liabilities

Prysmian's production activities are subject to specific environmental regulations, including those concerning pollution of soil and subsoil and the presence/use of hazardous materials and substances. Such regulations are imposing increasingly strict standards on companies, which are obliged to incur significant costs as a result.

Given Prysmian's numerous plants, it is subject to the risk of an accident with consequences for the environment, as well as for continuity of production, which could result in significant economic and reputational consequences.

Notwithstanding Prysmian's risk management measures, the use of external certification bodies (for example, ISO, OSHA etc.) and the monitoring and auditing of its locations, there can be no assurance that in the ordinary course of its business, certain environmental damage will not occur. This may result in criminal and/or civil sanctions and, in certain cases, security violations. There are also costs associated with Prysmian's compliance with environmental, health and safety rules and regulations.

As regards Health and Safety, Prysmian's production activities are subject to national and international laws and regulations governing Health, Safety. Future legislative and/or regulatory changes, more or less foreseeable, might affect the operations of the Group, its ability to compete in the marketplace and its financial results, unless those changes are identified, anticipated and managed on a timely basis.

The occurrence of environmental incidents or the failure to comply with environmental, health, safety and security legislation may have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risks relating to changes in data protection legislation and improper control of personal information

Regulation (EU) 2016/679, Europe's General Data Protection Regulation (**GDPR**), which came into force in May 2018, has now become one of the main reference points for a renewed commitment to data protection, particularly personal data. The GDPR includes significant penalties for non-compliance. If Prysmian does not properly adhere to, or successfully implement processes in response to, these new regulatory requirements – particularly in light of the large number of employees it has and the growing tendency towards global data management (including cloud storage and use of mobile devices) – it may be at risk of individual claims for

compensation due to alleged illicit processing activities of personal data, the imposition of penalties by relevant authorities and reputational damage.

In addition, any future changes to the rules and/or the interpretation and application of the rules by the relevant authorities could create new obligations and requirements for Prysmian, and there can be no assurance that it will be able to comply in a timely manner to any future legislative changes.

Any of the above may have a material adverse effect on Prysmian's reputation, business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Risks related to changes in industry standards and legal requirements

Prysmian companies are required to comply with specific federal, state, local and foreign legal and regulatory requirements, as well as certain industry standards. Changes in applicable laws and regulations may affect the growth of the markets in which Prysmian operates. Growth in the cable industry is partly due to legislation on energy and alternative and renewable energy sources, as well as to incentives for investing in utilities and infrastructure. It is not foreseeable whether, in the future, there will be legislative changes and/or industry standards that are detrimental to Prysmian's business. Although Prysmian's business is managed to mitigate such risks, there can be no assurance that changes in applicable standards, laws and regulations will not result in significant costs, which could have a material adverse effect on Prysmian's business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

Changes in tax rates, exposure to various tax laws and/or challenges to Prysmian's transfer pricing policies may have an adverse impact on Prysmian's financial condition

Prysmian is subject to taxes not only in Italy, but also in numerous other global jurisdictions, each with their own tax regimes, in which the Issuer and its subsidiaries operate. The effective tax rates could be adversely affected by changes in the mix of earnings by jurisdiction, or by changes in tax laws. In addition, companies of Prysmian are subject to audits and assessments in various jurisdictions. Although the management of Prysmian believes that the tax estimates are reasonable and appropriate, there are uncertainties in these estimates and, as a result, there could be material adjustments. Thus, companies of Prysmian may be required to pay additional taxes and/or penalties, which may be not sufficiently covered by the Prysmian Group's reserves. There can be no assurance that any such situation would not have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

The financial position of Prysmian and its ability to service the obligations under its indebtedness may be also adversely affected by new laws or changes in the interpretation of existing tax laws among which legislations enacting OECD Pillar 2 Rules. The European Commission published on 22 December 2021 a proposal for a Council Directive "on ensuring a global minimum level of taxation for multinational groups in the Union" aimed at implementing the OECD Pillar Two Model Rules. On 14 December 2022 the proposal was unanimously approved by all 27 Member States, which were required to implement these rules into their national systems before 31 December 2023 (**Pillar Two Directive**).

With Law No. 111 of 9 August 2023, published in the Official Gazette No. 189 of 14 August 2023 (**Law 111**), the Italian Parliament approved general principles and criteria enabling the Italian Government to implement through a specific legislative decree the Pillar Two Directive in Italy. This measure will ensure that multinational and large national groups that are within the scope of the Pillar Two rules will always be subject to a corporation tax rate of at least 15 per cent in each jurisdiction in which they operate. The Pillar Two Directive has been implemented in Italy via Legislative Decree of 27 December 2023, No. 209 (**Legislative Decree 209/2023**).

In any case, if, pursuant to a Tax Law Change (including a change due to implementation measures or new administrative guidance in respect of the Pillar Two Directive and/or Legislative Decree 209/2023 in relation to the treatment of interest deductibility for the purposes of Italian corporate income tax), interest payments under the Securities become not deductible by the Issuer for corporate income tax purposes, this may result in the occurrence of a Tax Deductibility Event (please see "*Risks related to the structure of the Securities – Early redemption risk*").

Prysmian is also at risk of double taxation. The Issuer and its subsidiaries conduct intracompany transactions in accordance with national and international transfer pricing principles and guidelines, including those established by the Organisation for Economic Cooperation and Development (**OECD**) and the United Nations. Nevertheless, and notwithstanding certain tax treaties between certain countries, the jurisdictions in which companies of Prysmian operate could challenge determinations such Prysmian Group companies have made, and issue tax assessments, which may lead to instances of double taxation, or subject such companies to other penalties. There can be no assurance that any such situation would not have a material adverse effect on Prysmian's business, financial condition and/or results of operations and not affect the Issuer's ability to fulfil its obligations under the Securities.

Risks relating to possible improper applications (interpretations and/or errors and omissions) of tax law

The complexity of the Group's business activities and its international scale mean that it might not apply tax law correctly (interpretations and/or errors and omissions), especially when the proper tax treatment of transactions that cannot be categorized readily is unclear, not least due to the rapid evolution of tax regulations in many of the jurisdictions in which Prysmian operates. Such a situation exposes the company to possible legal proceedings, reputational damage and/or financial losses, including fines/penalties.

The Prysmian Group adopts a tax strategy applicable to all Group companies that has been approved by the Board of Directors of Prysmian S.p.A. This strategy is consistent with the fundamental values of honesty and propriety embodied in the Code of Ethics, in order to minimize the substantive impact of any tax and reputational risks.

If there are uncertainties about the proper tax treatment of transactions that cannot be categorized readily, the Group applies the tax treatment considered most proper and appropriate, having due regard for legitimate tax-saving opportunities (if any), the opinions of subject experts and the best sector practices. The company is committed to embracing sound and reasonable interpretations, taking a cautious approach in order to avoid negative impacts for the Group.

Any of the above may have a material adverse effect on Prysmian's reputation, business, financial condition and/or results of operations and may affect the Issuer's ability to fulfil its obligations under the Securities.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH THE SECURITIES

The factors which are material for the purpose of assessing the market risks associated with the Securities have been classified into the following categories:

1. Risks related to the structure of the Securities;

2. Risks related to the Securities generally;

3. Risks related to the market generally; and

4. Risks relating to the taxation and accounting treatment of the Securities.

1. Risks related to the structure of the Securities

Set out below is a description of certain features of the Securities which contain particular risks for potential investors:

The Issuer's payment obligations in respect of the Securities are subordinated

The Securities will be unsecured and subordinated obligations of the Issuer and will rank junior to the claims of unsubordinated and other subordinated creditors of the Issuer, except for subordinated creditors whose claims rank, or are expressed to rank, pari passu with the Securities. See Condition 3 (*Status and*

Subordination) of the Terms and Conditions of the Securities. By virtue of such subordination, upon the occurrence of any winding-up, insolvency, dissolution or liquidation of the Issuer, payments on the Securities will be subordinated in right of payment to the prior payment in full of all other liabilities of the Issuer, except for payments in respect of any Parity Securities or Junior Securities.

The obligations of the Issuer under the Securities are intended to be senior only to its obligations to the holders of (i) any class of the Issuer's share capital and (ii) any other securities issued by the Issuer or any securities issued by a company other than the Issuer which have the benefit of a guarantee or similar instrument from the Issuer, which securities of the Issuer, or guarantee or similar instrument granted by the Issuer, rank or are expressed to rank pari passu with any class of the Issuer's share capital and/or junior to the Securities. A Securityholder may therefore recover less than the holders of unsubordinated or other subordinated liabilities of the Issuer which rank senior to the Securities.

Subject to applicable law, no Securityholder may exercise, claim or plead any right of set-off, counterclaim, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising from, or in connection with, the Securities and each Securityholder will, by virtue of being a Securityholder, be deemed to have waived all such rights of set-off, counterclaim, compensation or retention.

Securityholders are advised that unsubordinated liabilities of the Issuer may also arise out of events or obligations that are not reflected in the statement of financial position of the Issuer, including, without limitation, the issuance of guarantees on an unsubordinated basis. Claims made under such guarantees will become unsubordinated liabilities of the Issuer which, in a winding-up, insolvency, dissolution or liquidation of the Issuer, will need to be paid in full before the obligations under the Securities may be satisfied.

Although subordinated debt securities may pay a higher rate of interest than comparable debt securities which are not subordinated, there is a real risk that an investor in subordinated securities such as the Securities will lose all or some of his investment should the Issuer become insolvent.

The Securities are perpetual securities and holders of the Securities may be required to bear the financial risks of an investment in the Securities for a long period

The Securities are perpetual securities and have no fixed date for redemption, and unless previously redeemed, purchased or exchanged and cancelled by the Issuer as provided in the Terms and Conditions, the Securities will become due and payable on the Liquidation Event Date, including in connection with any Insolvency Proceedings in accordance with (i) any applicable legal provision, or any decision of any judicial or administrative authority, or (ii) any resolution passed at a shareholders' meeting of the Issuer or (iii) any provision which is set out in the by-laws of the Issuer from time to time (including the maturity of the Issuer which, as of 19 May 2025, is set in its by-laws at 31 December 2100). The Issuer is under no obligation to redeem or repurchase the Securities prior to such date, although it may elect to do so in certain circumstances. Securityholders have no right to call for the redemption of the Securities and the Securities will only become due and payable on the Liquidation Event Date. Securityholders should therefore be aware that they may be required to bear the financial risks associated with an investment in long-term securities and that they may not recover their investment in the foreseeable future.

Deferral of interest payments

The Issuer may elect to defer payment of interest in respect of the Securities accrued to that date by giving a Deferral Notice (as defined in Condition 4.2 (*Interest Deferral*) of the Terms and Conditions of the Securities) to Securityholders. If the Issuer makes such an election, the Issuer shall have no obligation to make such payment and any such non-payment of interest will not constitute a default by the Issuer for any purpose. Any interest in respect of the Securities the payment of which is deferred will, so long as the same remains outstanding, constitute Arrears of Interest. Arrears of Interest will be payable as outlined in Condition 4.2 (*Interest Deferral*) of the Terms and Conditions of the Securities. No interest will accrue on any outstanding Arrears of Interest. While the deferral of payment of interest continues, the Issuer is not prohibited from making payments on any instrument ranking senior to the Securities and may, in certain limited circumstances, pay dividends or make distributions on, or redeem or repurchase, Junior Securities and Parity Securities (as further set out in Condition 4.2(c) (*Interest Deferral – Mandatory Settlement of Arrears of Interest*)) without

triggering the compulsory settlement of Arrears of Interest, and in such event, the Securityholders are not entitled to claim immediate payment of interest so deferred.

As a result, any deferral of interest payments, or perception that the Issuer will exercise its deferral rights, will likely have an adverse effect on the market price of the Securities. In addition, as a result of the interest deferral provisions of the Securities, the market price of the Securities may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the financial condition of the Issuer.

Early redemption risk

The Issuer may redeem all the Securities (but not some only) on any Call Date (the first such date falling on 21 May 2030 (the **First Call Date**)) at their principal amount together with accrued interest to, but excluding, the relevant Call Date and any outstanding Arrears of Interest, as outlined in Condition 7.2 (*Optional Redemption*) of the Terms and Conditions of the Securities. The Issuer may furthermore redeem all (but not some only) of the Securities on any Business Day prior to the first Call Date at the Make-whole Redemption Amount, as outlined in Condition 7.8 (*Make-whole Redemption at the Option of the Issuer*) of the Terms and Conditions of the Securities.

The Issuer may also redeem all of the Securities (but not some only) at the applicable Early Redemption Price at any time following the occurrence of a Change of Control Step-Up Event, a Withholding Tax Event, a Tax Deductibility Event, a Rating Methodology Event or an Accounting Event, as outlined in Conditions 7.3 (*Early Redemption following a Change of Control Step-Up Event*), 7.4 (*Early Redemption following a Withholding Tax Event*), 7.5 (*Early Redemption following a Tax Deductibility Event*), 7.6 (*Early Redemption following a Rating Methodology Event*) and 7.7 (*Early Redemption following an Accounting Event*) of the Terms and Conditions of the Securities. In addition, in the event that at least 75 per cent. of the aggregate amount of the Securities issued on the Issue Date has been purchased by or on behalf of the Issuer or any of its Subsidiaries and cancelled, the Issuer may redeem all of the outstanding Securities (but not some only) at the applicable Early Redemption Price. The applicable Early Redemption Price may be less than the then current market value of the Securities.

Furthermore, if an Acquisition Event occurs at any time during the Acquisition Event Call Period, the Issuer may redeem all of the Securities (but not some only) at the applicable Early Redemption Price on any Business Day falling on or before the 30th calendar day following the expiry of the Acquisition Event Call Period, as further described in Condition 7.9 (*Acquisition Event Redemption*) of the Terms and Conditions of the Securities and will give notice to Securityholders and the Agent of any such decision. Notwithstanding the occurrence of an Acquisition Event during the Acquisition Event Call Period, the Issuer may decide not to redeem the Securities. As long as the Issuer may exercise the Acquisition Event call option, (i.e. until at the latest 31 December 2025, unless the acquisition of the Target Business has occurred) there is a risk that the market value of the Securities may not increase as during this period the Securities may be redeemed by the Issuer.

During any period when the Issuer may elect to redeem or is perceived to be able to redeem the Securities, the market value of the Securities 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 the Securities when its cost of borrowing for similar securities is lower than the interest rate on the Securities, or if it no longer requires the Securities as part of its capital structure. An investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Securities being redeemed and may only be able to reinvest the redemption proceeds at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

There is no limitation on the Issuer issuing senior or pari passu securities

There is no restriction on the amount of securities or other liabilities which the Issuer may issue or incur and which rank senior to, or *pari passu* with, the Securities. The issue of any such securities or the incurrence of

any such other liabilities may reduce the amount (if any) recoverable by Securityholders on an insolvency of the Issuer and/or may increase the likelihood of a deferral of interest payments under the Securities.

Resettable fixed rate securities have a market risk

A holder of fixed rate securities is particularly exposed to the risk that the price of such securities falls as a result of changes in the market interest rates. While the nominal remuneration rate of the Securities is fixed until the First Reset Date (with a reset of the initial fixed rate on every Reset Date as set out in the Terms and Conditions of the Securities), market interest rates typically change on a daily basis. As the market interest rate changes, the price of the Securities also changes, but in the opposite direction. If the market interest rate increases, the price of the Securities would typically fall. If the market interest rate falls, the price of the Securities would typically increase. Securityholders should be aware that movements in these market interest rates can adversely affect the price of the Securities and can lead to losses for the Securityholders if they sell the Securities.

Interest rate reset may result in a decline of yield

A holder of securities with a fixed interest rate that will be reset during the term of the securities (as will be the case for the Securities on each Reset Date if not previously redeemed) is exposed to the risk of fluctuating interest rate levels and uncertain interest income.

After the First Reset Date, the interest rate in respect of the Securities will be reset periodically by reference to a mid-swap rate, which may be affected by changes in the benchmarks' laws and regulations

Commencing on the First Reset Date, the interest rate for each Reset Period will (if the Securities are not redeemed or repurchased pursuant to Condition 7(*Redemption and Purchase*) of the Terms and Conditions of the Securities) be reset by reference to the prevailing EUR 5-year Swap Rate plus (A) in respect of the Reset Period commencing on the First Reset Date and ending on but excluding the Reset Date falling on 21 August 2035 (the **First Reset Period**), 3.012 per cent. per annum; (B) in respect of the Reset Periods commencing on or after 21 August 2035 and ending on but excluding the Reset Date falling on 21 August 2050 (the **Second Reset Period**), 3.262 per cent. per annum; and (C) in respect of the Reset Periods commencing on or after 21 August 2050 and any Reset Period following thereafter (the **Third Reset Period**), 4.012 per cent. per annum.

The EUR 5-year Swap Rate references the annual mid-swap rate. Furthermore, as at the time of pricing of the Securities, the current market practice is to derive the EUR 5-year Swap Rate Quotations in part from the Euro interbank offered rate (**EURIBOR**). The EUR 5-year Swap Rate, EURIBOR and other interest rates or other types of rates and indices which are deemed to be "benchmarks" are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Securities.

The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on the Securities, in particular if the methodology or other terms of the relevant benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, 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.

The euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, among other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendation on EURIBOR fallback trigger events and fallback rates. On 4 December 2023, the group issued its final statement, announcing completion of its mandate.

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 the Securities.

The Terms and Conditions of the Securities include fall-back provisions as set out in Condition 4.1(b) (*Interest and Interest Deferral – Determination of EUR 5-year Swap Rate*) which apply in the event the relevant EUR 5-year Swap Rate does not appear on the EUR Reset Screen Page on the relevant Reset Interest Determination Date, which include requesting the EUR Reset Reference Banks to provide their EUR 5-year Swap Rate Quotations. Applying such fall-back provisions will result in the Securities performing differently (which may include payment of a lower Prevailing Interest Rate) than they would if the EUR 5-year Swap Rate were available.

The Terms and Conditions of the Securities also provide for certain fallback arrangements as set out in Condition 5 (*Benchmark Discontinuation*) in the event that the annual mid-swap rate referred to in the definition of EUR 5-year Swap Rate or EURIBOR which is used to derive the EUR 5-year Swap Rate Quotations (each an **Original Reference Rate**) (including any page on which such benchmark rate may be published (or any successor service)) becomes unavailable, including the possibility that the Prevailing Interest Rate could be set by reference to a Successor Rate or an Alternative Rate determined by an Independent Adviser, acting in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer, and such Successor Rate or Alternative Rate may be adjusted (if required) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be). The use of any such Successor Rate or Alternative Rate to determine the Prevailing Interest Rate will result in the Securities performing differently (which may include payment of a lower Prevailing Interest Rate) than they would do if the EUR 5-year Swap Rate were to continue to apply in its current form.

In certain circumstances the ultimate fallback of interest for a particular Reset Period may result in the effective application of a fixed rate based on the rate which was last observed on the EUR Reset Screen Page. In addition, due to the uncertainty concerning the availability of Successor Rates and Alternative Rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time. If the Independent Adviser determines that amendments to the Terms and Conditions of the Securities and the Agency Agreement are necessary to ensure the proper operation of any Successor Rate or Alternative Rate and/or Adjustment Spread, then such amendments shall be made without any requirement for the consent or approval of Securityholders, as provided by Condition 5.4 (*Benchmark Discontinuation – Benchmark Amendments*).

Any such consequences could have an adverse effect on the value of and return on the Securities. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Securities or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Securities. Investors should consider these matters with their own independent advisers when making their investment decision with respect to the Securities.

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 Condition 5.1

(*Independent Adviser*) prior to the date which is 10 Business Days prior to the relevant Reset Interest Determination Date, the EUR 5-year Swap Rate applicable to the next succeeding Reset Period shall be equal to the last available EUR 5 year mid swap rate for euro swap transactions, expressed as an annual rate, on the EUR Reset Screen Page. For the avoidance of doubt, any adjustment pursuant to Condition 5.1 (*Independent Adviser*) shall apply to the immediately following Reset Period only and any subsequent Reset Periods may be subject to the subsequent operation of, and to adjustment as provided in, Condition 5.1 (*Independent Adviser*).

Notwithstanding any other provision of Condition 5 (*Benchmark Discontinuation*), no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to (i) result in a reduction of the amount of "equity credit" assigned to the Securities by any Rating Agency when compared to the "equity credit" assigned to the Securities immediately prior to the occurrence of the relevant Benchmark Event from such Rating Agency, (ii) result in shortening of the period of time "equity credit" is assigned / attributed to the Securities by any Rating Agency, or (iii) otherwise prejudice the eligibility of the Securities for "equity credit" from any Rating Agency.

There are no events of default

The Terms and Conditions of the Securities do not provide for events of default allowing acceleration of the Securities if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Securities, including the payment of any interest, investors will not have the right to require the early redemption of the Securities.

On the Liquidation Event Date, the Securities will become due and payable at an amount equal to their principal amount, together with any outstanding interest accrued up to (but excluding) the Liquidation Event Date and any outstanding Arrears of Interest. In the event of a winding-up, insolvency, dissolution or liquidation of the Issuer, the claims of the Securityholders will be subordinated as further described in Condition 3 (*Status and Subordination*) of the Terms and Conditions of the Securities. Accordingly, the claims of holders of all obligations to which the Securities are subordinated will first have to be satisfied in any winding-up or analogous proceedings before the relevant Securityholders may expect to obtain any recovery in respect of the Securities and prior thereto relevant Securityholders will have only limited ability to influence the conduct of such winding-up or analogous proceedings.

The Securities are subject to provisions relating to modification, including exchange or variation of the Securities upon a Withholding Tax Event, a Tax Deductibility Event, a Rating Methodology Event or an Accounting Event

The Terms and Conditions of the Securities provide that the Securities, the Coupons and these Conditions may be amended without the consent of the Securityholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Securityholders, 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 prejudicial to the interests of the Securityholders.

Furthermore, the Terms and Conditions provide that the Issuer may, subject to the fulfilment of certain requirements as set out in Condition 8 (*Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation*), without any requirement for the consent or approval of the Securityholders, agree to the variation or the exchange (to the extent permitted by applicable laws and regulations), of the Securities upon a Withholding Tax Event, a Tax Deductibility Event, a Rating Methodology Event or an Accounting Event, subject to the fulfilment of certain conditions intended to protect the interests of the Securityholders, so that immediately following such exchange or variation, no Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event applies in respect of the Exchanged Securities or, as applicable, the Varies Securities. Whilst the Exchanged Securities or Varied Securities, as the case may be, are required to have terms which are (in the sole opinion of the Issuer (acting reasonably)) not prejudicial to the interests of the Securityholders (as a class), there can be no assurance that the Exchanged Securities or

Varied Securities, as the case may be, will not have a significant adverse impact on the price of, and/or market for, the Securities or the circumstances of individual Securityholders.

2. Risks related to the Securities generally

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

Reliance on Euroclear and Clearstream, Luxembourg

The Securities will be represented by the Global Securities that will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Except in circumstances described in the relevant Global Security, investors will not be entitled to receive Securities in definitive form. Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Security. While the Securities are represented by the Global Securities, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and their participants.

While the Securities are represented by the Global Securities, the Issuer will discharge its payment obligations under the Securities by making payments through Euroclear and Clearstream, Luxembourg. A holder of a beneficial interest in a Global Security must rely on the procedures the relevant clearing system and its participants to receive payments under the Securities. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Securities.

Holders of beneficial interests in the Global Securities will not have a direct right to vote in respect of the Securities. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

The conditions of the Securities contain provisions which may permit their modification without the consent of all investors

The Terms and Conditions of the Securities contain provisions for calling meetings of Securityholders to consider and vote upon matters affecting their interests generally, or to pass resolutions. These provisions permit defined majorities to bind all Securityholders including Securityholders who did not attend and vote at the relevant meeting and including those Securityholders who voted in a manner contrary to the majority.

As provided under Article 2415, first paragraph, number 2, of the Italian Civil Code, the Securityholders may, by an Extraordinary Resolution passed by a specific majority, modify the Terms and Conditions of the Securities (these modifications may relate to, without limitation, the dates on which interest is payable on them; the principal amount of, or interest on, the Securities; or the currency of payment of the Securities). These and other changes to the Conditions of the Securities may adversely impact Securityholders' rights and may adversely impact the market value of the Securities.

Neither the Fiscal Agent nor the Agent Bank assumes any fiduciary duties or other obligations to Securityholders and neither is, in particular, obliged to make determinations which protect or further their interests

Each of the Fiscal Agent and the Agent Bank is the agent of the Issuer and is required to act in accordance with the Agency Agreement and the Conditions in good faith and endeavour at all times to make necessary determinations in a commercially reasonable manner. Securityholders should however be aware that neither the Fiscal Agent nor the Agent Bank assumes any fiduciary or other obligations to the Securityholders and neither is, in particular, obliged to make determinations which protect or further the interests of the Securityholders.

Each of the Fiscal Agent and the Agent Bank may rely on any information to which it should properly have regard that is reasonably believed by it to be genuine and to have been originated by the proper parties. Neither the Fiscal Agent nor the Agent Bank shall be liable for the consequences to any person (including the Securityholders) of any errors or omissions in any determination made by the Fiscal Agent or the Agent Bank

in relation to the Securities or interests in the Securities, in each case in the absence of wilful misconduct, gross negligence or fraud.

The value of the Securities could be adversely affected by a change in applicable law or administrative practice

The Terms and Conditions of the Securities are based on English law, other than the provisions regarding subordination as set out in Condition 3 (*Status and Subordination*) of Terms and Conditions of the Securities, which are based on Italian law, in each case in effect as at the date of this Prospectus. In addition, Condition 14 (*Meetings of Securityholders and Modification*) and the provisions of the Agency Agreement concerning the meetings of Securityholders and the appointment of the Securityholder's representative (*rappresentante comune*) in respect of the Securities are subject to compliance with Italian law. No assurance can be given as to the impact of any possible judicial decision or change to English or Italian law or administrative practice after the date of this Prospectus and any such change could have a materially adverse impact on the value of any Securities affected by it.

Italian insolvency laws are applicable to the Issuer and may not be as favourable to holders of Securities as those of other jurisdictions with which investors may be more familiar

Under Italian law, if certain requirements are met, the Issuer could become subject to certain insolvency proceedings, as described in the section "*Overview of the Italian Insolvency Law Regime*" of this Prospectus. The Italian insolvency laws may not be as favourable to Securityholders' interests as creditors as the laws of other jurisdictions with which the Securityholders may be familiar.

For instance, if the Issuer becomes subject to certain bankruptcy proceedings, payments made by the Issuer in favour of the Securityholders prior to the commencement of the relevant proceeding may, in certain circumstances, be liable to claw-back by the relevant court appointed receiver (*curatore fallimentare*).

Furthermore, under Italian law, Securityholders would not have a right as a class to appoint a representative to a creditors' committee. Consequently, Securityholders should be aware that they will generally have limited ability to influence the outcome of any insolvency proceedings which may apply to the Issuer under Italian law, especially in light of the current capital structure of the Issuer.

There are limited remedies available to Securityholders

Securityholders have limited rights to enforce payment or the performance of the Issuer's obligations in respect of the Securities. The Securities will only become due and payable if certain limited insolvency or liquidation events occur. In addition, in the event of a winding-up, insolvency, dissolution or liquidation of the Issuer, the claims of Securityholders will be subordinated as further described in Condition 3 (*Status and Subordination*) of the Terms and Conditions of the Securities. Accordingly, the claims of holders of all obligations to which the Securities are subordinated will first have to be satisfied in any winding-up or analogous proceedings before the Securityholders may expect to obtain any recovery in respect of the Securities and prior thereto Securityholders will have only limited ability to influence the conduct of such winding-up or analogous proceedings.

Minimum denominations of the Securities

As the Securities have denominations consisting of a minimum Specified Denomination of €100,000 (the **Minimum Denomination**) plus one or more higher integral multiples of €1,000 up to and including €199,000, it is possible that the Securities may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of the Minimum Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the Minimum Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Securities at or in excess of the Minimum Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the Minimum Denomination in his account with the relevant clearing system at the relevant time may not

receive a definitive Security in respect of such holding (should definitive Securities be printed) and would need to purchase a principal amount of Securities such that its holding amounts to the Minimum Denomination.

If such Securities in definitive form are issued, holders should be aware that definitive Securities which have a denomination that is not an integral multiple of the Minimum Denomination may be illiquid and difficult to trade.

3. Risks related to the market generally

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

An active secondary market in respect of the Securities may never be established or may be illiquid and this would adversely affect the value at which an investor could sell their Securities

Securities may have no established trading market when issued, and one may never develop. If a market for the Securities does develop, it may not be very liquid. Therefore, investors may not be able to sell their Securities 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 securities that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, are being issued to a single investor or a limited number of investors or have been structured to meet the investment requirements of limited categories of investors. These types of securities generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severe adverse effect on the market value of Securities.

Any decline in the credit ratings of the Issuer may affect the trading price of the Securities

The Securities are expected to be assigned a rating by S&P. S&P is established in the European Union and is registered under the CRA Regulation. As such S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation. The rating S&P has given to the Securities is endorsed by S&P Global Ratings UK Limited, which is established in the UK and registered under the UK CRA Regulation. The ratings granted S&P or any other rating assigned to the Securities will reflect only the views of the relevant rating agency and may not reflect the potential impact of all risks related to structure, market and other factors that may affect the value of the Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended, reduced or withdrawn by the assigning rating agency at any time. A suspension, reduction or withdrawal of the rating assigned to the Securities may adversely affect the trading price for the Securities.

In addition, S&P or any other rating agency may change its methodologies for rating securities with features similar to the Securities in the future. This may include the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the Securities, sometimes called "notching". If the rating agencies were to change their practices for rating such securities in the future and the ratings of the Securities were to be subsequently lowered, this may have a negative impact on the trading price of the Securities.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement, action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances).

Investors regulated in the UK are subject to similar restrictions under the Regulation (EC) No. 1060/2009 as it forms part of UK domestic law by virtue of the EUWA (the **UK CRA Regulation**). As such, UK regulated

investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the Securities changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, and the Securities may have a different regulatory treatment. This may result in relevant regulated investors selling the Securities which may impact the value of the Securities and any secondary market.

The list of registered and certified rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website (at *http://www.esma.europa.eu/page/List-registered-and-certified-CRA*s) in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated list.

Delisting of the Securities

Application has been made for the Securities to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market. Such Securities 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 Securities as a result of listing, any delisting of the Securities may have a material effect on a Securityholder's ability to resell the Securities on the secondary market.

If an investor holds Securities which are not denominated in the investor's home currency, they will be exposed to movements in exchange rates adversely affecting the value of their holding. In addition, the imposition of exchange controls in relation to any Securities could result in an investor not receiving payments on those Securities

The Issuer will pay principal and interest on the Securities in euro. 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 euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro 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 euro would decrease (1) the Investor's Currency-equivalent yield on the Securities, (2) the Investor's Currency-equivalent value of the principal payable on the Securities and (3) the Investor's Currency-equivalent market value of the Securities.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Securities. As a result, investors may receive less interest or principal than expected, or no interest or principal.

4. Risks relating to the taxation and accounting treatment of the Securities

Set out below is a brief description of the principal risks related to the taxation and accounting treatment of the Securities:

Qualification of the Securities under Italian tax law

The statements contained in the section headed "*Taxation*" regarding for the applicability of the tax regime provided far by Decree No. 239 to the Securities are based on the interpretation of the applicable legislation as confined by clarifications given by the Italian tax authority in Circular No. 4/E of 18 January 2006, Circular

No. 4/E of 6 March 2013, Resolution No.30/E of 26 February 2019 and reply to Ruling No. 291 of 31 August 2020, according to which (i) bonds may have a maturity which is not scheduled at a specific date, but which instead is linked (as is the case with the Securities) either to the duration of the issuing company or to certain events that would lead to the liquidation of the issuer, and that (ii) the accounting of bonds as equity instruments by the issuer does not affect the classification of the instruments for tax purposes. Prospective purchasers and holders of the Securities should be aware that the above clarifications (as well as the Italian tax provisions in effect as of the date of this Prospectus) are subject to changes, which could even apply retrospectively.

If the Securities were not classified as "bonds" or "debentures similar to bonds" for tax purposes, they would be classified as "atypical securities" pursuant to Article 5 of Law Decree No. 512 of 30 September 1983 and, in such case, interest and other proceeds in respect of the Securities could be subject to Italian withholding tax at a rate of 26 per cent., as described in the section headed "*Taxation*". The applicability of such a withholding tax in relation to interest and other proceeds paid to non-Italian resident beneficiaries would give rise to an obligation of the Issuer to pay additional amounts pursuant to Condition 9 (*Taxation*), and would, as a consequence, allow the Issuer to redeem the Securities pursuant to Condition 7.4 (*Redemption and Purchase – Redemption and Purchase following a Withholding Tax Event*).

The current IFRS accounting classification of financial instruments such as the Securities as equity instruments may change, which may result in the occurrence of an Accounting Event

In June 2018, the IASB (International Accounting Standards Board) published the discussion paper DP/2018/1 on "Financial Instruments with Characteristics of Equity" (the **DP/2018/1 Paper**) and the Financial Instruments with Characteristics of Equity project was recently moved to standard setting.

In November 2023, the IASB issued an exposure draft on the proposed amendments proposed by the DP/2018/1 Paper. Whilst the proposals set out in the DP/2018/1 Paper would not, in their current form, result in any changes to the current IFRS accounting classification of financial instruments such as the Securities as equity instruments, such exposure draft is, however, subject to receipt of comments the deadline for which was 29 March 2024. The IASB met on 23 October 2024 to discuss feedback on the Exposure Draft Financial Instruments with Characteristics of Equity and potential changes to the proposed presentation and disclosure requirements in response to the feedback. The IASB was not asked to make any decisions and it will further discuss the proposed presentation and disclosure requirements. If alternative changes are proposed and implemented, the current IFRS accounting classification of financial instruments such as the Securities as equity instruments may change and this may result in the occurrence of an "Accounting Event" (as described in the Terms and Conditions of the Securities). In such an event, the Issuer may have the option to redeem, in whole but not in part, the Securities pursuant to Condition 7.7 (*Redemption and Purchase – Early Redemption following an Accounting Event*). The implementation of any of the proposals set out in the DP/2018/1 Paper or any other similar proposals that may be made in the future, including the extent and timing of any such implementation, if at all, is still uncertain.

Accordingly, no assurance can be given as to the future classification of the Securities from an accounting perspective or whether any such change may result in the occurrence of an Accounting Event, thereby providing the Issuer with the option to redeem the Securities or to exchange the Securities or to vary the terms of the Securities pursuant to the Terms and Conditions of the Securities. The occurrence of an Accounting Event may result in Securityholders receiving a lower than expected yield.

The redemption of the Securities by the Issuer or the perception that the Issuer will exercise its optional redemption right might negatively affect the market value of the Securities. During any period when the Issuer may elect to redeem the Securities, the market value of the Securities generally will not rise substantially above the price at which they can be redeemed.

Payments in respect of the Securities may in certain circumstances be made subject to withholding or deduction of tax

All payments in respect of the Securities 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 shall pay such additional amounts as will result in the Securityholders receiving such amounts as they would have received

in respect of such Securities had no such withholding or deduction been required. The Issuer's obligation to gross up is, however, subject to a number of customary exceptions, including withholding or deduction of *imposta sostitutiva* (Italian substitute tax) pursuant to Italian Legislative Decree No. 239 of 1 April 1996, a brief description of which is set out in the section headed "*Taxation*".

Prospective purchasers of Securities should consult their tax advisers as to the overall tax consequence of acquiring, holding and disposing of Securities and receiving payments of interest, principal and/or other amounts under the Securities, including in particular the effect of any state, regional or local tax laws of any country or territory. See also the section headed "*Taxation*" below.

Risk of changes in tax law

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 (the **Tax Reform**).

According to Law 111, the Tax Reform is expected to 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. As a result, the information provided in this Prospectus may not comply with the future tax landscape.

Prospective purchasers of the Securities should be aware that the prospected changes to the tax regime of interest income and capital gains could lead to an increased tax cost for the prospected purchasers of the securities and, consequently, result in a lower return of their investment.

Prospective purchasers of the Securities should consult their own tax advisors regarding the tax consequences described above.

OVERVIEW OF THE TERMS OF THE SECURITIES

This Overview section must be read as an introduction to this Prospectus and any decision to invest in the Securities should be based on a consideration of this Prospectus as a whole.

Words and expressions defined in the Terms and Conditions of the Securities shall have the same meanings in this section.

Issuer:	Prysmian S.p.A.
Legal Entity Identifier (LEI):	529900X0H1IO3RS1A464
Description of Securities:	€1,000,000,000 Perpetual Subordinated Non-Call 5.25 Fixed Rate Reset Securities (the **Securities**)
Fiscal Agent and Agent Bank:	Deutsche Bank AG, London Branch
Sole Structuring Agent and Joint Lead Manager:	Crédit Agricole Corporate and Investment Bank
Joint Lead Managers:	BofA Securities Europe SA Crédit Agricole Corporate and Investment Bank J.P. Morgan SE Mediobanca – Banca di Credito Finanziario S.p.A. UniCredit Bank GmbH
No fixed date for redemption:	The Securities are perpetual securities and have no fixed date for redemption. Unless previously redeemed, purchased or exchanged and cancelled, the Securities will become due and payable at an amount equal to their principal amount, together with any outstanding interest accrued up to (but excluding) the Liquidation Event Date (as defined below) and any outstanding Arrears of Interest on the date on which a winding up, dissolution or liquidation of the Issuer (otherwise than for the purpose of a Permitted Reorganisation is instituted (the **Liquidation Event Date**), including in connection with any Insolvency Proceedings, in accordance with (i) any applicable legal provision, or any decision of any judicial or administrative authority, or (ii) any resolution passed at a shareholders' meeting of the Issuer or (iii) any provision which is set out in the by-laws of the Issuer from time to time (including the maturity of the Issuer which, as of 19 May 2025, is set in its by-laws at 31 December 2100). **Permitted Reorganisation** means a solvent merger, reconstruction or amalgamation under which the assets and liabilities of the Issuer are assumed by the entity resulting from such merger, reconstruction or amalgamation, provided that (1) such entity assumes the obligations of the Issuer in respect of the Securities and (2) an opinion of an independent legal adviser, appointed by the Issuer at its own expense, of recognised standing in the Republic of Italy, has been delivered to the Fiscal Agent confirming the

	same prior to the effective date of such merger, reconstruction or amalgamation.
Status of the Securities and Subordination:	The Securities and the Coupons, including the obligations of the Issuer in respect of any Arrears of Interest, will constitute direct, unsecured and subordinated obligations of the Issuer. In the event of the winding-up, insolvency, dissolution or liquidation of the Issuer, the payment obligations of the Issuer in respect of the Securities and the Coupons, including its obligations in respect of any Arrears of Interest, will rank (a) senior only to the Issuer's payment obligations in respect of Junior Securities, (b) *pari passu* among themselves and *pari passu* with the Issuer's payment obligations in respect of any Parity Securities and (c) junior to all other payment obligations of the Issuer, present and future, whether subordinated (including any claims pursuant to Article 2411, first paragraph, of the Italian Civil Code) or unsubordinated, in each case except as otherwise provided by mandatory provisions of law.
Interest:	The Securities bear interest on their principal amount: (a) from (and including) the Issue Date to (but excluding) the First Reset Date, at the rate of 5.250 per cent. per annum, payable annually in arrear on each Interest Payment Date, commencing on 21 August 2025; and (b) from (and including) the First Reset Date to (but excluding) the date of any redemption or repurchase pursuant to Condition 7 (*Redemption and Purchase*) of the Terms and Conditions of the Securities, at, in respect of each Reset Period, the relevant EUR 5-year Swap Rate plus: (A) in respect of the Reset Period commencing on the First Reset Date and ending on but excluding the Reset Date falling on 21 August 2035 (the **First Reset Period**), 3.012 per cent. per annum; (B) in respect of the Reset Periods commencing on or after 21 August 2035 and ending on but excluding the Reset Date falling on 21 August 2050 (the **Second Reset Period**), 3.262 per cent. per annum; and (C) in respect of the Reset Periods commencing on or after 21 August

	2050 and any Reset Period following thereafter (the **Third Reset Period**), 4.012 per cent. per annum.
Step-Up:	If the Issuer does not elect to redeem all the Securities following the occurrence of a Change of Control Step-Up Event, the then Prevailing Interest Rate and each subsequent rate of interest on the Securities shall be increased by 5 per cent. *per annum* with effect from (and including) the thirtieth (30^{th}) calendar day following the date on which the Change of Control Step-Up Event occurred. See also "*Change of Control Step-Up Event*" below.
Interest Payment Dates:	Subject as described under "*Optional Interest Deferral and Arrears of Interest*" below, interest in respect of the Securities will be payable annually in arrear on 21 August in each year (each an **Interest Payment Date**) commencing on 21 August 2025 (the **First Interest Payment Date**). There will be a short first interest period from and including the Issue Date to but excluding the First Interest Payment Date.
Optional Interest Deferral and Arrears of Interest:	The Issuer may, at any time and at its sole discretion, elect to defer in whole, or in part, any payment of interest accrued on the Securities in respect of any Interest Period (a **Deferred Interest Payment**) by giving notice (a **Deferral Notice**) of such election to the Securityholders in accordance with Condition 13 (*Notices*) of the Terms and Conditions of the Securities, and to the Fiscal Agent and each Paying Agent at least five, but not more than thirty, Business Days prior to the relevant Interest Payment Date. If the Issuer makes such an election, the Issuer shall have no obligation to make such payment and any such non-payment of interest shall not constitute a default of the Issuer or any other breach of obligations under the Securities or for any other purpose unless such Arrears of Interest becomes due and payable in accordance with the Terms and Conditions of the Securities. Any Deferred Interest Payment will be deferred and shall constitute **Arrears of Interest**. Any Arrears of Interest will remain outstanding until paid in full by the Issuer, but Arrears of Interest shall not itself bear interest.

Optional Settlement of Arrears of Interest:	The Issuer may pay any outstanding Arrears of Interest (in whole or in part) at any time upon giving not less than 10 and not more than 15 Business Days' notice to the Securityholders in accordance with Condition 13 (*Notices*) of the Terms and Conditions of the Securities (which notice shall be irrevocable and will oblige the Issuer to pay the relevant Arrears of Interest on the payment date specified in such notice) and to the Fiscal Agent and each Paying Agent at least five, but not more than thirty, Business Days prior to the relevant due date for payment and specifying (i) the amount of Arrears of Interest to be paid and (ii) the date fixed for such payment.
Mandatory Settlement of Arrears of Interest:	All (but not some only) of any outstanding Arrears of Interest being outstanding shall become due and payable in full and shall be paid by the Issuer on the first occurring Mandatory Settlement Date. **Mandatory Settlement Date** means the earliest of: (A) the 10th Business Day following the date on which a Compulsory Arrears of Interest Settlement Event occurs; (B) following any Deferred Interest Payment, the next scheduled Interest Payment Date on which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period; and (C) the date on which the Securities are redeemed or repaid in accordance with Condition 7 (*Redemption and Purchase*) or become due and payable in accordance with Condition 11 (*Enforcement on the Liquidation Event Date and no Events of Default*), including at the Liquidation Event Date (unless otherwise required by mandatory provisions of applicable law). A **Compulsory Arrears of Interest Settlement Event** shall occur if: (A) a dividend (either interim or final), or any other distribution or payment was validly resolved on, declared, paid or made in respect of any Junior Securities, except where (i) such dividend was paid in the form of the issuance (or transfer from treasury) of ordinary shares; (ii) such dividend, other distribution or payment was required to be resolved on, declared, paid or made in respect of any stock option plans or employees' share schemes; or (iii) such dividend, other distribution or payment was

	contractually required to be declared, paid or made under the terms of such Junior Securities (including, for the avoidance of doubt, where such dividend, other distribution or payment was declared by the Issuer before the earliest notice given by the Issuer in accordance with Condition 4.2(a) (*Optional Interest Deferral*) in respect of the then outstanding Arrears of Interest); or (B) a dividend (either interim or final), or any other distribution or payment was validly resolved on, declared, paid or made in respect of any Parity Securities, except where such dividend, distribution or payment was contractually required to be declared, paid or made under the terms of such Parity Securities (including, without limitation, where any such payment occurs mandatorily at the maturity of such Parity Securities and, for the avoidance of doubt, where such dividend, other distribution or payment was declared by the Issuer before the earliest notice given by the Issuer in accordance with Condition 4.2(a) (*Optional Interest Deferral*) in respect of the then outstanding Arrears of Interest); or (C) the Issuer or any Subsidiary has repurchased, purchased, redeemed or otherwise acquired any Junior Securities, except where (x) such repurchase, purchase, redemption or acquisition was undertaken in connection with the satisfaction by the Issuer or any Subsidiary of its respective obligations under (i) any share buy-back programme existing at the Issue Date or (ii) any stock option plan or free share allocation plan reserved for Directors, officers and/or employees of the Issuer (or, as applicable, its Subsidiary) or any associated hedging transaction or (y) such repurchase, purchase, redemption or acquisition is contractually required to be made under the terms of such Junior Securities; or (D) the Issuer or any Subsidiary has repurchased, purchased, redeemed or otherwise acquired any Parity Securities, except where (x) such repurchase, purchase, redemption or acquisition is contractually required to be made under the terms of such Parity Securities (including, without limitation, where any such payment occurs mandatorily at the maturity of such Parity Securities) or (y) such repurchase, purchase, redemption or acquisition is effected as a

	public tender offer or public exchange offer at a purchase price per security which is below its par value; or (E) the Issuer or any Subsidiary has repurchased any of the Securities, except where such repurchase is effected as a public tender offer or public exchange offer at a purchase price per Security which is below its par value, provided that a Compulsory Arrears of Interest Settlement Event shall not occur pursuant to paragraph (B) above in respect of any pro rata payment of deferred or arrears of interest on any Parity Securities which is made simultaneously with a pro rata payment of any Arrears of Interest provided that such pro rata payment of deferred or arrears of interest on a Parity Security is not proportionately more than the pro rata settlement of any such Arrears of Interest.
Early Redemption:	The Issuer may redeem all, but not some only, of the Securities on any date during the period commencing on (and including) 21 May 2030 (the **First Call Date**) and ending on (and including) the First Reset Date or on any Interest Payment Date thereafter (each such date, a **Call Date**) in each case at their principal amount together with any accrued interest up to (but excluding) the relevant Call Date and any outstanding Arrears of Interest. The Issuer may also redeem all, but not some only, of the Securities at the applicable Early Redemption Price at any time upon the occurrence of a Change of Control Step-Up Event, a Withholding Tax Event, a Tax Deductibility Event, a Rating Methodology Event, an Accounting Event or an Acquisition Event. The Issuer may also redeem all, but not some only, of the Securities on any day prior to the First Call Date at the applicable Make-whole Redemption Amount. In the event that at least 75 per cent. of the initial aggregate principal amount of the Securities issued (including any Securities which, pursuant to Condition 15 (*Further Issues*), form a single series with the Securities issued) has been purchased by or on behalf of the Issuer or any of its Subsidiaries and has been cancelled (a **Substantial Repurchase Event**), the Issuer may redeem all of the outstanding Securities (but not some only) at the applicable Early Redemption Price. The Early Redemption Price will be determined as follows:

	(A) in the case of a Change of Control Step-Up Event, a Withholding Tax Event or a Substantial Repurchase Event, 100 per cent. of the principal amount of the Securities then outstanding; or (B) in the case of an Accounting Event, a Tax Deductibility Event or a Rating Methodology Event, either: (i) 101 per cent. of the principal amount of the Securities then outstanding if the Early Redemption Date falls prior to the First Call Date; or (ii) 100 per cent. of the principal amount then outstanding of the Securities if the Early Redemption Date falls on or after the First Call Date; (C) in the case of an Acquisition Event, 101 per cent. of the principal amount of the Securities then outstanding, and in each case together with any accrued interest up to, but excluding, the relevant Early Redemption Date and any outstanding Arrears of Interest. For further details, see Condition 7 (*Redemption and Purchase*) of the Terms and Conditions of the Securities.
Change of Control Step-Up Event:	A Change of Control Step-Up Event will be deemed to have occurred if: (i) there occurs a Change of Control; and (ii) during the period ending on the 30th day after the date of the public announcement of the occurrence of the Change of Control, either (x) (if at the time that the Change of Control occurs there is a Rating) a Rating Downgrade resulting from that Change of Control occurs or (y) (if at such time there is no Rating) a Negative Rating Event resulting from that Change of Control occurs.
Accounting Event:	If an Accounting Event occurs, the Issuer may redeem all of the Securities (but not some only), at any time at the applicable Early Redemption Price upon giving not less than 10 and not more than 60 calendar days' notice of redemption to the Fiscal

	Agent, each Paying Agent and the Securityholders in accordance with Condition 13 (*Notices*). The Issuer may notify the redemption of the Securities as a result of the occurrence of an Accounting Event from (and including) the date on which the Change is officially adopted, which may fall before the date on which the Change will come into effect. For further details, see Condition 7.7 (*Early Redemption following an Accounting Event*) of the Terms and Conditions of the Securities
Rating Methodology Event:	If a Rating Methodology Event occurs, the Issuer may redeem all of the Securities (but not some only), at any time at the applicable Early Redemption Price and upon giving not less than 10 and not more than 60 calendar days' notice of redemption to the Fiscal Agent, each Paying Agent and the Securityholders in accordance with Condition 13 (*Notices*). For further details, see Condition 7.6 (*Early Redemption following a Rating Methodology Event*) of the Terms and Condition of the Securities.
Acquisition Event:	If an Acquisition Event occurs at any time during the Acquisition Event Call Period, the Issuer may redeem all of the Securities (but not some only) at the applicable Early Redemption Price on any Business Day falling on or before the 30th calendar day following the expiry of the Acquisition Event Call Period and upon giving not less than 10 and not more than 30 calendar days' notice of redemption to the Fiscal Agent and the Securityholders in accordance with Condition 13 (*Notices*). For further details, see Condition 7.9 (*Acquisition Event Redemption*) of the Terms and Condition of the Securities.
Purchases:	The Issuer or any Subsidiary may at any time purchase Securities (provided that all unmatured Coupons appertaining to the Securities are purchased with the Securities) in any manner and at any price. Such Securities may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.
Exchange or Variation:	If the Issuer determines that a Withholding Tax Event, a Tax Deductibility Event, a Rating Methodology Event or an Accounting Event has occurred and is continuing, and has provided the Fiscal Agent with the relevant certificate and opinion, letter or report, or in the case of a Rating Methodology Event only, the Rating Agency Confirmation, referred to in Conditions 7.4 (*Early*

	Redemption following a Withholding Tax Event), 7.5 (*Early Redemption following a Tax Deductibility Event*), 7.6 (*Early Redemption following a Rating Methodology Event*) or 7.7 (*Early Redemption following an Accounting Event*) (as applicable), then the Issuer may, without any requirement for the consent or approval of the Securityholders or Couponholders and subject to the pre-conditions set out in Condition 8.2, which include that the terms of the exchange or variation, in the sole opinion of the Issuer (acting reasonably) are not prejudicial to the interests of the Securityholders (as a class) and having given not less than 10 nor more than 60 Business Days' notice to the Fiscal Agent and, in accordance with Condition 13 (*Notices*), to the relevant Securityholders (which notice shall be irrevocable), as an alternative to an early redemption of the relevant Securities at any time (i) exchange the Securities for new securities (to the extent permitted by applicable laws and regulations) (such new securities, the **Exchanged Securities**) or (ii) vary the terms of the relevant Securities (the Securities as so varied, the **Varied Securities**), so that, immediately following such exchange or variation, no Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event applies in respect of the Exchanged Securities or, as applicable, the Varied Securities.
Withholding Tax and Additional Amounts:	The Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the Securityholders and Couponholders after withholding or deduction for or on account of any Taxes imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Securities or, as the case may be, Coupons in the absence of such withholding or deduction, subject to customary exceptions, as described in Condition 9 (*Taxation*) of the Terms and Conditions of the Securities.
Liquidation Event Date:	There are no events of default in relation to the Securities. On the Liquidation Event Date, the Securities will become due and payable at an amount equal to their principal amount, together with any outstanding interest accrued up to (but excluding) the Liquidation Event Date and any outstanding Arrears of Interest. On or following the Liquidation Event Date, each Securityholder may, at its discretion and without further notice, institute steps in order to obtain a judgment against the Issuer for any amounts due and

	payable in respect of the Securities, including the institution of Insolvency Proceedings against the Issuer or the filing of a proof of claim and participation in any Insolvency Proceedings or proceedings for the liquidation, dissolution or winding-up of the Issuer (in which Insolvency Proceedings, liquidation, dissolution or winding-up the Securities shall immediately be due and payable at their principal amount together with any accrued but unpaid interest up to (but excluding) the date on which the Securities become so due and payable and any outstanding Arrears of Interest).
Meetings of Securityholders:	The Terms and Conditions of the Securities and the Agency Agreement contain provisions for convening meetings of Securityholders to consider any matter affecting their interests generally. These provisions permit defined majorities to bind all Securityholders, including Securityholders who did not attend and vote at the relevant meeting and Securityholders who voted in a manner contrary to the majority.
Listing, admission to trading and approval:	Application has been made to the CSSF to approve the Prospectus as a prospectus under Regulation (EU) 2017/1129 (as amended) (the **Prospectus Regulation**). Application has also been made to the Luxembourg Stock Exchange for the Securities to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange.
Governing Law:	The Securities, the Coupons and the Agency Agreement and any non-contractual obligations arising out of or in connection with them, will be governed by, and construed in accordance with, English law, save for the provisions contained in Condition 3 (*Status and Subordination*) of the Terms and Conditions of the Securities in respect of status and subordination which will be governed by Italian law and Condition 14 (*Meetings of Securityholders and Modification*) of the Terms and Conditions of the Securities and the provisions of the Agency Agreement concerning the meeting of Securityholders and the appointment of the Securityholders' representative (*rappresentante comune*) which are subject to compliance with Italian law.
Form and denomination:	The Securities will be issued in bearer form in the denomination of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000.
Credit Rating:	The Securities are expected to be rated "BB" by S&P. S&P is established in the European Union and is registered under the CRA Regulation. As such

	S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation. The rating S&P has given to the Securities is endorsed by S&P Global Ratings UK Limited, which is established in the UK and registered under the UK CRA Regulation.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Securities in the United States, the EEA (including, for these purposes, without limitation, Belgium and the Republic of Italy), the United Kingdom, Japan, Singapore, Switzerland and such other restrictions as may be required in connection with the offering and sale of the Securities. See "*Subscription and Sale*".
Use of Proceeds:	See "*Use of Proceeds*". The Issuer intends to use the net proceeds for the acquisition of the Target Business and for general corporate purposes.
Intention regarding redemption and repurchase of the Securities:	The following text shall not form part of the Terms and Conditions of the Securities: *The Issuer intends (without thereby assuming a legal obligation) that it will redeem or repurchase the Securities only to the extent that the part of the aggregate principal amount of the Securities to be redeemed or repurchased which was assigned "equity credit" (or such similar nomenclature used by S&P from time to time) at the time of the issuance of the Securities does not exceed such part of the net proceeds received by the Issuer (or by any Subsidiary of the Issuer) prior to the date of such redemption or repurchase from the sale or issuance of securities by the Issuer (or by such Subsidiary) to third party purchasers (other than group entities of the Issuer) which was assigned by S&P "equity credit" (or such similar nomenclature used by S&P from time to time) at the time of sale or issuance of such securities (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issuance of the Securities), unless:* (a) *the rating (or such similar nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the rating assigned to the Issuer on the date of the most recent hybrid security issuance (excluding any refinancing without net new issuance) which was assigned by S&P an "equity credit" similar to the Securities and the Issuer is of the view that such rating, would not fall*

	below this level as a result of such redemption or repurchase, or (b) *in the case of a repurchase and/or redemption of the Securities taken together with other repurchases or redemptions of hybrid securities of the Issuer (as the case may be) which are less than (a) 10 per cent. of the aggregate principal amount of the Issuer's outstanding hybrid securities in any period of 12 consecutive months or (b) 25 per cent. of the aggregate principal amount of the Issuer's outstanding hybrid securities in any period of 10 consecutive years provided that in each case such repurchase or redemption has no materially negative effect on the Issuer's credit profile, or* (c) *the Securities are redeemed pursuant to a Change of Control Step-Up Event, Tax Deductibility Event or a Withholding Tax Event, or an Accounting Event or a Substantial Repurchase Event or a Rating Methodology Event or an Acquisition Event; or* (d) *the Securities are not assigned an "equity credit" by S&P (or such similar nomenclature then used by S&P) at the time of such redemption or repurchase, or* (e) *in the case of a repurchase, such repurchase relates to an aggregate principal amount of Securities which is less than or equal to the excess (if any) above the maximum aggregate principal amount of the Issuer's hybrid capital to which S&P then assigns equity content under its then prevailing methodology; or* (f) *such redemption or repurchase occurs on or after the Reset Date falling on 21 August 2050.* Terms used but not defined in the preceding text shall have the meanings set out in the Terms and Conditions of the Securities.
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Securities, including risks relating to the structure of the Issuer, industry and business-related risks, financial risks, insurance services risks and regulatory and legal risks. In addition, there are certain factors that are material for the purpose of assessing the market risks

	associated with the Securities, including risks related to the structure of the Securities, risks related to the Securities generally, risks related to the market generally and risks related to the taxation and accounting treatment of the Securities. These are set out under "*Risk Factors*".

DOCUMENTS INCORPORATED BY REFERENCE

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

(a) the sections "*Description of the Group*" and "*Description of the Issuer*" in EMTN Programme Base Prospectus of the Issuer dated 15 November 2024, available at https://www.prysmian.com/sites/www.prysmian.com/files/media/documents/Prysmian-EMTN-Establishment-Base-Prospectus-15-Nov-2024_0.pdf (the **Base Prospectus**) as included on the following pages*:

Description of the Group	Pages 94 to 120
Description of the Issuer	Pages 121 to 128

* the page number refers to the PDF page

(b) the first supplement to the Base Prospectus dated 8 May 2025 available at https://www.prysmian.com/sites/www.prysmian.com/files/media/documents/EMTN-Programme-First-Supplement-to-the-Base-Prospectus.pdf as included on the following pages:

Description of the Group	Pages 7 to 8
Description of the Issuer	Pages 9 to 12

(c) the English translation of the press release dated 25 March 2025 headed "*Prysmian to Enhance its Digital Solutions Business with the Acquisition Of Channell*" regarding the acquisition by the Issuer of Channell Commercial Corporation (available at: https://www.prysmian.com/sites/www.prysmian.com/files/media/documents/PR_PRYSMIAN_TO_ENHANCE_ITS_DIGITAL_SOLUTIONS_BUSINESS_WITH_THE_ACQUISITION_OF_CHANNELL_ENGLISH.pdf) as included on the following pages*:

Press Release	Pages 1 to 2 (whole document)

* the page number refers to the PDF page

(d) the English translation of the pro forma consolidated financial information of the Issuer at 31 December 2023 and of the independent auditors' examination report thereto, included in the Issuer's information document regarding the acquisition of 100% of the share capital of Encore Wire Corporation dated 12 July 2024 (available at: https://www.prysmian.com/sites/www.prysmian.com/files/media/documents/Information-Document-Final_1.pdf) including the information set out at the following pages* in particular:

Foreword	Page 2
Summary of Pro Forma Figures and Indicators Per Share at 31 December 2023	Page 3
Information about the Acquisition	Pages 17 to 25
Significant Effects of the Transaction	Pages 26 to 27
Economic and Financial Information about Encore Wire	Pages 28 to 39
Economic and Financial Information about the Issuer	Pages 40 to 51
Independent Auditor's Examination Report	Pages 54 to 56

Statement by Prysmian's financial reporting officers, pursuant to art. 154-bis, par. 2 of Italian Legislative Decree 58/1998	Page 57

* the page number refers to the PDF page

(e) the English translation of the interim condensed consolidated financial statements of the Issuer as of and for the three months ended 31 March 2025 (available at: https://www.prysmian.com/sites/www.prysmian.com/files/media/documents/investors/First_Quarter_Financial_Report_at_31_March_2025.pdf) including the information set out at the following pages* in particular:

Prysmian Performance and Results	Page 14-17
Prysmian Statement of Financial Position	Page 26-29
Alternative Performance Indicators	Page 30-33
Consolidated Statement of Financial Position	Page 40
Consolidated Income Statement	Page 41
Other Comprehensive Income	Page 41
Consolidated Statement of Changes in Equity	Page 42
Consolidated Statement of Cash Flows	Page 43
Explanatory Notes	Page 44-84

* the page number refers to the PDF page

(f) the English translation of the auditors' report and audited consolidated financial statements of the Issuer as at and for the financial year ended 31 December 2024 of the Issuer, available at Integrated_Annual_Report_2024_Prysmian_ENG.pdf, including the information set out at the following pages*:

Consolidated Statement of Financial Position	Page 386
Consolidated Income Statement	Page 387
Consolidated Statement of Other Comprehensive Income	Page 387
Consolidated Statement of Changes in Equity	Page 388
Consolidated Statement of Cash Flow	Page 389
Explanatory Notes	Page 390 to 496
Independent Auditor’s Report	Page 499 to 506

* the page number refers to the PDF page

(g) the English translation of the interim condensed consolidated financial statements of the Issuer as of and for the nine months ended 30 September 2024 and of the independent auditors' review report thereto (available at: https://www.prysmian.com/sites/www.prysmian.com/files/media/documents/investors/Financial_Report-30_September_2024.pdf) including the information set out at the following pages* in particular:

Consolidated Statement of Financial Position	Page 48
Consolidated Income Statement	Page 49
Consolidated Statement of Other Comprehensive Income	Page 49
Consolidated Statement of Changes in Equity	Page 51
Consolidated Statement of Cash Flows	Page 52
Explanatory Notes	Pages 53 to 100
Independent Auditor's Review Report	Pages 101 to 103

* the page number refers to the PDF page

(h) the English translation of the interim condensed consolidated financial statements of the Issuer as of and for the six months ended 30 June 2024 and of the independent auditors' review report thereto (available at: https://www.prysmian.com/sites/www.prysmian.com/files/media/documents/investors/Half-Year-Financial-Report-30-June-2024.pdf) including the information set out at the following pages* in particular:

Consolidated Statement of Financial Position	Page 41
Consolidated Income Statement	Pages 42 and 43
Consolidated Statement of Other Comprehensive Income	Pages 42 and 43
Consolidated Statement of Changes in Equity	Page 44
Consolidated Statement of Cash Flows	Page 45
Explanatory Notes	Pages 46 to 94
Independent Auditor's Review Report	Pages 97 to 99

* the page number refers to the PDF page

(i) the English translation of the auditors' report and audited consolidated financial statements of the Issuer as at and for the financial year ended 31 December 2023 of the Issuer, available at https://www.prysmian.com/sites/www.prysmian.com/files/media/documents/Integrated-Annual-Report-2023_3.pdf, including the information set out at the following pages*:

Consolidated Statement of Financial Position	Page 243
Consolidated Income Statement	Page 244
Consolidated Statement of Other Comprehensive Income	Page 244
Consolidated Statement of Changes in Equity	Page 245
Consolidated Statement of Cash Flows	Page 246
Explanatory Notes	Pages 247 to 341
Independent Auditor's Report	Pages 344 to 349

* the page number refers to the PDF page

(j) the English translation of the consolidated annual financial statements of the Issuer as of and for the year ended 31 December 2022 and of the independent auditors' report thereto (available at: https://www.prysmian.com/sites/www.prysmian.com/files/media/documents/pr-2302-rsg-2022-integrated-annual-report-compr_3.pdf) including the information set out at the following pages* in particular:

Consolidated Statement of Financial Position	Page 217
Consolidated Income Statement	Page 218
Consolidated Statement of Other Comprehensive Income	Page 218
Consolidated Statement of Changes in Equity	Page 219
Consolidated Statement of Cash Flows	Page 220
Explanatory Notes	Pages 221 to 321
Independent Auditor’s Report	Pages 324 to 329

* the page number refers to the PDF page

Following the publication of this Prospectus a supplement may be prepared by the Issuer and approved by the CSSF in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

Any non-incorporated parts of a document referred to herein (which, for the avoidance of doubt, means any parts no listed in the cross-reference list above) are either deemed not relevant for an investor or are otherwise covered elsewhere in this Prospectus.

Any websites included in this Prospectus are for information purposes only and do not form part of this Prospectus.

TERMS AND CONDITIONS OF THE SECURITIES

The following is the text of the Terms and Conditions of the Securities which (subject to modification) will be endorsed on each Security in definitive form (if issued). The terms and conditions applicable to any Security in global form will differ from those terms and conditions which would apply to the Security were it in definitive form to the extent described under "Overview of Provisions relating to the Securities in Global Form".

Text set out within the Terms and Conditions of the Securities in italics is provided for information only and does not form part of the Terms and Conditions of the Securities.

The €1,000,000,000 Perpetual Subordinated Non-Call 5.25 Fixed Rate Reset Securities (the **Securities**, which expression shall in these Conditions, unless the context otherwise requires, include any further securities issued pursuant to Condition 15 (*Further Issues*) and forming a single series with the Securities) of Prysmian S.p.A. (the **Issuer**) are issued subject to and with the benefit of an agency agreement dated 21 May 2025 (such agreement as amended, supplemented and/or restated from time to time, the **Agency Agreement**) made between the Issuer and Deutsche Bank AG, London Branch as fiscal and paying agent (the **Fiscal Agent**) and as agent bank (the **Agent Bank**) and any other initial paying agents named in the Agency Agreement (together with the Fiscal Agent and the Agent Bank, the **Paying Agents**).

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Agency Agreement. Copies of the Agency Agreement are available for inspection during normal business hours by the holders of the Securities (the **Securityholders**) and the holders of the interest coupons and the talons (**Talons**) for further interest coupons appertaining to the Securities (the **Couponholders** and the Coupons (which expressions shall in these Conditions, unless the context otherwise requires, include the holders of the Talons and the Talons) at the specified office of each of the Paying Agents. The Securityholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement applicable to them. References in these Conditions to the Fiscal Agent, the Agent Bank and the Paying Agents shall include any successor appointed under the Agency Agreement.

1. FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Securities are in bearer form, serially numbered, in the denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000, each with Coupons and one Talon attached on issue. Securities of one denomination may not be exchanged for Securities of another denomination.

1.2 Title

Title to the Securities and to the Coupons will pass by delivery.

1.3 Holder Absolute Owner

The Issuer and any Paying Agent may (to the fullest extent permitted by applicable laws) deem and treat the bearer of any Security or Coupon as the absolute owner for all purposes (whether or not the Security or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Security or Coupon or any notice of previous loss or theft of the Security or Coupon or of any trust or interest therein) and shall not be required to obtain any proof thereof or as to the identity of such bearer and no person shall be liable for so treating such holder.

2. DEFINITIONS AND INTERPRETATION

As used in these Conditions:

An **Accounting Event** shall occur if as a result of a change in the accounting practices or principles applicable to the Issuer (or a change in the interpretation thereof), which currently are the international

accounting standards (International Accounting Standards — IAS and International Financial Reporting Standards — IFRS) issued by the International Accounting Standards Board (IASB), the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), adopted by the European Union pursuant to Regulation (EC) 1606/2002 (**IFRS**), or any other accounting standards that may replace IFRS which becomes effective or applicable on or after the Issue Date (the **Change**), the obligations of the Issuer in respect of the Securities following the official adoption of such Change, which may fall before the date on which the Change will come into effect, can no longer be fully recorded as "equity" (*strumento di capitale*), in accordance with accounting practices or principles applicable to the Issuer at the time of the next Financial Statements (following such Change), and a recognised accountancy firm of international standing, acting upon instructions of the Issuer, has delivered an opinion, letter or report addressed to the Issuer to that effect.

Accrual Period has the meaning given to it in Condition 4.1(d) (*Calculation of Interest*).

Acquisition means the acquisition by the Issuer of the Target Business.

An **Acquisition Event** shall have occurred if (i) the Issuer has not completed and closed the Acquisition and (ii) the Issuer has publicly stated that it no longer intends to pursue the Acquisition.

Acquisition Event Call Period means the period from (and including) the Issue Date to (and including) 31 December 2025.

Additional Amounts has the meaning given to it in Condition 9.1 (*Payment without Withholding*).

Adjustment Spread means either (a) a spread (which may be positive, negative or zero) or (b) the formula or methodology for calculating a spread, in either case which the Independent Adviser determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Securityholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or

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

(C) if the Issuer 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.

Alternative Rate means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5.2 (*Successor Rate or Alternative Rate*) is customary in market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in Euro and with an interest period of a comparable duration to the relevant Reset Period.

Arrears of Interest has the meaning given to it in Condition 4.2(a) (*Optional Interest Deferral*).

Benchmark Amendments has the meaning given to it in Condition 5.4 (*Benchmark Amendments*).

Benchmark Event means:

(A) the Original Reference Rate ceasing 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 Original Reference Rate that (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) it has ceased or that it will, by a specified date on or prior to the next Reset Interest Determination Date, cease publishing the Original Reference Rate permanently or indefinitely; or

(C) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will, by a specified date on or prior to the next Reset Interest Determination Date, be permanently or indefinitely discontinued; or

(D) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will, by a specified date on or prior to the next Reset Interest Determination 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 Securities; or

(E) it has or will, by a specified date on or prior to the next Reset Interest Determination Date, become unlawful for the Agent Bank or Paying Agents to calculate any payments due to be made to the Securityholders using the Original Reference Rate including, without limitation, under the Benchmarks Regulation, if applicable; or

(F) the making of a public statement by the supervisor of the administrator of the Original Reference Rate announcing that (i) such Original Reference Rate is no longer representative of any underlying market; or (ii) the methodology to calculate the Original Reference Rate has materially changed; or

(G) the European Commission or the competent national authority of a Member State having designated one or more replacement benchmarks for an Original Reference Rate pursuant to Article 23b (2) and Article 23c (1) of Benchmarks Regulation,

provided that in the case of sub-paragraphs (B), (C) and (D), the Benchmark Event shall occur on the later of (i) the date which is six months prior to the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be and (ii) the date of the relevant public statement.

Benchmarks Regulation means Regulation (EU) No. 2016/1011, as amended.

Business Day means a day which is both a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and Milan and a T2 Settlement Day.

Calculation Amount has the meaning given to it in Condition 4.1(d) (*Calculation of Interest*).

Calculation Date means the third Business Day preceding the Make-whole Redemption Date.

Call Date has the meaning given to it in Condition 7.2 (*Optional Redemption*).

A **Change of Control** will be deemed to occur if any Person or group of Persons acting in concert gains control of the Issuer, provided that:

(i) **acting in concert** means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition directly or indirectly of shares in the Issuer by any of them, either directly or indirectly, to obtain or consolidate

control of the Issuer pursuant to Article 2359, first and second paragraphs, of the Italian Civil Code and Article 93 of Legislative Decree No. 58 of 24 February 1998 (as subsequently amended or supplemented);

(ii) **control** means owning, directly or indirectly, more than 50 per cent. of the voting share capital of the Issuer or having the right to appoint by contract or otherwise a majority of the board of directors of the Issuer;

A **Change of Control Step-Up Event** will be deemed to occur if:

(i) there occurs a Change of Control; and

(ii) during the period ending on the 30th day after the date of the public announcement of the occurrence of the Change of Control, either (x) (if at the time that the Change of Control occurs there is a Rating) a Rating Downgrade resulting from that Change of Control occurs or (y) (if at such time there is no Rating) a Negative Rating Event resulting from that Change of Control occurs;

Code has the meaning given to it in Condition 6.4 (*Payments subject to Applicable Laws*).

A **Compulsory Arrears of Interest Settlement Event** shall have occurred if:

(A) a dividend (either interim or final), or any other distribution or payment was validly resolved on, declared, paid or made in respect of any Junior Securities, except where (i) such dividend was paid in the form of the issuance (or transfer from treasury) of ordinary shares; (ii) such dividend, other distribution or payment was required to be resolved on, declared, paid or made in respect of any stock option plans or employees' share schemes; or (iii) such dividend, other distribution or payment was contractually required to be declared, paid or made under the terms of such Junior Securities (including, for the avoidance of doubt, where such dividend, other distribution or payment was declared by the Issuer before the earliest notice given by the Issuer in accordance with Condition 4.2(a) (*Optional Interest Deferral*) in respect of the then outstanding Arrears of Interest); or

(B) a dividend (either interim or final), or any other distribution or payment was validly resolved on, declared, paid or made in respect of any Parity Securities, except where such dividend, distribution or payment was contractually required to be declared, paid or made under the terms of such Parity Securities (including, without limitation, where any such payment occurs mandatorily at the maturity of such Parity Securities and, for the avoidance of doubt, where such dividend, other distribution or payment was declared by the Issuer before the earliest notice given by the Issuer in accordance with Condition 4.2(a) (*Optional Interest Deferral*) in respect of the then outstanding Arrears of Interest); or

(C) the Issuer or any Subsidiary has repurchased, purchased, redeemed or otherwise acquired any Junior Securities, except where (x) such repurchase, purchase, redemption or acquisition was undertaken in connection with the satisfaction by the Issuer or any Subsidiary of its respective obligations under (i) any share buy-back programme existing at the Issue Date or (ii) any stock option plan or free share allocation plan reserved for Directors, officers and/or employees of the Issuer (or, as applicable, its Subsidiary) or any associated hedging transaction or (y) such repurchase, purchase, redemption or acquisition is contractually required to be made under the terms of such Junior Securities; or

(D) the Issuer or any Subsidiary has repurchased, purchased, redeemed or otherwise acquired any Parity Securities, except where (x) such repurchase, purchase, redemption or acquisition is contractually required to be made under the terms of such Parity Securities (including, without limitation, where any such payment occurs mandatorily at the maturity of such Parity Securities) or (y) such repurchase, purchase, redemption or acquisition is effected as a public

tender offer or public exchange offer at a purchase price per security which is below its par value; or

(E) the Issuer or any Subsidiary has repurchased any of the Securities, except where such repurchase is effected as a public tender offer or public exchange offer at a purchase price per Security which is below its par value,

provided that a Compulsory Arrears of Interest Settlement Event shall not occur pursuant to paragraph (B) above in respect of any pro rata payment of deferred or arrears of interest on any Parity Securities which is made simultaneously with a pro rata payment of any Arrears of Interest provided that such pro rata payment of deferred or arrears of interest on a Parity Security is not proportionately more than the pro rata settlement of any such Arrears of Interest.

Decree No. 239 means Italian Legislative Decree No. 239 of 1 April 1996, as amended and/or supplemented.

Decree No. 917 means Italian Presidential Decree No. 917 of 22 December 1986, as amended and/or supplemented.

Deferral Notice has the meaning given to it in Condition 4.2(a) (*Optional Interest Deferral*).

Deferred Interest Payment has the meaning given to it in Condition 4.2(a) (*Optional Interest Deferral*).

Determination Period has the meaning given to it in Condition 4.1(d) (*Calculation of Interest*).

Director means a member of the Board of Directors of the Issuer.

Early Redemption Date means the date of redemption of the Securities pursuant to Condition 7.3 (*Early Redemption following a Change of Control Step-Up Event*), 7.4 (*Early Redemption following a Withholding Tax Event*), Condition 7.5 (*Early Redemption following a Tax Deductibility Event*), Condition 7.6 (*Early Redemption following a Rating Methodology Event*), Condition 7.7 (*Early Redemption following an Accounting Event*), Condition 7.9 (*Acquisition Event Redemption*) and Condition 7.10 (*Purchases and Substantial Repurchase Event*).

Early Redemption Price will be the amount determined by the Agent Bank on the Redemption Calculation Date as follows:

(A) in the case of a Change of Control Step-Up Event, Withholding Tax Event or a Substantial Repurchase Event, 100 per cent. of the principal amount of the Securities then outstanding;

(B) in the case of an Accounting Event, a Tax Deductibility Event or a Rating Methodology Event, either:

(i) 101 per cent. of the principal amount of the Securities then outstanding if the Early Redemption Date falls prior to 21 May 2030 (the **First Call Date**); or

(ii) 100 per cent. of the principal amount of the Securities then outstanding if the Early Redemption Date falls on or after the First Call Date; or

(C) in the case of an Acquisition Event, 101 per cent. of the principal amount of the Securities then outstanding,

and in each case together with any accrued interest up to, but excluding, the relevant Early Redemption Date and any outstanding Arrears of Interest.

equity credit shall include such other nomenclature as any Rating Agency may use from time to time to describe the degree to which an instrument exhibits the characteristics of an ordinary share.

EUR 5-year Swap Rate has the meaning given to it in Condition 4.1(b) (*Determination of EUR 5-year Swap Rate*).

EUR 5-year Swap Rate Quotation means, in relation to any Reset Period, 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 which (i) has a term of 5 years commencing on the relevant Reset Interest Determination Date, (ii) is in an amount that is representative of 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 6-month EURIBOR rate (calculated on an Actual/360 day count basis).

EUR Reset Reference Bank Rate means the percentage rate determined by the Agent Bank on the basis of the EUR 5-year Swap Rate Quotations provided by the EUR Reset Reference Banks to the Issuer and notified to the Agent Bank at approximately 11:00 a.m. (CET) on the relevant Reset Interest Determination Date.

EUR Reset Reference Banks means five major banks in the Euro-zone interbank market selected by the Issuer.

EUR Reset Screen Page means the Thomson Reuters screen "ICESWAP2 / EURSFIXA" (or such other page as may replace it on Thomson Reuters or, as the case may be, on such other information service that may replace Reuters providing or sponsoring the information appearing there for the purpose of displaying rates comparable to the EUR 5-year Swap Rate).

EURIBOR means the Euro-zone interbank offered rate.

Exchanged Securities has the meaning given to it in Condition 8 (*Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation*).

Financial Statements means either of:

(A) audited annual consolidated financial statements of the Issuer; or

(B) unaudited condensed consolidated half-year financial statements of the Issuer which are subject to a formal "review" from an independent auditor,

in each case prepared in accordance with IFRS or any successor accounting standards applicable to the Issuer.

First Reset Date means 21 August 2030.

Independent Adviser means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international capital markets, in each case appointed by the Issuer under Condition 5.1 (*Benchmark Discontinuation – Independent Adviser*).

Insolvency Code means the Italian Legislative Decree No. 14 of 2019, as subsequently amended and supplemented, inter alia, by Legislative Decree No. 147 of October 26, 2020, providing the first corrective intervention to the Code, the Legislative Decree No. 83 dated June 17, 2022, the Law Decree No. 69 of June 13, 2023 as converted by Law No. 103 of August 10, 2023, implementing the EU Restructuring Directive, and Legislative Decree No. 136 of 13 September 2024.

Insolvency Proceedings means any insolvency proceedings (*procedura concorsuale*) or proceedings equivalent or analogous thereto under the laws of any applicable jurisdiction, including, but not limited to, judicial liquidation (*liquidazione giudiziale*), composition with creditors (*concordato preventivo*) (including "*concordato preventivo con riserva*" pursuant to Article 44 of the Insolvency Code), composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale*), compulsory administrative liquidation (*liquidazione coatta amministrativa*), extraordinary

administration for large companies (*amministrazione straordinaria delle grandi imprese insolventi*) pursuant to Legislative Decree No. 270 of 8 July 1999, extraordinary administration for the industrial restructuring of large insolvent companies (*amministrazione straordinaria per la ristrutturazione industrial delle grandi imprese insolventi*) pursuant to Law Decree No. 347 of December 23, 2003, debt restructuring agreements (*accordo di ristrutturazione dei debiti*), reorganisation plans (*piani attestati di risanamento*), negotiated crisis composition procedure (*composizione negoziata per la soluzione della crisi di impresa*) pursuant to Chapter I, Title II of the Insolvency Code, simplified composition with creditors for the liquidation of the assets (*concordato semplificato per la liquidazione del patrimonio*) pursuant to Article 25-*sexies* of the Insolvency Code, restructuring plan subject to homologation (*piano di ristrutturazione soggetto a omologazione*) pursuant to Article 64-*bis* of the Insolvency Code, the undertaking of any court-approved restructuring with creditors or the making of any application (or filing of documents with a court) for the appointment of an administrator, liquidator or other receiver (*curatore*), manager administrator (*commissario straordinario* or *commissario liquidatore*) or other similar official, under any applicable law.

Interest Payment Date means 21 August in each year, commencing on, and including, 21 August 2025.

Interest Period means the period from (and including) the Issue Date to (but excluding) the first Interest Payment Date and each successive period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date, ending on the date of any redemption or repurchase pursuant to Condition 7 (*Redemption and Purchase*) of the Terms and Conditions of the Securities.

Investment Grade, with reference to a Rating, means a credit rating at least equal to BBB-/Baa3 or better by S&P (or its equivalent by any other Rating Agency).

Issue Date means 21 May 2025.

Junior Securities means:

(A) the ordinary shares (*azioni ordinarie*) of the Issuer;

(B) any other class of the Issuer's share capital (including savings shares (*azioni di risparmio*) and preferred shares (*azioni privilegiate*)) (if any); and

(C) (i) any securities of the Issuer (including *strumenti finanziari* issued under Article 2346 of the Italian Civil Code); and

(ii) any securities issued by a company other than the Issuer which have the benefit of a guarantee or similar instrument from the Issuer,

which securities (in the case of (C)(i)) or guarantee or similar instrument (in the case of (C)(ii)) rank or are expressed to rank *pari passu* with the claims described under (A) and (B) above and/or junior to the Securities.

Liquidation Event Date has the meaning given to it in Condition 7.1(*No fixed redemption*).

Make-whole Margin means 0.50 per cent. per annum.

Make-whole Redemption Amount means the amount which is equal to (i) the greater of (a) the principal amount of the Securities and (b) the sum of the then present values of the remaining scheduled payments of principal and interest on the Securities (determined on the basis of redemption of the Securities at their principal amount on the First Call Date, and excluding any interest accrued up to (but excluding) the Make-whole Redemption Date and any outstanding Arrears of Interest) discounted to the Make-whole Redemption Date on an annual basis at a discount rate equal to the Make-whole Redemption Rate plus the Make-whole Margin, plus (ii) any interest accrued up to (but

excluding) the Make-whole Redemption Date and any outstanding Arrears of Interest, all as determined by the Reference Dealers and as notified on the Calculation Date by the Reference Dealers to the Issuer.

Make-whole Redemption Date has the meaning given to it in Condition 7.8 (*Make-whole Redemption at the Option of the Issuer*).

Make-whole Redemption Rate means (a) the mid-market yield to maturity of the Reference Security which appears on the Relevant Make-whole Screen Page at 11:00 a.m. (Central European Time) on the Calculation Date or (b) to the extent that the mid-market yield to maturity does not appear on the Relevant Make-whole Screen Page at such time, the arithmetic average of the number of quotations given by the Reference Dealers to the Issuer of the mid-market yield to maturity of the Reference Security at or around 11:00 a.m. (Central European Time) on the Calculation Date.

Mandatory Settlement Date means the earliest of:

(A) the tenth Business Day following the date on which a Compulsory Arrears of Interest Settlement Event occurs;

(B) following any Deferred Interest Payment, on the next scheduled Interest Payment Date on which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period; and

(C) the date on which the Securities are redeemed or repaid in accordance with Condition 7 (*Redemption and Purchase*) or become due and payable in accordance with Condition 11 (*Enforcement on the Liquidation Event Date and no Events of Default*), including at the Liquidation Event Date (unless otherwise required by mandatory provisions of applicable law).

Mid-Swap Benchmark Rate means the annual mid-swap rate referred to in the definition of EUR 5-year Swap Rate in Condition 4.1(b) (*Determination of EUR 5-year Swap Rate*).

Mid-Swap Floating Leg Benchmark Rate means the 6-month EURIBOR rate referred to in paragraph (iii) of the definition of EUR 5-year Swap Rate Quotation used in the determination of the EUR Reset Reference Bank Rate.

A **Negative Rating Action** will be deemed to have occurred if:

(i) a Rating that is Investment Grade is either withdrawn or reduced to below Investment Grade; or

(ii) a Rating that is already below Investment Grade is either withdrawn or lowered at least one notch (for illustration, Ba1 to Ba2 and BB+ to BB being one notch)

and such Rating is not, promptly upon the Issuer becoming aware of the occurrence of a Change of Control, subsequently reinstated (in the case of a withdrawal) or upgraded (in the case of a reduction) either to a Rating that is Investment Grade (in the case of (i) above) or to its earlier Rating or better (in the case of (ii) above) by such Rating Agency;

A **Negative Rating Event** will be deemed to have occurred if:

(i) the Issuer does not, either prior to or not later than the 14th day after the date of the public announcement of the occurrence of the relevant Change of Control, seek, and thereupon use all reasonable endeavours to obtain, a Rating; or

(ii) the Issuer does seek a Rating and use such endeavours to obtain it, but it is unable, as a result of such Change of Control, to obtain a Rating of Investment Grade;

Original Reference Rate means the Mid-Swap Benchmark Rate and/or the Mid-Swap Floating Leg Benchmark Rate, as applicable in accordance with these Conditions.

Parity Securities means:

(A) any securities or other instruments issued by the Issuer which rank, or are expressed to rank, *pari passu* with the Issuer's obligations under the Securities; and

(B) any securities or other instruments issued by a company or entity other than the Issuer which have the benefit of a guarantee or similar instrument from the Issuer, which guarantee or similar instrument ranks or is expressed to rank *pari passu* with the Issuer's obligations under the Securities.

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.

Prevailing Interest Rate means the rate of interest payable on the Securities applicable from time to time pursuant to Condition 4 (*Interest and Interest Deferral*).

Rating means any long-term rating assigned to the Issuer by any Rating Agency;

Rating Agency means:

(i) for the purposes of a Change of Control Step-Up Event, Moody's Investors Service Ltd. or any of its subsidiaries or their successors (**Moody's**), Fitch Ratings Ltd. or any of its subsidiaries or their successors (**Fitch**) and S&P Global Ratings, a division of S&P Global Inc. or any of its subsidiaries or their successors (**S&P**), or any rating agency substituted for any of them (or any permitted substitute of them) from time to time; or

(ii) S&P or any other rating agency of equivalent standing notified by the Issuer to the Securityholders in accordance with Condition 13 (*Notices*) or any other rating entity belonging to the relevant group that replaces such rating agencies as the entity issuing the solicited rating on the Securities or any of their respective successors to the rating business thereof.

Rating Agency Confirmation means a written confirmation from a Rating Agency which has assigned ratings to the Issuer on a basis sponsored by the Issuer which is either received by the Issuer directly from the relevant Rating Agency or indirectly via publication by such Rating Agency.

A **Rating Downgrade** will be deemed to have occurred if:

(i) there are one or two then current Ratings and a Negative Rating Action occurs in relation to any such Rating; or

(ii) there are three then current Ratings and a Negative Rating Action occurs in relation to any two such Ratings,

provided that a Rating Downgrade otherwise arising by virtue of a particular change in Rating shall be deemed not to have occurred in respect of a particular Change of Control if the Rating Agency making the change in Rating does not publicly announce or publicly confirm that the reduction was the result, in whole or in part, of the Change of Control;

A **Rating Methodology Event** shall be deemed to have occurred if the Issuer has received a Rating Agency Confirmation stating that:

(A) due to an amendment to, clarification of or change in the "equity credit" (or such similar nomenclature then used by such Rating Agency) criteria of such Rating Agency, which amendment, clarification or change has occurred after the Relevant Rating Date, (a) all or any of the Securities are no longer eligible for the same or a higher amount of "equity credit"

attributed to the Securities on the Relevant Rating Date; (b) if the Securities are not eligible for "equity credit" at the Issue Date, the Securities not being eligible for "equity credit" on the closing date of the Acquisition; or (c) the period of time during which such Rating Agency assigns to the Securities a particular level of "equity credit" will be shortened as compared to the period of time for which such Rating Agency had assigned to the Securities that level of "equity credit" on the Relevant Rating Date; or

(B) following a Refinancing Event, the Securities would no longer have been eligible (had such Refinancing Event not occurred), due to an amendment, clarification or change in the "equity credit" (or such similar nomenclature then used by such Rating Agency) criteria, for the same or a higher amount of "equity credit" attributed to the Securities on the Relevant Rating Date.

Redemption Calculation Date means the fourth Business Day prior to the relevant Early Redemption Date.

Reference Dealers means 5 major investment banks in the swap, money or securities market as may be selected by the Issuer.

Reference Security means Bund DBR 0.00% 15 August 2030 (ISIN DE0001102507). If a Reference Security is no longer outstanding, a Similar Security will be chosen by the Reference Dealers at 11:00 a.m. (Central European Time) on the Calculation Date, quoted in writing by the Reference Dealers to the Issuer and published in accordance with Condition 13 (*Notices*), and such Similar Security shall replace the previous Reference Security for the purposes of determination of the Make-whole Redemption Amount.

Refinancing Event means the refinancing, in whole or in part, of the Securities following the Relevant Rating Date and, as a result of such refinancing, all or any of the Securities having become eligible for a level of "equity credit" that is lower than the level or equivalent level of "equity credit" assigned to the Securities by such Rating Agency on the Relevant Rating Date.

Relevant Date means the date on which any payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Fiscal Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Securityholders in accordance with Condition 13 (*Notices*).

Relevant Make-whole Screen Page means the relevant Bloomberg screen page (or any successor or replacement page, section or other part of the information service), or such other page, section or other part as may replace it on the 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 the mid-market yield to maturity for the Reference Security.

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

(A) the European Central Bank, 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 European Central Bank, (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.

Relevant Rating Date means the Issue Date or, if later, the date on which the Securities are assigned "equity credit" by the relevant Rating Agency for the first time.

Reserved Matter has the meaning given to it in the Agency Agreement.

Reset Date means the First Reset Date and each date falling on the fifth anniversary thereafter.

Reset Interest Determination Date means, in respect of any Reset Period, the day falling two Business Days prior to the beginning of the relevant Reset Period.

Reset Period means each period from and including the First Reset Date to but excluding the next following Reset Date and thereafter from and including each Reset Date to but excluding the next following Reset Date.

S&P means S&P Global Ratings Europe Limited.

Similar Security means a reference security or reference securities issued by the same issuer as the Reference Security having actual or interpolated maturity comparable with the remaining term of the Securities that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the First Call Date of the Securities.

Subsidiary means, in relation to any Person (the **First Person**) at any particular time, any other Person (the **Second Person**):

(a) whose majority of votes in ordinary shareholders' meetings of the Second Person is held by the First Person; or

(b) in which the First Person holds a sufficient number of votes giving the First Person a dominant influence in ordinary shareholders' meetings of the Second Person; and

(c) whose accounts are required to be consolidated with those of the First Person pursuant to Article 26 of the Italian Legislative Decree No. 127 of 9 April 1991;

in the case of (a) and (b), pursuant to the provisions of Article 2359, first paragraph, no. 1 and no. 2, of the Italian Civil Code.

A **Substantial Repurchase Event** shall be deemed to have occurred if, prior to the giving of the relevant notice of redemption, at least 75 per cent. of the aggregate principal amount of the Securities issued (including any Securities which, pursuant to Condition 15 (*Further Issues*), form a single series with the Securities issued) has been purchased by or on behalf of the Issuer or any of its Subsidiaries and has been cancelled.

Successor Rate means the rate that the Independent Adviser determines is a successor to or replacement of the Original Reference Rate and which is formally recommended by any Relevant Nominating Body.

T2 Settlement Day means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor or replacement for that system (**T2**) is open.

Target Business means Channell Commercial Corporation.

A **Tax Deductibility Event** shall be deemed to have occurred if, as a result of a Tax Law Change, payments of interest by the Issuer in respect of the Securities are no longer, or within 90 calendar days of the date of any opinion provided pursuant to Condition 7.5(b)(ii) (*Early Redemption following a Tax Deductibility Event*) will no longer be, deductible in whole or in part for Italian corporate income tax purposes (or entitlement to make such deduction shall be materially delayed or reduced), and the Issuer cannot avoid the foregoing by taking reasonable measures available to it. For the avoidance of doubt, a Tax Deductibility Event shall not occur if payments of interest by the Issuer in respect of the Securities are not deductible in whole or in part for Italian corporate income tax purposes solely as a result of general tax deductibility limits set forth by Article 96 of Decree No. 917 as at (and on the basis of the general tax deductibility limits calculated in the manner applicable as at) the Issue Date.

Tax Jurisdiction means the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Securities or Coupons.

Tax Law Change means (i) any amendment to, clarification of, or change in, the laws or treaties (or any regulations thereunder) of a Tax Jurisdiction affecting taxation, (ii) any governmental action or (iii) any amendment to, clarification of, or change in the official position or the interpretation of such governmental action (including an amendment, clarification or change resulting from a publicly available reply to a ruling or circular letter issued by a governmental authority) that differs from the previously generally accepted position (or interpretation resulting from a publicly available reply to a ruling or a circular letter), in each case, by any legislative body, court, governmental authority or regulatory body, which amendment, clarification, change or governmental action is effective, on or after the Issue Date.

Taxes means any present or future taxes, levies, imposts, duties or other charges or withholdings of whatever nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

Varied Securities has the meaning given to it in Condition 8 (*Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation*).

A **Withholding Tax Event** shall be deemed to have occurred if, following the Issue Date:

(A) as a result of a Tax Law Change, the Issuer has or will become obliged to pay Additional Amounts in respect of the Securities and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or

(B) a person into which the Issuer is merged or to whom it has conveyed, transferred or leased all or substantially all of its assets and who has been substituted in place of the Issuer as principal debtor under the Securities is required to pay Additional Amounts in respect of the Securities and such obligation cannot be avoided by such person taking reasonable measures available to it, unless the sole purpose of such a merger, conveyance, transfer or lease would be to permit the Issuer to redeem the Securities.

3. STATUS AND SUBORDINATION

3.1 Status

The Securities and the Coupons, including the obligations of the Issuer in respect of any Arrears of Interest, constitute direct, unsecured and subordinated obligations of the Issuer and rank and will at all times rank *pari passu* without any preference among themselves and with the Issuer's payment obligations in respect of any Parity Securities. The Securities constitute *obbligazioni* pursuant to Articles 2410 *et seq*. of the Italian Civil Code. The obligations of the Issuer in respect of the Securities and the Coupons are subordinated as described in Condition 3.2 (*Subordination*).

3.2 Subordination

The obligations of the Issuer to make payment in respect of principal and interest on the Securities and the Coupons, including its obligations in respect of any Arrears of Interest, will, in the event of the winding-up, insolvency, dissolution or liquidation of the Issuer, rank:

(a) senior only to the Issuer's payment obligations in respect of any Junior Securities;

(b) *pari passu* among themselves and with the Issuer's payment obligations in respect of any Parity Securities; and

(c) junior to all other payment obligations of the Issuer, present and future, whether subordinated (including any claims pursuant to Article 2411, first paragraph, of the Italian Civil Code) or unsubordinated,

in each case except as otherwise required by mandatory provisions of applicable law.

Nothing in this Condition 3.2 or Condition 11 (*Enforcement on the Liquidation Event Date and no Events of Default*) shall affect or prejudice the payment of costs, charges, expenses, liabilities or remuneration of the Fiscal Agent or Paying Agents or the Agent Bank or the rights and remedies of the Fiscal Agent or the Paying Agents or the Agent Bank in respect thereof.

3.3 No Set-off

To the extent and in the manner permitted by applicable law, no Securityholder or Couponholder may exercise, claim or plead any right of set-off, counterclaim, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising from, the Securities or the Coupons and each Securityholder and Couponholder will, by virtue of his holding of any Security or Coupon, be deemed to have waived all such rights of set-off, counterclaim, compensation or retention. The Issuer may not set off any claims it may have against the Securityholders against any of its obligations under the Securities or the Coupons, including its obligations in respect of any Arrears of Interest.

4. INTEREST AND INTEREST DEFERRAL

4.1 Interest

(a) **Interest Rates and Interest Payment Dates**

Unless previously redeemed or repurchased and cancelled in accordance with these Conditions and subject to the further provisions of this Condition 4 (*Interest and Interest Deferral*), the Securities will bear interest on their principal amount as follows:

(i) from (and including) the Issue Date to (but excluding) the First Reset Date, at the rate of 5.250 per cent. per annum, payable annually in arrear on each Interest Payment Date, commencing on 21 August 2025 (being the **First Interest Payment Date**). There will be a short first interest period from and including the Issue Date to but excluding the First Interest Payment Date; and

(ii) from (and including) the First Reset Date to (but excluding) the date of any redemption or repurchase pursuant to Condition 7 (*Redemption and Purchase*) of the Terms and Conditions of the Securities, at, in respect of each Reset Period, the relevant EUR 5-year Swap Rate plus:

(A) in respect of the Reset Period commencing on the First Reset Date and ending on but excluding the Reset Date falling on 21 August 2035 (the **First Reset Period**), 3.012 per cent. per annum;

(B) in respect of the Reset Periods commencing on or after 21 August 2035 and ending on but excluding the Reset Date falling on 21 August 2050 (the **Second Reset Period**), 3.262 per cent. per annum; and

(C) in respect of the Reset Periods commencing on or after 21 August 2050 and any Reset Period following thereafter (the **Third Reset Period**), 4.012 per cent. per annum,

all as determined by the Agent Bank, payable annually in arrear on each Interest Payment Date.

(b) **Determination of EUR 5-year Swap Rate**

(i) For the purposes of these Conditions, the relevant **EUR 5-year Swap Rate**, in respect of a Reset Period, shall be the annual mid-swap rate as displayed on the EUR Reset Screen Page as at 11:00 a.m. (CET) on the relevant Reset Interest Determination Date.

(ii) If the relevant EUR 5-year Swap Rate does not appear on the EUR Reset Screen Page on the relevant Reset Interest Determination Date (other than as a result of a Benchmark Event), the Issuer shall request each of the EUR Reset Reference Banks to provide it and the Agent Bank with its EUR 5-year Swap Rate Quotation and the Agent Bank will determine the EUR 5-year Swap Rate as the EUR Reset Reference Bank Rate on the relevant Reset Interest Determination Date in accordance with the below.

(iii) If at least three quotations are provided by the EUR Reset Reference Banks, the EUR 5-year Swap Rate will be determined by the Agent Bank on the basis of the arithmetic mean of the quotations provided, 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).

(iv) If only two quotations are provided, the EUR 5-year Swap Rate will be the arithmetic mean of the quotations provided.

(v) If only one quotation is provided, the EUR Reset Reference Bank Rate will be the quotation provided.

(vi) If no quotations are provided, the EUR Reset Reference Bank Rate for the relevant period will be equal to the last available EUR 5 year mid swap rate for euro swap transactions, expressed as an annual rate, on the EUR Reset Screen Page as obtained by the Agent Bank.

(c) **Step-up after Change of Control Step-Up Event**

Notwithstanding any other provision of this Condition 4, if the Issuer does not, following the occurrence of a Change of Control Step-Up Event, elect to redeem all the Securities in accordance with Condition 7.3 (*Early Redemption following a Change of Control Step-Up Event*), the then Prevailing Interest Rate and each subsequent rate of interest on the Securities otherwise determined in accordance with this Condition 4 shall be increased by 5 per cent. *per annum* with effect from (and including) the thirtieth (30^{th}) calendar day following the date on which the Change of Control Step-Up Event occurred.

Without prejudice to the Issuer's right to redeem the Securities in accordance with Condition 7.3 (*Early Redemption following a Change of Control Step-Up Event*), following the occurrence of any Change of Control Step-Up Event, this Condition 4.1(c) shall only apply in relation to the first Change of Control Step-Up Event to occur while any of the Securities remain outstanding.

(d) **Calculation of Interest**

The interest payable on each Security on any Interest Payment Date shall be calculated by the Agent Bank per €1,000 in principal amount of the Securities (the **Calculation Amount**). The amount of interest payable per Calculation Amount for any period shall be equal to the product of the Prevailing Interest Rate for the Interest Period ending immediately prior to such Interest Payment Date, the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

The day-count fraction will be calculated on the following basis:

(a) if the Accrual Period is equal to or shorter than the Determination Period during which it falls, the day-count fraction will be the number of days in the Accrual Period divided by the number of days in such Determination Period; and

(b) if the Accrual Period is longer than one Determination Period, the day-count fraction will be the sum of:

(i) the number of days in such Accrual Period falling in the Determination Period in which it begins divided by the number of days in such Determination Period; and

(ii) the number of days in such Accrual Period falling in the next Determination Period divided by the number of days in such Determination Period,

where:

Accrual Period means the relevant period for which interest is to be calculated (from and including the first such day to but excluding the last); and

Determination Period means the period from and including 21 August in any year to but excluding the next 21 August.

4.2 Interest Deferral

Subject to the provisions of the following paragraphs, on each Interest Payment Date, the Issuer shall pay interest on the Securities accrued to (but excluding) that date in respect of the Interest Period ending immediately prior to such Interest Payment Date.

(a) **Optional Interest Deferral**

The Issuer may, at any time and at its sole discretion, elect to defer in whole, or in part, any payment of interest accrued on the Securities in respect of any Interest Period (a **Deferred Interest Payment**) by giving notice (a **Deferral Notice**) of such election to the Securityholders in accordance with Condition 13 (*Notices*) and to the Fiscal Agent and each Paying Agent at least five, but not more than thirty, Business Days prior to the relevant Interest Payment Date. If the Issuer makes such an election, the Issuer shall have no obligation to make such payment and any such non-payment of interest shall not constitute a default of the Issuer or any other breach of obligations under the Securities or for any other purpose unless such Arrears of Interest becomes due and payable in accordance with these Conditions.

Any Deferred Interest Payment will be deferred and shall constitute **Arrears of Interest**. Any Arrears of Interest will remain outstanding until paid in full by the Issuer, but Arrears of Interest shall not itself bear interest.

(b) **Optional Settlement of Arrears of Interest**

The Issuer may pay any outstanding Arrears of Interest (in whole or in part) at any time upon giving not less than 10 and not more than 15 Business Days' notice to the Securityholders in accordance with Condition 13 (*Notices*) (which notice shall be irrevocable and will oblige the Issuer to pay the relevant Arrears of Interest on the payment date specified in such notice) and to the Fiscal Agent and each Paying Agent, at least five, but not more than thirty, Business Days prior to the relevant due date for payment and specifying (i) the amount of Arrears of Interest to be paid and (ii) the date fixed for such payment.

(c) **Mandatory Settlement of Arrears of Interest**

All (but not some only) of any outstanding Arrears of Interest from time to time in respect of all Securities for the time being outstanding shall become due and payable in full and shall be paid by the Issuer on the first occurring Mandatory Settlement Date.

Notice of the impending occurrence of any Mandatory Settlement Date shall be given to the Securityholders in accordance with Condition 13 (*Notices*) and to the Fiscal Agent and each

Paying Agent at least five, but not more than thirty, Business Days prior to the relevant Mandatory Settlement Date.

4.3 Accrual of Interest

Unless previously purchased or redeemed or exchanged and subsequently cancelled, the Securities will cease to bear interest from (and including) the calendar day on which they are due for redemption or exchange, unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue at the Prevailing Interest Rate until whichever is the earlier of: (a) the date on which all amounts due in respect of the Securities have been paid; and (b) five days after the date on which full amount of the moneys payable in respect of the Securities have been received by the Fiscal Agent and notice to that effect has been given to the Securityholders in accordance with Condition 13 (*Notices*).

5. BENCHMARK DISCONTINUATION

5.1 Independent Adviser

If a Benchmark Event occurs (as determined by the Issuer) in relation to an Original Reference Rate to be used in the determination of the EUR 5-year Swap Rate when the Prevailing Interest Rate (or any component part thereof) remains to be determined by reference to such EUR 5-year Swap Rate, then 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 (in accordance with Condition 5.2 (*Successor Rate or Alternative Rate*)) and, in either case, an Adjustment Spread if any (in accordance with Condition 5.3 (*Adjustment Spread*)) and any Benchmark Amendments (in accordance with Condition 5.4 (*Benchmark Amendments*)) by no later than 10 Business Days prior to the Reset Interest Determination Date relating to the next Reset Period for which the Prevailing Interest Rate (or any component part thereof) is to be determined by reference to such EUR 5-year Swap Rate.

An Independent Adviser appointed pursuant to this Condition 5 (*Benchmark Discontinuation*) shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of bad faith, fraud and/or gross negligence, the Independent Adviser shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Agent Bank, any Paying Agent, the Securityholders or the Couponholders for any determination made by it pursuant to this Condition 5 (*Benchmark Discontinuation*).

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 5.1 (*Independent Adviser*) prior to the date which is 10 Business Days prior to the relevant Reset Interest Determination Date, the EUR 5-year Swap Rate applicable to the next succeeding Reset Period shall be equal to the last available EUR 5 year mid swap rate for euro swap transactions, expressed as an annual rate, on the EUR Reset Screen Page. For the avoidance of doubt, any adjustment pursuant to this Condition 5.1 (*Independent Adviser*) shall apply to the immediately following Reset Period only and any subsequent Reset Periods shall be subject to the subsequent operation of, and to adjustment as provided in, this Condition 5.1 (*Independent Adviser*).

5.2 Successor Rate or Alternative Rate

If the Independent Adviser determines that:

(i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5.3 (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the EUR 5-year Swap Rate by reference to which the Prevailing Interest Rate (or the relevant component part thereof) is to be determined for all future payments of interest on the Securities (subject to the further operation of this Condition 5 (*Benchmark Discontinuation*)); or

(ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5.3 (*Adjustment Spread*) subsequently be used in place of the Original Reference Rate to determine the EUR 5-year Swap Rate by reference to which the Prevailing Interest Rate (or the relevant component part thereof) is to be determined for all future payments of interest on the Securities (subject to the further operation of this Condition 5 (*Benchmark Discontinuation*)).

5.3 Adjustment Spread

The Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Advisor, in circumstances where it is required to determine a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread, is unable to determine the quantum of (or a formula or methodology for determining) such Adjustment Spread, then the Successor Rate or Alternative Rate (as the case may be) will apply without an Adjustment Spread.

5.4 Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5 (*Benchmark Discontinuation*) and the Independent Adviser determines (i) that amendments to these Conditions and the Agency Agreement 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, subject to giving notice thereof in accordance with Condition 5.5 (*Benchmark Event Notices*), without any requirement for the consent or approval of Securityholders or Couponholders, vary these Conditions and the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice and for the avoidance of doubt and subject as provided below, the Agent Bank shall, at the direction of the Issuer, consent to and effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 5 (*Benchmark Discontinuation*).

In connection with any such variation in accordance with this Condition 5.4 (*Benchmark Amendments*), the Issuer shall comply with the rules of any stock exchange on which the Securities are for the time being listed or admitted to trading.

Benchmark Amendments may comprise, by way of example, but without limitation, the following amendments: (A) amendments to the definition of "EUR 5-year Swap Rate" or "EUR 5-year Swap Rate Quotation"; (B) amendments to the day-count fraction and the definitions of "Business Day", "Interest Payment Date", "Prevailing Interest Rate", and/or "Interest Period" (including the determination of whether the Alternative Rate will be determined in advance of or prior to the relevant Interest Period or in arrear on or prior to the end of the relevant Interest Period); and/or (C) any change to the business day convention.

Notwithstanding any other provision of this Condition 5 (*Benchmark Discontinuation*), no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to (i) result in a reduction of the amount of "equity credit" assigned to the Securities by any Rating Agency when compared to the "equity credit" assigned to the Securities immediately prior to the occurrence of the relevant Benchmark Event from such Rating Agency, (ii) result in shortening of the period of time "equity credit" is assigned / attributed to the Securities by any Rating Agency, or (iii) otherwise prejudice the eligibility of the Securities for "equity credit" from any Rating Agency.

Notwithstanding any other provision of this Condition 5 (*Benchmark Discontinuation*), none of the Fiscal Agent, any Paying Agent or the Agent Bank shall be obliged to concur with the Issuer in respect of any Benchmark Amendments which, in the sole opinion of the Fiscal Agent, any Paying Agent or the Agent Bank, would have the effect of increasing the obligations or duties, or decreasing the rights

or protections, of the Fiscal Agent, any Paying Agent or the Agent Bank in the Agency Agreement and/or these Conditions.

Notwithstanding any other provision of this Condition 5 (*Benchmark Discontinuation*), if in the Agent Bank's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 5 (*Benchmark Discontinuation*), the Agent Bank shall promptly notify the Issuer thereof and the Issuer shall direct the Agent Bank in writing as to which alternative course of action to adopt. If the Agent Bank is not promptly provided with such direction or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Agent Bank shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

5.5 Benchmark Event Notices

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5 (*Benchmark Discontinuation*) will be notified promptly and in any event no later than 10 Business Days prior to the relevant Reset Interest Determination Date by the Issuer to the Fiscal Agent, the Agent Bank and each Paying Agent and, in accordance with Condition 13 (*Notices*), the Securityholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

5.6 Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 5.1 (*Independent Adviser*) to Condition 5.4 (*Benchmark Amendments*), any Original Reference Rate and the fallback provisions provided for in Condition 4.1(b) (*Determination of EUR 5-year Swap Rate*) will continue to apply in relation to the EUR 5-year Swap Rate and the EUR 5-year Swap Rate Quotation unless and until a Benchmark Event has occurred (as determined by the Issuer).

6. PAYMENTS AND EXCHANGES OF TALONS

Provisions for payments in respect of Global Securities are set out under "Overview of Provisions Relating to the Securities in Global Form" below.

6.1 Payments in respect of Securities

Payments of principal and interest in respect of each Security will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the Security, except that payments of interest due on an Interest Payment Date will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the relevant Coupon, in each case at the specified office outside the United States of any of the Paying Agents.

6.2 Method of Payment

Payments will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

6.3 Missing Unmatured Coupons

Upon the date on which any Security becomes due and repayable, all unmatured Coupons appertaining to the Security (whether or not attached) shall become void and no payment shall be made in respect of such Coupons.

6.4 Payments subject to Applicable Laws

Payments in respect of principal and interest on the Securities are subject in all cases to (i) any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*) and (ii) any withholding or deduction required pursuant to an

agreement described in Section 1471 of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

6.5 Payment only on a Presentation Date

A holder shall be entitled to present a Security or Coupon for payment only on a Presentation Date and shall not, except as provided in Condition 4 (*Interest and Interest Deferral*), be entitled to any further interest or other payment if a Presentation Date is after the due date for payment of any amount in respect of any Security or Coupon.

Presentation Date means a day which (subject to Condition 10 (*Prescription*)):

(a) is or falls after the relevant due date for payment of any amount in respect of any Security or Coupon;

(b) is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the place of the specified office of the Paying Agent at which the Security or Coupon is presented for payment; and

(c) in the case of payment by credit or transfer to a euro account as referred to above, is a T2 Settlement Day.

6.6 Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 10 (*Prescription*). Each Talon shall, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

6.7 Initial Paying Agent

The name of the initial Paying Agent and its initial specified office are set out below:

Deutsche Bank AG, London Branch
21 Moorfields
London EC2Y 9DB
United Kingdom

The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that:

(a) there will at all times be a Fiscal Agent and an Agent Bank;

(b) so long as the Securities are listed on any stock exchange or admitted to trading by any relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;

(c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated.

Notice of any termination or appointment and of any changes in specified offices will be given to the Securityholders promptly by the Issuer in accordance with Condition 13 (*Notices*).

In acting under the Agency Agreement, and save as set out therein, the Paying Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Securityholder or Couponholder. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

7. REDEMPTION AND PURCHASE

7.1 No fixed redemption

Unless previously redeemed or purchased and cancelled as provided below, the Securities will become due and payable at an amount equal to their principal amount, together with any outstanding interest accrued up to (but excluding) the Liquidation Event Date (as defined below) and any outstanding Arrears of Interest on the date on which a winding up, dissolution or liquidation of the Issuer (otherwise than for the purpose of a Permitted Reorganisation) is instituted (the **Liquidation Event Date**), including in connection with any Insolvency Proceedings, in accordance with (i) any applicable legal provision, or any decision of any judicial or administrative authority, or (ii) any resolution passed at a shareholders' meeting of the Issuer or (iii) any provision which is set out in the by-laws of the Issuer from time to time (including the maturity of the Issuer which, as of 19 May 2025, is set in its by-laws at 31 December 2100).

Permitted Reorganisation means a solvent merger, reconstruction or amalgamation under which the assets and liabilities of the Issuer are assumed by the entity resulting from such merger, reconstruction or amalgamation, provided that (1) such entity assumes the obligations of the Issuer in respect of the Securities and (2) an opinion of an independent legal adviser, appointed by the Issuer at its own expense, of recognised standing in the Republic of Italy, has been delivered to the Fiscal Agent confirming the same prior to the effective date of such merger, reconstruction or amalgamation.

7.2 Optional Redemption

The Issuer may redeem all of the Securities (but not some only) on any date during the period commencing on (and including) 21 May 2030 and ending on (and including) the First Reset Date or on any Interest Payment Date thereafter (each such date, a **Call Date**), in each case at their principal amount together with any accrued interest up to (but excluding) the relevant Call Date and any outstanding Arrears of Interest, on giving not less than 10 and not more than 60 calendar days' notice to the Fiscal Agent, each Paying Agent and the Securityholders in accordance with Condition 13 (*Notices*).

7.3 Early Redemption following a Change of Control Step-Up Event

If a Change of Control Step-Up Event occurs, the Issuer may redeem all of the Securities (but not some only), at any time at the applicable Early Redemption Price and upon giving not less than 10 and not more than 60 calendar days' notice to Fiscal Agent, each Paying Agent and the Securityholders in accordance with Condition 13 (*Notices*) provided that the due date for redemption set out in a notice given hereunder shall be no earlier than the date on which the Prevailing Interest Rate and each rate of interest on the Securities otherwise determined in accordance with Condition 4 (*Interest and Interest Deferral*) would be increased in accordance with Condition 4.1(c) (*Step-up after Change of Control Step-Up Event*) pursuant to the occurrence of the Change of Control Step-Up Event.

Prior to giving a notice to the Fiscal Agent, each Paying Agent and the Securityholders pursuant to this Condition 7.3 (*Early Redemption following a Change of Control Step-Up Event*), the Issuer will deliver to the Fiscal Agent a certificate signed by an authorised signatory 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 to redeem the Securities in accordance with this Condition 7.3 (*Early Redemption following a Change of Control Step-Up Event*) have occurred.

The documents referred to above shall be available for inspection by Securityholders during normal business hours at the specified office of the Fiscal Agent.

7.4 Early Redemption following a Withholding Tax Event

(a) If a Withholding Tax Event occurs, the Issuer may redeem all of the Securities (but not some only), at any time at the applicable Early Redemption Price and upon giving not less than 10 and not more than 60 calendar days' notice to the Fiscal Agent, each Paying Agent and the Securityholders in accordance with Condition 13 (*Notices*), provided that no such notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Securities then due.

(b) Prior to giving a notice to the Fiscal Agent, each Paying Agent and the Securityholders pursuant to this Condition 7.4 (*Early Redemption following a Withholding Tax Event*), the Issuer will deliver to the Fiscal Agent:

(i) a certificate signed by an authorised signatory 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 to redeem the Securities in accordance with this Condition 7.4 (*Early Redemption following a Withholding Tax Event*) have occurred; and

(ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay Additional Amounts as a result of (in the case of paragraph (A) of the definition of Withholding Tax Event) a Tax Law Change or (in the case of paragraph (B) of the definition of Withholding Tax Event) the relevant merger, conveyance, transfer or lease.

The documents referred to above shall be available for inspection by Securityholders during normal business hours at the specified office of the Fiscal Agent.

7.5 Early Redemption following a Tax Deductibility Event

(a) If a Tax Deductibility Event occurs, the Issuer may redeem all of the Securities (but not some only), at any time at the applicable Early Redemption Price and upon giving not less than 10 and not more than 60 calendar days' notice of redemption to the Fiscal Agent, each Paying Agent and the Securityholders in accordance with Condition 13 (*Notices*).

(b) Prior to giving a notice to the Fiscal Agent, each Paying Agent and the Securityholders pursuant to this Condition 7.5 (*Early Redemption following a Tax Deductibility Event*), the Issuer will deliver to the Fiscal Agent:

(i) a certificate signed by an authorised signatory 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 to redeem the Securities in accordance with this Condition 7.5 (*Early Redemption following a Tax Deductibility Event*) have been satisfied; and

(ii) an opinion of an independent legal or tax advisers, appointed by the Issuer at its own expense, of recognised standing in the jurisdiction of incorporation of the Issuer to the effect that payments of interest by the Issuer in respect of the Securities are no longer, or within 90 calendar days of the date of that opinion will no longer be, deductible in whole or in part for Italian corporate income tax purposes as a result of a Tax Law Change.

The documents referred to above shall be available for inspection by Securityholders during normal business hours at the specified office of the Fiscal Agent.

7.6 Early Redemption following a Rating Methodology Event

(a) If a Rating Methodology Event occurs, the Issuer may redeem all of the Securities (but not some only), at any time at the applicable Early Redemption Price and upon giving not less than 10 and not more than 60 calendar days' notice of redemption to the Fiscal Agent, each Paying Agent and the Securityholders in accordance with Condition 13 (*Notices*), provided that (save for the case referred to in letter (A)(b) of the Rating Methodology Event) the due date for redemption of which notice hereunder may be given shall be no earlier than the last calendar day before the date on which the Securities are assigned a level of "equity credit" that is lower than the level or equivalent level of "equity credit" assigned to the Securities by the relevant Rating Agency on the Relevant Rating Date.

(b) Prior to giving a notice to the Fiscal Agent, each Paying Agent and the Securityholders pursuant to this Condition 7.6 (*Early Redemption following a Rating Methodology Event*), the Issuer will deliver to the Fiscal Agent:

(i) a certificate signed by an authorised signatory 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 to redeem the Securities in accordance with this Condition 7.6 (*Early Redemption following a Rating Methodology Event*) have been satisfied; and

(ii) a copy of the Rating Agency Confirmation relating to the applicable Rating Methodology Event unless the delivery of such Rating Agency Confirmation would constitute a breach of the terms on which such confirmation is delivered to the Issuer.

The documents referred to above shall be available for inspection by Securityholders during normal business hours at the specified office of the Fiscal Agent.

7.7 Early Redemption following an Accounting Event

(a) If an Accounting Event occurs, the Issuer may redeem all of the Securities (but not some only), at any time at the applicable Early Redemption Price upon giving not less than 10 and not more than 60 calendar days' notice of redemption to the Fiscal Agent, each Paying Agent and the Securityholders in accordance with Condition 13 (*Notices*).

The Issuer may notify the redemption of the Securities as a result of the occurrence of an Accounting Event from (and including) the date on which the Change is officially adopted, which may fall before the date on which the Change will come into effect.

(b) Prior to giving a notice to the Fiscal Agent, each Paying Agent and the Securityholders pursuant to this Condition 7.7 (*Early Redemption following an Accounting Event*), the Issuer will deliver to the Fiscal Agent:

(i) a certificate signed by an authorised signatory 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 to redeem the Securities in accordance with this Condition 7.7 (*Early Redemption following an Accounting Event*) have been satisfied; and

(ii) a copy of the opinion, letter or report of a recognised accountancy firm of international standing, appointed by the Issuer at its own expense, as set forth in the definition of "Accounting Event".

The documents referred to above shall be available for inspection by Securityholders during normal business hours at the specified office of the Fiscal Agent.

7.8 Make-whole Redemption at the Option of the Issuer

The Issuer may redeem all of the Securities (but not some only) on any day prior to the First Call Date at the applicable Make-whole Redemption Amount on giving not less than 10 and not more than 60

calendar days' notice (which shall specify the date fixed for redemption (the **Make-whole Redemption Date**)) to the Fiscal Agent, each Paying Agent and the Securityholders in accordance with Condition 13 (*Notices*).

7.9 Acquisition Event Redemption

If an Acquisition Event occurs at any time during the Acquisition Event Call Period, the Issuer may redeem all of the Securities (but not some only) at the applicable Early Redemption Price on any Business Day falling on or before the 30th calendar day following the expiry of the Acquisition Event Call Period and upon giving not less than 10 and not more than 30 calendar days' notice of redemption to the Fiscal Agent and the Securityholders in accordance with Condition 13 (*Notices*) (the **Acquisition Event Redemption**).

The Issuer may at any time during the Acquisition Event Call Period waive its right under this Condition 7.9 to redeem all, but not some only, of the Securities following the occurrence of an Acquisition Event by giving notice to such effect to the Fiscal Agent and, in accordance with Condition 13 (*Notices*), the Securityholders (which notice shall be irrevocable). The terms of the Securities will be deemed to be automatically and irrevocably varied to exclude such early redemption, and such early redemption will lapse and be of no effect if no Acquisition Event has occurred.

7.10 Purchases and Substantial Repurchase Event

The Issuer or any of its Subsidiaries may at any time purchase Securities (provided that all unmatured Coupons appertaining to the Securities are purchased with the Securities) in any manner and at any price. Such Securities may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

If a Substantial Repurchase Event occurs, the Issuer may redeem all of the outstanding Securities (but not some only) at any time at the applicable Early Redemption Price, subject to the Issuer having given the Fiscal Agent, each Paying Agent and the Securityholders not less than 10 and not more than 60 calendar days' notice in accordance with Condition 13 (*Notices*).

7.11 Cancellations

All Securities which are redeemed or exchanged pursuant to Condition 8 (*Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation*) will forthwith be cancelled, together with all unmatured Coupons attached to the Securities or surrendered with the Securities at the time of redemption. All Securities so cancelled and any Securities purchased and cancelled pursuant to Condition 7.10 (*Purchases and Substantial Repurchase Event*) above shall be forwarded to the Fiscal Agent and accordingly may not be held, reissued or resold.

7.12 Notices Final

A notice of redemption given pursuant to any of Conditions 7.2 (*Optional Redemption*), 7.3 (*Early Redemption following a Change of Control Step-Up Event*), 7.4 (*Early Redemption following a Withholding Tax Event*), 7.5 (*Early Redemption following a Tax Deductibility Event*), 7.6 (*Early Redemption following a Rating Methodology Event*), 7.7 (*Early Redemption following an Accounting Event*), 7.8 (*Make-whole Redemption at the Option of the Issuer*), 7.9 (*Acquisition Event Redemption*) or 7.10 (*Purchases and Substantial Repurchase Event*) shall be irrevocable and upon the expiry of any such notice, the Issuer shall be bound to redeem the Securities in accordance with the terms of the relevant Condition.

8. EXCHANGE OR VARIATION UPON A WITHHOLDING TAX EVENT, TAX DEDUCTIBILITY EVENT, RATING METHODOLOGY EVENT OR ACCOUNTING EVENT AND PRECONDITIONS TO SUCH EXCHANGE OR VARIATION

8.1 If the Issuer determines that a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or an Accounting Event has occurred and is continuing, and has provided the Fiscal Agent with the relevant certificate and opinion, letter or report, or in the case of a Rating Methodology Event only, the Rating Agency Confirmation, referred to in Conditions 7.4 (*Early Redemption following a Withholding Tax Event*), 7.5 (*Early Redemption following a Tax Deductibility Event*), 7.6 (*Early Redemption following a Rating Methodology Event*) or 7.7 (*Early Redemption following an Accounting Event*) (as applicable), then the Issuer may, subject to Condition 8.2 below (without any requirement for the consent or approval of the Securityholders or Couponholders), having given not less than 10 nor more than 60 Business Days' notice to the Fiscal Agent, the Agent Bank and, in accordance with Condition 13 (*Notices*), to the Securityholders (which notice shall be irrevocable and shall specify the date for the relevant exchange or, as the case may be, variation of the Securities), as an alternative to an early redemption of the Securities, at any time:

(a) exchange the Securities for new securities (to the extent permitted by applicable laws and regulations) (such new securities, the **Exchanged Securities**), or

(b) vary the terms of the Securities (the Securities as so varied, the **Varied Securities**),

so that immediately following such exchange or variation no Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event applies in respect of the Exchanged Securities or, as applicable, the Varied Securities.

Upon expiry of such notice, the Issuer shall vary the terms of or, as the case may be, exchange (to the extent permitted by applicable laws and regulations) the Securities in accordance with this Condition 8 (*Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation*) and, in the case of any exchange, cancel the Securities which have been exchanged for Exchanged Securities.

The Fiscal Agent, the Agent Bank and the Paying Agents shall (at the expense of the Issuer) enter into a supplemental agency agreement with the Issuer (including indemnities satisfactory to the Fiscal Agent, the Agent Bank and the Paying Agents) solely in order to effect the exchange of the Securities, or the variation of the terms of the Securities, provided that the Fiscal Agent, the Agent Bank and the Paying Agents shall not be obliged to enter into such supplemental agency agreement if the terms of the Exchanged Securities or the Varied Securities would impose, in the Fiscal Agent's, the Agent Bank's and the Paying Agents' opinion, more onerous obligations upon it or expose it to liabilities or reduce its protections. If the Fiscal Agent does not enter into such supplemental agency agreement (and the Fiscal Agent shall have no liability or responsibility to any person if it does not do so), the Issuer may elect to redeem the Securities as provided in Condition 7 (*Redemption and Purchase*).

8.2 Any such exchange (to the extent permitted by applicable laws and regulations) or variation shall be subject to the following conditions:

(a) for as long as the Securities are listed on any stock exchange, the Issuer complying with the rules of the relevant stock exchange (or any other relevant authority) on which the Securities are for the time being admitted to trading, and (for so long as the rules of such exchange require) the publication of any appropriate supplement, listing particulars or offering circular in connection therewith, and the Exchanged Securities or Varied Securities continue to be admitted to trading on the same stock exchange as the Securities were admitted to trading immediately prior to the relevant exchange or variation;

(b) the Issuer providing for the accrual of an amount equal to the Arrears of Interest under the terms of the Exchanged Securities or the Varied Securities (as applicable);

(c) the Exchanged Securities or Varied Securities shall be issued directly by the Issuer and: (A) rank at least pari passu with the ranking of the Securities prior to the exchange or variation; (B) benefit from the same interest rates and the same Interest Payment Dates, the same First Reset Date and early redemption rights (provided that the relevant exchange or variation may not itself trigger any early redemption right), a maturity date which shall not be longer than the maturity date of the Issuer as provided from time to time under the relevant by-laws, the same rights to accrued interest or Arrears of Interest and any other amounts payable under the Securities which, in each case, has accrued to the Securityholders and has not been paid, the same rights to principal and interest, and, if publicly rated by a Rating Agency which has provided a solicited rating at the invitation or with the consent of the Issuer immediately prior to such exchange or variation, at least the same credit rating immediately after such exchange or variation by each such Rating Agency, as compared with the relevant solicited rating(s) immediately prior to such exchange or variation (as determined by the Issuer using reasonable measures available to it including discussions with the Rating Agencies to the extent practicable); (C) not contain terms providing for the mandatory deferral or cancellation of interest and (D) not contain terms providing for loss absorption through principal write-down or conversion to shares;

(d) the terms of the exchange or variation, in the sole opinion of the Issuer (acting reasonably) not being prejudicial to the interests of the Securityholders (as a class), including compliance with (c) above, as certified to the Fiscal Agent and each Paying Agent by an authorised signatory of the Issuer, having consulted in good faith with an independent financial institution of international repute or an independent financial adviser experienced in the international capital markets, and any such certificate shall be final and binding on all parties;

(e) a legal opinion shall have been delivered to the Fiscal Agent (copies of which shall be made available to the Securityholders by appointment at the specified offices of the Fiscal Agent during usual office hours or at the Fiscal Agent's option may be provided by email to such holder requesting copies of such documents, subject to the Fiscal Agent being supplied by the Issuer with copies of such documents) from one or more international law firms of good reputation selected by the Issuer and confirming (x) that the Issuer has capacity to assume all rights, duties and obligations under the Exchanged Securities or Varied Securities (as the case may be) and has obtained all necessary corporate or governmental authorisation to assume all such rights and obligations and (y) the legality, validity and enforceability of the Exchanged Securities or Varied Securities;

(f) the delivery to the Fiscal Agent and each Paying Agent of a certificate signed by an authorised signatory of the Issuer certifying each of the points set out in paragraphs (a) to (e) above.

The Fiscal Agent and each Paying Agent may rely absolutely upon and shall be entitled to accept such certificates and any such opinions, as are referred to in this Condition 8 (*Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation*), without any liability to any person for so doing and without any further inquiry as sufficient evidence of the satisfaction of the criteria set out in such paragraphs, in which event it shall be conclusive and binding on the Securityholders and the Couponholders.

9. TAXATION

9.1 Payment without Withholding

All payments of principal and interest in respect of the Securities and Coupons by or on behalf of the Issuer will be made free and clear of, without withholding or deduction for, or on account of, any Taxes imposed, levied, collected, withheld or assessed by, or on behalf of, any Tax Jurisdiction, unless such withholding or deduction is required by law. In such event, the Issuer shall pay such additional amounts (the **Additional Amounts**) as shall be necessary in order that the net amounts received by the Securityholders and Couponholders after such withholding or deduction shall equal the respective

amounts of principal and interest which would otherwise have been receivable in respect of the Securities or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable with respect to any Security or Coupon:

(a) presented for payment in a Tax Jurisdiction;

(b) to, or to a third party on behalf of, a holder who is (i) entitled to avoid such deduction or withholding by making a declaration of non-residence or other similar claim for exemption; or (ii) liable for such Taxes in respect of such Security or Coupon by reason of the holder having some connection with a Tax Jurisdiction other than the mere holding of such Security or Coupon; or

(c) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Presentation Date; or

(d) in relation to any payment or deduction of any interest, principal or other proceeds on or from any Securities or Coupons on account of imposta sostitutiva pursuant to Decree No. 239 or future similar law and any related implementing regulations (each as amended or supplemented from time to time); or

(e) in the event of payment to a non-Italian resident legal entity or non-Italian resident individual, to the extent that interest or other amounts are paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information with the Republic of Italy.

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Securities and Coupons by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the Code, or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a **FATCA Withholding**). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

9.2 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Securities shall be deemed also to refer to any Additional Amounts which may be payable under this Condition.

10. PRESCRIPTION

The Securities and Coupons (which for this purpose shall not include Talons) will become void unless presented for payment within periods of 10 years (in the case of principal) and 5 years (in the case of interest) from the Relevant Date in respect of the Securities or, as the case may be, the Coupons, subject to the provisions of Condition 6 (*Payments and Exchanges of Talons*). There shall not be included in any Coupon sheet issued upon exchange of a Talon any Coupon which would be void upon issue under this Condition or Condition 6 (*Payments and Exchanges of Talons*).

11. ENFORCEMENT ON THE LIQUIDATION EVENT DATE AND NO EVENTS OF DEFAULT

11.1 No Events of Default

There are no events of default in relation to the Securities.

On the Liquidation Event Date, the Securities will become due and payable at an amount equal to their principal amount, together with any outstanding interest accrued up to (but excluding) the Liquidation Event Date and any outstanding Arrears of Interest.

11.2 Enforcement on the Liquidation Event Date

On or following the Liquidation Event Date, each Securityholder may, at its discretion and without further notice, institute steps in order to obtain a judgment against the Issuer for any amounts due and payable in respect of the Securities, including the institution of Insolvency Proceedings against the Issuer or the filing of a proof of claim and participation in any Insolvency Proceedings or proceedings for the liquidation, dissolution or winding-up of the Issuer (in which Insolvency Proceedings, liquidation, dissolution or winding-up the Securities shall immediately be due and payable at their principal amount together with any accrued but unpaid interest up to (but excluding) the date on which the Securities become so due and payable and any outstanding Arrears of Interest), any such claim under this Condition 11.2 (*Enforcement on the Liquidation Event Date*) being as provided in, and subordinated in the manner described in Condition 3 (*Status and Subordination*).

11.3 Limitation on remedies

No remedy against the Issuer, other than as referred to in this Condition 11 (*Enforcement on the Liquidation Event Date and no Events of Default*), shall be available to the Securityholders and the Couponholders, whether for the recovery of amounts due in respect of the Securities or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Securities or the Coupons.

12. REPLACEMENT OF SECURITIES AND COUPONS

Should any Security or Coupon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent upon payment by the claimant of such costs and expenses as may be incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Securities or Coupons must be surrendered before replacements will be issued.

13. NOTICES

Without prejudice to any further formalities and other requirements set out under any applicable Italian laws and regulations (including Article 125-bis of Italian Legislative Decree No. 58 of 24 February 1998 as amended), and under the Issuer's by-laws, all notices regarding the Securities will be deemed to be validly given if published (a) in a leading English language daily newspaper of general circulation in London or (b) if and for so long as the Securities are admitted to trading on the regulated market of the Luxembourg Stock Exchange and/or listed on the official list of the Luxembourg Stock Exchange, and the rules of that exchange so require, a daily newspaper of general circulation in Luxembourg and/or on the Luxembourg Stock Exchange's website: *www.luxse.com*. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London and the *Luxemburger Wort* or the *Tageblatt* in Luxembourg. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or the relevant authority on which the Securities are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. Couponholders will be deemed for all purposes to have notice of the contents of any notices given to the Securityholders in accordance with this paragraph.

14. MEETINGS OF SECURITYHOLDERS AND MODIFICATION

14.1 Meeting of Securityholders

The Agency Agreement contains provisions consistent with the laws, legislation, rules and regulations of the Republic of Italy (including without limitation Legislative Decree No. 58 of 24 February 1998, as amended) for convening meetings (including, subject to the applicable laws and regulations of the Republic of Italy, by way of conference call or by use of a videoconference platform) of the Securityholders to consider any matter affecting their interests, including any modification of the Securities, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the directors of the Issuer or the Securityholders' Representative (as defined below) at their discretion and shall be convened by any of them, subject to mandatory provisions of Italian law, upon request in writing by Securityholders holding not less than one-twentieth in aggregate principal amount of the Securities outstanding. According to the laws, legislation, rules and regulations of the Republic of Italy: (a) if Italian law and the Issuer's by-laws provide for multiple calls, such meetings will be validly held if (i) in the case of a first meeting (*prima convocazione*), there are one or more persons present being or representing Securityholders holding not less than one-half in nominal amount of the Securities for the time being outstanding; (ii) in case of a second meeting (*seconda convocazione*), there are one or more persons present being or representing Securityholders holding more than one-third in nominal amount of the Securities for the time being outstanding; and (iii) in the case of any further adjourned meeting (*convocazioni successive*), one or more persons present being or representing Securityholders holding at least one-fifth in nominal amount of the Securities for the time being outstanding, provided that the Issuer's by-laws may in each case (to the extent permitted under the applicable laws and regulations of the Republic of Italy) provide for a higher quorum; and (b) if Italian law and the Issuer's by-laws provide for a single call (*convocazione unica*), the quorum under (iii) above shall apply, provided that a higher majority may be required by the Issuer's bylaws. The majority to pass a resolution at any meeting (including, where applicable, an adjourned meeting) will be not less than two-thirds of the aggregate principal amount of the outstanding Securities represented at the meeting; provided however that (A) in order to adopt certain proposals, as set out in Article 2415 of the Italian Civil Code (including a Reserved Matter) the favourable vote of one or more persons holding or representing not less than one half of the aggregate principal amount of the outstanding Securities shall also be required and (B) the Issuer's by-laws may in each case (to the extent permitted under applicable Italian law) provide for higher majorities. Resolutions passed at any meeting of the Securityholders shall be binding on all Securityholders, whether or not they are present at the meeting, and on all Couponholders.

14.2 Securityholders' Representative

Officers and statutory auditors of the Issuer shall be entitled to attend the Securityholders' meetings but not participate or vote with reference to the Securities held by the Issuer. Any resolution duly passed at any such meeting shall be binding on all the Securityholders, whether or not they are present at the meeting, and on all Couponholders.

A representative of the Securityholders (*rappresentante comune*) (the **Securityholders' Representative**) may be appointed pursuant to Articles 2415 and 2417 of the Italian Civil Code in order to represent the Securityholders' interests under these Conditions and to give effect to resolutions passed at a meeting of the Securityholders. If the Securityholders' Representative is not appointed by a meeting of Securityholders, the Securityholders' Representative shall be appointed by a decree of the court where the Issuer has its registered office at the request of one or more Securityholders or at the request of the directors of the Issuer. The Securityholders' Representative shall have the powers and duties set out in Article 2418 of the Italian Civil Code and shall remain appointed for a maximum period of three years but may be reappointed again thereafter.

14.3 Modification

The Paying Agent and the Issuer may agree, without the consent of the Securityholders or Couponholders, to:

(a) any modification (except a Reserved Matter) of the Securities, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Securityholders and the Couponholders; or

(b) any modification of the Securities, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or (to the extent permitted under applicable Italian law) to comply with mandatory provisions of the law.

Any such modification shall be binding on the Securityholders and the Couponholders and, unless the Fiscal Agent agrees otherwise, any such modification shall be notified by the Issuer to the Securityholders in accordance with Condition 13 (*Notices*) as soon as practicable thereafter.

For the avoidance of doubt, any variations of the Conditions and the Agency Agreement to give effect to the Benchmark Amendments in accordance with Condition 5 (*Benchmark Discontinuation*) or pursuant to Condition 8 (*Exchange or Variation upon a Withholding Tax Event, Tax Deductibility Event, Rating Methodology Event or Accounting Event and Preconditions to such Exchange or Variation*) shall not require the consent or approval of Securityholders or Couponholders.

15. FURTHER ISSUES

The Issuer is at liberty from time to time without the consent of the Securityholders or Couponholders to create and issue further securities having the same terms and conditions as those of the Securities or the same in all respects (save for the issue date, the issue price and the amount and date of the first payment of interest thereon) and so that the same shall be consolidated and form a single series with the outstanding Securities.

16. GOVERNING LAW AND SUBMISSION TO JURISDICTION

16.1 Governing Law

The Agency Agreement, the Securities and the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Securities and the Coupons are governed by, and shall be construed in accordance with, English law, except for Condition 3 (*Status and Subordination*), which shall be governed by Italian law. Condition 14 (*Meetings of Securityholders and Modification*) and the provisions of the Agency Agreement concerning the meetings of Securityholders and the appointment of the Securityholders' Representative (*rappresentante comune*) in respect of the Securities are subject to compliance with Italian law.

16.2 Jurisdiction of English Courts

(a) The English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Securities and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Securities and/or the Coupons (a **Dispute**) and accordingly each of the Issuer and any Securityholders and the Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

(b) For the purposes of this Condition 16.2, each of the Issuer and any Securityholders and the Couponholders waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

16.3 Appointment of Process Agent

The Issuer appoints Prysmian Cables & Systems Limited at its registered office for the time being as its agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of such agent being unable or unwilling for any reasons so to act, it will immediately appoint another person as its agent for service of process in England in respect of any

Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

16.4 Other documents

The Issuer has in the Agency Agreement submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

17. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Security under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

The following does not form a part of the Terms and Conditions of the Securities:

The Issuer intends (without thereby assuming a legal obligation) that it will redeem or repurchase the Securities only to the extent that the part of the aggregate principal amount of the Securities to be redeemed or repurchased which was assigned "equity credit" (or such similar nomenclature used by S&P from time to time) at the time of the issuance of the Securities does not exceed such part of the net proceeds received by the Issuer (or by any Subsidiary of the Issuer) prior to the date of such redemption or repurchase from the sale or issuance of securities by the Issuer (or by such Subsidiary) to third party purchasers (other than group entities of the Issuer) which was assigned by S&P "equity credit" (or such similar nomenclature used by S&P from time to time) at the time of sale or issuance of such securities (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issuance of the Securities), unless:

(a) *the rating (or such similar nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the rating assigned to the Issuer on the date of the most recent hybrid security issuance (excluding any refinancing without net new issuance) which was assigned by S&P an "equity credit" similar to the Securities and the Issuer is of the view that such rating would not fall below this level as a result of such redemption or repurchase, or*

(b) *in the case of a repurchase and/or redemption of the Securities taken together with other repurchases or redemptions of hybrid securities of the Issuer (as the case may be) which are less than (a) 10 per cent. of the aggregate principal amount of the Issuer's outstanding hybrid securities in any period of 12 consecutive months or (b) 25 per cent. of the aggregate principal amount of the Issuer's outstanding hybrid securities in any period of 10 consecutive years, or*

(c) *the Securities are redeemed pursuant to a Change of Control Step-Up Event, a Tax Deductibility Event or a Withholding Tax Event, or an Accounting Event or a Substantial Repurchase Event or a Rating Methodology Event or an Acquisition Event; or*

(d) *the Securities are not assigned an "equity credit" by S&P (or such similar nomenclature then used by S&P) at the time of such redemption or repurchase, or*

(e) *in the case of a repurchase, such repurchase relates to an aggregate principal amount of Securities which is less than or equal to the excess (if any) above the maximum aggregate principal amount of the Issuer's hybrid capital to which S&P then assigns equity content under its then prevailing methodology; or*

(f) *such redemption or repurchase occurs on or after the Reset Date falling on 21 August 2050.*

OVERVIEW OF PROVISIONS RELATING TO THE SECURITIES IN GLOBAL FORM

The following is an overview of the provisions to be contained in the Global Securities which will apply to, and in some cases modify the Terms and Conditions of the Securities while the Securities are represented by the Global Securities.

Words and expressions defined in Terms and Conditions of the Securities shall have the same meanings in this "Overview of Provisions relating to the Securities in Global Form".

Temporary Global Security exchangeable for Permanent Global Security

The Securities will initially be in the form of the Temporary Global Security, without Coupons, which will be deposited on or around the Issue Date with a common depositary for Euroclear and Clearstream, Luxembourg. The Securities will not be issued in new global note (**NGN**) form. Interests in the Temporary Global Security will be exchangeable, in whole or in part, for interests in the Permanent Global Security, without Coupons, which will also be deposited on or around the Issue Date with a common depositary for Euroclear and Clearstream, Luxembourg, on or after the date which is 40 days after the closing date for the Securities (the **Exchange Date)**, upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Securities cannot be collected without such certification of non-U.S. beneficial ownership.

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

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

(b) in either case, receipt by the Fiscal Agent of confirmation from the Clearing Systems that a certificate or certificates of non-U.S. beneficial ownership have been received,

within seven days of the bearer requesting such exchange.

The principal amount of the Permanent Global Security 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 Security exceed the initial principal amount of the Temporary Global Security.

Permanent Global Security exchangeable for Definitive Securities

Interests in the Permanent Global Security will be exchangeable, in whole but not in part only and at the request of the bearer of the Permanent Global Security, for Definitive Securities, if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so and no successor clearing system is available.

Interests in the Permanent Global Security will also become exchangeable, in whole but not in part only and at the request of the Issuer, for Definitive Securities if, by reason of any change in the laws of the Republic of Italy, the Issuer will be required to make any withholding or deduction from any payment in respect of the Securities which would not be required if the Securities are in definitive form.

Definitive Securities will bear serial numbers and have attached thereto at the time of their initial delivery Coupons. Definitive Securities will also, if necessary, have attached thereto at the time of their initial delivery Talons and the expression Coupons shall, where the context so requires, include Talons.

Whenever the Permanent Global Security is to be exchanged for Definitive Securities, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Securities, duly authenticated and with

Coupons and, if necessary, Talons attached, in an aggregate principal amount equal to the principal amount of the Permanent Global Security to the bearer of the Permanent Global Security against the surrender of the Permanent Global Security to or to the order of the Fiscal Agent in accordance with the terms.

Terms and Conditions applicable to the Securities

The Terms and Conditions applicable to any Definitive Security will be endorsed on that Security and will consist of the Terms and Conditions set out under Terms and Conditions of the Securities above.

The Terms and Conditions applicable to the Securities represented by the one or more Global Securities will differ from those Terms and Conditions which would apply to the Securities were they in definitive form to the extent described in this "*Overview of Provisions relating to the Securities in Global Form*".

Each Global Security will contain provisions which modify the Terms and Conditions of the Securities as they apply to the relevant Global Security. The following is an overview of certain of those provisions:

Accountholders: For so long as any of the Securities is represented by a Global Security held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of the Securities represented by a Global Security (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Fiscal Agent, any other Paying Agent and the Agent Bank as the holder of such nominal amount of such Securities for all purposes other than with respect to the payment of principal and interest on such nominal amount of such Securities, the right to which shall be vested, as against the Issuer, solely in the bearer of the relevant Global Security in accordance with and subject to the terms of the relevant Global Security.

Payments: The holder of a Global Security shall be the only person entitled to receive payments in respect of the Securities represented by such Global Security and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Security in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of the Securities represented by such Global Security must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Security. For the purpose of any payments made in respect of a Global Security, the relevant place of presentation shall be disregarded in the definition of Presentation Date set out in Condition 6 (*Payments and Exchanges of Talons*).

Notices: Notwithstanding Condition 13 (*Notices*), while all the Securities are represented by one or more Global Securities and such Global Securities are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, notices to Securityholders will instead be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system for communication by them to the persons shown in their respective records as having interests therein and, in any case, such notices shall be deemed to have been given to the Securityholders in accordance with Condition 13 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, provided that, so long as the Securities are listed on the Luxembourg Stock Exchange, notice will also be given by publication on the website of the Luxembourg Stock Exchange at www.luxse.com.

Legend concerning United States persons

Permanent Global Securities, Definitive Securities and any Coupons and Talons 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 Security, Coupon or Talon will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Security, Coupon or Talon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

Clearing Systems

Any reference herein to Euroclear and/or Clearstream, Luxembourg, as the case may be, shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Fiscal Agent, the other Paying Agents and the Securityholders.

USE OF PROCEEDS

The estimated net proceeds of the issue of the Securities are expected to amount to €991,160,000.00. The Issuer intends to use the net proceeds for the acquisition of the Target Business and for general corporate purposes. For information on the acquisition of the Target Business please see "*Description of the Group— Recent Developments— Acquisition of Channell*"

DESCRIPTION OF THE GROUP

In addition to the information contained in the section "*Recent Developments*" below, please refer to the information on the Group in the documents incorporated herein by reference as set out in the "*Documents Incorporated by Reference*" section.

Recent Developments

Acquisition of Channell

On 25 March 2025, Prysmian announced that it has agreed to acquire Channell Commercial Corporation (**Channell**), a leading connectivity solutions provider in the United States, for a total consideration of $950 million, subject to certain closing adjustments, and for a potential additional post-closing payment of up to $200 million based on Channell's achievement of certain EBITDA targets for calendar year 2025 (the **Channell Acquisition**). The Channell Acquisition is subject to customary closing conditions, including regulatory clearances, and is expected to close in the second quarter of 2025. See the section "*Documents Incorporated by Reference*" for the incorporation by reference of the press release of Prysmian dated 25 March 2025 in respect of the Channell Acquisition. See also "*Risk Factors—Factors that may affect the Issuer's ability to fulfil its obligations under the Securities—Risks related to the Issuer's and Prysmian's business activities and industry— Risks related to acquisitions and disposals*".

Independent Auditors

PricewaterhouseCoopers S.p.A., which is authorised and regulated by the Italian Ministry of Economy and Finance (**MEF**) and registered on the special register of auditing firms held by the MEF, has been appointed as auditors of Prysmian S.p.A. for the financial years 2025-2033. No financial statements included or incorporated by reference in this Prospectus have been audited or reviewed by PricewaterhouseCoopers S.p.A.

DESCRIPTION OF THE ISSUER

Please refer to the information on the Issuer in the documents incorporated herein by reference as set out in the "*Documents Incorporated by Reference*" section.

OVERVIEW OF THE ITALIAN INSOLVENCY LAW REGIME

The insolvency laws of Italy may not be as favourable to investors' interests as those of other jurisdictions with which investors may be familiar. Generally speaking, in Italy courts play a central role in the insolvency process. Moreover, in court procedures may be materially more complex and the enforcement of security interests by creditors in Italy can be more time-consuming than in equivalent situations in jurisdictions with which holders of the Securities may be familiar.

Italian insolvency laws are applicable to the Issuer and, if certain requirements are met, the Issuer could become subject to any of the following insolvency proceedings:

- judicial liquidation (*liquidazione giudiziale*), which is governed by the provisions of the Insolvency Code;

- composition with creditors (*concordato preventivo*), composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale*) and simplified composition with creditors with liquidation purposes (*concordato semplificato per la liquidazione del patrimonio*), which are also governed by the provisions of the Insolvency Code;

- extraordinary administration for large insolvent companies (*amministrazione straordinaria delle grandi imprese insolventi*, the so called "*Prodi-bis*"), which is governed by Italian Legislative Decree No. 270 of 8 July 1999, as ultimately amended, *inter alia*, by Law Decree No. 4 of 18 January 2024 (the **Decree 270**) and by certain provisions of the Insolvency Code; and

- extraordinary administration for the industrial restructuring of large insolvent companies (*amministrazione straordinaria per la ristrutturazione industriale delle grandi imprese insolventi*, the so called "*Marzano*" procedure), which is governed by Italian Law Decree No. 347 of December 23, 2003, converted into law, with amendments, by Law No. 39 of 18 February 2004, as ultimately amended, *inter alia*, by Law Decree No. 4 of 18 January 2024 (the **Marzano Decree**), as well as certain provisions of the Insolvency Code and the Decree 270. For businesses performing essential public services this type of proceedings would also be subject to Italian Law Decree no. 134 of 28 August 2008.

Also, the Issuer could enter into the following restructuring procedures:

(a) certified restructuring plans (*piani attestati di risanamento*) pursuant to Article 56 of the Insolvency Code;

(b) debt restructuring agreements (*accordi di ristrutturazione dei debiti*) pursuant to Article 57 of the Insolvency Code;

(c) negotiated crisis composition procedure *(composizione negoziata per la soluzione della crisi d'impresa*), pursuant to Chapter I, Title II, of the Insolvency Code;

(d) restructuring plans subject to homologation (*piani di ristrutturazione soggetti a omologazione*) pursuant to Article 64-bis of the Insolvency Code.

The abovementioned restructuring/insolvency tools are available under the Insolvency Code for insolvent companies or a debtor in a state of crisis, as the case may be, and, in certain cases, also to debtors experiencing an economic or financial imbalance such as to make it likely that a state of crisis and/or distress or their insolvency will occur.
In addition to the above, certain regulated entities (including, *inter alia*, insurance companies, credit institutions and other financial institutions) are subject to *ad hoc* restructuring and insolvency proceedings, including but not limited to respectively extraordinary administration (*amministrazione straordinaria*); compulsory administrative liquidation (*procedura di liquidazione coatta amministrativa*) or resolution (*risoluzione*). These proceedings are mainly governed by *ad hoc* pieces of legislation (which may vary

depending on the regulatory status of the entity admitted to the procedure) and by certain provisions of the Insolvency Code to which specific reference is made by the former acts and regulations.

For the sake of completeness, please note that the Insolvency Code also provides for a simplified court-supervised composition with creditors (*concordato minore*) in case the debtor does not meet the dimensional requirements to access other restructuring tools, which follows the main procedural steps and effects provided for the composition with creditors proceeding (*concordato preventivo*), but entails the involvement and the assistance to the debtor of the board for crisis settlement *(organismo di composizione della crisi*).

Italian insolvency laws and regulations have recently been substantially reviewed. In particular, the Italian government approved on January 12, 2019 the Legislative Decree No. 14 of January 12, 2019 implementing the guidelines contained in Law No. 155 dated October 19, 2017 contending the scheme of a new comprehensive legal framework in order to regulate, *inter alia*, insolvency matters (the Insolvency Code). The Insolvency Code was published in the *Gazzetta Ufficiale* on 14 February 2019 no. 38—*Suppl. Ordinario* no. 6 and became – entirely – into force on 15 July 2022.

The Insolvency Code contains a comprehensive and organic reform of Italian insolvency proceedings and the rules governing business crisis, replacing the Italian Royal Decree n. 267 of 16 March 1942 (the former Italian bankruptcy law – *legge fallimentare*, the **Bankruptcy Law**) as the main legislative source regulating such matter. In light of the above, the section below of this document will cover the Italian insolvency laws (including the Insolvency Code) applicable after the entry into force of the Insolvency Code (on 15 July 2022), while all the insolvency proceedings started before / pending as of the date of the entry into force of Insolvency Code will continue to be governed by the provisions of the Bankruptcy Law.

The following provides a brief summary of the main features characterising each of the various insolvency and restructuring procedures in Italy as in force as at the date of this Prospectus. The below summary is not intended to be an exhaustive and comprehensive review and outlook of the insolvency regime and tools currently in force under Italian law. As outlined above, certain provisions of the Insolvency Code have been entered into force only recently and, therefore, may be subject to further implementation and/or interpretations and have not been tested to date in the Italian courts.

Depending on the type of proceeding to be initiated, the primary aims of restructuring and insolvency proceedings under Italian law are, respectively and alternatively, to successfully restructure or sell the debtor's assets as a going concern (as to the restructuring proceedings) or to liquidate the debtor's assets for the satisfaction of creditor's claims as well as, especially in case of the procedures under Decree 270 and / or Marzano Decree, to maintain employment, to the extent feasible. These competing aims have often been balanced by selling businesses as going concerns and ensuring that employees are transferred along with the businesses being sold.

Save for liquidation proceedings (mainly the judicial liquidation), the Insolvency Code promotes rescue procedures rather than liquidation and focuses on the continuity and survival of financially distressed businesses and enhancing restructuring options as an alternative to judicial liquidation. In cases where a company is facing a state of financial crisis it may be possible for it to enter into out-of-court arrangements with its creditors, which may safeguard the existence of the company, but which are susceptible to being reviewed by a court in the event of a subsequent insolvency, provided that certain conditions are met.

In this respect, the Insolvency Code provides for a definition of (i) "crisis", as the state of the debtor that makes the insolvency probable, and manifests itself through the inadequacy of the prospective cash flows to meet obligations as they come due over the following twelve months Article 2, paragraph 1, letter (a) of the Insolvency Code; and of (ii) "insolvency", as the state of the debtor, manifested by defaults and/or other external elements evidencing that the entrepreneur is no longer able to regularly meet its obligations as they come due. This must be a permanent, and not a temporary status of insolvency, in order for a court to hold that an entrepreneur is insolvent Article 2, paragraph 1, letter (b) of the Insolvency Code. Both insolvency and crisis are factual situations upon the occurrence of which different instruments provided for by the Insolvency Code may be activated.

The following remedies and proceedings are available under Italian law for companies facing either crisis or insolvency: negotiated composition of the crisis (*composizione negoziata per la soluzione della crisi d'impresa*), composition with creditors (*concordato preventivo*), simplified composition with creditors with liquidation purposes (*concordato semplificato per la liquidazione del patrimonio*), debt restructuring agreement with creditors (*accordo di ristrutturazione dei debiti*), reorganization plan (*piano attestato di risanamento*), restructuring plan subject to homologation (*piano di ristrutturazione soggetto a omologazione*).

In addition to those listed above, the following remedies are also available in the sole case of insolvency: extraordinary administration for large insolvent companies pursuant to Decree 270 (*amministrazione straordinaria delle grandi imprese in crisi di cui alla Legge Prodi bis*), extraordinary administration proceedings for large insolvent companies pursuant to Marzano Decree (*amministrazione straordinaria delle grandi imprese in crisi di cui alla Legge Marzano*); judicial liquidation (*liquidazione giudiziale*); and composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale*).

The main innovations introduced by the Insolvency Code include: (i) the elimination of the term "bankrupt" (*fallito*) due to its negative connotation and the replacement of bankruptcy proceedings (*fallimento*) with a judicial liquidation (*liquidazione giudiziale*); (ii) a new definition of "state of crisis"; (iii) the adoption of the same procedural framework in order to ascertain such state of crisis and to access the different restructuring tools and frameworks (*strumenti di regolazione della crisi e dell'insolvenza della società*) provided for by the same Insolvency Code; (iv) a new set of rules concerning group restructurings; (v) restrictions to the use of the composition with creditors (*concordato preventivo*) where pursuing a "liquidation strategy" to incentivize the *concordato preventivo* with a "business continuation strategy"; (vi) jurisdiction of specialized courts over proceedings involving large entrepreneurs; (vii) the adoption of definition of entrepreneur's "center of main interest", (viii) the introduction of the new restructuring plan subject to validation (*piano di ristrutturazione soggetto ad omologazione*) among the restructuring tools and frameworks (*strumenti di regolazione della crisi e dell'insolvenza della società*); (ix) the introductions of specific provisions in relation to the adoption of the measures and arrangements aimed at the early detection of business crisis; (x) amendments to certain provisions of the Italian Civil Code to align it with the provisions set forth in the Insolvency Code; (xi) a new negotiated crisis settlement procedure (*composizione negoziata della crisi),* introduced by Legislative Decree 118/2021, and subsequently incorporated into the Insolvency Code (to which reference is made below for the relevant current rules).

Please find below a summary of the main procedures and relevant provisions provided for by the Insolvency Code.

a) Judicial liquidation (*liquidazione giudiziale*), former "bankruptcy" (*fallimento*)

The judicial liquidation (*liquidazione giudiziale*) is a court-supervised procedure for the liquidation of an insolvent entrepreneur's assets and for the distribution of the related proceeds.

A company may be put under judicial liquidation recurring two requirements:

(i) an objective requirement, which is met if any of the following thresholds are met:

(A) annual balance sheet assets (*attivo patrimoniale*) in an aggregate amount exceeding € 0.3 million for each of the three preceding financial years (from the date on which the petition for judicial liquidation was filed) or from the establishment of the company if it has been incorporated less than three years before the petition for judicial liquidation,

(B) annual gross revenue (*ricavi lordi*) in an aggregate amount exceeding €0.2 million for each of the three preceding financial years (from the date on which the petition for judicial liquidation was filed) or from the establishment of the company if it has been incorporated less than three years before the petition for judicial liquidation, and

(C) total indebtedness in excess (included debts not yet due and payable) of €0.5 million;

(ii) a subjective requirement, which is met when a company carries out a commercial activity and is "insolvent". Under Article 2, paragraph 1, letter (b) of the Insolvency Code, the concept of insolvency is defined as the inability of the debtor to regularly settle its obligations as they become due.

A request to adjudicate a debtor into judicial liquidation can be filed by the debtor itself, by one or more creditors, by the administrative bodies or authorities that have control and supervisory functions over the entrepreneur and, in certain cases, by the public prosecutor. The judicial liquidation is declared by a competent division of the court.

Upon the commencement of the judicial liquidation, among others:

(i) unless otherwise provided by law, all actions of creditors are stayed and creditors must file claims within a defined period;

(ii) under certain circumstances, secured creditors may enforce against the secured property as soon as their claims are admitted as preferred claims. Secured claims are paid out of the proceeds of the secured assets, together with interest and expenses. Any outstanding balance will be considered unsecured and rank *pari passu* with all of the insolvent entity's other unsecured debt. Subject to certain exceptions, the *in rem* secured creditor may sell the secured asset only after it has obtained authorization from the designated judge (*giudice delegato*). After hearing the judicial receiver (*curatore nella liquidazione giudiziale*) and the creditors' committee (if established), the designated judge decides whether to authorize the sale, and sets forth the timing in its decision;

(iii) the debtor loses control over its assets and the management of its business. Management of the business and of the assets is transferred to the court-appointed judicial receiver (*curatore nella liquidazione giudiziale*). The entrepreneur may no longer validly act in court as claimant or defendant in relation to the assets (Article 143 of the Insolvency Code). The judicial receiver is vested with such powers upon the authorization of the delegated judge. However, all pending proceedings in which the entrepreneur is involved are automatically stayed from the date the adjudication is issued and need to be re-initiated by or against the judicial receiver;

(iv) continuation of business may be authorized by the court if an interruption would cause greater damage to the company, but only if the continuation of the company's business does not cause damage to creditors. If the competent court authorizes the continuation of the business (*esercizio provvisorio dell'impresa*), the management of the business is entrusted to the judicial receiver (who may in turn avail himself of qualified third parties for this purpose);

(v) any act (including payments, pledges and issuance of guarantees) made by the debtor (other than those made through the court-appointed judicial receiver) after (and in certain cases even before, for a limited period of time) the filing of the application for judicial liquidation, becomes (or could become, if made before) ineffective against creditors and/or can be clawed-back; and

(vi) the performance of certain contracts and/or transactions pending as of the date of the opening of the judicial liquidation are suspended until the receiver decides whether to take them over. Although the general rule is that the judicial receiver is allowed to either continue or terminate contracts where some or all of the obligations have not been performed by both parties, certain contracts are subject to specific rules expressly provided for the Insolvency Code. In order to overcome the uncertainty that may predictably arise, the contractual counterparty may file a written petition requiring the Court to give the judicial receiver a deadline of no more than 60 days; within such deadline, the receiver must decide to enter into the agreement or withdraw from it. Upon expiration of the deadline without the judicial receiver having replied to the counterparty's request, the pending agreement is deemed terminated.

The judicial liquidation proceeding is carried out and supervised by a court-appointed receiver, a deputy judge (*giudice delegato*) and a creditors' committee (if established). The creditors' committee, as specifically provided for by law, has in some cases authorization power over the receiver and, in general, consultation functions over the latter and vigilance authority over the judicial liquidation proceedings. The receiver is responsible for the liquidation of the assets of the debtor for the satisfaction of creditors, that carries out through public auctions in compliance with a liquidation program proposed by the receiver and possibly modified upon proposal of the creditors' committee.

As far as receivables *vis-à-vis* the insolvent entity are concerned, each creditor must lodge his claims with the competent court. The filing of the proof of claim by the creditor is necessary to demonstrate the creditor's right to participate in the distribution of the proceeds of the liquidation, the amount of its claim and its ranking and the deputy judge, upon proposal of the receiver, will decide which claims are admitted to the statement of liabilities, for which amount they are admitted and whether the claims are to be qualified as secured of not. Each creditor may challenge (*opposizione*) the decision of the judge in front of the court. The receiver can challenge the decision of the Deputy Judge to admit a creditors. The same procedure applies also to individuals and entities claiming the right to obtain the restitution of assets.

The proceeds from the liquidation are distributed in accordance with the principle of equal treatment of creditors (so-called *par condicio creditorum*) and in line with the statutory priority rights. The liquidation of a debtor can take a considerable amount of time, particularly in cases where the debtor's assets include real estate property. Italian law provides for priority to the payment of certain preferential creditors, including the receiver, employees and the Italian judicial and social security authorities.

Furthermore, the parties of a judicial liquidation proceeding as well as any interested party, may file an appeal (*opposizione*) to the decree closing the judicial liquidation proceeding within 30 days after having been notified of the same.

The Securityholders would not have a right as a class to appoint a representative to a creditors' committee.

Avoidance Powers in Insolvency Under Italian law, there are so-called "claw-back" or avoidance provisions that may lead to, inter alia, the revocation of certain acts and payments made or guarantees and security interests granted by the entrepreneur prior to the opening of a judicial liquidation proceedings. The key avoidance provisions include, but are not limited to, transactions made below market value, preferential transactions and transactions made with a view to defrauding creditors or to the advantage of one creditor. Claw-back rules under Italian law are normally considered to be particularly favorable to the judicial liquidation estate, compared to the rules applicable in other jurisdictions.

In the context of the judicial liquidation proceedings, depending on the circumstances, the Insolvency Code provides for a claw-back period of up to two years (six months in certain circumstances) and a two-year ineffectiveness period for certain payments and other transactions. In the context of extraordinary administration procedures (as described below), the claw-back period may last up to three or five years in certain circumstances. The Insolvency Code distinguishes between payment and other transactions which are ineffective by operation of law and payment and transactions which are voidable as a consequence of the upholding of a claw-back claim filed within the relevant insolvency proceedings by the competent bodies.

Pursuant to:

(i) Article 163 of the Insolvency Code, subject to certain limited exception, all transactions entered into for no consideration are ineffective *vis-à-vis* creditors if entered into by the insolvent entity in the two-year period prior to the filing of the petition that led to the opening of the judicial liquidation or after the filing. Any asset subject to a transaction which is ineffective pursuant to Article 163 of the Insolvency Code becomes part of the insolvency

estate by operation of law upon registration (*trascrizione*) of the court's decision opening the insolvency proceedings, without needing to wait for the ineffectiveness of the transaction to be sanctioned by a court. Any interested person may challenge the registration before the delegated judge for violation of law; and

(ii) Article 164 of the Insolvency Code, (A) payments of receivables falling due on the day of the opening of the judicial liquidation or thereafter are deemed ineffective *vis-à-vis* creditors, if made by the insolvent entity in the two-year period prior to the filing of the petition that led to the opening of the judicial liquidation or after the filing; and (B) payments made by the entrepreneur with respect to any intercompany loan or reimbursements of shareholder loan within one year prior to a judicial liquidation declaration (or after the filing of the application followed by the opening of the liquidation proceeding), are ineffective *vis-à-vis* creditors.

The following acts and transactions, if done or made during the period specified below (so-called **suspect period**), may be clawed-back (*revocati*) *vis-à-vis* the insolvency estate as provided for by Article 166 of the Insolvency Code and be declared ineffective, unless the non-insolvent party proves that it had no actual or constructive knowledge of the debtor's insolvency at the time the transaction was entered into:

(i) onerous transactions entered into in the year before the filing of the petition that led to the opening of the judicial liquidation of after the filing (or two years if the counterparty belonging to the same group), when the value of the debt or the obligations undertaken by the insolvent entity exceeds 25% of the value of the consideration received by and/or promised to the debtor;

(ii) payments of monetary debts, due and payable, which were not made by the debtor in cash or by other customary means of payment in the year prior to the filing of the petition that led to the opening of the judicial liquidation of after the filing (or two years if the counterparty belonging to the same group);

(iii) pledges and mortgages granted by the insolvent entity in the year prior to the filing of the petition that led to the opening of the judicial liquidation of after the filing in order to secure pre-existing debts which were not yet due at the time when the new security was granted; and

(iv) pledges and mortgages granted by the insolvent entity in the six months prior to the filing of the petition that led to the opening of the judicial liquidation of after the filing (one year if the counterparty was a company belonging to the same group), in order to secure pre-existing debts which had already fallen due at the time when the new security was granted.

The following acts and transactions, if made during the suspect period or such other period specified below, may be clawed back (*revocati*) and declared ineffective if the receiver proves that the non-insolvent party knew that the insolvent entity was insolvent at the time of the act or transaction:

(i) payments of debts that are immediately due and payable and any onerous transactions entered into or made within six months prior to the filing of the petition that led to the opening of the judicial liquidation or after the filing; and

(ii) granting of priority rights/security interest for debts simultaneously created (even of third parties), in the six months prior to the filing of the petition that led to the opening of the judicial liquidation or after the filing.

Pursuant to Article 166, paragraph 3 of the Insolvency Code, the following payments and other transactions are exempted from claw-back actions:

(i) payments for goods or services made in the ordinary course of business according to market practice;

(ii) a remittance on a bank account; provided that it did not entail a long-term reduction of the insolvent entity's debt towards the bank;

(iii) the sale, including an agreement for sale registered pursuant to Article 2645-bis of the Italian Civil Code (provided that the effectiveness of the relevant registration has not ceased), made for a fair value and concerning a residential property that is intended as the main residence of the purchaser or the purchaser's family (within three degrees of kinship) or a non-residential property that is intended as the main seat of the enterprise of the purchaser; provided that, as at the date of the insolvency declaration, the activity is actually exercised therein or the investments for the commencement of such activity have been carried out therein;

(iv) transactions entered into, payments made and security interest granted by the debtor over its assets to perform a plan (*piano attestato*) pursuant to Articles 56 or 284 of the Insolvency Code;

(v) transactions entered into, payments made or guarantees/security interests granted in execution of a homologated *concordato preventivo* of a simplified composition with creditors proceeding (*concordato semplificato per la liquidazione del patrimonio*), or an approved *piano di ristrutturazione* under article 64-*bis* of the Insolvency Code or an approved *accordo di ristrutturazione del debito* as well as those legally performed after the application for *concordato preventivo* or *accordo di ristrutturazione*. Transactions entered into, payments made or guarantees/security interests granted by the debtor after the filing of a petition for a *concordato preventivo* or an *accordo di ristrutturazione*;

(vi) remuneration payments to the insolvent entity's employees and consultants concerning work carried out by them; and

(vii) payments of a debt that is immediately due, payable and made on the due date, with respect to services necessary for access to *strumenti di regolazione della crisi e dell'insolvenza* and insolvency proceedings provided under the Insolvency Code.

Pursuant to Article 170 of the Insolvency Code, the limitation period for initiating claw-back action proceedings is three years from the opening of the judicial liquidation or, if earlier, five years from the date when the payment or other transaction was made or carried out. In case judicial liquidation is commenced after the filing of a petition for another insolvency proceedings, according to Article 170, paragraph 2 of the Insolvency Code, the look-back period to be considered in respect of the relevant payment or transaction is calculated backwards from the date on which such earlier petition is filed (as opposed to backwards from the date on which the judicial liquidation was opened).

In addition, in certain cases, the receiver can request that certain transactions of the insolvent entity be declared ineffective within the ordinary claw-back period of five years (*revocatoria ordinaria*) provided for by the Italian Civil Code. Under Article 2901 of the Italian Civil Code, a creditor may demand that transactions whereby the insolvent entity disposed of its assets prejudicially to such creditor's rights be declared ineffective with respect to such creditor, provided that the insolvent entity was aware of such prejudice (or, if the transaction was entered into prior to the date on which the claim was originated, that such transaction was fraudulently entered into by the insolvent entity for the purpose of prejudicing the creditor's rights) and that, in the case of a transaction entered into for consideration with a third party, the third party was aware of such prejudice (and, if the transaction was entered into prior to the date on which the claim was originated, such third party participated in the fraudulent design). The burden of proof is entirely with the receiver.

The Insolvency Code provides special regimes on preferences and avoidances of intra-group transactions. Under Article 290 of the Insolvency Code the limitation period of initiating intra-group claw-back actions (referring to acts and transactions entered into by companies belonging to the same group that jeopardize the creditors' interest) is extended to five years from the filing for judicial liquidation declaration.

Law no. 132 of August 6, 2015 also introduced new Article 2929-*bis* to the Italian Civil Code, providing for a "simplified" claw-back action for the creditor with respect to certain types of transactions put in place by the debtor with the aim to subtract (registered) assets from the attachment by its creditors. In particular, the creditor can now start enforcement proceedings over the relevant assets without previously obtaining a Court decision clawing back/nullifying the relevant (fraudulent) transaction, to the extent that such transaction had been carried out without consideration (*e.g.*, gratuitous transfers, or creation of shield instruments such as trusts or the so-called *fondo patrimoniale* or "family trust") and the further requirements provided for by the Italian Civil Code are duly met. In case of gratuitous transfers, the enforcement action can also be carried out by the creditor against the third-party purchaser.

Statutory priorities

Under Italian law neither the debtor nor the court can deviate from the rules of statutory priority proposing alternative priorities of claims or subordinating specific claims on the basis of equitable principles. Consequently, contractually granted priorities such as those commonly provided for in intercreditor contractual arrangements may not be enforceable against Italian insolvency proceedings on the grounds that they may be considered inconsistent with mandatory provisions. The rules of statutory priority apply irrespective of whether the proceeds are derived from the sale of the entire entrepreneur's estate or part thereof or from a single asset.

Claims with the highest rank are the super senior ones (*crediti prededucibili*), which include the claims originated within the judicial liquidation proceedings as set out in specific legislation, such as costs related to the procedure or to which such priority is given pursuant to other provisions of the Insolvency Code) as better identified in Article 6 of the Insolvency Code. At the next level of priority there are preferred creditors, whose claims (*crediti privilegiati*) enjoy a preference in payment (in most circumstances, but not exclusively, provided for by law) which can be general (such as for claims for salaries, social contributions and taxes) or can pertain to specific assets, and secured creditors, whose claims are backed by mortgages (*crediti ipotecari*) and pledges (*crediti garantiti da pegno*), and then unsecured creditors (*crediti chirografari*). Pursuant to Article 221 of the Insolvency Code, proceeds of liquidation shall be distributed according to the following order: (i) for payments of super-senior claims; (ii) for payment of privileged claims; and (iii) for the payment of unsecured claims. Creditors with mortgages (*crediti ipotecari*) and pledges (*crediti garantiti da pegno*) have priority in the distribution of what has been eventually obtained from the liquidation of the relevant secured assets. Secured claims backed by mortgages and pledges will be treated as unsecured claims for the part of the claims which is not covered by the value of the asset subject to the mortgage or the pledge.

Treatment of executory contracts upon admission to the judicial liquidation proceeding

Pursuant to Article 172 of the Insolvency Code the opening of the judicial liquidation entails that the performance of executory contracts is suspended until the receiver elects to (a) continue the performance of the executory contracts; in such case, he/she must assume all the obligations stemming from the continued contracts and the amounts which become due to creditors in the context of the judicial liquidation proceeding must be paid in full in priority to amounts owing to other creditors; or (b) terminate the executory contracts; in such a case, creditors are entitled to submit a claim for breach of performance, without in any event being entitled to damages by way of extra-contractual liability. Specific rules set forth in Articles 173-192 of the Insolvency Code apply with reference to suspension, termination and continuation of specific contracts (such as, for example, labor contacts, financial leasing, insurance and subcontracting agreements).

Different rules are applicable in the event that the receiver is authorized to continue the business, following the opening of the judicial liquidation. In particular, pursuant to Article 211, paragraphs 2 and 3, of the Insolvency Code, the tribunal (with the judicial order that declares the commencement of the judicial liquidation) or, subsequently, the delegated judge (upon request of the receiver) may authorize the continuation of the business or of a business line of the business of the entity in judicial liquidation. In this scenario, Article 211, paragraphs 8, of the Insolvency Code provides that the

performance of executory contracts related to the relevant branch of business continues, unless the receiver elects to suspend or terminate them.

b) Composition with creditors in the judicial liquidation (*concordato nella liquidazione giudiziale,* former *concordato fallimentare*)

Judicial liquidation proceedings can terminate prior to liquidation through a composition proposal with creditors. The relevant petition can be filed by one or more creditors or third parties starting from the declaration that opens the judicial liquidation, whereas the debtor or its subsidiaries are admitted to file such a proposal only after one year following such declaration but before two years from the decree granting effectiveness to the statement of liabilities. The proposal filed by the debtor (or by its subsidiaries and/or affiliates) is admissible to the extent that it provides for an increase of the company's assets at least of 10%. The petition may provide for the placing of creditors into different classes according to homogeneous legal position and economic interest (thereby proposing different treatments among the classes, indicating the reasons of such differences), the restructuring of debts and the satisfaction of creditors' claims in any manner. The petition may provide the possibility that secured claims are paid only in part at certain conditions, but in any case it is necessary for the plan to provide a non-lesser extent than the one which can be realized, by reason of preferential placement, from the relevant proceeds in the event of a judicial liquidation of the assets or rights over which the cause of pre-emption exists. The concordato nella liquidazione giudiziale proposal is subject to the opinion of the creditors' committee and must be approved by the creditors holding the majority of unsecured claims (and, if classes are formed, by a majority of the claims in a majority of the classes). Secured creditors are not entitled to vote on the proposal, unless (i) they waive their security; or (ii) the bankruptcy composition agreement with creditors provides that they will not receive full satisfaction of the liquidation value of their secured assets (please note that such value must be assessed by an independent expert), in which case they can vote only in respect of the portion of their debt affected by the proposal.

Final court confirmation is also required. The bankruptcy composition agreement with creditors (*concordato nella liquidazione giudiziale*), once approved and homologated, is mandatory for: (i) all existing creditors prior to the opening of the judicial liquidation proceeding; and (ii) creditors who have not applied for the admission to the judicial liquidation estate, to whom the guarantees or the security interests given in the bankruptcy composition agreement with creditors (*concordato nella liquidazione giudiziale*) by third parties do not extend.

c) Composition with creditors (*concordato preventivo*)

A company which is insolvent or in a situation of crisis (as defined above) and that has not been declared insolvent by the court has the option to apply for a pre-insolvency composition with creditors proceeding (so called "*concordato preventivo*"), under court supervision, in order to compose its overall indebtedness and/or reorganize its business, thereby avoiding a declaration of insolvency and the initiation of insolvency proceedings. Such composition proposal can be made by a commercial enterprise which exceeds any of the following thresholds: (i) has had assets (*attivo patrimoniale*) in an aggregate amount exceeding €0.3 million for each of the three preceding financial years (from the date on which the petition for judicial liquidation was filed) or from the establishment of the company if it has been incorporated less than three years before the *concordato* petition;, (ii) gross revenue (*ricavi lordi*) in an aggregate amount exceeding €0.2 million for each of the three preceding financial years (from the date on which the *concordato* petition was filed) or from the establishment of the company if it has been incorporated less than three years before the *concordato* petition,., and (iii) has total indebtedness in excess (included debts not yet due) of €0.5 million. Only the debtor can file a petition with the court for a *concordato preventivo* with the court based in the location of the debtor's center of main interest. The debtor must file the petition together with, among others, a restructuring plan containing an analytic description of manner and timing of the fulfilment of the proposal and an expert report assessing the feasibility of the composition proposal and the truthfulness of the business and accounting data provided by the company. The petition for *concordato preventivo* is then published by the debtor in the company's register by the registry of the court and communicated to the public prosecutor. From the date of such publication to the date on which the court validates the *concordato preventivo*, preexisting creditors cannot obtain security interests (unless authorized by the

court) and mortgages registered within the 90 days preceding the date on which the petition for the *concordato preventivo* is published in the company's register are ineffective against such pre-existing creditors. According to Article 54, paragraph 2, of the Insolvency Code, provided that the petition for the admission to the *concordato preventivo* includes the relevant request for Measures (as defined below), from the date of publication of the petition in the companies' registry, it is prohibited to commence or continue enforcement and conservative actions (or, in any event, to take any initiatives prohibited under the relevant Measures). At any time pending the proceedings the debtor may request to be granted Measures, which can also be requested pursuant to Article 44 of the Insolvency Code, together with the "preliminary and simplified application" (described below) for the access to one of the restructuring tools provided for by the Insolvency Code.

The composition proposal submitted by the entrepreneur within the *concordato preventivo* may provide for: (i) the restructuring and payment of debts and the satisfaction of creditors' claims (provided that, in any case, it will ensure payment of at least 20% of the unsecured receivables, except for the case of *concordato preventivo* on a going concern basis (*concordato con continuità aziendale*), including through extraordinary transactions, such as the granting to creditors and to their subsidiaries or affiliated companies of shares, bonds (including bonds convertible into shares), or other financial instruments and debt securities); (ii) the transfer to a receiver (*assuntore*) of the operations of the entrepreneur making the composition proposal; (iii) the organization of creditors into classes (which is mandatory in certain cases provided under the Article 85 of the Insolvency Code), provided that each class is composed of creditors having homogeneous legal positions and economic interests; and (iv) different treatment of creditors belonging to different classes. The composition proposal may also contain a proposed tax settlement for the partial or deferred payment of certain taxes. Save for the provisions provided for under Article 109 of the Insolvency Code with respect to the creditors' rights to vote on the composition proposal, pursuant to Article 86 of the Insolvency Code in the context of a composition with creditors on a going concern basis (*concordato con continuità*) the restructuring plan underlying the composition proposal may provide for a standstill for the repayment of secured creditors, unless it is envisaged the liquidation of the assets encumbered by the relevant security interests, with the exception of the repayment of secured creditors (*creditori privilegiati*) pursuant to Article 2751-bis, paragraph 1 of the Italian Civil Code (i.e. employees receivables secured by a general privilege over the movable assets of the entrepreneur etc.) for which the standstill cannot exceed a period of 6 months from the validation (*omologazione*) of the *concordato preventivo*.

The *concordato preventivo* proposal may also provide, inter alia: (i) the continuation, on a direct basis, of the business by the entrepreneur as going concern; or (ii) the continuation, on an indirect basis, of the business as going concern through the transfer of the business to one or more companies (*concordato con continuità aziendale*) as well as for a particular composition with creditors proceeding through which any assets that are no longer necessary to run the business of the company are liquidated (*concordato misto*). According to Article 84, paragraph 3 of the Insolvency Code, the *concordato misto* qualifies as a *concordato con continuità aziendale*, when creditors are satisfied – even through a non-prevalent extent – through the proceeds arising from the continuation of the business activity, regardless of the "portion" of business for which going concern is envisaged. In these cases, the plan and the petition for the *concordato preventivo* must fully describe the costs and revenue that are expected as a consequence of the continuation of the business as a going concern, as well as the financial resources and support which will be necessary. The report of the independent expert must also certify that the continuation of the business is conducive to the satisfaction of creditors' claims not to a worse extent than creditors' treatment (recovery) in a judicial liquidation. Existing contracts, even if entered with governmental bodies, are automatically not to be terminated by admission to procedure.

Article 91 of the Insolvency Code provides that, if the composition with creditors' plan, includes an offer for the sale of the entrepreneur's assets or the sale of a going concern of the entrepreneur to an identified third-party, the court or the delegated judge shall order that for appropriate publicity to be given to the offer itself in order to acquire competing offers (*offerte concorrenti*). If expressions of interest are received, the court or the delegated judge, by decree, shall order the opening of the competitive proceeding. Furthermore pursuant to Article 91, paragraph 4, the judicial decree referred above establishes the procedures for the submission of irrevocable offers, providing that in all cases,

among others, the following is ensured: (a) their comparability, (b) the requirements for the participation of the bidders, (c) the forms and timing of access to relevant information, (d) any limits on their use, (e) the manner in which the judicial commissioner must provide them to those who request them, (f) the manner in which the competitive procedure is to be conducted, (g) the minimum increase in the consideration to be provided by the subsequent offers, (h) the guarantees to be given by the bidders, (i) the forms of publicity, and (l) the date of the hearing for the evaluation of the bids if the sale takes place before the court. With the sale or with the assignment, whichever is earlier, to a person other than the original bidder identified in the plan, the latter and the entrepreneur are released from their obligations towards each other and accordingly the entrepreneur shall amend the proposal and plan in accordance with the outcome of the competitive proceeding.

Pursuant to Article 84, paragraph 4, the Insolvency Code, in order to strengthen the position of the unsecured creditors, a *concordato preventivo* for liquidation purposes (*concordato liquidatorio*) (i.e., a composition with creditors proposal aiming at transferring all the assets to the creditors and having such assets sold in their interest by the judicial commissioner) must ensure that (i) external resources are contributed which increase the assets available at the time of the filing of the relevant petition by at least 10% and (ii) the unsecured creditors (either originally unsecured or unsecured due to the write-off of their secured claims) are paid in a percentage equal to 20% of their total claims. In this respect, it should be noted that resources contributed for the purpose of a *concordato preventivo* for liquidation purposes (*concordato liquidatorio*) may be distributed notwithstanding the provisions set forth under Articles 2740 and 2741 of the Italian Civil Code provided that such distribution complies with the 20% requirement set forth above (hence without having to comply with the statutory priority rules). Resources contributed are considered as "external" when provided for any reason by the entrepreneur's shareholders without obligation of repayment or subordination, in relation to which the plan provides them to be for the sole benefit of the creditors. This provision does not apply to composition with creditors proposals based on the continuation of the going concern (*concordato con continuità aziendale*).

Under the *concordato preventivo*, there is no dispossession of the entrepreneur who accordingly retains management powers under the supervision of a court-appointed official (*commissario giudiziale*) (who will supervise the proceeding and will have to review – *inter alia* and together with the Court - all the company's requests for authorization relating to the performance of activities of extraordinary management) and the delegated judge (*giudice delegato*). From the date of the publication of the petition to the date on which the court validates the *concordato preventivo*, the entrepreneur is entitled to operate in the ordinary course of its business, although extraordinary transactions require the prior written approval of the court. Provided that the abovementioned steps are taken and the Measures are granted, during this time, all enforcement actions, precautionary actions and interim measures sought by the creditors, whose claims accrued prior to the filing of the petition by the entrepreneur, are stayed. The accrual of interests is suspended for the same timeframe, except for claims secured by pledges, mortgages, liens or privileges (*privilegi*). Pre-existing creditors cannot obtain security interests (unless authorized by the court) and mortgages registered within the 90 days preceding the date on which the petition for the *concordato preventivo* is published in the companies' register are ineffective against such pre-existing creditors. Any act, payment or security executed or created after the filing of the *concordato preventivo* application and in accordance with its rules and procedures is exempt from claw-back action. The entrepreneur is also exempt from certain bankruptcy criminal offenses provided under Articles 322, third paragraph ("preferential bankruptcy"), and 323 ("simple bankruptcy") of the Insolvency Code, in relation to acts and payments made in execution of the Composition with Creditors and/or in relation to super-senior financings and payment of pre-existing receivables authorized under Articles 99, 100 and 101 of the Insolvency Code. Claims arising from acts lawfully carried out by the entrepreneur during the *concordato preventivo* proceedings rank super senior (*prededucibili*) also in the event of a subsequent judicial liquidation (please refer to paragraph on statutory priorities above) and shall be paid pending the proceedings within the relevant due date.

The terms and the performance of the outstanding contracts which have been entered into, from time to time, by the entrepreneur are not automatically affected by the *concordato preventivo* proceeding and normally continue pending the procedure, any agreement to the contrary being ineffective.

However, pursuant to Article 97 of the Insolvency Code, the entrepreneur may request the competent court to be authorized to terminate outstanding agreements (*contratti ancora ineseguiti or non compiutamente eseguiti*) if the continuation of such agreements is inconsistent with the prospects and the execution of the composition with creditors' plan, except for certain agreements which are excluded from the scope of the above provision (e.g., employment agreements (*rapporti di lavoro subordinato*), residential real estate preliminary sale agreements (*contratti preliminari di vendita aventi ad oggetto immobili ad uso abitativo*) and real estate lease agreements (*contratti di locazione di immobili*). The request may be filed with the competent court at the time of the filing of the application for the *concordato preventivo* or to the judge (*giudice delegato*), if the application is made after admission to the procedure. Upon the entrepreneur's request, the pending agreements can also be suspended for a period of time not exceeding the term assigned by the court for the submission of the plan and all relevant documentation after the filing of a preliminary and simplified petition. When the composition proposal together with the relevant plan have been submitted, the suspension may also be authorized by the court for a further duration, which, however, may not exceed thirty days from the date of the decree opening the procedure, which may not be further extended. In such circumstances, the other party has the right to receive an indemnification equivalent to the damages suffered for the non-fulfillment of the agreement. Such indemnification would be paid prior to and outside of the admission to the *concordato preventivo* procedure.

For details regarding super senior financing, please see below.

The filing of the petition for the *concordato preventivo* may be preceded by the filing of a preliminary and simplified petition pursuant to Article 44 of the Insolvency Code. For sake of clarity, under the Insolvency Code, the simplified petition may be utilized by the entrepreneur to access either a Debt Restructuring Agreement (as defined below) or a restructuring plan subject to approval by the court (*piano di ristrutturazione soggetto ad omologazione*) or a *concordato preventivo*. The entrepreneur may file such petition, reserving the right to submit the underlying plan, the proposal and all relevant documentation (or the Debt Restructuring Agreement, or the restructuring plan subject to approval by the court (*piano di ristrutturazione soggetto ad omologazione*)) within a period assigned by the court (a) between 30 and 60 days from the date of the filing of the preliminary petition, subject to only one possible further extension of up to 60 days, where there are reasonable grounds for such extension (*giustificati motivi*) or in the event where filings for a judicial liquidation proceeding are not pending. If the court accepts such preliminary petition, it may, among other things: (i) appoint a judicial commissioner (*commissario giudiziale*) to overview the company, who, in the event that the entrepreneur has carried out one of the activities under Article 106 of the Insolvency Code (e.g., concealment of part of assets, omission to report one or more claims, declaration of nonexistent liabilities or commission of other fraudulent acts), will report it to the court, which, upon further verification, may reject the petition at court for a *concordato preventivo*; and (ii) set forth reporting and information duties of the company during the abovementioned period. As mentioned above, filing the simplified petition, the entrepreneur may request the application of protective and interim measures.

Pursuant to Article 44, paragraph 1, letter c), of the Insolvency Code, the decree setting the term for the presentation of the documentation contains also the periodical information requirements (also relating to the financial management of the company and to the activities carried out for the purposes of the filing of the application and the restructuring plan) that the company has to fulfill, at least on a monthly basis, until the lapse of the term established by the court. The entrepreneur will file, monthly, the company's financial position, which is published, the following day, in the company's register.

Non-compliance with these requirements results in the simplified petition being declared inadmissible and, upon request of the creditors or the public prosecutor and provided that the relevant requirements are verified, in the adjudication of the distressed company into judicial liquidation. If the activities carried out by the entrepreneur appear to be clearly inappropriate to the preparation of the "full" application, the court may, *ex officio*, after hearing the entrepreneur and if appointed the judicial commissioner, reduce the time for the filing of additional documents. Following the filing of the simplified petition and until the decree of admission to the *concordato preventivo*, the distressed company may: (i) carry out acts pertaining to its ordinary activity; and (ii) seek the court's

authorization to carry out acts pertaining to its non-recurring activity, to the extent they are urgent, and the payment of claims accrued prior to the filing. Claims arising from acts lawfully carried out by the distressed company after the filing of the *concordato preventivo* petition (including preliminary petition) have super priority (*prededucibilità*) in case of a subsequent judicial liquidation.

During the *concordato preventivo*, the payment of receivables accrued prior to the filing of the petition (preliminary and simplified petition pursuant to Article 44 of the Insolvency Code) is prohibited. However, under Article 100 of the Insolvency Code, in the event of a *concordato preventivo* on a going concern basis:

- the entrepreneur may request the court to be authorized to pay pre-existing receivables relating to the purchase of goods or services and the remunerations due to workers employed in the business whose continuation is envisaged under the plan, if an expert certifies that they are essential for business continuity and to ensure the best satisfaction of creditors (such expert's certificate is not necessary if the payment if made with funds made available to the entrepreneur on a non-refundable basis or subordinated to the prior satisfaction of the creditors)

- the entrepreneur may repay, in accordance with the relevant contractual terms, the instalments due under a loan agreement which is secured by way of a security interest over the assets used in the business, provided that: (a) at the date of the filing of the petition, the entrepreneur has fulfilled its obligations or the court authorizes the payment of the debt for principal and interest due at that date; and (b) an expert meeting the requirements set forth in Article 52, paragraph 3, of the Insolvency Code certifies (i) that such payments are essential for the continuation of the business activity and functional to ensuring the best satisfaction of the creditors and, (ii) that the secured claims can be fully satisfied with the proceeds of the liquidation of the asset carried out at market value and that the repayment of the instalments due does not prejudice the rights of the other creditors.

Furthermore, the going concern-based arrangements with creditors can provide for, among others, the liquidation of those assets that are not functional to the business allowed. The Composition Agreement may also contain a proposed tax settlement for the partial or deferred payment of certain taxes.

In addition, pursuant to Article 99 of the Insolvency Code, new super senior indebtedness authorized by the court, pending the homologation (*omologazione*) of the debt restructuring agreement pursuant to Article 57 of the Insolvency Code or after the filing of the *concordato preventivo* petition (including preliminary petition) pursuant to Article 87 of the Insolvency Code, aimed at supporting urgent financial needs related to the company's business (*finanza d'urgenza*), are treated as super-senior (*crediti prededucibili*) pursuant to Article 222 of the Insolvency Code and the related acts, payments, guarantees and security interests granted are exempted from the claw-back action provided under Article 166 of the Insolvency Code. The debtor shall properly document: (i) the purpose of the financing; (ii) that the funds cannot be obtained otherwise and; (iii) the reasons why the lack of such funds would damage the going concern of the debtor's business. An expert meeting the requirements set forth in Article 2, paragraph 1, letter o), of the Insolvency Code certifies (i) that such requirements are met and that the financing is functional to ensuring the best satisfaction of the creditors. In the same respect, pursuant to Article 101, paragraph 1 of the Insolvency Code, any loan granted to the debtor as implementation of an homologated composition with creditors proceeding (*concordato preventivo*) or debt-restructuring agreement (*accordi di ristrutturazione dei debiti*) ranks super-senior (*prededucibile*) to the extent that they are expressly provided under the relevant plan providing for the continuation of the business activity. Although, Article 101, paragraph 2 of the Insolvency Code provides that, in the event of the debtor's subsequent admission to the judicial liquidation procedure, the abovementioned loans are not to be considered as "predeductible" (*prededucibili*) when the composition with creditors' plan or the relevant debt restructuring agreement appears, based on an assessment to be referred to at the time of the relevant filing, to be based on false data or the omission of relevant information or that the debtor has performed acts in fraud of creditors and the liquidator proves that the subject who made available the facilities, at the date of disbursement, had previous knowledge of those circumstances.

If the court determines that the composition proposal is admissible, it appoints a judge (*giudice delegato*) to supervise the procedure, appoints (or confirms, as the case may be) one or more judicial officers (*commissari giudiziali*) and schedules a specific period of time during which creditors can express their vote. During the implementation of the proposal, the company generally continues to be managed by its corporate bodies (usually its board of directors), but is supervised by the appointed judicial officers and judge (who will authorize all transactions that exceed the ordinary course of business).

Pursuant to Article 90 of the Insolvency Code provides for the possibility for creditors (except for individuals or entities controlled, controlling or under common control of the entrepreneur) holding at least 5% of the aggregate claims against an entrepreneur to present an alternative plan (*proposta concorrente*) to the entrepreneur's plan - within 30 days prior from the related creditors' vote on the entrepreneur's plan - in a court supervised composition with creditors proceedings (*concordato preventivo*) subject to certain conditions being met, including, in particular, that the proposal of the entrepreneur does not ensure satisfaction of at least 30% of the unsecured claims (which percentage is reduced to 20% in case the entrepreneur has filed for a Negotiated Composition under Article 12 of the Insolvency Code prior to entering into the *concordato preventivo*).

The *concordato preventivo* is voted on within the period of time scheduled by the court (which, pursuant to Article 104, paragraph 5 of the Insolvency Code is doubled in the presence of noteholders) and must be approved with the favorable vote of (a) the creditors representing the majority of the receivables admitted to vote and, also in the event that the plan provides for more classes of creditors, or (b) the majority of the receivables admitted to vote is reached the majority of the classes (in case of *concordato preventivo* for liquidation purposes) or all the classes (in case of *concordato preventivo* on a going concern basis). Pursuant to Article 109, paragraph 1, of the Insolvency Code, in case one creditor holds more than the majority of receivables admitted to voting, it is also necessary to reach majority by headcount. The *concordato preventivo* is approved only if the required majorities of creditors expressly voted in favor of the proposal. Creditors who did not exercise their voting right will be deemed not to approve the *concordato preventivo* proposal. Secured creditors are not entitled to vote on the proposal of *concordato preventivo* unless and to the extent they waive their security, or if the *concordato preventivo* provides that they will not receive full satisfaction of the liquidation value of their secured assets (such value being assessed by an independent expert), in which case they can vote only in respect of the part of their debt affected by the proposal. Among others, (i) the companies controlling the entrepreneur, controlled by the entrepreneur and those under the control of the entity controlling the entrepreneur, (ii) the assignees of the claims of the entities under point (i), if the assignment has been perfected during the year preceding the *concordato preventivo* and (iii) creditors in conflict of interest are excluded from voting.

Differently from the general rules set out above, pursuant to Article 109 paragraph 5 of the Insolvency Code, the *concordato preventivo* on a going-concern basis (*concordato con continuità aziedale*), is approved if all the creditors' classes vote in favor. In each class, the relevant composition with creditors' proposal is approved if the majority of the claims allowed to vote is reached or, failing that, if two-thirds of the claims of the voting creditors have voted favorably, provided that the creditors holding at least half of the total claims of the same class have voted. Secured creditors are not admitted voting if they are repaid in full (and in cash) within 180 days (reduced to 30 days for employees) after the homologation without any waiver to their security interests. If such requirements are not met, then secured creditors are entitled to vote. However, if one or more classes voted against, pursuant to Article 112, paragraph 2 of the Insolvency Code the court may still validate (*omologare*) the *concordato preventivo* on a going concern basis if the following conditions are jointly fulfilled:

- the liquidation value of the entrepreneur is distributed in accordance with the statutory priority rules;

- the value generated by the proceedings exceeding the liquidation value is distributed in such a way that the claims included in the dissenting classes receive overall treatment at least equal to that of the classes of the same rank and more favorable than that of the classes of a lower rank;

- no creditor receives more than the amount of its claim;

- the proposal is approved by the majority of the classes, provided that at least one of them consists of secured creditors rights, or, failing that, the proposal is approved by at least one class of creditors who would be at least partially satisfied respecting the statutory priority rules on the value exceeding the liquidation value.

If the approval of the *concordato preventivo* fails, the court can, upon request of the public prosecutor or a creditor and after having ascertained the condition for declaration, adjudicate the company into judicial liquidation.

Pursuant to Article 112, paragraph 5 of the Insolvency Code, within the framework of the *concordato preventivo* for liquidation purposes, if 20% of the creditors or, in case there are different classes of creditors, a creditor belonging to a non-adhering class (in case of *concordato preventivo* on a going concern basis, any dissenting creditor), contest the economic convenience of the plan, the court may nevertheless validate (*omologare*) the *concordato preventivo* if it deems that the proposed treatment of their claims is at least equivalent to what they would recover in a judicial liquidation scenario.

The court validates (*omologa*) the *concordato preventivo* even in the absence of a vote by the tax authority or by the social contribution entities (*enti gestori di forme di previdenza o assistenza obbligatorie*) when their positive vote is decisive for the purposes of achieving the majorities referred to in Article 109, paragraph 1 of the Insolvency Code, also on the basis of the result of the report of the independent expert referred to in Article 88 of the Insolvency Code, the proposal to satisfy the aforesaid authorities and entities is convenient or not detrimental compared to a judicial liquidation scenario.

Pursuant to Article 109, paragraph 5 of the Insolvency Code, secured creditors shall not vote if their claims are satisfied in cash, in full, within 180 days from the validation (*omologa*) of the *concordato con continuità* and provided that the security interests supporting the related claims remains firm until the liquidation, functional to their satisfaction. In case of claims of employees or other claims secured under Article 2751-bis of the Italian Civil Code, the delay is reduced to 30 days from the approval by the court.

After the obtainment of the approval by the required majority of creditors, the court validates (*omologa*) the composition with creditors and appoints one or more liquidators in order to execute the approved plan if it has to be realized by way of a transfer of assets. The court may grant special powers to the judicial commissioner to implement the plan if the entrepreneur does not cooperate, including by taking all corporate actions required.

Pursuant to Article 111 of the Insolvency Code, if the creditors do not approve the *concordato preventivo*, the delegated judge (*giudice delegato*) shall promptly inform the court which, having decided that the appropriate conditions apply, shall declare the opening of the judicial liquidation proceeding.

Pursuant to Article 119 of the Insolvency Code, each creditor, or the judicial commissioner (*commissario giudiziale)* upon creditors' request, may request the termination of the *concordato preventivo* in case of breach of its provisions by the entrepreneur. In this case, the court declares the opening of the judicial liquidation proceeding, following the termination of the *concordato preventivo,* unless the state of insolvency results from debts arising after the filing of the request for the opening of the *concordato preventivo.*

Furthermore, pursuant to Article 120 of the Insolvency Code, the annulation of the *concordato preventivo* may be requested when it is discovered that the liabilities in the plan have been fraudulently exaggerated or a significant part of the assets has been concealed. The relevant claim must be commenced within six months from the discovery of the concealment/exaggeration and, in any event, within two years from the deadline originally scheduled for the last activity to be carried out under the *concordato preventivo* itself.

If the composition with creditors is implemented, terms and conditions of payments are amended as per the *concordato preventivo* proposal, and the entrepreneur may return to its usual operations (if the assets of the company are still in his possession). *Concordato preventivo* is compulsory for all creditors prior to the publication of the application in the companies' register. However, creditors retain without prejudice their rights against co-debtors and guarantors of the entrepreneur. In case of non-minor breaches, the *concordato preventivo* may be terminated by each of the creditors or the judicial commissioner (in case of petition by one or more of the creditors). The relevant lawsuit must be brought within one year from the deadline originally scheduled for the last activity to be carried out under the *concordato preventivo* itself.

d) **Extraordinary administration for Large Insolvent Companies (*Amministrazione straordinaria di grandi imprese in stato di insolvenza)***: Decree 270 introduced a specific extraordinary administration proceeding, otherwise known as the "Prodi-bis" (the **Prodi-bis procedure**), applicable to insolvencies of major companies (the **Extraordinary Administration**).

The aim of the Prodi-bis procedure is to ensure continuation of the business operated by the debtor by either enabling the same to regain the ability to meet its obligations in the ordinary course of business by the end of the procedure or by transferring the business (on a going concern basis) to third parties.

To qualify for the Prodi-bis procedure, the company must have:

- employed at least 200 employees in the year before the procedure was commenced; and
- debts equal to at least two-thirds of the value of its assets as shown in its financial statements and two-thirds of income from sales and the provision of services during the last financial year.

Insolvent companies, belonging to the group of a company that qualifies for the Prodi-bis, may be submitted to the Prodi-bis, if certain conditions are met, also if they do not qualify per-se for the Prodi-bis. The Prodi-bis procedure is divided into a "judicial phase" and an "administrative phase."

Judicial Phase

In the judicial phase, the court determines whether the entrepreneur meets the admission criteria and whether it is insolvent. It then issues a decision to that effect and appoints up to three judicial receivers (*commissiario giudiziale*) to investigate whether the entrepreneur has real prospects for recovery via a business sale or reorganization. The judicial receiver files a report with the court within 30 days, and within ten days from such filing, the Italian Ministry of Enterprises and Made in Italy, former Italian Economic Development Ministry (the **Ministry**) may make an opinion on the admission of the entrepreneur to the extraordinary administration procedure. The court then decides (within 30 days from the filing of the report) whether to admit the entrepreneur to the procedure or to place it into judicial liquidation.

Administrative Phase

Assuming that the entrepreneur is admitted to the extraordinary administration procedure, the administrative phase begins and an extraordinary commissioner (or commissioners) is appointed by the Ministry. The extraordinary commissioner(s) prepare(s) a plan which can provide for either the sale of the business as a going concern within one year (unless extended by the Ministry) (the **Disposal Plan**) or a reorganization leading to the entrepreneur's economic and financial recovery within two years (unless extended by the Ministry) (the **Recovery Plan**). The plan may also include an arrangement with creditors (*e.g.*, a debt for equity swap, an issue of shares in a new company to whom the assets of the entrepreneur have been transferred, etc.) (*concordato*). The plan must be approved by the Ministry within 30 days from submission by the extraordinary commissioner.

In addition, the extraordinary commissioner draws up a report every six months on the financial condition and interim management of the entrepreneur and sends it to the Ministry.

The procedure ends upon successful completion of either a Disposal Plan or a Recovery Plan, failing which the entrepreneur is declared insolvent.

Law Decree No. 4/2024 introduced Article 74-*bis* in the Decree 270, with the aim of facilitating the closure of the procedure in the event that the company successfully overcomes the status of insolvency (also prior to the expiration of the deadline of the Recovery Plan or the Disposal Plan). In particular, pursuant to Article 74-bis, paragraph 1, of the Decree 270, if the company manages to overcome the status of insolvency the Extraordinary administration can be declared closed by the competent court, even pending litigations or enforcement proceedings involving the company. The extraordinary commissioners maintain the representation of the company in such proceedings and also in the proceedings to be commenced following the closure of the Extraordinary administration to enforce judicial decisions issued during the procedure. Article 74-*bis* of the Decree 270 also outlines certain rules aimed at regulating the residual activities of the extraordinary commissioners following the closure of the procedure. Among other things, any sums eventually obtained by the extraordinary commissioners following the closure of the procedure are placed in a deposit bank account and are subject to distributions among creditors. When declares the closure of the procedure under Article 74-*bis*, the court provides for additional reporting activities of the extraordinary commissioners and sets the rules for the supplementary distribution of the sums eventually obtained following the closure of the procedure.

The declaration of the state of insolvency produces certain immediate effects, such as the automatic stay of all legal actions by creditors against the debtor's assets and the freezing of the accrual of interest.

The effects of the admission to the Prodi bis Procedure (Administrative Phase) are that the stay of actions continues and claw-back actions become possible. Debts incurred in the continuation of the business generally will have super priority over any other secured and unsecured claim (*prededuzione*) pursuant to Article 111 of the Italian Bankruptcy Law.

The unsecured creditors are exclusively represented by one or two members of the surveillance committee, which has consulting duties. Creditors can file their proofs of claim and have a right to the distribution of proceeds. Creditors can also oppose the declaration of the state of insolvency as well as the admission to the second phase. Under Article 53 of the Decree 270 the rules established by the Insolvency Code regarding the creditors' proofs of claim also apply to the Prodi bis Procedure.

The Prodi bis Procedure can at any time be converted into judicial liquidation upon request by the extraordinary commissioner, or even ex officio, if the procedure cannot be positively continued. At the end of the procedure, upon request of the extraordinary commissioner or even *ex officio*, the court will declare the conversion of the procedure into judicial liquidation when either the sale of the assets has been not performed within the term stipulated in the program, or the business has not recovered its ability to regularly perform its obligations.

Provisions concerning criminal bankruptcy law and claw-back law applies to the Prodi bis Procedure to the extent that the transfer of the company's assets has been authorised. The claw-back "avoidance period" is extended up to three to five years for intra group transactions.

The intragroup claw-back action (*revocatoria intragruppo*) governed by Article 91 of the Decree 270 refers to acts and transactions entered into by companies belonging to the same group if carried out during the period between the execution of the relevant transaction and the date of insolvency declaration (the "suspect period") preceding the insolvency declaration as follows:

(i) five years, with respect to:

- transactions at where the value of the debt or the obligations undertaken by the entrepreneur exceeds 25% of the value of the consideration received by and/or promised to the entrepreneur;

- payments of monetary debts, due and payable, made by the entrepreneur which were not paid in cash or by other customary means of payment; and

- granting of pledges and mortgages by the entrepreneur to secure pre-existing debts which were not yet due at the time the new security was granted unless the creditor proves that it was not aware of the state of insolvency of the entrepreneur;

(ii) three years, with respect to granting of pledges and mortgages by the entrepreneur to secure debts which had fallen due, unless the creditor proves his lack of knowledge of the state of insolvency of the entrepreneur in order to rebut any claw back action; and

(iii) three years, with respect to payment of due and outstanding debts, transactions for consideration and those granting a preferential right for debts (including third party's debt) simultaneously created, provided that the extraordinary commissioner proves that the other party was aware of the state of insolvency of the entrepreneur.

The extraordinary commissioner is only entitled to initiate the intragroup claw back action after the approval of the execution of the liquidation program (unless the Prodi bis Procedure is converted into judicial liquidation) and without the need of the authorization of the supervisory authority (i.e., Ministry).

e) Industrial restructuring of large insolvent companies (*ristrutturazione industriale di grandi imprese in stato di insolvenza*)

The Industrial restructuring of large insolvent companies was introduced in 2003 pursuant to the Marzano Decree and is also known as the Marzano procedure (the **Marzano Procedure**). It is complementary to the Prodi-bis and, except as otherwise provided in the Marzano Decree, the provisions of the Prodi-bis shall apply. The Marzano procedure only applies to insolvent companies which, on a consolidated basis, have at least 500 employees in the year before the procedure was commenced and at least Euro 300 million of debt (including those from outstanding guarantees).

Under the Marzano Decree, the decision whether to open the procedure is taken by the Ministry that, upon request of the debtor (which at the same time must file with the relevant court an application for the declaration of its insolvency), assesses whether the relevant requirements are met and subsequently appoints the extraordinary commissioner(s). The extraordinary commissioner(s) immediately becomes responsible for the management of the company. The court decides on the insolvency of the company.

Within 180 days of his appointment (or 270 days if so agreed by the Ministry) the extraordinary commissioner(s) must submit a plan for the rescue of the business by way of an asset liquidation or restructuring to the Ministry for approval and at the same time must file with the competent court a report on the state of the business.

A restructuring plan proposed in the context of proceedings subject to the Marzano Decree may include a composition plan, with the possibility to divide creditors into classes, with different treatment applicable to creditors belonging to different classes and with proposals for a write-off of any obligations owed by the debtor and/or a conversion of debt securities (such as the Securities) into shares of the debtor company or any of its group companies. The Marzano Decree provides that a composition plan is approved by creditors according to the same majority voting rules as those which apply in the context of proceedings for composition with creditors, as described above. If the restructuring plan is not approved by the Ministry, the extraordinary commissioner(s) may propose a plan for the disposal of the assets. If the asset disposal program is not approved, the company is to be placed into judicial liquidation.

Law Decree No. 4/2024 amended Article 2, paragraph 2, of the Marzano Decree, providing that in cases of companies directly or indirectly owned by state public administrations (excluding those issuing shares listed on regulated stock exchanges), admission to the Marzano procedure operating

one or more industrial plants having a national strategic relevance may occur upon request of shareholders holding, individually or jointly, at least 30 percent of the company's shares, provided that the shareholders have communicated to the managing body of the company that the requirements for the admission to the procedure are met and the managing body of the company has either failed to submit the application for the admission to the procedure within the subsequent fifteen days or within the same fifteen days' term refused to file the petition in question. From the date of submission of the request by the shareholders, and until the closure of the Marzano procedure or until the court's decision declaring the absence of the requirements for the opening of the procedure becomes final, the company cannot pursue any restructuring proceedings provided for by the Insolvency Code. A company cannot be admitted to the Marzano Procedure where a petition to commence a Negotiated Composition has been previously filed.

f) Compulsory Administrative Liquidation (*liquidazione coatta amministrativa*)

A compulsory administrative liquidation (*liquidazione coatta amministrativa*), provided for pursuant to Article 293 and ff. of the Insolvency Code, is only available for public interest entities, such as state-controlled companies, insurance companies, credit institutions and other financial institutions, none of which can be made subject to judicial liquidation proceedings. It is irrelevant whether these companies belong to the public or the private sector. A compulsory administrative liquidation is special insolvency proceedings where the entity is liquidated not by the court but by the relevant administrative authority that oversees the industry in which the entity is active. The procedure may be triggered not only by the insolvency of the relevant entity, but also by other grounds expressly provided for by the relevant legal provisions (e.g., in respect of Italian banks, serious irregularities concerning the management of the bank or serious violations of the applicable legal, administrative or statutory provisions).

The effect of this procedure is that the entity loses control over its assets and a liquidator (*commissario liquidatore*) is appointed to wind up the company by the relevant governmental authority (e.g., the Bank of Italy or the Ministry, which are competent for the filing of an application for a declaration of insolvency with the subsequent opening of the compulsory administrative liquidation proceeding).

The liquidator's actions are monitored by a steering committee (*comitato di sorveglianza*). The powers assigned to the designated judge and the court under the other insolvency proceedings are assumed by the relevant administrative authority under this procedure. The effect of the forced administrative liquidation on creditors is largely the same as under the judicial liquidation proceedings and includes, for example, a ban on enforcement measures. The same rules set forth for the judicial liquidation proceedings with respect to existing contracts and creditors' claims largely apply to a compulsory administrative liquidation.

g) Debt restructuring agreements pursuant to Article 57 of the Insolvency Code (*accordi di ristrutturazione dei debiti*)

Debt restructuring agreements with creditors (*accordi di ristrutturazione dei debiti*) provided for pursuant to Article 57 and ff. of the Insolvency Code (the **Debt Restructuring Agreements**) may be entered into by the entrepreneur, also non-commercial and other than the minor entrepreneur, with creditors representing at least 60% of claims. The Debt Restructuring Agreements are private agreements, based on a restructuring plan, adhered to by creditors but nonetheless subject to the competent court approval (*omologazione*). An independent Expert appointed by the entrepreneur must certify the truthfulness of the business and accounting data provided by the company and declare that the underlying agreement is feasible and that the Debt Restructuring Agreement and the underlying restructuring plan ensure that the indebtedness vis-à-vis non-participating creditors can be fully satisfied within the following terms in a 120-day term from: (i) the date of validation (*omologazione*) of the Debt Restructuring Agreement by the court, in the case of debts which are due and payable to the non-participating creditors as of the date of the said validation (*omologazione*); or (ii) the date on which the relevant debts fall due, in case of debts which are not yet due and payable to the non-participating creditors as at the date of the said validation (*omologazione*).

Pursuant to Article 57 of the Insolvency Code, only an entrepreneur who is insolvent or facing a state of crisis (as defined above) can initiate this process and request the court's validation (*omologazione*) of the Debt Restructuring Agreement entered into with its creditors.

The Debt Restructuring Agreement is published in the companies' register and becomes effective as of the day of its publication. Creditors and other interested parties may challenge the agreement within 30 days from the publication of the agreement in the companies' register. After having settled with the opposition (if any), the court will validate (*omologa*) the Debt Restructuring Agreement by issuing a judgment (*sentenza*), which can be appealed within 30 days of its publication pursuant to Article 51 of the Insolvency Code.

The Insolvency Code does not expressly provide for any indications concerning the contents of the Debt Restructuring Agreement or the underlying plan. The said plan can therefore provide, *inter alia*, either for the entrepreneur or a third-party carrying out the business, or the sale of the business, and may contain refinancing agreements, moratoria, write offs and/or postponements of claims. The Debt Restructuring Agreement may also contain a proposed tax settlement for the partial or deferred payment of certain taxes. Article 58, paragraph 1 of the Insolvency Code sets the rule for when substantial amendments are made to the plan. More precisely, in the event of substantial amendments to the plan before the approval, the report issued by the Expert and the consent to the Debt Restructuring Agreement expressed by creditors shall be renewed. The Expert's report shall also be renewed in the event of substantial amendment to the Debt Restructuring Agreement. In the event of substantial amendments after the court validation (*omologazione*), the entrepreneur shall make such amendments as are appropriate to ensure the implementation of the Debt Restructuring Agreement, by requesting the update of the certified report issued by the Expert having the requirements set forth in Article 57, paragraph 4 of the Insolvency Code. In this case, the renewed certified report, together with the amended restructuring plan, shall be published in the companies' register, giving appropriate notice to the creditors by registered letter or by certified email (PEC). The parties may file an objection (*opposizione*) to the abovementioned decree within 30 days after having been notified of the same.

With the petition for the approval by the court of the Debt Restructuring Agreement (or at any time pending the procedure) the entrepreneur may request to be granted protective measures (e.g. a stay of enforcement and interim actions against its assets or a prohibition to the creation by creditors of security interest (unless it is agreed in the debt restructuring agreement) in relation to pre-existing debts, etc.) (the **Measures**). Such Measures can also be requested (i) pursuant to Article 54, paragraph 3 of the Insolvency Code, to the court by the entrepreneur pending negotiations with creditors (i.e., prior to the filing of the petition for the validation (*omologazione*) of the Debt Restructuring Agreement), subject to certain conditions, or (ii) pursuant to Article 44 of the Insolvency Code, together with a pre-petition for the access to one of the restructuring tools provided for by the Insolvency Code. According to Article 54, paragraph 2, of the Insolvency Code, provided that the petition for approval of the Debt Restructuring Agreement includes the relevant request for Measures, from the date of publication of the petition in the companies' registry, it is prohibited to commence or continue any enforcement or interim/conservative actions against the assets of the entrepreneur or the goods or rights used for conducting its business (or, in any event, to take any initiatives prohibited under the relevant Measures).

Pursuant to Article 64 of the Insolvency Code, if the debtor files a petition for Measures, creditors may not unilaterally refuse to perform executory contracts or terminate/accelerate such contracts or modify the terms thereof solely due to the filing of such petition. Any contractual provisions to the contrary are without effect. Moreover, pursuant to Article 64(4) of the Insolvency Code creditors affected by Measures may not unilaterally refuse to perform, terminate, amend or accelerate any "essential contracts" solely due to the failure in payment by the debtor. For the purpose of the Insolvency Code, "essential contracts" are those agreements which are considered necessary for the continuation of the ordinary/day-to-day management of the company, including supply contracts whose interruption would prevent the continuation of the activity of the debtor.

Creditors entering into the Debt Restructuring Agreement are not required to receive the same treatment (i.e., they are free to reject the proposal and to protect their interests otherwise) and no cram-

down is applicable to third-party non-adhering creditors, who shall be fully re-paid within 120 days from: (i) the date of validation (*omologazione*) of the Debt Restructuring Agreement by the court, in the case of debts which are due and payable to the non-participating creditors as of the date of the said validation (*omologazione*); or (ii) the date on which the relevant debts fall due, in case of debts which are not yet due and payable to the non-participating creditors as at the date of the said validation (*omologazione*), as per respectively Article 57, paragraph 3 letters a) and b), unless the exception provided for Debt Restructuring Agreements with extended effects (*accordi di ristrutturazione ad efficacia estesa)* provided pursuant to Article 61 of the Insolvency Code applies.

The court, having verified the completeness of the documentation filed by the entrepreneur, sets the date for a hearing to be held no earlier of 15 days from the notification of the relevant filing. Pending such deadline, creditors and other interested parties may file an opposition to the approval. At such hearing, the court decides upon any opposition and assesses whether the conditions for the approval are met and, in such case, orders that no conservative or enforcement action may be started or continued, nor can security interests (unless agreed) be acquired over the assets of the debtor, and sets a deadline (not exceeding 60 days) within which a debt restructuring agreement and the assessment by the expert must be deposited.

Pursuant to the Article 61 of the Insolvency Code, entrepreneurs are entitled to enter into Debt Restructuring Agreements by obtaining the approval of creditors representing at least 75% of the credits belonging to the same category (with respect to the homogeneity of their legal position and economic interests) and can request the court to declare that agreement binding on the non-adhering creditors belonging to the same category (so called "cram down"), provided that the below conditions are met.

More in detail, Debt Restructuring Agreements with extended effects (*accordi di ristrutturazione ad efficacia estesa)* provided pursuant to Article 61 of the Insolvency Code can be applied to any category of creditors, provided that the following requirements, *inter alia*, must be complied with: (i) all the creditors belonging to the same category have been informed of the start of the negotiations and have been able to participate in them in good faith and have received complete and up-to-date information on the entrepreneur's assets, economic and financial position as well as on the Debt Restructuring Agreement and its effects; (ii) the Debt Restructuring Agreement provides for the continuation of the business activity either directly or indirectly pursuant to Article 84 of the Insolvency Code; (iii) the claims of the consenting creditors belonging to a same category represent at least 75% of all the claims belonging to the same category, being understood that a creditor may hold claims in more than one category; (iv) the non-adhering creditors belonging to the same category to which the effects of the agreement are extended can be satisfied under the agreement for an amount not lower than the amount they would receive with the judicial liquidation, being understood that a creditor may hold claims in more than one category; and (v) the entrepreneur has notified the agreement, the application for court approval and the documents attached thereto to the creditors to be crammed down. The percentage of 75% is lowered to 60% if the debt restructuring agreement is referred to in the Final Report issued by the Expert at the end of the negotiations pertaining to the Negotiated Composition or if the request for homologation is filed within 60 days of the notification of the expert's final report.

Moreover, pursuant to the new Article 61, paragraph 5, of the Insolvency Code, a special provision is set forth for entrepreneurs whose financial indebtedness is at least 50% of their total indebtedness: in this situation the Debt Restructuring Agreement may identify one or more categories of creditors which are banks and financial intermediaries (and/or, in case of credit assignment and/or transfer, their assignees or transferees), which have a homogeneous legal position and economic interests and extend the effects of the agreement to non-participating creditors who are part of the same category. In such instance, the agreement is valid even if it does not contemplate the direct or indirect continuation of the business activity as a going concern. However, in such case the rights of creditors who are not banks or financial intermediaries (or their assignees or transferees) remain valid.

Similarly, pursuant to the new Article 62 of the Insolvency Code, a standstill agreement (*convenzione di moratoria*) entered into by and between an entrepreneur and its creditors representing 75% of the same class would also bind the non-participating creditors, provided that (a) the Expert has been

appointed and certifies (i) the truthfulness of the business data, (ii) the attitude of the standstill agreement to temporarily regulate the effects of the crisis and (iii) the fact that the treatment reserved to non-adhering creditors is at least equal to the one they could obtain in the context of a judicial winding up, and (b) certain further conditions are met (e.g., all the creditors belonging to the relevant category have been duly noticed of the beginning of the negotiations, or have been made able to participate in the negotiations and have received complete and up-to-date information on the entrepreneur's assets, economic and financial position and on the agreement and its related effects, the claims of the adhering creditors belonging to the same categories represent 75% of all the creditors of the same class and non-adhering creditors of the same category, to whom the effects of the agreement are extended, are not worse off than they would be in the event of judicial liquidation). Non-adhering crammed-down creditors can challenge the standstill agreement within 30 days after having been notified of the same.

In no case Debt Restructuring Agreements with extended effects provided for under Article 61 of the Insolvency Code and standstill agreements provided under Article 62 of the Insolvency Code may impose on the non-adhering creditors, *inter alia*, performance of new obligations, the granting of new overdraft facilities, the maintenance of the possibility to utilize the existing facilities or the utilization of new facilities.

Furthermore, Article 60 of the Insolvency Code provides for the so-called facilitated Debt Restructuring Agreements (*accordi di ristrutturazione agevolati*). Such particular kind of Debt Restructuring Agreements may be entered into with creditors representing as little as 30% of the total indebtedness (instead of the 60% generally required under Article 57, paragraph 1 of the Insolvency Code) provided that the entrepreneur: (i) does not request a standstill for the repayment of non-consenting creditors (usually provided for by law, for a period of 120 days from the court approval of the agreement or from the maturity date of the relevant obligations, in "ordinary" restructuring agreements); and (ii) has not previously requested to the court the granting of protective interim measures on its assets and waives to such measures.

Pursuant to Article 63 of the Insolvency Code, as amended by the Italian legislative decree no. 136 of 13 September 2024, the debtor may propose the settlement of debts *vis à vis* tax authorities or social contribution entities (*enti gestori di forme di previdenza o assistenza obbligatorie*) due as of the date of settlement proposal also through the partial payment (*Transazione su crediti tributari e contributivi*). The proposal shall be filed at the competent offices (depending on the creditor) and, if the creditor adheres to the proposal within 90 days from the filing of the proposal, the debtor is entitled to request the homologation of the agreement. Article 63, paragraph 4, provides that Court may homologate the agreements even if the creditor (tax or social security entity) has not adhered to the proposal (or has refused it) when (A) their adhesion is decisive for the purposes of achieving the majorities referred to in Article Articles 57, paragraph 1, and 60, paragraph 1, of the Insolvency Code and (B) also on the basis of the result of the report of the independent expert, the following conditions apply:

(i) the agreement does not provide for the liquidation of the business;

(ii) other creditors adhering to debt-restructuring agreements amount to at least ¼ of the overall credits;

(iii) the proposal to satisfy the aforesaid authorities and entities is not detrimental compared to a judicial liquidation scenario;

(iv) the agreement provides for the repayment of at least 50% (excluding penalties and interest) of the debts *vis à vis* each of tax and social security creditors.

By virtue of Article 59 of the Insolvency Code, Article 1239 of the Italian Civil Code applies to the creditors that have adhered to the Debt Restructuring Agreement. Hence, non-participating creditors maintain their claims towards (i) those who are jointly and severally liable with the entrepreneur, (ii) the entrepreneur's guarantors and (iii) debtors by way of right of recourse (*regresso*). Unless agreed

otherwise, Debt Restructuring Agreements produce effect towards the shareholders who are jointly liable with non-limited liability companies, provided that, if such shareholders have granted guarantees, they will remain liable as guarantors.

The provisions of Articles 99, 101 and 102 of the Insolvency Code on super-senior financing (*finanziamenti prededucibili*) of the Insolvency Code apply to both Debt Restructuring Agreements (see below).

Furthermore, pursuant to Article 73 of the Insolvency Code, in case of revocation of the validation (*omologazione*), the court, upon the debtor's or a creditor's petition, shall order the conversion to a judicial liquidation procedure. If the revocation results from acts of fraud (*atti in frode ai creditori*) or non-performance of the obligations arising under the Debt Restructuring Agreement, the petition for conversion may also be proposed by the public prosecutor. In case of conversion, the court shall grant additional time to the debtor aimed at supplementing the documentation and shall act in accordance with Article 270 of the Insolvency Code.

h) Reorganization plan pursuant to Article 56 of the Insolvency Code (*piano attestato di risanamento*)

Reorganization plans pursuant to Article 56 of the Insolvency Code (the **Certified Recovery Plans**) addressed to the creditors and prepared by entrepreneurs who are either insolvent or in a state of crisis, in order to restructure their indebtedness and to ensure the recovery of their financial condition. An independent expert appointed directly by the entrepreneur must verify the feasibility of the restructuring plan and the truthfulness of the business data provided by the company. There is no need to obtain court approval to appoint the independent expert. The latter must possess the specific professional requisites and qualifications set forth by Article 2, paragraph 1, letter o), of the Insolvency Code, namely: (*i)* be enrolled in the Register of Auditors and Accounting Experts (*Registro dei Revisori Contabili);* (*ii)* meet the requirements set forth by Article 2399 of the Italian Civil Code; and (*iii)* not be linked to the company or other parties involved in the crisis resolution operation by personal or professional relationships and may be subject to liability in case of misrepresentation or false certification (the **Expert**).

Certified Recovery Plans and the relevant debt restructuring arrangements executed in implementation thereof are not under any form of judicial control or approval and, therefore, no application is required to be filed with the court or supervising authority. Also, such plans and relevant arrangements are not required to be approved and consented to by a specific majority of all outstanding claims.

The terms and conditions of these Certified Recovery Plans are freely negotiable, provided they are finalized at restructuring the entrepreneur's indebtedness and rebalancing its financial position. Unlike a Negotiated Composition, Debt Restructuring Agreements, Simplified Composition (as defined below) and other proceedings provided for under the Insolvency Code, Certified Recovery Plans do not offer the entrepreneur any protection against enforcement proceedings and/or interim/precautionary actions of third-party creditors.

Article 56 of the Insolvency Code sets out the "minimum content" of the plan including, inter alia, indication of non-adhering creditors, the financial resources necessary to pay their claims at the relevant due dates as well as the causes of the crisis and the timeframe and actions required to restore the debtor's financial and economic balance, to be monitored according to a detailed plan. Also, it must be supported by adequate documentation representing the financial and commercial situation of the debtor. The reorganization plan must: (i) have a certain date; (ii) be in written form; (iii) have an analytical content with the specification, aimed at avoiding opportunistic or collusive conduct, that even unilateral acts or executive contracts must be proven in writing and must have a certain date. At the debtor's request the plan can be published in the commercial register (this would allow for certain tax benefits).

The Insolvency Code provides that, should these plans fail, and the entrepreneur be declared insolvent, the payments and/or acts carried out, and/or security interest granted on the entrepreneur's assets for

the implementation of the reorganization plan, subject to certain conditions (a) are not subject to any claw-back action (*azione revocatoria*), including the claw-back action provided for pursuant to Article 2901 of the Italian Civil Code, as provided for pursuant to Article 166, paragraph 3, letter d) of the Insolvency Code; and (b) are exempted from the potential application of certain criminal sanctions. Neither ratification by the court nor publication in the companies' register are needed (although publication in the companies' register of the plan, the report by the Expert and the arrangements is possible upon an entrepreneur's request and would allow to certain tax benefits). Since the Certified Recovery Plan (or the agreements entered into to implement it) is not subject to any court approval or judicial review, it cannot be excluded that the abovementioned exemption effects will be challenged in the event of subsequent judicial liquidation, if the competent court were to assess that the reorganization plan was not feasible at the time it was certified by the Expert.

The Insolvency Code sets forth specific rules regarding Certified Recovery Plans and the restructuring arrangements entered into with creditors in implementation thereof, which must be complied with for such plans and arrangements to grant protection against claw-back actions and potential civil and criminal responsibilities. More in detail, a Certified Recovery Plan must be supported by adequate documentation representing the financial and commercial situation of the entrepreneur and which also needs to indicate, among others, the causes of the crisis and the new resources which will be made available to the entrepreneur and the industrial plan. Moreover, they must be suitable for the purpose of assuring the restructuring of the indebtedness of the entrepreneur and rebalancing its financial position and, in case of its failure and subsequent challenge (*impugnazione*) before an Italian court, it must not be deemed as being unreasonable.

i) Restructuring plan subject to homologation (*piano di ristrutturazione soggetto ad omologazione*)

The Insolvency Code has introduced a new restructuring tool named "restructuring plan subject to validation" (*piano di ristrutturazione soggetto ad omologazione*) (the **Restructuring Plan**), the rules of which are set out in the new Articles 64-bis, 64-*ter* and 64-*quater* of the Insolvency Code.

This new tool takes the form of a restructuring framework that may disregard the distribution rules of regular insolvency proceedings but can be enacted provided that strict requirements are met. In this regard, it should be noted that recourse to this instrument will be reserved for an entrepreneur in crisis or who is insolvent that plans to satisfy its creditors by dividing them into classes according to homogeneous legal positions and economic interests. This instrument allows the plan's proceeds to be distributed even in derogation of the principle of "*par condicio creditorum*" (*i.e.* the equal treatment of creditors) and statutory priority rules, provided that the proposal is voted in favor by all creditors' classes (where the rules on voting are the same as those provide for the *concordato preventivo*). The restructuring plans subject to homologation (*piani di ristrutturazione soggetti a omologazione*) shall provide for payment in full, by means of cash, of claims secured by the privilege under Article 2751-bis no. 1 of the Italian Civil Code (i.e., salaries) within 30 days of homologation and must be certified, as to the truthfulness of the company data and the feasibility of the plan, by an independent professional meeting the requirements of the Article 2, paragraph 1, letter o) of the Insolvency Code.

A judgement of admissibility is provided for by the court, which is called upon to assess the proposal's timeliness and to verify the correctness of the class formation criteria.

Application for the approval by the court of a restructuring plan must follow the steps of the common framework applicable to all restructuring tools and frameworks (*i.e. concordato preventivo*, Debt Restructuring Agreement and also to judicial liquidation).

The entrepreneur maintains the ordinary and extraordinary management of the enterprise in the prevailing interest of the creditors, under the supervision of the court commissioner. The entrepreneur is, in any case, allowed to amend the application at any time, formulating a proposal for a *concordato preventivo*. In that case, the time limit for approval is shortened. Similarly, the entrepreneur that has filed an application for *concordato preventivo* may amend the application by applying for approval of the Restructuring Plan provided that the application is made before voting commences. In each class, the proposal is approved if a majority of the claims allowed to vote is reached or, failing that, if two-

thirds of the claims of the voting creditors have voted in favor, provided that creditors holding at least half of the total claims of the same class have voted. The court will approve the restructuring plan in the event of approval by all classes. If a dissenting creditor objects to the proposal, the court will approve and validate (*omologa*) the restructuring plan if the proposal satisfies the claim to a not lesser extent than the one resulting from a judicial liquidation. A creditor that has not objected to the lack of convenience in its observations may not file an objection referred before, unless it proves such the lack of objection was due to a cause not attributable to it. The plan may also envisage the settlement of Tax Authorities/Social Security Authorities credits.

In summary the restructuring plan subject to validation (*piano di ristrutturazione soggetto ad omologazione*) thus represents for the entrepreneur an opportunity which minimizes the admissibility phase, providing greater freedom of action, but requiring the approval of all classes of creditors in order to be effectively approved.

Against the judgment of the court ruling on the approval of the Restructuring Plan, the parties may file an appeal to the competent court of appeal within the term of 30 days from the notification of the relevant judgement of the court.

j) Negotiated composition for the overcoming of business' crisis *(composizione negoziata per la soluzione della crisi d'impresa)*

The negotiated composition for the overcoming of business' crisis (*Composizione negoziata per la soluzione della crisi d'impresa*, hereinafter the **Negotiated Composition**) was first introduced by Law Decree No. 118 of August 24, 2021 and then has been incorporated into the Insolvency Code. It is an out-of-court proceedings, but the court can be involved in the two following circumstances: (i) when the entrepreneur files a petition pursuant to Article 18 of the Insolvency Code requesting the competent court to confirm or modify the protective measures of its assets provided for pursuant to Article 18 of the Insolvency Code on the same day as the publication of the request in the relevant Companies' Register (*Registro delle Imprese*) and the acceptance of the Expert (filed before the relevant Companies' Register) or with a subsequent petition and, if necessary, to enact the interim measures necessary to complete the negotiations, and (ii) when the entrepreneur files a petition asking the court to authorize certain actions and transactions not falling within the ordinary course of business in accordance with the provisions set forth under Article 22 of the Insolvency Code.

The Negotiated Composition is a proceeding aimed at facilitating the recovery of entrepreneurs which "despite being in conditions of asset or economic and financial imbalance such as to make it likely that financial distress or insolvency will occur, have the potential to remain in the market, including through the sale of the business or a branch of it."

According to Article 12 of the Insolvency Code, the Negotiated Composition can be pursued by enterprises, either commercial (*imprenditore commerciale*) and agricultural (*imprenditore agricolo*), which are either insolvent, or in crisis or undergoing a distressed situation with reference to their assets, their business and/or their financial position, such that it is likely that a distress/crisis or insolvency will follow. It is, therefore, a procedure aiming at anticipating further deterioration of the entrepreneur's situation. Pursuant to Article 17, paragraph 3, letter d) of the Insolvency Code, *inter alia*, the entrepreneur or the enterprise filing for a Negotiated Composition (i) shall certify that no judicial liquidation petitions filed by third parties are pending towards itself nor requests for the admission to the procedures provided for under Articles 40 of the Insolvency Code, including pursuant to Articles 44, paragraph 1, letter a) and 54, paragraph 3, have been previously filed and (ii) in the event that the application for a Negotiated Composition is dismissed, may not submit a new request before one year has elapsed after dismissal (the term is reduced, for one time only, to four months if such dismissal is requested by the entrepreneur within two months starting from the acceptance of the expert).

Pursuant to Article 25 of the Insolvency Code, the Negotiated Composition may also apply to group of companies, which may commence one proceeding all together. It should be noted that paragraph 9 of such provision provides for the group companies—at the end of the negotiations—to either enter into one of the agreements referred to in Article 23, paragraph 1 of the Insolvency Code as a group, or use one of the tools referred to under Article 23 of the Insolvency Code, both separately or as a whole group.

The Negotiated Composition is commenced on a voluntary basis only, with the filing by the entrepreneur of a petition for the appointment of a third-party and independent expert (the **Expert**) to the Secretary General of the relevant Chamber of Commerce by way of a dedicated electronic platform (the **Platform**). Pursuant to Article 16 of the Insolvency Code the person who acted as Expert in the context of a *composizione negoziata*, shall not have or maintain professional relations with the relevant entrepreneur for at least two years following the termination of such proceedings.

The Expert is appointed within five working days upon the filing of the request. The Expert is responsible for facilitating and managing the negotiations between the company, its creditors and any other interested parties, in order to identify a solution to overcome the crisis or the insolvency, including through the transfer of the business or a branch thereof.

The Expert assesses his/her own independence, the adequacy of his/her own professional expertise and his/ her own time availability with respect to the prospected assignment, and, if the outcome of the assessment is positive, notifies his/her acceptance to the entrepreneur and uploads it on the Platform. In case of negative outcome, the Expert confidentially notifies it to the commission, which appoints a new Expert. If the Expert accepts the appointment, he/she meets with the entrepreneur in order to assess whether there are concrete and real chances of recovery. The entrepreneur attends the meeting personally and can be assisted by its advisors.

If the Expert finds that there are actual and real chances of recovery (*risanamento*), he/she meets with the parties involved in the entrepreneur's recovery process and presents the possible strategies, scheduling periodic meetings close in time to one another. The entrepreneur may conduct negotiations without the expert's presence, provided the expert is kept informed of their progress.

During the negotiations, all the parties involved must act in good faith and with fairness, must cooperate and are bound by confidentiality on the entrepreneur's situation, on the actions carried out or planned by the entrepreneur and on the information received in the course of the negotiations. The entrepreneur must provide a complete and clear representation of his/her situation and manage his/her assets without causing unfair prejudice to the creditors. Banks and financial intermediaries, their agents, and, in case of credit assignment and/or transfer, their assignees or transferees, must take part in the negotiations actively and in an informed manner, and the access to the Negotiated Compositions does not, by itself, constitute ground for suspending or revoking (or withdrawal from) banking overdraft facilities made available to the entrepreneur. Specific provisions apply to negotiations involving employment contracts.

If the Expert finds that there are no real chances of recovery (*risanamento*), after the meeting with the entrepreneur or thereafter, he/she has to promptly notify the entrepreneur and the secretary general of the chamber of commerce, which provides for the dismissal of the entrepreneur's petition. The Expert's appointment is considered terminated if, after 180 days from his/her acceptance, the parties have not agreed on a solution (that can also be proposed by the Expert) for overcoming the entrepreneur's distressed situation. However, the Expert's appointment can continue up to further 180 days (pursuant to Article 17, paragraph 7 of the Insolvency Code) if (i) the entrepreneur or the other parties involved in the negotiations require so and the Expert agrees, or (ii) the prosecution of the appointment is required by the fact that the entrepreneur has filed a petition to the court pursuant to Article 19 and/ or Article 22 of the Insolvency Code.

Pursuant to Article 17, paragraph 5 of the Insolvency Code, during the *composizione negoziata della crisi* the Expert may invite the parties to re-determine, according to good faith, the terms of the contracts for continuous, periodic performance or deferred performance if the performance on the

debtor's side has become excessively burdensome or the contractual equilibrium has changed as a result of intervening circumstances. The parties are required to collaborate together to re-determine the contractual terms or to adjust the performance to the changed circumstance.

Pursuant to Article 17, paragraph 8 of the Insolvency Code, at the end of his/her appointment the Expert issues a final report (the **Final Report**), uploads it on the Platform, and notifies it to the entrepreneur and to the court that has granted the protective measures and interim measures (if any) which declares the termination of their related effects.

Pursuant to Article 18 of the Insolvency Code, together with the petition for appointment of the Expert, or with a subsequent petition, the entrepreneur can request the application of protective measures, which may also be limited, upon entrepreneur request, to certain creditors' claims or to a specific category of creditors. The protective measures consist of the following: from the date of publication of the relevant petition, preexisting creditors cannot obtain security interests unless agreed upon by the entrepreneur and all enforcement and interim actions against its assets and the goods and rights used for conducting its business are stayed. However, as opposed to what happens in the composition with creditors proceedings (*concordato preventivo*), payment of preexisting creditors is not forbidden. The protective measures do not apply to employees' claims.

From the date of publication of the petition requesting the application of the protective measures until the date of conclusion of the negotiations or dismissal of the petition for the Negotiated Composition, the ruling of opening the judicial liquidation proceedings (*sentenza di apertura della liquidazione giudiziale*) or the declaration of the insolvency of the entrepreneur cannot be declared by the court, unless such protective measures were previously revoked.

The creditors whose rights are affected by the protective measures (banks and financial intermediaries included) cannot unilaterally refuse to perform their obligations under the contracts in place with the entrepreneur, nor terminate such contracts, nor anticipate their expiration date, nor amend them with detrimental consequences for the entrepreneur, solely on the ground of the missed payment of claims arisen prior to the publication of the petition requesting the application of the protective measures. However, the creditors may suspend the fulfilment of the pending contracts from the publication of the petition requesting the protective measures until such measures are obtained. If the entrepreneur applies for the protective measures (which, as said, are immediately effective), it must simultaneously file the same request to the competent court, in order to allow a judge to check the said measures and to confirm them or, if necessary, to modify them. In the absence of this request, the protective measures will be ineffective.

The duration of the protective measures and, if necessary, the interim measures, is established by an order of the court in a range between 30 and 120 days, and, upon request of the parties and after obtaining the opinion of the Expert, can be extended for the time required to positively finalize the negotiations up to a maximum of 240 days, given that the judge may discretionary order the revocation of such protective measures or shorten their duration.

During the Negotiated Composition the entrepreneur remains able to continue the ordinary and extraordinary management of the company, subject to certain conditions. More precisely, pursuant to Article 21 of the Insolvency Code, pending the negotiations, the entrepreneur may carry out acts pertaining to ordinary activity, and, upon written notice to the Expert, carry out acts pertaining to extraordinary activity or make payments non-consistent with the negotiations nor with the perspectives of recovery, in such a way as to avoid prejudicing the economic and financial sustainability of the business. Furthermore, if during the course of the negotiations, it appears that the entrepreneur is insolvent but there are real prospects of recovery, the entrepreneur shall manage the enterprise in the best interests of the creditors, subject to his liabilities.

If the Expert believes that a certain act causes prejudice to the creditors, to the negotiations or to the perspectives of recovery, he/she reports it in writing to the entrepreneur and to the enterprise's control body. If, notwithstanding the Expert's report, the entrepreneur carries out the relevant act, the entrepreneur gives immediate notice to the Expert, who may file his/her dissent for the registration

with the companies' register. Extraordinary management acts, guarantees/security interests and payments in relation to which the Expert's dissent has been registered may be subject to a claw-back action (and thus set aside) according to Articles 165 and 166 of the Insolvency Code. At the request of the entrepreneur, one or more creditors or the Expert, the Court that has granted the protective measures and/or interim measures may, at any time, revoke such measures or reduce their duration when they do not meet the aim of ensuring the positive outcome of the negotiations or they appear disproportionate in relation to the prejudice caused to the creditors, pursuant to Article 19, paragraph 6 of the Insolvency Code. If the protective measures are revoked, the prohibition of the obtainment of security interests by preexisting creditors ceases to be effective for the date on which the protective measure has been revoked.

Pursuant to Article 22 of the Insolvency Code, the court, upon the entrepreneur's request and to the extent that this is consistent with the continuation of the business as a going concern and with the maximization of the creditors' recovery, may authorize:

- the entrepreneur or one or more companies belonging to the same group to incur new super-senior indebtedness (*prededucibile*) pursuant to Article 6 of the Insolvency Code in any form, including the issuance of new guarantees;

- the entrepreneur to incur new super-senior indebtedness ("*prededucibile*") pursuant to Article 6 of the Insolvency Code via shareholders' financing; and

- the entrepreneur to transfer its business, or certain business branches, without the effects provided under Article 2560, paragraph 2, of the Italian Civil Code, without prejudice to Article 2112 of the Italian Civil Code. However, in such case it will be for the court itself to identify the measures it considers appropriate, taking also into account the requests of the parties concerned, in order to protect all the interests involved. The execution of such authorizations may be postponed after the ending of the negotiated crisis composition procedure. The court shall also verify the compliance with the competitiveness principle in choosing the purchaser.

Pursuant to Article 23, paragraph 1 of the Insolvency Code, if a suitable solution to overcome the entrepreneur's difficulties has been found, the Negotiated Composition can terminate as follow:

- execution of an agreement between the entrepreneur, one or more creditors and any interested party, which constitutes cause for application of the reward measures provided under Article 25-bis, paragraph 1 of the Insolvency Code if, according to the Expert's Final Report, such agreement ensures the continuation of the business as a going concern for at least 2 years;

- execution of a standstill agreement (*convenzione di moratoria*) pursuant to Article 62 of the Insolvency Code;

- execution of an agreement signed by the entrepreneur, by the creditors and by the Expert, with the effects provided under Articles 166, paragraph 3, lett. d) and 324 of the Insolvency Code. With such agreement the Expert acknowledges that the reorganization plan (*piano di risanamento*) seems to be consistent with the composition of the insolvency and crisis of the entrepreneur.

Pursuant to Article 23, paragraph 2, of the Insolvency Code the entrepreneur may alternatively:

- file a petition requesting the validation of a debt restructuring agreement with creditors (*accordo di ristrutturazione dei debiti*) pursuant to Articles 57, 60 and 61 of the Insolvency Code. The percentage referred to under Article 61, paragraph 2, letter c) of the Insolvency Code is reduced to 60% if the achievement of the agreement results from the Final Report of the Expert or if the request for homologation is filed within 60 days of the notification of the expert's final report;

- arrange an out-of-court reorganization plan (*piano attestato di risanamento*) pursuant to Article 56 of the Insolvency Code;

- file a petition for admission to the *concordato semplificato per la liquidazione del patrimonio* provided for pursuant to Article 25-sexies of the Insolvency Code;

- enter into one of the insolvency proceedings provided under the Insolvency Code or in the Prodi-bis procedure or the Marzano procedure (see above);

Furthermore, pursuant to Article 24 of the Insolvency Code:

- the actions and transactions authorized by the court pursuant to Article 22 of the Insolvency Code shall maintain their effects in the event of a subsequent validated debt restructuring agreement with creditors (*accordo di ristrutturazione dei debiti omologato*), a validated court-supervised composition with creditors proceedings (*concordato preventivo omologato*), opening of the judicial liquidation proceeding (*apertura della liquidazione giudiziale*), a validated restructuring plan (*piano di ristrutturazione soggetto ad omologazione)* provided for pursuant to Article 64-bis of the Insolvency Code, a compulsory administrative winding-up (*liquidazione coatta amministrativa*), extraordinary administration for large insolvent companies (*amministrazione straordinaria*) or simplified composition with creditors proceedings for liquidation purposes (*concordato semplificato per la liquidazione del patrimonio*) provided for pursuant to Article 25-sexies of the Insolvency Code validated (*omologato*) by the court;

- the payments of debts that are immediately due and payable, any onerous transactions and the granting of security interests made after the Expert accepted its appointment, are exempted from claw-back actions pursuant to Article 166, paragraph 2, of the Insolvency Code if they are consistent with the development and the status of the negotiations and with the perspectives of recovery (risanamento) in place at the time the payment/transaction/granting of security interest was made;

- acts pertaining to the entrepreneur's extraordinary activity and payment made after the Expert accepted its appointment are subject to claw-back actions pursuant to Article 165 and Article 166 of the Insolvency Code if the Expert has registered his/her dissent in the companies' register pursuant to Article 21, paragraph 4 of the Insolvency Code or if the competent court has denied its authorization pursuant to Article 22 of the Insolvency Code; and

- payment and transactions made after the Expert accepted its appointment, which the Expert assesses to be consistent with the development of the negotiations and with the perspectives of recovery (risanamento) of the enterprise, or which have been authorized by the court pursuant to Article 22 of the Insolvency Code, benefit of exemptions from the potential application of certain criminal sanctions.

Potential outcomes of the Negotiated Composition: the simplified composition with creditors proceedings for liquidation purposes (concordato semplificato per la liquidazione del patrimonio)

Article 25-*sexies* of the Insolvency Code provides for a simplified court-supervised pre-judicial liquidation composition with creditors with liquidation purpose (*concordato semplificato per la liquidazione del patrimonio*, the **Simplified Composition**).

If, in its Final Report, in the context of a Negotiated Composition, the Expert states that the negotiations did not have a positive outcome (i.e. the entrepreneur has not been able to reach an agreement with its creditors) but have been conducted according to fairness and good faith and that the options provided under Article 23, paragraphs 1 and 2, letters a) and b), of the Insolvency Code are not feasible, within 60 days following the notification of the Final Report the entrepreneur may file to the competent court where the entrepreneur has its center of main interests a *concordato* proposal providing for the liquidation of the assets, together with a liquidation plan and the documents

listed under Article 39 of the Insolvency Code. The proposal may provide for the division of the creditors into different classes. The petition for the Simplified Composition is then published in the companies' register within the day following the filing with the court. From the date of such publication, the effects provided under Articles 6, 46, 94 and 96 of the Insolvency Code will apply.

Following the filing of such application, the court (i) appoints an "auxiliary" (*ausiliario*) to, inter alia, express an opinion on the entrepreneur's proposal; (ii) orders that the proposal, together with the opinion of the auxiliary and the Final Report of the expert, be delivered by the entrepreneur to the creditors appearing on the list filed by the entrepreneur itself; and (iii) sets the date of the hearing for the validation by the court (*omologazione*). Creditors and any third-party which has any interests are entitled to object to the court validation (*omologazione*) within ten days before the date fixed for the hearing.

The court issues a decree of validation (*omologazione*) of the Simplified Composition when it finds that (i) the proceeding has been carried out in accordance with relevant laws and regulations and the adversarial principle among the parties (*contraddittorio*); (ii) the proposal is compliant with security interests rights (*cause di prelazione*) and the liquidation plan is feasible, and (iii) the proposal does not cause a prejudice to the creditors compared to what they would receive in case of judicial liquidation of the entrepreneur, and in any case ensures that each creditor receives a certain recovery. With the approval decree, the court also appoints a liquidator.

The parties may file an objection (*opposizione*) to the abovementioned decree within 30 days after having been notified of the same.

Pursuant to Article 25-septies of the Italian Civil Code, the liquidation plan may also include an offer by a pre-identified third-party to transfer the business or one or more branches of the business or specific assets to such third-party, even before the approval: in this case, the judicial liquidator, having verified the absence of better solutions on the market, may implement the offer.

k) Court-supervised composition for small debtors

The Insolvency Code provides for a simplified court-supervised composition in case the debtor does not meet the threshold to access the judicial liquidation proceedings under article 2, para 1, lett. d) of the Insolvency Code.

Procedural steps and effects do essentially mimic those of the concordato preventivo, but it entails the involvement of the board for crisis settlement (organismo di composizione della crisi), which assists the debtor in preparing the paperwork and filing the petition, and performs the activities and duties which, in a concordato preventivo are prerogatives of the judicial commissioner.

l) Super-senior financing under the Insolvency Code

The main features of the provisions concerning different available financings under the Insolvency Code (namely, bridge financings, interim financings, implementation financings) are set out below.

Pursuant to Article 6, paragraph 1 of the Insolvency Code, the claims deriving from such financings qualify as super senior by law and Article 6, paragraph 2 of the Insolvency Code provides that the super senior ranking nature continues in the context of any subsequent insolvency or enforcement proceedings (including in a judicial liquidation or any so-called minor proceedings), with certain exceptions described below.

Interim financing - Article 99, paragraphs 1 to 4 of the Insolvency Code

Pursuant to Article 99, paragraphs 1 and 2, of the Insolvency Code, in the context of restructuring transactions on a going concern basis, also in cases in which business continuity is maintained exclusively in a view of liquidation, the Court, also prior to the filing of the documentation required for the validation (*omologazione*) of a Debt Restructuring Agreement or the admission to a *concordato*

preventivo, may authorize the entrepreneur, if so expressly requested, to incur in new super senior indebtedness to be utilized to operate its business until the homologation (*omologa*) and to secure such indebtedness with in rem security (*garanzie reali*), or by assigning claims, provided that: (A) the petition specifies (i) the purpose of the financing; (ii) that the entrepreneur is unable to otherwise obtain the required funds and (iii) that the absence of such financing will entail an imminent and irreparable prejudice to the going concern or to the proceedings; and (B) the Expert appointed by the entrepreneur, having verified the overall financial needs of the entrepreneur until the validation (*omologazione*), declares that the new financing are functional to the continuity of the business activities until the validation (*omologa*) of the relevant insolvency proceedings or to the opening of the proceedings or to conduct them and, in any case, are aimed at providing a better satisfaction of the rights of the creditors. The Expert report is not necessary in case the court recognizes that there is the urgent need to avoid an imminent and irreparable prejudice to the going concern. In the event of the subsequent admission of the entrepreneur to the judicial liquidation proceeding (*liquidazione giudiziale*), the aforementioned financings do not enjoy the super senior priority status (*prededucibilità*) in case the petition or the expert report contain false data or omit important information or in case the entrepreneur performed acts in fraud of the creditors (*atti in frode ai creditori*) and the judicial receiver proves that who made available such financings to the entrepreneur, had knowledge of such circumstances at the date of the disbursement.

Bridge Financings - Article 99, paragraph 5 of the Insolvency Code

Pursuant to Article 99, paragraph 5, of the Insolvency Code, financings (together with the related claims) granted, in any form, in view of (i.e., before) presentation of a petition for the validation (omologazione) of a Debt Restructuring Agreement or a concordato preventivo (so called "bridge-financing (finanza ponte)"), may be granted such priority status provided that (i) they meet the requirements of Article 99, paragraphs 1 and 2 (described above), and (ii) it is envisaged by the relevant plan or agreement and that such priority status is expressly provided for by the court in the decree of validation (omologazione) of the Debt Restructuring Agreement or the admission to the concordato preventivo. The indebtedness under such financing option may be secured, subject to the court's authorization, with in rem security (garanzie reali), or by assigning claims.

With reference to interim financings and bridge financings, Article 99 Paragraph 6 of the Insolvency Code provides that, in case of the opening of a judicial liquidation, such financings (although authorized by the court in the context of the composition with creditors or the debt restructuring agreement) do not benefit from super senior ranking when it is proved (jointly) that:

- the request or the Expert report contains false data or omits relevant information, or when the debtor has committed acts to defraud creditors in order to obtain the authorization; and

- the receiver proves that the entities who provided the financing, at the date of issuance, knew the aforementioned circumstances.

Implementation financing - Article 101 of the Insolvency Code

In restructuring transactions on a going concern basis, pursuant to Article 101 of the Insolvency Code, any financing granted to the entrepreneur in performance of a Debt Restructuring Agreement or a *concordato preventivo* validated (*omologato*) by the competent court and expressly provided for in the relevant plan, enjoy super senior priority status (*prededucibilità*) in case of subsequent judicial liquidation.

Pursuant to Article 101, paragraph 2 of the Insolvency Code, such financings do not benefit from the super senior ranking, in case of the opening of a judicial liquidation (alternatively):

- when, based on an assessment to be made at the time of filing of the petition for the opening of the proceeding, the plan underlying the composition with creditors (*concordato preventivo*) or the debt restructuring agreement (*accordo di ristrutturazione del debito*) turns out to be based on false data or on the omission of relevant information; or

- when the debtor has carried out acts of fraud towards its creditors and the receiver proves that the lenders providing the financings were aware of such circumstances at the time of the establishment of the financings.

The shareholders' financing – Article 102 of the Insolvency Code

Pursuant to Article 102, paragraph 1 of the Insolvency Code super senior ranking status (*prededuzione*) also applies up to 80% of their amount to any financings made available by shareholders in any form (including any guarantee facility or granting counter-indemnities) in implementation or in anticipation of a homologated composition with creditors proceeding (*concordato preventivo*) or debt-restructuring agreement (*accordo di ristrutturazione*) (also by way of derogation from the statutory subordination regime provided under the Italian Civil Code with respect to loans granted to limited liability companies by its shareholders or by entities that exercise direction and coordination activities).

Paragraph 2 of Article 102 of the Insolvency Code clarifies that, to the extent the financing is made available by an entity becoming a shareholder in the context of and by way of implementation of a composition with creditors or debt restructuring agreement, all the claims deriving from such financings benefit of super senior ranking status and the 80% threshold limitation set out in Paragraph 1 does not apply.

m) Adequate organizational, administrative and accounting corporate structures

One of the main novelties included in the Insolvency Code concerns the definition of the organizational, administrative and accounting structures of a company which are deemed to be adequate under Article 2086 of the Italian Civil Code, required by the applicable regulations for the purpose of timely detection of the state of crisis and the undertaking of suitable initiatives by the debtor. Article 3 of the Insolvency Code requires the entrepreneur to adopt an appropriate organizational structure in accordance with Article 2086 of the Italian Civil Code, for the purpose of timely detection of the crisis of the company as well as the timely undertaking of suitable initiatives to overcome the crisis and recover business continuity. However, neither the aforementioned Article 3, in its current wording, nor Article 2086 of the Italian Civil Code, as amended by the Insolvency Code, contains a precise description of the parameters, conditions and characteristics that are deemed to be necessary/needed for the definition and especially for the identification of "adequate structures".

In this regard, Article 3 of the Insolvency Code precisely enunciates, on the one hand, the purposes to which the measures and structures must aim in order to be considered as adequate for the timely detection of the crisis and, on the other hand, the relevant warning signs in relation to the same. In this respect, it is stipulated that, for the purpose of the timely detection of the company's state of crisis, the measures and structures deemed to be adequate should make it possible to:

(i) detect any imbalances of an equity or economic-financial nature, related to the specific characteristics of the company as well as to the business activity carried out by the debtor;

(ii) verify the non-sustainability of debts and the absence of prospects for business continuity for the next twelve months as well as the warning signs identified by Article 3, paragraph 4 of the Insolvency Code; and

(iii) derive the information necessary to follow the detailed checklist and conduct the practical test for the reasonable pursuit of the debtor's financial recovery.

For the sake of completeness and as set out above, it should also be noted that Article 3, paragraph 4 of the Insolvency Code` provides an exact indication of the warning signs, identified, *inter alia*, as follows:

(i) the existence of payroll debts overdue for at least 30 days equal to more than half of the total monthly payroll amount;

(ii) the existence of receivables owed to suppliers that are at least 90 days past due in an amount greater than the amount of receivables that are not past due;

(iii) the existence of exposures to banks and other financial intermediaries that have been past due for more than 60 days or have exceeded the limit of credit facilities obtained in any form for at least 60 days provided that they represent in the aggregate at least 5% of the total exposures; and

(iv) the existence of one or more exposures to certain public institutions listed under Article 25-novies of the Insolvency Code.

n) Common rules for pre-judicial liquidation restructuring frameworks *(strumenti di regolazione della crisi e dell'insolvenza della società)* and special provisions applicable in case of group of companies

In order to facilitate access and filing of restructuring procedures by the Italian companies, Articles 120-*bis* and ff. of the Insolvency Code have been enacted, introducing a set of rules applicable to all pre-judicial liquidation restructuring tools (*strumenti di regolazione della crisi e dell'insolvenza*). Among other things, pursuant to Article 120-*bis*, paragraph 2 of the Insolvency Code and for the purposes of a successful restructuring, the plan may provide for "*any modification of the articles of association of the debtor company, including capital increases and reductions, including with limitation or exclusion of the option right and other modifications that directly affect the shareholders' participation rights, as well as for mergers, demergers and transformations*." Shareholders, who may no longer have an interest in the company, are prevented from hindering the restructuring or even one of its stages. For this reason, pursuant to Article 120-*bis*, paragraphs 3 and 4 of the Insolvency Code, the shareholders, while retaining a right to information in relation to both the initiation and the progress of the restructuring process, may not remove the directors without just cause, as is the case for the statutory auditors of joint stock companies, also in light of the fact that under the provisions of the Insolvency Code it is not considered as being just cause for directors' removal, the filing for access to the pre- judicial liquidation restructuring tools (*strumenti di regolazione della crisi e dell'insolvenza*) when the related legal conditions and requirements are met. However, pursuant to Article 120-*bis*, paragraph 5, of the Insolvency Code shareholders representing at least 10% of the filing company's corporate capital may make a competing proposal.

Pursuant to Article 120-*ter* of the Insolvency Code, the plan may provide for the formation of one class of shareholders or several classes if there are shareholders to whom different rights are granted by the by-laws, including as a result of the changes provided for in the plan. The formation of classes is, however, mandatory if the plan provides for changes that directly affect the shareholders' participation rights and, in any case, for large companies and companies with widespread capital. In this context, special conditions for approval of the composition with creditors are set out pursuant to Article 120-*quater* of the Insolvency Code when and if the plan provides for shareholder attributions. Specific rules are then provided to ensure that creditors' interests are protected in all cases in which the restructuring tool envisages shareholders to retain a participation in the company with a certain value.

Article 120-*quinquies* of the Insolvency Code, regulates the execution phase of such measure. In order to avoid any obstructive attitude of the shareholders towards the approval of the restructuring tool, this provision expressly excludes the necessity for their approval and/or resolution on the implementation of such restructuring tool, by generally attributing the relevant powers to the directors or more specifically to the competent court, in relation to any amendment to the debtor's by-laws which - being specifically provided for by the plan - do not require any discretionary resolution. Finally, it is stipulated that changes in the corporate structure resulting from the implementation of a pre-judicial liquidation restructuring tools (*strumenti di regolazione della crisi e dell'insolvenza*) shall not be considered as and constitute cause for the termination or amendment of any agreement entered into by the debtor with third parties.

Pursuant to Article 284 and ff. of the Insolvency Code, multiple companies in crisis or insolvency belonging to the same group (each having its center of main interest in Italy) can utilize the composition with creditors or a Debt Restructuring Agreement by filing a single petition and on the basis of a single plan for all the group companies or different plans mutually linked if this results in a better recovery for the creditors of each company, in comparison with the recovery that they would theoretically get if each company proposes a separate plan. This requirement shall be assessed taking into account the individual interests of the creditors of each company, in compliance with the principle of separation of assets and liabilities, which prevents the creditors of a company to be satisfied with the assets of another company. In such case, the legal framework of composition with creditors group-proceedings is the same applicable to the ordinary type, save for certain specific rules/exceptions, among which, inter alia: (i) the petition shall specify the reasons why a group proceeding is more convenient for creditors than single and separate proceedings; (ii) the *concordato* petition and the plan/plans must include certain additional information, mainly relating to group structure, intercompany relationships, etc.; (iii) the plan(s) must ensure the restructuring of each group company and must be certified by the third-party expert. The expert's report shall also confirm that the group-proceedings are more convenient for creditors than separate proceedings; (iv) the plan(s) might provide both for the continuation of certain business activities and the liquidation of others. The proceedings qualify as composition with creditors on a going concern basis *(in continuità aziendale*) whenever the creditors are paid through the proceeds arising from the continuation of business ; and (v) certain specific rules in relation to the voting phase and homologation phase of the proceeding apply. In case of a composition with creditors group-proceedings, debtor companies can make a single application also for "transazione fiscale" to Tax Authorities/Social Security Authorities under the Insolvency Code.

However, the Insolvency Code contemplates few exceptions to the principle of separation of assets and liabilities: the plan underlying the composition with creditors or the Debt Restructuring Agreement may envisage contractual and reorganization transactions, including intra-group transfers of resources, provided that an Expert certifies that such transactions are necessary ***(i)*** for the continuation of the business of the companies pursuant to the plan and ***(ii)*** are consistent with the aim of optimizing recovery for the creditors of all group companies.

Dissenting creditors and shareholders may challenge such intra-group transfers of resources. However, in spite of such a challenge being made, the court can rule to validate (*omologare*) the composition with creditors or the Debt Restructuring Agreement it if the following additional conditions are met:

- in case of a challenge by creditors, the court considers, on the basis of an overall assessment of the plan or linked plans, that the creditors can obtain a recovery of their receivables equal or better than what they would obtain in judicial liquidation proceedings of the company; and

- in case of challenge by shareholders, if the court – on the basis of the group plan – excludes the occurrence of an impairment of the value and profitability of their shareholdings in light of the countervailing benefits arising to the individual companies involved.

o) Insolvency proceedings under Regulation (EU) 2015/848 of the European Parliament and of the Council of May 20, 2015

On June 5, 2015, Regulation (EU) 2015/848 of the European Parliament and of the Council of May 20, 2015 on insolvency proceedings, as subsequently amended and supplemented (the **Recast EU Insolvency Regulation**) was published in the Official Journal of the European Union.

The Recast EU Insolvency Regulation applies within the European Union, other than Denmark, to insolvency proceedings opened after June 26, 2017 and with respect to a company whose center of main interests is located in a Member State.

Main insolvency proceedings

Pursuant to Article 3(1) of the Recast EU Insolvency Regulation, the court with jurisdiction to open insolvency proceedings in relation to a company that has its "center of main interests" in a Member State is the court of the Member State in which the center of a debtor's main interests is situated. However, pursuant to Article 4 of the Recast EU Insolvency Regulation, a court requested to open insolvency proceedings will be required to examine whether it has jurisdiction pursuant to Article 3. Such court's decision may be challenged by the debtor or any creditor on grounds of international jurisdiction. The "center of main interests" is defined as "the place where the debtor conducts the administration of its interests on a regular basis and which is ascertainable by third parties" and is determined on the date on which application to commence insolvency proceedings is filed.

Article 3(1), paragraph 2, provides, in most cases, a rebuttable presumption that a company's center of main interests is in the jurisdiction where its registered office is located. To prevent fraudulent or abusive forum shopping, this presumption only applies if the registered office has not been moved to another Member State within the three-month period before the request to open insolvency proceedings is made. In these circumstances, where the presumption is not applied, the court with jurisdiction to open insolvency proceedings in relation to that company is the court of the Member State in which the company's registered office was previously located.

Specifically, Recital 30 of the Recast EU Insolvency Regulation contains a number of examples of where a presumption as to the center of main interest may be rebutted: for instance, where the company's central administration is located in a Member State other than that of its registered office and where a comprehensive assessment of all the relevant factors establishes, in a manner that is ascertainable by third parties, that the company's actual center of management and supervision and of the management of its interests is located in that other Member State. In that respect, the factors that courts may take into consideration when determining the center of main interest of a debtor can include where board meetings are held, the location where the debtor conducts the majority of its business or has its head office and the location where the majority of the debtor's creditors are established and where they recognize as being the center of the company's operations.

If a company's "center of main interests" is, at the time of the request to open an insolvency proceeding located in the same Member State as its registered office, the main insolvency proceedings with respect to the company under the Recast EU Insolvency Regulation would be commenced in that jurisdiction and, accordingly, a court in that jurisdiction would be entitled to commence the types of insolvency proceedings referred to in Annex A to the Recast EU Insolvency Regulation. As noted in Preamble 10, Annex A to the Recast EU Insolvency Regulation has been extended to include insolvency proceedings that promote the rescue of economically viable but financially distressed businesses (such as, with respect to Italian insolvency proceedings, restructuring agreements with creditors (*accordi di ristrutturazione*), crisis resolution process of the consumer over-indebtedness (*procedure di composizione della crisi da sovraindebitamento del consumatore*) and winding-up (*liquidazione dei beni*)).

Furthermore, pursuant to Article 6 of the Recast EU Insolvency Regulation, the courts of the Member State in which insolvency proceedings have been opened in accordance with Article 3 have jurisdiction for any action that derives directly from the insolvency proceedings and is closely linked to them, such as avoidance actions.

Secondary insolvency proceedings

Insolvency proceedings opened in one Member State under the Recast EU Insolvency Regulation must be recognized in any other Member States, although secondary proceedings may be opened in other Member States. Under Article 3(2) of the Recast EU Insolvency Regulation, if a debtor's "center of main interests" is in a given Member State, the courts of all other Member States (except Denmark) have jurisdiction to open "secondary" or "territorial" insolvency proceedings only if the debtor has an "establishment" (as defined in Article 2(10) of the Recast EU Insolvency Regulation) in that other Member State's territory. Secondary proceedings may be any insolvency proceeding listed in Annex A of the Recast EU Insolvency Regulation and for the avoidance of doubt, are not limited to winding-up proceedings. Territorial proceedings are, in effect, secondary proceedings which are

commenced prior to the opening of main insolvency proceedings. "Establishment" is defined in Article 2(10) of the Recast EU Insolvency Regulation and means any place of operations where a debtor carries out or, in the three-month period before the request to open main insolvency proceedings, has carried out a non-transitory economic activity with human means and assets. Accordingly, the opening of secondary insolvency proceedings or territorial insolvency proceedings in another Member State will also be possible if the debtor had an establishment in such Member State in the three-month period prior to the request for opening of main insolvency proceedings.

The effects of those secondary or territorial proceedings are restricted to the assets of the debtor situated in the territory of such other Member State. Where main proceedings in the Member State in which the company has its centre of main interest have not yet been commenced, territorial insolvency proceedings may only be commenced in another Member State where the company has an establishment where either (i) insolvency proceedings cannot be commenced in the Member State in which the company's centre of main interest is situated under the conditions laid down by that Member State's law or (ii) the opening of territorial insolvency proceedings is requested by (a) a creditor whose claim arises from or is in connection with the operation of an establishment situated within the territory of the Member State where the opening of territorial proceedings is requested or (b) a public authority which, under the law of the Member State within the territory of which the establishment is situated, has the right to request the opening of insolvency proceedings. When main insolvency proceedings are opened, territorial insolvency proceedings become secondary insolvency proceedings. Irrespective of whether the insolvency proceedings are main or secondary or territorial insolvency proceedings, such proceedings will, subject to certain exceptions, be governed by the *lex fori concursus*, (*i.e.*, the local insolvency law of the court that has assumed jurisdiction over the insolvency proceedings of the company).

The courts of all Member States must recognize the judgment opening insolvency proceedings of the court commencing proceedings (subject to any public policy exception). The judgment of the court commencing main proceedings will produce the same effects in the other Member States as under the law of the Member State commencing main proceedings, so long as no secondary insolvency proceedings or territorial insolvency proceedings have been commenced in that other Member State and subject to certain other exceptions (*e.g.*, rights *in rem* situated in another Member State remain subject to the original law governing that right). The insolvency practitioner appointed or confirmed by a court in the Member State, which has jurisdiction to commence main proceedings, may exercise the powers conferred on it by the laws of that Member State in another Member State (such as to remove assets of the company from that other Member State). These powers are subject to certain limitations (*e.g.*, the powers are available provided that no insolvency proceedings have been commenced in that other Member State nor any preservation measure to the contrary has been taken there further to a request to commence secondary proceedings in that other Member State where the company has assets).

However, under Article 36 of the Recast EU Insolvency Regulation, to avoid the opening of secondary insolvency proceedings in another Member State, the insolvency receiver in the main insolvency proceedings may prevent the opening of secondary insolvency proceedings by giving a unilateral undertaking with respect to the assets located in the Member State in which secondary insolvency proceedings could be opened. For this purpose, the insolvency receiver must undertake to comply with the distribution and priority rights under the relevant national law and from which the local creditors would benefit if the insolvency proceedings were opened in that Member State where the assets are located. Such undertaking must be made in writing and is subject to approval by a majority of local creditors, determined in accordance with applicable local laws. If approved, the undertaking is binding on the insolvent estate and if a court is requested to open secondary insolvency proceedings, it should refuse to open such proceeding if it is satisfied that the undertaking adequately protects the general interests of local creditors.

Insolvency proceedings involving members of a group of companies

The Recast EU Insolvency Regulation provides for a cooperation and communication mechanism in the event that insolvency proceedings concerning two or more members of a group of companies are

opened in Member States. Under Article 61 of the Recast EU Insolvency Regulation, group coordination proceedings may be requested before any court having jurisdiction over the insolvency proceedings of a member of the group, by an insolvency receiver appointed in insolvency proceedings opened in relation to a member of the group. Insolvency receivers appointed in proceedings concerning a member of the group shall cooperate with any insolvency receiver appointed in proceedings concerning another member of the group to the extent that such cooperation is appropriate. Similarly, the court which has opened proceedings shall also cooperate with any other court before which a request is made to open proceedings concerning another member of the group to the extent that cooperation is appropriate to facilitate the effective administration of the proceedings, is not incompatible with the rules applicable to them and does not entail any conflict of interest. Further, an insolvency practitioner appointed in insolvency proceedings concerning a member of a group of companies shall cooperate and communicate with any court with jurisdiction over the insolvency proceedings of another group member.

The Recast EU Insolvency Regulation also contains provisions for the proposal and implementation of a group coordination plan and group coordination proceedings, which are designed and implemented by a group coordinator. Participation in the group coordination plan is not compulsory for group members, and there are safeguards to preserve the sovereignty of the applicable law and courts of each group members' insolvency proceedings.

TAXATION

The statements herein regarding taxation are based on the laws in force as at the date of this Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis.

The following overview 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 Securities 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 Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities. This overview will not be updated to reflect changes in laws or interpretation and if such a change occurs the information in this summary may become invalid.

In any case, Italian legal or tax concepts may not be identical to the concepts described by the same English term as they exist under terms of different jurisdictions and any legal or tax concept expressed by using the relevant Italian term shall prevail over the corresponding concept expressed in English terms.

Taxation in Italy

The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Prospectus and are subject to any changes in law occurring after such date, which could be made on a retroactive basis. The following overview 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 Securities 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 Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities.

Tax treatment of the Securities

Legislative Decree No. 239 of 1 April 1996 (**Decree 239**), as subsequently amended and supplemented, provides for the applicable regime with respect to 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**) deriving from Securities falling within the category of bonds (obbligazioni) or securities similar to bonds (titoli similari alle obbligazioni) issued, inter alia, by Italian resident companies with shares traded on a EU or EEA regulated market or multilateral trading facility. For this purpose, pursuant to Article 44 of Presidential Decree No. 917 of 22 December 1986, as amended and supplemented (**Decree No. 917**) bonds and debentures similar to bonds are securities that:

(a) incorporate an unconditional obligation to pay, at redemption, an amount not lower than their nominal value;

(b) attribute to the holder no direct or indirect right of participation to (or of control of) to management of the issuer or in the management of the business in respect of which the Securities have been issued; and

(c) not provide for a remuneration which is entirely linked to the profits of the issuer, or other companies belonging to the same group or to the business in respect of which the securities have been issued.

Italian resident holders

Where the Italian resident holder is (i) an individual not engaged in an entrepreneurial activity to which the Securities are connected (unless he has opted for the application of the risparmio gestito regime – see "*Capital Gains Tax*" below), (ii) a partnership (other than a società in nome collettivo or a società in accomandita semplice or a similar partnership) or a de facto partnership not carrying out commercial activities;, (iii) a non-

commercial private or public institution (other than a company), a trust not carrying out mainly or exclusively commercial activities or the Italian State or other pubic and territorial entity, or (iv) an investor exempt from Italian corporate income taxation, Interest relating to the Securities, accrued during the relevant holding period, is subject to a withholding tax, referred to as imposta sostitutiva, levied at the rate of 26 per cent. In the event that the holders described under (i) and (iii) above are engaged in an entrepreneurial activity to which the Securities are connected, the imposta sostitutiva applies as a provisional tax.

Subject to certain conditions (including a minimum holding period requirement) and limitations, Interest relating to the Securities may be exempt from any income taxation (including from the 26 per cent. imposta sostitutiva) if the holders of the Securities are Italian resident individuals not engaged in 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 and the Securities are included in a long-term individual savings account (piano individuale di risparmio a lungo termine) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Where an Italian resident holder of the Securities is a company or similar commercial entity or a permanent establishment in Italy of a foreign company to which the Securities are effectively connected and the Securities are deposited with an authorised intermediary, Interest from the Securities will not be subject to imposta sostitutiva, but must be included in the relevant holder's income tax return and are therefore subject to general Italian corporate taxation (**IRES**) (and, in certain circumstances, depending on the "status" of the holder, also to the regional tax on productive activities (**IRAP**)).

Payments of Interest in respect of the Securities made to Italian resident real estate investment funds and Italian real estate investment companies with fixed capital (SICAF, i.e. società di investimento a capitale fisso) (the **Real Estate Funds**) complying with the relevant legal and regulatory requirements and subject to the regime provided for by, inter alia, Law Decree No. 351 of 25 September 2001 and/or Law Decree No. 44 of 4 March 2014, each as amended,, are subject neither to substitute tax nor to any other income tax in the hands of such Real Estate Fund, provided that the Securities are timely deposited directly or indirectly with an Intermediary (as defined below). Subsequent distributions made in favour of unitholders or shareholders of the Real Estate Fund and income realised by the unitholders or shareholders in the event of redemption or sale of the units or shares in the Real Estate Fund may be subject, in certain circumstances, to a withholding tax of 26 per cent.. Moreover, subject to certain conditions, depending on the status of the investor and the percentage of its participation, income realised by Real Estate Funds may be attributed to the relevant investors and subject to tax in their hands irrespective of its actual collection and in proportion to the percentage of ownership of units or shares on a tax transparency basis.

If the investor is resident in Italy and is an open-ended or closed-ended investment fund (other than a Real Estate Fund), an investment company with fixed capital (**SICAF**, i.e. società di investimento a capitale fisso) or an investment company with variable capital (**SICAV**, i.e. società di investimento a capitale variabile) (together, the **Funds**) and either (i) the Fund, or (ii) its manager is subject to the supervision of a regulatory authority and the relevant Securities are held by an authorised intermediary, payment of Interest on such Securities will not be subject to imposta sostitutiva, but must be included in the management results of the Fund. The Fund will not be subject to taxation on such result, but a withholding tax of 26 per cent. may apply, in certain circumstances, to distributions made in favour of unitholders or shareholders or in case of redemption or sale of the units or shares in the Fund.

Where an Italian resident holder of a Security is a pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005) and the Securities are deposited with an authorised intermediary, payment of Interest relating to the Securities accrued during the holding period will not be subject to imposta sostitutiva, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent. substitute tax on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Securities). Subject to certain conditions (including minimum holding period requirement) and limitations, Interest on the Securities may be excluded from the taxable base of the 20 per cent. substitute tax if the Securities are included in an individual long-term savings account (piano individuale di risparmio a lungo termine) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Pursuant to Decree 239, imposta sostitutiva is applied by banks, investment companies (società di intermediazione mobiliare, **SIMs**), fiduciary companies, management companies (società di gestione del risparmio, **SGRs**), stockbrokers and other entities identified by a decree of the Ministry of Economics and Finance (each an **Intermediary**).

An Intermediary must (a) be (i) resident in Italy, (ii) a permanent establishment in Italy of a non-Italian resident financial Intermediary or (iii) an entity or a company not resident in Italy, acting through a system of centralised administration of securities and directly connected with the Italian tax authorities (which includes Euroclear and Clearstream) having appointed an Italian representative for the purposes of Decree No. 239 and (b) intervene, in any way, in the collection of Interest or in the transfer of the Securities. For the purpose of the application of the imposta sostitutiva, a transfer of the Securities includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Securities or in a change of the Intermediary with which the Securities are deposited.

Where the Securities are not deposited with an Intermediary meeting the requirement under (a) and (b) above, the imposta sostitutiva is applied and withheld by any entity paying interest to a holder of a Security or, absent that, by the Issuer and gross recipients that are Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Securities are effectively connected are entitled to deduct the suffered imposta sostitutiva from income taxes due.

Non-Italian resident holders

Where the Securityholder is a non-Italian resident without a permanent establishment in Italy to which the Securities are connected, an exemption from the imposta sostitutiva applies provided that the non-Italian resident beneficial owner is either:

(a) the beneficial owner of relevant Interest and is resident, for tax purposes, in a country which allows for a satisfactory exchange of information with Italy included in the Italian Ministerial Decree dated 4 September 1996, as amended and supplemented from time to time (the **White-List**); or

(b) an international body or entity set up in accordance with international agreements which have entered into force in 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 which is resident in a country which allows for a satisfactory exchange of information with Italy listed in the White List, even if it does not possess the status of taxpayer in its own country of residence and provided that it timely files with the relevant depositary an appropriate self-declaration confirming its status of institutional investor.

The imposta sostitutiva will be applicable at the rate of 26 per cent. (or at the reduced rate provided for by the applicable double tax treaty, if any) to Interest paid to Securityholders who are resident, for tax purposes, in countries which do not allow for a satisfactory exchange of information with Italy.

In order to ensure gross payment, non-Italian resident Securityholders must be the beneficial owners of the payments of Interest (institutional investors not subject to tax are deemed to be beneficial owners of the payments of Interest by operation of law) and:

(a) deposit, directly or indirectly, the Securities with a resident bank or SIM or a permanent establishment in 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 Securities, a statement of the relevant Securityholder, which remains valid until withdrawn or revoked, in which the Securityholder declares to be eligible to benefit from the applicable exemption from imposta sostitutiva. Such statement, which is not requested for international bodies or entities set up in

accordance with international agreements which have entered into force in Italy nor in 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, as subsequently amended.

Failure of a non-Italian resident holder of the Securities to comply in due time with the procedures set forth in Decree No. 239 and in the relevant implementing rules will result in the application of imposta sostitutiva on Interest payments to such non resident holder of the Securities.

Tax treatment of Securities qualifying as atypical securities

Interest payments relating to Securities that are not deemed to fall within the category of bonds (obbligazioni) or debentures similar to bonds (titoli similari alle obbligazioni) under Article 44 of Decree No. 917 and qualify as titoli atipici ("atypical securities") pursuant to Article 5 of Law Decree No. 512 of 30 September 1983, as amended and supplemented, may be subject to a withholding tax, levied at the rate of 26 per cent.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in 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 Italian withholding tax on proceeds received under Securities classifying as atypical securities, if the Securities are included in a long-term individual savings account (piano individuale di risparmio a lungo termine) that meets the requirements set forth under Italian tax law, as amended and supplemented from time to time.

Where the Securityholder is: (a) an Italian individual engaged in an entrepreneurial activity to which the Securities are connected; (b) an Italian company or a similar Italian commercial entity; (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 the withholding tax is a final withholding tax. For non-Italian resident Securityholders, the withholding tax rate may be reduced by any applicable tax treaty (to the extent the conditions for its application are met).

Capital Gains Tax

Italian resident Securityholders

Any capital gain obtained from the sale or redemption of the Securities would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the holder, also as part of the net value of production for IRAP purposes) if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Securities are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Securities are connected.

Where an Italian resident holder of the Securities is (i) an individual not holding the Securities in connection with an entrepreneurial activity, (ii) a non-commercial partnership (other than a società in nome collettivo or a società in accomandita semplice or a similar partnership) or a de facto partnership not carrying out commercial activities, or (iii) a non-commercial private or public institution (other than a company), a trust not carrying out mainly or exclusively commercial activities,, any capital gain realised by such holder of the Securities from the sale or redemption of the Securities would be subject to an imposta sostitutiva, levied at the current rate of 26 per cent. Under certain conditions and limitations holders of the Securities may set off losses with gains.

In respect of the application of the imposta sostitutiva, taxpayers under (i) to (iii) may opt for one of the three regimes described below.

Under the "tax declaration" regime (regime della dichiarazione), which is the default regime for holders of the Securities under (i) to (iii) above, the imposta sostitutiva on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any incurred capital loss of the same kind, realised by investors holding the Securities not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Securities carried out during any given tax year. The relevant holder of the Securities 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 imposta sostitutiva on such gains together with any balance of 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 succeeding tax years.

As an alternative to the tax declaration regime, holders of the Securities under (i) to (iii) above may elect to pay the imposta sostitutiva separately on capital gains realised on each sale or redemption of the Securities (the risparmio amministrato regime). Such separate taxation of capital gains is allowed subject to (i) the Securities being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and (ii) an express election for the risparmio amministrato regime being punctually made in writing by the relevant holder of the Securities. The depository is responsible for accounting for imposta sostitutiva in respect of capital gains realised on each sale or redemption of the Securities (as well as in respect of capital gains realised upon the revocation of its mandate), 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 holder of the Securities or using funds provided by the holder of the Securities for this purpose. Under the risparmio amministrato regime, where a sale or redemption of the Securities 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 holder of the Securities is not required to declare the capital gains in its annual tax return.

Any capital gains realised by Italian holders of the Securities under (i) to (iii) who have entrusted the management of their financial assets, including the Securities, to an authorised intermediary and have opted for the so-called "risparmio gestito" regime 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 per cent. substitute tax, to be paid by the managing authorised intermediary. Under the risparmio gestito regime, any depreciation of the managed assets accrued at year end may be carried forward against any increase in value of the managed assets accrued in any of the four succeeding tax years. Under the risparmio gestito regime, the holder of the Securities is not required to declare the capital gains realised in its annual tax return.

Subject to certain conditions (including a minimum holding period requirement) and limitations, Italian resident individuals not engaged in 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 Italian capital gain taxes, including the imposta sostitutiva, on capital gains realised upon sale, transfer or redemption of the Securities, if the Securities are included in a long-term individual savings account (piano individuale di risparmio a lungo termine) that meets the requirements set forth by Italian law, as amended and supplemented from time to time.

Any capital gains realised by a holder of the Securities which is a Fund will not be subject to imposta sostitutiva, but will be included in the result of the relevant portfolio accrued at the end of the relevant tax period which is exempt from income tax. Subsequent distributions in favour of unitholders or shareholders and income realised by the unitholders or shareholders in the event of redemption or sale of the units or shares in the Fund may be subject in certain circumstances, to a withholding tax of 26 per cent.

Any capital gains realised by a holder of the Securities which is an Italian pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20 per cent. substitute tax. Subject to certain conditions (including a minimum holding period requirement) and limitations, capital gains on the Securities may be excluded from the taxable base of the 20 per cent. substitute tax if the Securities are included in a long-term individual savings account (piano individuale di risparmio a lungo termine) that meets the requirements set forth by Italian law, as amended and supplemented from time to time.

Any capital gains realised by a Securityholder who is a Real Estate Fund will be subject neither to imposta sostitutiva nor to any other income tax at the level of the Real Estate Fund. Subsequent distributions made in favour of unitholders or shareholders of the Real Estate Fund and income realised by the unitholders or shareholders in the event of redemption or sale of the units or shares in the Real Estate Fund may be subject, in certain circumstances, to a withholding tax of 26 per cent.. Moreover, subject to certain conditions, depending on the status of the investor and the percentage of its participation, income realised by Real Estate

Funds may be attributed to the relevant investors and subject to tax in their hands irrespective of its actual collection and in proportion to the percentage of ownership of units or shares on a tax transparency basis.

Non-Italian Resident Securityholders

Capital gains realised by non-Italian resident Securityholders, not having a permanent establishment in Italy to which the Securities are connected, from the sale or redemption of Securities traded on regulated markets are neither subject to the imposta sostitutiva nor to any other Italian income tax (subject to timely filling of required documentation (in particular, a self-declaration stating that the Securityholder is not resident in Italy for tax purposes) with Italian qualified intermediaries (or permanent establishments in Italy of foreign intermediaries) with which the Securities are deposited), even if the Securities are held in Italy and regardless of the provisions set forth by any applicable double tax treaty. Italian tax authorities have clarified that the notion of multilateral trading facility (MTF) under EU Directive 2014/65/CE (so called MiFID II) can be assimilated to that of "regulated market" for income tax purposes; conversely, organized trading facilities (OTF), not falling in the definition of MTF under MiFID II, cannot be assimilated to "regulated market" for Italian income tax purposes.

Capital gains realised by non-Italian resident Securityholders, not having a permanent establishment in Italy to which the Securities are effectively connected, from the sale or redemption of Securities not traded on regulated markets are not subject to the imposta sostitutiva, provided that the holder of the Securities: (i) qualifies as the beneficial owner of the capital gain and is resident in a country which allows for a satisfactory exchange of information with Italy; or (ii) is an international entity or body set up in accordance with international agreements which have entered into force in Italy; or (c) is a Central Bank or an entity which manages, inter alia, the official reserves of a foreign State; or (d) is an institutional investor which is resident in a country included in the White List, even if it does not possess the status of taxpayer in its own country of incorporation, in any case, to the extent all the requirements and procedures set forth in Decree No. 239 and in the relevant implementation rules, as subsequently amended, in order to benefit from the exemption from imposta sostitutiva are met or complied with in due time, if applicable. In this case, if the non Italian Securityholders have opted for the risparmio amministrato regime or the risparmio gestito regime, exemption from Italian capital gains tax will apply upon condition that they file in due course with the authorised financial intermediary an appropriate self-declaration (autocertificazione) stating that they meet the requirements indicated above.

If none of the conditions above is met, capital gains realised by non-Italian resident Securityholders from the sale or redemption of Securities not traded on regulated markets are subject to the imposta sostitutiva at the current rate of 26 per cent.

In any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Securities are connected that may benefit from a double taxation treaty with Italy providing that capital gains realised upon the sale or redemption of Securities are to be taxed only in the country of tax residence of the recipient, will not be subject to imposta sostitutiva in Italy on any capital gains realised upon the sale or redemption of the Securities provided all the conditions for its application are met. In this case, if the non-Italian resident Securityholders have opted for the risparmio amministrato regime or the risparmio gestito regime, exemption from Italian capital gains tax will apply upon the condition that they file in due course with the authorised financial intermediary appropriate documents which include, inter alia, a statement issued by the competent tax authorities of the country of residence of the non Italian Securityholders

Inheritance and gift taxes

Pursuant to Law No. 346 of 31 October 1990 and Law No. 286 of 24 November 2006, as subsequently amended, the transfers of any valuable asset (including the Securities) as a result of gift, donation or succession of Italian residents and non-Italian residents (but in such latter case limited to assets held within the Italian territory – which, for presumption of law, includes bonds issued by Italian resident issuers) are subject to Italian inheritance and gift taxes taxed as follows:

- transfers in favour of spouses and direct descendants or ascendants are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding, for each beneficiary, €1,000,000;

- transfers in favour of the brothers or sisters are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the value of the inheritance or the gift exceeding, for each beneficiary, €100,000;

- transfers in favour of all other relatives up to the fourth degree or relatives-in-law up to the third degree are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift; and

- any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

If the transfer is made in favour of persons with severe disabilities, the tax is levied at the rate mentioned above on the value exceeding, for each beneficiary, a threshold of €1,500,000.

The transfer of financial instruments (including the Securities) as a result of death is exempt from inheritance tax when such financial instruments are included in a long-term individual savings account (piano individuale di risparmio a lungo termine), that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Transfer tax

Contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarised deeds are subject to fixed registration tax at rate of €200; (ii) private deeds are subject to registration tax only in case of use or voluntary registration, explicit reference (enunciazione) or case of use (caso d'uso).

Stamp duties

Pursuant to Article 13 of the tariff attached to Presidential Decree No. 642 of 26 October 1972 (**Decree 642**), a proportional stamp duty applies on an annual basis to any periodic reporting communications which may be sent by an Italian based financial intermediary to its clients in respect of any financial product and instrument (including the Securities) which may be deposited with such financial intermediary in Italy. The stamp duty is collected by the resident banks and other financial intermediaries and applies at a rate of 0.2 per cent. and cannot exceed €14,000 for taxpayers other than individuals. This stamp duty is determined on the basis of the market value or – if no market value figure is available – on the basis of face value or redemption value, or in the case the face or redemption values cannot be determined, on the basis of purchase value of the financial assets held.

The statement is deemed to be sent at least once a year, including with respect to the instruments for which it is not mandatory the deposit, the release or the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable on a pro-rata basis.

Pursuant to the law and the implementing decree issued by the Italian Ministry of Economy on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 29 July 2009, as subsequently amended, supplemented and restated) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

Stamp duty applies both to Italian resident and to non-Italian resident investors, to the extent that the relevant securities (including the Securities) are held with an Italian-based financial intermediary (and not directly held by the investor outside Italy), in which case Italian wealth tax (see below under "Wealth Tax on financial products held abroad") applies to Italian resident Securityholders only.

Wealth Tax on financial products held abroad

In accordance with Article 19(18-23) of Decree No. 201 of 6 December 2011, as amended and supplemented, individuals, non-commercial entities and certain partnerships (società semplici or similar partnerships in accordance with Article 5 of Decree No. 917) resident in Italy for tax purposes holding financial products – including the Securities – outside of the Italian territory are required to declare in their own annual tax return and pay a wealth tax at the rate of 0.2 per cent. (**IVAFE**) (starting from January 1, 2024, IVAFE applies at a rate of 0.4 per cent if the Securities are held in a country listed in the Italian Ministerial Decree dated 4 May 1999, pursuant to the provisions of Law No. 213/2023). For taxpayers other than individuals, IVAFE cannot exceed Euro 14,000 per year. In this case the above-mentioned stamp duty provided for by Article 13 par. 2-ter of the tariff Part I attached to Decree 642 does not apply.

The tax applies on the market value at the end of the relevant year (or at the end of the holding period) or – in the lack of the market value – on the nominal value or redemption value of such financial products held outside of the Italian territory. Taxpayers can generally deduct from the tax a tax credit equal to any wealth taxes paid in the State where the financial products are held (up to the amount of the Italian wealth tax due).

Financial assets held abroad are excluded from the scope of the wealth tax if they are administered by Italian financial intermediaries pursuant to an administration agreement. In this case, the above mentioned stamp duty provided for by Article 13 of the Tariff attached to Decree 642 does apply.

Tax Monitoring obligations

Pursuant to Italian Law Decree No. 167 of 28 June 1990, converted with amendments by Law No. 227 of 4 August 1990 (**Decree 167/1990**), as amended, individuals, non-commercial entities and certain partnerships (società semplici or similar partnerships in accordance with Article 5 of Decree No. 917) resident in Italy for tax purposes under certain conditions, are required to report for tax monitoring purposes in their yearly income tax return the amount of investments directly or indirectly held abroad. The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the beneficial owner of the instrument.

No disclosure requirements exist, inter alia, for investments and financial activities (including the Securities) under management or administration entrusted to Italian resident intermediaries and for contracts concluded through their intervention, provided that the cash flows and the income derived from such activities and contracts have been subject to Italian withholding or substitute tax by intermediaries themselves.

Certain payments on Securities may be subject to U.S. withholding tax under FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer does not expect to be treated as a foreign financial institution for these purposes. A number of jurisdictions (including Italy) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, such withholding would not apply prior to the date that is two years after the date on which final regulations defining "foreign passthru payments" are published in the U.S. Federal Register and Securities characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. Holders of the Securities should consult their own tax advisors regarding how these rules may apply to their investment in the Securities.

SUBSCRIPTION AND SALE

Crédit Agricole Corporate and Investment Bank (the **Sole Structuring Agent and Joint Lead Manager**) and BofA Securities Europe SA, J.P. Morgan SE, Mediobanca – Banca di Credito Finanziario S.p.A. and UniCredit Bank GmbH (together with the Sole Structuring Agent and Joint Lead Manager, the **Joint Lead Managers**) have, pursuant to a subscription agreement dated 19 May 2025 (the **Subscription Agreement**), jointly and severally agreed to subscribe for the Securities at the issue price of 99.466 per cent. of the principal amount of the Securities, less certain commissions. The Issuer will also reimburse the Joint Lead Managers in respect of certain of their expenses and has agreed to indemnify the Joint Lead Managers against certain liabilities, incurred in connection with the issue of the Securities. The Subscription Agreement provides that the obligations of the Joint Lead Managers to subscribe for the Securities may be subject to certain conditions precedent. The Subscription Agreement may be terminated in certain circumstances prior to payment of the Issuer.

General

Each Joint Lead Manager has agreed that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers the Securities or possesses or distributes this Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of the Securities under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Joint Lead Managers shall have any responsibility therefor.

None of the Issuer and the Joint Lead Managers represents that the Securities may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

United States

The Securities have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States 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 or not subject to the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Securities 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. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder.

Each Joint Lead Manager has represented and agreed that it will not offer, sell or deliver the Securities (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of all Securities within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act. Each Joint Lead Manager has further agreed that it will send to each dealer to which it sells any Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering, an offer or sale of Securities within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from, or in a transaction not subject to, registration requirements of the Securities Act.

Prohibition of sales to EEA retail investors

Each of the Joint Lead Managers has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available Securities which are the subject of the offering contemplated by this Prospectus to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression **retail investor** means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II;

(b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

Republic of Italy

The offering of the Securities has not been registered with the *Commissione Nazionale per le Società e la Borsa* (**CONSOB**) pursuant to Italian securities legislation and, accordingly, no Securities may be offered, sold or delivered, nor may copies of this Prospectus or of any other document relating to the Securities be distributed in the Republic of Italy, except:

(a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation and any applicable provision of Italian laws and regulations; or

(b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-*ter* of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws and regulations.

Any offer, sale or delivery of the Securities or distribution of copies of the Prospectus or any other document relating to the Securities in the Republic of Italy under (a) or (b) above must:

(i) be 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 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the **Banking Act**) and any other applicable laws and regulations; and

(ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

Prohibition of sales to UK retail investors

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available Securities which are the subject of the offering contemplated by this Prospectus 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 United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the **FSMA**) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, 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 United Kingdom domestic law by virtue of the EUWA;

(b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

United Kingdom

Each Joint Lead Manager has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an 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 Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

Japan

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

Belgium

Each Joint Lead Manager has represented and agreed that an offering of Securities may not be advertised to any individual in Belgium qualifying as a consumer (*consument/consommateur*) within the meaning of Article I.1 of the Belgian Code of Economic Law (*wetboek van economisch recht/code de droit économique*), as amended from time to time (a **Belgian Consumer**) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Securities, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Securities, directly or indirectly, to any Belgian Consumer.

Singapore

Each Joint Lead Manager has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented, warranted and agreed that it has not offered or sold any Securities or caused the Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Securities or cause the Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the **SFA**)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Switzerland

The offering of the Securities in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act (**FinSA**) as long as such offering is made to professional clients within the meaning of the FinSA only or as long as the Securities have a minimum denomination of CHF 100,000 (or equivalent in another currency) or more and the Securities will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Securities constitutes a prospectus pursuant to the FinSA, and neither Prospectus nor any other offering or marketing material relating to the Securities may be publicly distributed or otherwise made publicly available in.

GENERAL INFORMATION

Authorisation

The issue of the Securities has been duly authorised by a resolution of the Board of Directors of the Issuer dated 13 May 2025.

Listing, Admission to Trading and Approval

Application has been made to the CSSF to approve the Prospectus as a prospectus under the Prospectus Regulation. Application has also been made to the Luxembourg Stock Exchange for the Securities to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. Admission is expected to take effect on or about the Issue Date. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of MiFID II.

Expenses Related to Admission to Trading

The total expenses in relation to the admission to trading are estimated by the Issuer to be €16,200.

Clearing Systems

The Securities have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The ISIN for the Securities is XS3076304602 and the Common Code is 307630460.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue J. F. Kennedy, L-1855 Luxembourg.

No Significant Change and No Material Adverse Change

There has been no significant change in the financial performance or position of the Issuer and the Group since 31 March 2025 and there has been no material adverse change in the financial position or prospects of the Issuer and the Group since 31 December 2024.

Legal and Arbitration Proceedings

Save as disclosed in the section "*Description of the Group – Legal proceedings*" in the Base Prospectus prepared for the EMTN Programme, neither the Issuer nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer or the Group.

Independent Auditors

The independent auditors of the Issuer for the years 2024 – 2015 are EY S.p.A., who are authorised and regulated by the Italian Ministry of Economy and Finance (**MEF**) and registered on the special register of auditing firms held by the MEF. The registered office of EY S.p.A. is at Via Meravigli, 12 – 20123 Milan, Italy. EY S.p.A. is a member of ASSIREVI, the Italian association of auditing firms.

The English translations of the reports of the independent auditors on the consolidated financial statements of the Issuer for the years ended 31 December 2022, 2023 and 2024 are incorporated by reference into this Prospectus. The English translations of the review reports of the independent auditors on the interim condensed consolidated financial statements of the Issuer as of and for the six months ended 30 June 2024 and on the interim condensed consolidated as of and for the nine months ended 30 September 2024 are incorporated by reference into this Prospectus.

U.S. tax

The Securities and Coupons will contain the following legend: "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."

Documents Available

For the period of 12 months following the date of this Prospectus, copies of the following documents will, when published, be available for inspection on the Issuer's website (*https://www.prysmian.com/en*):

(i) the by-laws (*statuto*) of the Issuer (with an English translation thereof);

(ii) a copy of the Base Prospectus;

(iii) the documents incorporated by reference into this Prospectus;

(iv) a copy of this Prospectus; and

(v) the Agency Agreement.

This Prospectus and each document incorporated by reference herein shall remain publicly available on the website of the Issuer at *https://www.prysmian.com/en* for at least 10 years after its publication. In addition, copies of this Prospectus and each document incorporated by reference herein are available on the Luxembourg Stock Exchange's website at *www.luxse.com.*

Joint Lead Managers transacting with the Issuer

Certain of the Joint Lead Managers and their affiliates (including their parent companies) have engaged, are currently engaged, and may in the future engage, in lending, advisory and investment banking services, commercial banking (including derivatives contracts, the provision of loan facilities and consultancy services) and other related transactions with, and may perform services to the Issuer and their affiliates (including other members of the Group) in the ordinary course of business.

In addition, in the ordinary course of their business activities, certain of the Joint Lead Managers and their affiliates (including their parent companies) 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 its affiliates or any entity related to the Securities. Any Joint Lead Managers and their affiliates (including their parent companies) that have a lending relationship with the Issuer have routinely granted significant financing to the Issuer, including its parent and group companies, and could hedge their credit exposure to the Issuer consistent with their customary risk-management policies. Typically, any such Joint Lead Managers and their affiliates (including their parent companies) 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 the Issuer's securities, including potentially the Securities offered hereby. Any such short positions could adversely affect future trading prices of the Securities. In particular, certain Joint Lead Managers have granted loans which are included in the main sources of financing of the Prysmian Group (for further information, please refer to paragraph "*Sources of Funding*" of section "*Description of the Group*" of the Base Prospectus prepared for the EMTN Programme, incorporated by reference in this Prospectus). The Joint Lead Managers shall receive certain commissions for the services rendered under the Subscription Agreement. Certain of the Joint Lead Managers and their affiliates (including their parent companies) 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.

Yield

The yield on the Securities from (and including) the Issue Date to (but excluding) the First Reset Date will be 5.375 per cent. per annum. The Yield is calculated at the Issue Date on the basis of the issue price. It is not an indication of future yield.

Website

The website of the Issuer is *https://www.prysmian.com/en*. The information on *https://www.prysmian.com/en* does not form part of this Prospectus, except where that information has been incorporated by reference in this Prospectus.

Any information contained in any other website specified in this Prospectus does not form part of this Prospectus, except where that information has been incorporated by reference into this Prospectus.

Ratings

S&P defines "BB" as follows: An obligation rated "BB" is less vulnerable in the near-term but faces major ongoing uncertainties to adverse business, financial and economic conditions.

The brief explanations on the ratings expected to be assigned by S&P have been extracted from www.spratings.com. The Issuer does not take responsibility for these explanations. The information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by S&P, no facts have been omitted which would render the reproduced information inaccurate or misleading.

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